

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA

JOSS HARRIS, as an aggrieved employee
pursuant to the Private Attorneys General Act
("PAGA"), on behalf of the State of California
and other aggrieved employees,

Plaintiff,

vs.

ISP2, INC., a California corporation; ISP2 SAN
RAMON, INC., a California corporation; ISP2
BAKERSFIELD, INC., a California
corporation; ISP2 BAKERSFIELD
MARKETPLACE, INC., a California
corporation; ISP2 BURBANK, INC., a
California corporation; ISP2 BURLINGAME,
INC.; ISP2 CHINO, INC., a California
corporation; ISP2 DANVILLE INC., a
California corporation; ISP2 DAVIS, INC., a
California corporation; ISP2 DEL MAR, LLC, a
California limited liability company; ISP2
DUBLIN, INC., a California corporation; ISP2
EMERYVILLE, INC., a California corporation;
ISP2 FOUNTAIN VALLEY, INC., a California
corporation; ISP2 FRESNO, INC., a California
corporation; ISP2 FRESNO 2, INC., a California
corporation; ISP2 HAYWARD, INC., a
California corporation; ISP2 HILLSDALE,
INC., a California corporation; ISP2 LONG
BEACH, INC., a California corporation; ISP2
MANHATTAN BEACH, LLC, a California
limited liability company; ISP2 MODESTO,
INC., a California corporation; ISP2
MONTEREY, INC., a California corporation;
ISP2 MOUNTAIN VIEW, INC., a California

Case No.: C21-01157

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT AND RELEASE**

corporation; ISP2 NEWPORT BEACH, INC., a California corporation; ISP2 NORCAL, LLC, a Delaware limited liability company; ISP2 NORTHRIDGE, INC., a California corporation; ISP2 OAKLAND, INC., a California corporation; ISP2 ROCKRIDGE, INC., a California corporation; ISP2 SACRAMENTO, INC., a California corporation; ISP2 SALINAS INC., a California corporation; ISP2 SAN DIEGO, INC., a California corporation; ISP2 SAN JOSE D/T INC., a California corporation; ISP2 SAN LUIS OBISPO, INC., a California corporation; ISP2 SANTA CLARA INC., a California corporation; ISP2 SANTA CRUZ, INC., a California corporation; ISP2 SANTANA ROW, INC., a California corporation; ISP2 SAP, INC., a California corporation; ISP2 SERRAMONTE, INC., a California corporation; ISP2 SF, INC., a California corporation; ISP2 SHATTUCK, INC., a California corporation; ISP2 SKYPORT, INC., a California corporation; ISP2 STOCKTON, INC., a California corporation; ISP2 STONESTOWN, INC., a California corporation; ISP2 SUNNYVALE, INC., a California corporation; ISP2 THE PLANT, INC., a California corporation; ISP2 THE WILLOWS, INC., a California corporation; ISP2 TURLOCK, INC., a California corporation; ISP2 TUSTIN, INC., a California corporation; ISP2 VACAVILLE, INC., a California corporation; ISP2 VALLEJO, INC., a California corporation; ISP2 WALNUT CREEK, INC., a California corporation; ISP2 WESTGATE, INC., a California corporation; and DOES 1 through 10, inclusive,

Defendants.

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Joss Harris (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendant ISP2, Inc. (“Defendant”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Harris v. ISP2, Inc.*, No. C21-01157 (Contra Costa County Superior Court).
2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Class Settlement Amount, or Two Hundred Fifty Eight Thousand Three Hundred Thirty Three Dollars (\$258,333). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Thirty Thousand Dollars (\$30,000), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.
3. “Class Counsel” means Capstone Law APC.
4. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator and to Class Counsel within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s full name; most recent mailing address and telephone number; Social Security number; dates of employment; the

1 respective number of Pay Periods that each Class Member worked during the Class Period; and any
2 other relevant information needed to calculate settlement payments.

3 5. "Class Member(s)" or "Settlement Class" means all persons who were employed by
4 Defendant or its Subsidiaries in non-exempt, hourly positions, at an Ike's Love & Sandwiches restaurant
5 in the State of California at any time during the period from April 9, 2020 until the date of Preliminary
6 Approval.

7 6. "Class Period" means the period from April 9, 2020 until the date of Preliminary
8 Approval.

9 7. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff
10 in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for his
11 general release of claims. Subject to the Court granting final approval of this Settlement Agreement and
12 subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class
13 Representative Enhancement Payment of Ten Thousand Dollars (\$10,000).

14 8. "Class Settlement Amount" means the Class Settlement Amount of Seven Hundred
15 Seventy Five Thousand Dollars (\$775,000), to be paid by Defendant in full satisfaction of all Released
16 Claims arising from the Action, which includes all Individual Settlement Payments, Attorneys' Fees and
17 Costs, the Class Representative Enhancement Payment, the Labor and Workforce Development Agency
18 Payment, and Settlement Administration Costs. This Class Settlement Amount has been agreed to by
19 Plaintiff and Defendant based on the aggregation of the agreed-upon settlement value of individual
20 claims. In no event will Defendant be liable for more than the Class Settlement Amount except as
21 otherwise explicitly set forth herein. There will be no reversion of the Class Settlement Amount to
22 Defendant. Defendant will be separately responsible for any employer payroll taxes required by law,
23 including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Class
24 Settlement Amount.

25 9. "Court" means the Contra Costa County Superior Court.

26 10. "Defendant" means Defendant ISP2, Inc.

27 11. "Effective Date" means the later of: (i) if no timely objections are filed, or are withdrawn
28 prior to Final Approval, then the date of Final Approval; or (ii) if a Class Member files an objection to

the Settlement, the Effective Date shall be the sixty-first (61) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

12. “Final Approval” means the date on which the Court enters an order and judgment granting final approval of the Settlement Agreement.

13. “Individual Settlement Payment” means each Participating Class Member’s respective share of the Net Settlement Amount.

14. “Labor and Workforce Development Agency Payment” means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) in connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”). The Parties have agreed that Forty Thousand Dollars (\$40,000) of the Class Settlement Amount will be allocated to the resolution of Class Members’ claims arising under PAGA. Pursuant to PAGA, Seventy-Five Percent (75%), or Thirty Thousand Dollars (\$30,000), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency, and Twenty-Five Percent (25%), or Ten Thousand Dollars (\$10,000), of the PAGA Settlement Amount will be included in the Net Settlement Amount.

15. “Net Settlement Amount” means the portion of the Class Settlement Amount remaining after deducting the Attorneys’ Fees and Costs, the Class Representative Enhancement Payment, the Labor and Workforce Development Agency Payment, and Settlement Administration Costs. The Net Settlement Amount will be distributed to Participating Class Members. There will be no reversion of the Net Settlement Amount to Defendant.

16. “Notice of Objection” means a Class Member’s valid and timely written objection to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector’s full name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other documents upon which the objection is based; and (iv) a statement whether the objector intends to appear at the final fairness hearing.

1 17. “Notice Packet” means the Notice of Class Action Settlement, substantially in the form
2 attached as Exhibit A.

3 18. “Parties” means Plaintiff and Defendant collectively.

4 19. “Participating Class Members” means all Class Members who do not submit timely and
5 valid Requests for Exclusion.

6 20. “Pay Period(s)” means, consistent with the definition provided by Labor Code section
7 204, the number of pay periods during which each Class Member worked in a non-exempt position
8 during the Class Period.

9 21. “Plaintiff” means Plaintiff Joss Harris.

10 22. “Preliminary Approval” means the date on which the Court enters an order granting
11 preliminary approval of the Settlement Agreement.

12 23. “Released Claims” means all claims, rights, demands, liabilities, and causes of action for
13 damages, penalties, interest and other remedies under California law, reasonably arising from, or related
14 to, the same set of operative facts as those set forth in the Second Amended Complaint during the Class
15 Period, including: (i) all claims for unpaid overtime; (ii) all claims for meal and rest break violations; (iii)
16 all claims for unpaid minimum wages; (iv) all claims for the failure to timely pay wages upon
17 termination based on the preceding claims; (v) all claims for the failure to timely pay wages during
18 employment based on the preceding claims; (vi) all claims for the failure to reimburse for necessary
19 business expenses; (vii) all claims for split shift violations; (viii) all claims for wage statement violations
20 based on the preceding claims; (ix) all claims asserted through California Labor Code §§ 2698, *et seq.*
21 (“PAGA”) and California Business & Professions Code §§ 17200, *et seq.*, based on the preceding
22 claims.

23 24. “Released Parties” means Defendant, its past or present officers, directors, shareholders,
24 employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and
25 reinsurers, and its respective successors and predecessors in interest, Subsidiaries, affiliates, parents and
26 attorneys.

27 25. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a
28 request to be excluded from the Settlement. The Request for Exclusion must: (i) set forth the name,

1 address, telephone number and last four digits of the Social Security Number of the Class Member
2 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
3 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
4 and (v) be faxed or postmarked on or before the Response Deadline.

5 26. "Response Deadline" means the deadline by which Class Members must postmark or
6 fax to the Settlement Administrator Requests for Exclusion, or postmark Notices of Objection to the
7 Settlement Administrator. The Response Deadline will be forty-fifth (45th) calendar days from the initial
8 mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day
9 falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day
10 on which the U.S. Postal Service is open.

11 27. "Settlement Administration Costs" means the costs payable from the Class Settlement
12 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
13 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Class
14 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
15 Settlement Administration Costs will be paid from the Class Settlement Amount, including, if necessary,
16 any such costs in excess of the amount represented by the Settlement Administrator as being the
17 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
18 approximately 1,635 Class Members, the Settlement Administration Costs are currently estimated to be
19 Twenty Thousand Dollars (\$20,000).

20 28. "Settlement Administrator" means CPT Group, Inc., or any other third-party class action
21 settlement administrator agreed to by the Parties and approved by the Court for the purposes of
22 administering this Settlement. The Parties each represent that they do not have any financial interest in
23 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
24 could create a conflict of interest.

25 29. "Subsidiaries" means the following entities, named as defendants by Plaintiff in the
26 Action, of which Defendant is the parent entity of:

- 27
28 a. ISP2 San Ramon, Inc.;
b. ISP2 Bakersfield, Inc.;
c. ISP2 Bakersfield Marketplace, Inc.;

1	d.	ISP2 Burbank, Inc.;
	e.	ISP2 Burlingame, Inc.;
2	f.	ISP2 Chino, Inc.;
	g.	ISP2 Danville Inc.;
3	h.	ISP2 Davis, Inc.;
	i.	ISP2 Del Mar, LLC;
4	j.	ISP2 Dublin, Inc.;
	k.	ISP2 Emeryville, Inc.;
5	l.	ISP2 Fountain Valley, Inc.;
	m.	ISP2 Fresno, Inc.;
6	n.	ISP2 Fresno 2, Inc.;
	o.	ISP2 Hayward, Inc.;
7	p.	ISP2 Hillsdale, Inc.;
	q.	ISP2 Long Beach, Inc.;
8	r.	ISP2 Modesto, Inc.;
	s.	ISP2 Monterey, Inc.;
9	t.	ISP2 Mountain View, Inc.;
	u.	ISP2 Newport Beach, Inc.;
10	v.	ISP2 NorCal, LLC;
	w.	ISP2 Northridge, Inc.;
11	x.	ISP2 Oakland, Inc.;
	y.	ISP2 Rockridge, Inc.;
12	z.	ISP2 Sacramento, Inc.;
	aa.	ISP2 Salinas Inc.;
13	bb.	ISP2 San Diego, Inc.;
	cc.	ISP2 San Jose D/T Inc.;
14	dd.	ISP2 San Luis Obispo, Inc.;
	ee.	ISP2 Santa Clara Inc.;
15	ff.	ISP2 Santa Cruz, Inc.;
	gg.	ISP2 Santana Row, Inc.;
16	hh.	ISP2 Serramonte, Inc.;
	ii.	ISP2 SF, Inc.;
17	jj.	ISP2 Shattuck, Inc.;
	kk.	ISP2 Skyport, Inc.;
18	ll.	ISP2 Stockton, Inc.;
	mm.	ISP2 Stonestown, Inc.;
19	nn.	ISP2 Sunnyvale, Inc.;
	oo.	ISP2 The Plant, Inc.;
20	pp.	ISP2 The Willows, Inc.;
	qq.	ISP2 Turlock, Inc.;
21	rr.	ISP2 Tustin, Inc.;
	ss.	ISP2 Vacaville, Inc.;
22	tt.	ISP2 Vallejo, Inc.;
	uu.	ISP2 Walnut Creek, Inc.;
23	vv.	ISP2 Westgate, Inc.;
	ww.	ISP2 Manhattan Beach, LLC;
24	xx.	ISP2 SAP, Inc.
25		
26		
27		
28		

TERMS OF AGREEMENT

Plaintiff, on behalf of himself and the Settlement Class, and Defendant agree as follows:

30. Second Amended Complaint. As a condition of settlement, Plaintiff will file a Second Amended Complaint ("SAC") to conform the pleadings with the scope of the Released Claims. Defendant will not be required to file an answer or other responsive pleading to the SAC. If, for any reason, the Court does not approve of the Settlement, or if the Settlement does not become final for any reason, then the SAC will be deemed withdrawn and the First Amended Complaint will again become the operative complaint without prejudice to Plaintiff's right to seek leave to file another amended complaint and without prejudice to Defendant's rights to object and/or challenge an amended pleading. Defendant does not impliedly or expressly waive any arguments or defenses to the SAC.

31. Funding of the Class Settlement Amount. Defendant will make a one-time deposit of the Class Settlement Amount of Seven Hundred Seventy Five Thousand Dollars (\$775,000) into a Qualified Settlement Account to be established by the Settlement Administrator. Defendant will pay the employer's share of payroll taxes separately. After the Effective Date, the Class Settlement Amount will be used for: (i) Individual Settlement Payments; (ii) the Labor and Workforce Development Agency Payment; (iii) the Class Representative Enhancement Payment; (iv) Attorneys' Fees and Costs; and (v) Settlement Administration Costs. Defendant will deposit the Class Settlement Amount and the employer's share of payroll taxes within ten (10) calendar days of the Effective Date ("Funding Date"), or by June 1, 2023, whichever is later.

32. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for Attorneys' Fees and Costs of not more than Two Hundred Fifty Eight Thousand Three Hundred Thirty Three Dollars (\$258,333), plus the reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed Thirty Thousand Dollars (\$30,000), both of which will be paid from the Class Settlement Amount.

33. Class Representative Enhancement Payment. In exchange for a general release, and in recognition of his effort and work in prosecuting the Action on behalf of Class Members, Defendant agrees not to oppose or impede any application or motion for a Class Representative Enhancement

1 Payment of Ten Thousand Dollars (\$10,000). The Class Representative Enhancement Payment will be
2 paid from the Class Settlement Amount and will be in addition to Plaintiff's Individual Settlement
3 Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to pay any and
4 all applicable taxes on the Class Representative Enhancement Payment. In the event that the Court
5 reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall
6 not have the right to revoke the Settlement, and it will remain binding.

7 34. Settlement Administration Costs. The Settlement Administrator will be paid for the
8 reasonable costs of administration of the Settlement and distribution of payments from the Class
9 Settlement Amount, which is currently estimated to be Twenty Thousand Dollars (\$20,000). These
10 costs, which will be paid from the Class Settlement Amount, will include, *inter alia*, the required tax
11 reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing
12 Notice Packets, calculating and distributing the Class Settlement Amount, and providing necessary
13 reports and declarations.

14 35. Labor and Workforce Development Agency Payment. Subject to Court approval, the
15 Parties agree that the amount of Forty Thousand Dollars (\$40,000) from the Class Settlement Amount
16 will be designated for satisfaction of Plaintiff's and Class Members' PAGA claims. Pursuant to PAGA,
17 Seventy-Five Percent (75%), or Thirty Thousand Dollars (\$30,000), of this sum will be paid to the
18 LWDA and Twenty-Five Percent (25%), or Ten Thousand Dollars (\$10,000), will become part of the
19 Net Settlement Amount.

20 36. Net Settlement Amount. The entire Net Settlement Amount will be distributed to
21 Participating Class Members. No portion of the Net Settlement Amount will revert to or be retained by
22 Defendant.

23 37. Individual Settlement Payment Calculations. Individual Settlement Payments will be
24 calculated and apportioned from the Net Settlement Amount based on the number of Pay Periods a Class
25 Member worked during the Class Period. Specific calculations of Individual Settlement Payments will
26 be made as follows:

- 27 37(a) Defendant will calculate the total number of Pay Periods worked by each
28 Class Member during the Class Period and the aggregate total number of

1 Pay Periods worked by all Class Members during the Class Period.

2 37(b) To determine each Class Member's estimated "Individual Settlement
3 Payment," the Settlement Administrator will use the following formula: The
4 Net Settlement Amount will be divided by the aggregate total number of
5 Pay Periods, resulting in the "Pay Period Value." Each Class Member's
6 "Individual Settlement Payment" will be calculated by multiplying each
7 individual Class Member's total number of Pay Periods by the Pay Period
8 Value.

9 37(c) The Individual Settlement Payment will be reduced by any required
10 deductions for each Participating Class Member as specifically set forth
11 herein, including employee-side tax withholdings or deductions.

12 37(d) The entire Net Settlement Amount will be disbursed to all Class Members
13 who do not submit timely and valid Requests for Exclusion. If there are any
14 valid and timely Requests for Exclusion, the Settlement Administrator shall
15 proportionately increase the Individual Settlement Payment for each
16 Participating Class Member according to the number of Pay Periods
17 worked, so that the amount actually distributed to the Settlement Class
18 equals 100% of the Net Settlement Amount.

19 38. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
20 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
21 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any
22 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
23 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.
24 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,
25 or amounts to which any Class Members may be entitled under any benefit plans.

26 39. Administration Process. The Parties agree to cooperate in the administration of the
27 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
28 administration of the Settlement.

1 40. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval,
2 Defendant will provide the Class List to the Settlement Administrator and to Class Counsel.

3 41. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
4 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via
5 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class
6 List.

7 42. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
8 Administrator will perform a search based on the National Change of Address Database for information
9 to update and correct for any known or identifiable address changes. Any Notice Packets returned to the
10 Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly
11 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
12 Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is
13 provided, the Settlement Administrator will promptly attempt to determine the correct address using a
14 skip-trace, or other search using the name, address and/or Social Security number of the Class Member
15 involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed
16 Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar
17 days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an
18 objection to the Settlement.

19 43. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
20 will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's
21 principal terms; (iii) the Settlement Class definition; (iv) the total number of Pay Periods each respective
22 Class Member worked for Defendant during the Class Period; (v) each Class Member's estimated
23 Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the
24 dates which comprise the Class Period; (vii) instructions on how to submit Requests for Exclusion or
25 Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax Request for
26 Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be released.

27 44. Disputed Information on Notice Packets. Class Members will have an opportunity to
28 dispute the information provided in their Notice Packets. To the extent Class Members dispute their

1 employment dates or the number of Pay Periods on record, Class Members may produce evidence to the
2 Settlement Administrator showing that such information is inaccurate. The Settlement Administrator will
3 decide the dispute. Defendant's records will be presumed correct, but the Settlement Administrator will
4 evaluate the evidence submitted by the Class Member and will make the final decision as to the merits of
5 the dispute. All disputes will be decided within ten (10) business days of the Response Deadline.

6 45. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
7 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
8 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
9 receiving the defective submission to advise the Class Member that his or her submission is defective
10 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
11 until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter,
12 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
13 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

14 46. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
15 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
16 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
17 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
18 for Exclusion has been timely submitted. No later than fourteen (14) calendar days after the Response
19 Deadline, the Settlement Administrator shall provide counsel for the Parties with a final list of the Class
20 Members who have timely submitted written requests for exclusion.

21 47. Escalator. If the number of Class Members covered by this Settlement is greater than
22 One Thousand Seven Hundred Ninety-Nine (1,799), then Defendant will have the option to either (i)
23 proportionally increase the Gross Settlement Amount according to the following formula: Proportionally
24 Increased Gross Settlement Amount = Total Number of Class Members ÷ 1,635 × \$775,000; or (ii)
25 shorten the Class Period such that the threshold is not exceeded – i.e. there are no greater than 1,799
26 Class Members.

27 48. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
28 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid

1 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released
2 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
3 Settlement.

4 49. Releases by Participating Class Members. Upon the Funding Date, and except as to such
5 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
6 together and individually, on their behalf and on behalf of their respective heirs, executors,
7 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
8 Parties, or any of them, from each of the Released Claims arising during the Class Period.

9 50. Objection Procedures. To object to the Settlement Agreement, a Class Member may
10 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
11 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by
12 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be
13 deemed to have waived all objections to the Settlement and will be foreclosed from making any
14 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the
15 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
16 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class
17 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a
18 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for
19 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the
20 Class Member shall not participate in or be bound by the Settlement.

21 51. Certification Reports Regarding Individual Settlement Payment Calculations. The
22 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
23 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
24 the Settlement, and whether any Class Member has submitted a challenge to any information contained
25 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties
26 any updated reports regarding the administration of the Settlement Agreement as needed or requested.

27 52. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
28 of the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class

Members; (ii) the Labor and Workforce Development Agency; (iii) Plaintiff; and (iv) Class Counsel.

The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

53. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered to Worksafe.

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

55. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (i) Twenty-Five Percent (25%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (ii) Seventy-Five (75%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

56. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

57. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendant or by the Settlement Administrator in this regard.

58. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR

1 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
2 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
3 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
4 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
5 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
6 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
7 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
8 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
9 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
10 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
11 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
12 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
13 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
14 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
15 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
16 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
17 AGREEMENT.

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

22 60. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
23 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
24 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
25 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
26 likewise be treated as void from the beginning.

27 61. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request
28 the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order

for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii) preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval, subject to reasonable approval by Defendant. Plaintiff shall provide a draft of the Preliminary Approval motion to Defendant's Counsel at least three (3) court days prior to filing, for purposes of receiving any feedback or comments. Provided the noticed motion is consistent with the terms of this Settlement Agreement, the motion will be unopposed and Plaintiff shall state that in his motion.

62. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii) the Class Representative Enhancement Payment; (iii) Individual Settlement Payments; (iv) the Labor and Workforce Development Agency Payment; (v) all Settlement Administration Costs. The final fairness hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing, subject to reasonable approval by Defendant. Plaintiff shall provide a draft of the Final Approval motion to Defendant's Counsel at least three (3) court days prior to filing, for purposes of receiving any feedback or comments. Provided the noticed motion is consistent with the terms of this Settlement Agreement, the motion will be unopposed and Plaintiff shall state that in his motion.

63. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement

1 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or
2 as set forth in this Settlement Agreement.

3 64. Release by Plaintiff. Upon the Funding Date, in addition to the claims being released by
4 all Participating Class Members, Plaintiff will release and forever discharge the Released Parties, to the
5 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
6 asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of this
7 Settlement Agreement, including, but not limited to, any and all tort claims, contract claims, wage
8 claims, wrongful termination claims, disability claims, benefit claims, public policy claims, retaliation
9 claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims,
10 defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any
11 federal, state or other governmental statute, law, regulation or ordinance, including, but not limited to
12 claims for violation of the Fair Labor Standards Act, the California Labor Code, the Wage Orders of
13 California's Industrial Welfare Commission, other state wage and hour laws, the Americans with
14 Disabilities Act, the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of
15 1964, the California Fair Employment and Housing Act, the California Family Rights Act, the Family
16 Medical Leave Act, California's Whistleblower Protection Act, California Business & Professions Code
17 Section 17200 et seq., and any and all claims arising under any federal, state or other governmental
18 statute, law, regulation or ordinance. To the extent the foregoing release is a release to which Section
19 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiff
20 expressly waives any and all rights and benefits conferred upon him by the provisions of Section 1542 of
21 the California Civil Code or similar provisions of applicable law which are as follows:

22 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
23 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
24 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
25 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
26 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
27 PARTY.

28 65. Defendant's Option to Terminate Settlement. Defendant has the unilateral right to

1 revoke the Settlement and Defendant shall have, in its sole discretion, the option to terminate this
2 Settlement Agreement if, after the Response Deadline, the number of Class Members who submitted
3 timely and valid written requests for exclusion from the Settlement is at least five percent (5%) of all
4 Class Members. If Defendant exercises the option to terminate this Settlement Agreement, Defendant
5 shall: (a) provide written notice to Class Counsel within seven (7) calendar days after the Settlement
6 Administrator provides final confirmation of the number of Class Members who submitted timely and
7 valid written requests for exclusion, (b) pay all Settlement Administration Costs incurred up to the date
8 or as a result of the termination; and (c) the Parties shall proceed in all respects as if this Agreement had
9 not been executed.

10 66. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
11 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
12 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

13 67. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
14 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
15 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
16 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
17 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
18 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
19 contradict the terms of this Settlement Agreement.

20 68. Amendment or Modification. No amendment, change, or modification to this Settlement
21 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

22 69. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
23 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
24 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
25 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
26 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
27 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
28 reach agreement on the form or content of any document needed to implement the Settlement, or on any

1 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
2 may seek the assistance of the Court to resolve such disagreement.

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

5 71. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
6 will be governed by and interpreted according to the laws of the State of California.

7 72. Execution and Counterparts. This Settlement Agreement is subject only to the execution
8 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
9 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
10 copies of the signature page, will be deemed to be one and the same instrument.

11 73. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
12 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
13 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
14 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
15 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
16 fairness and reasonableness of this Settlement.

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

21 75. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
22 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
23 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
24 and either party may appeal any court order that materially alters the Settlement Agreement's terms..

25 76. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
26 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
27 approved, the stipulation to certification will be void. The Parties further agree that certification for
28 purposes of the Settlement is not an admission that class action certification is proper under the standards

1 applied to contested certification motions and that this Settlement Agreement will not be admissible in
2 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant
3 is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

4 77. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
5 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
6 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
7 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
8 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
9 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
10 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
11 of the negotiations connected with it, will be construed as an admission or concession by Defendant of
12 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
13 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
14 offered or received as evidence in any action or proceeding to establish any liability or admission on the
15 part of Defendant or to establish the existence of any condition constituting a violation of, or a non-
16 compliance with, federal, state, local or other applicable law.

17 78. No Public Comment: The Parties and their counsel agree that they will not issue any
18 press releases, initiate any contact with the press, respond to any press inquiry, or have any
19 communication with the press about the fact, amount or terms of the Settlement. Class Counsel will not
20 include, reference or use the Settlement Agreement for any marketing or promotional purposes,
21 including publishing such information on any website or social media forum (including through
22 organizations that publicize verdicts and settlements and on websites operated by or for Class Counsel).
23 Nothing herein will restrict Class Counsel from including publicly available information regarding this
24 settlement in future judicial submissions regarding Class Counsel's qualifications and experience.

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

28 80. Enforcement Actions. In the event that one or more of the Parties institutes any legal

1 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
2 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
3 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
4 expert witness fees incurred in connection with any enforcement actions.

5 81. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
6 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
7 more strictly against one party than another merely by virtue of the fact that it may have been prepared
8 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
9 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

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

14 83. All Terms Subject to Final Court Approval. All amounts and procedures described in
15 this Settlement Agreement herein will be subject to final Court approval.

16 84. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
17 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
18 Settlement Agreement.

19 85. Binding Agreement. The Parties warrant that they understand and have full authority to
20 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
21 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in
22 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
23 otherwise might apply under federal or state law.

24
25
26 **THIS SECTION LEFT BLANK**
27
28

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 1/3/2023

Joss Harris

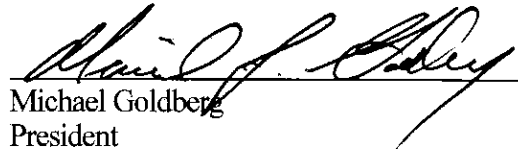
DocuSigned by:

Joss Harris

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DEFENDANT

Dated: December 27, 2022


Michael Goldberg
President
ISP2, INC.

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: January 3, 2023

By:


Raul Perez
Attorneys for Plaintiff Joss Harris

DAVIS WRIGHT TREMAINE LLP

Dated: December 27, 2022

By:

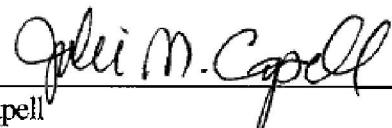

Julie Capell
Attorneys for Defendant ISP2, Inc.

Exhibit A

Harris v. ISP2, Inc., No. C21-01157
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF CONTRA COSTA
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who were employed by Defendant ISP2, Inc. (“Defendant”) or its Subsidiaries¹ in non-exempt, hourly positions, at an Ike’s Love & Sandwiches restaurant in the State of California at any time during the period from April 9, 2020 to [Preliminary Approval Date] (“Class Members”).

Introduction

On _____, the Honorable Charles S. Treat of the Contra Costa County Superior Court (the “Court”) granted preliminary approval of a proposed class action settlement (the “Settlement”) of the above-captioned action pending in the Court (the “Action”), and ordered the Parties (Defendant and Plaintiff Joss Harris) to notify all Class Members of the Settlement. **You have received this notice because Defendant’s records indicate that you are a Class Member, as defined above, and therefore you may be eligible to participate in this Settlement. As a Class Member, you may be entitled to money from the Settlement, you will be mailed a check for your share of the settlement fund, and the Settlement will affect your legal rights, unless you “opt out.”** The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at ____:00 ____m. on _____, 2023 in Department 12 of the Contra Costa County Superior Court located at 725 Court Street, Martinez, California 94533, at which time the Court will decide whether to grant final approval of the Settlement. **You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing.** Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

The purpose of this Notice is to: (1) describe the Action, (2) inform you of the terms of the Settlement, and (3) inform you of your rights and options in connection with the Settlement. Class Members are encouraged to carefully read this Notice and understand their rights.

Defendant will not retaliate against, or view in disfavor, any employee who participates in this Settlement. Defendant has agreed to pay the full amount of the Settlement even if some of the employees opt out. Accordingly, Defendant will not pay less if you opt out.

Summary of the Litigation

Plaintiff Joss Harris, on his behalf and on behalf of other Class Members, contends that Defendant did not, among other things: (1) pay minimum and overtime wages under California law to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) reimburse employees for necessary business expenses; (4) appropriately compensate employees for split shifts; (5) timely pay all wages owed to employees during each pay period and upon termination of their employment; and (6) provide employees with accurate, itemized wage statements. Plaintiff also seeks penalties under the California Private Attorney General Act (“PAGA”). Defendant denies these allegations and denies

¹ ISP2 San Ramon, Inc.; ISP2 Bakersfield, Inc.; ISP2 Bakersfield Marketplace, Inc.; ISP2 Burbank, Inc.; ISP2 Burlingame, Inc.; ISP2 Chino, Inc.; ISP2 Danville Inc.; ISP2 Davis, Inc.; ISP2 Del Mar, LLC; ISP2 Dublin, Inc.; ISP2 Emeryville, Inc.; ISP2 Fountain Valley, Inc.; ISP2 Fresno, Inc.; ISP2 Fresno 2, Inc.; ISP2 Hayward, Inc.; ISP2 Hillsdale, Inc.; ISP2 Long Beach, Inc.; ISP2 Modesto, Inc.; ISP2 Monterey, Inc.; ISP2 Mountain View, Inc.; ISP2 Newport Beach, Inc.; ISP2 NorCal, LLC; ISP2 Northridge, Inc.; ISP2 Oakland, Inc.; ISP2 Rockridge, Inc.; ISP2 Sacramento, Inc.; ISP2 Salinas Inc.; ISP2 San Diego, Inc.; ISP2 San Jose D/T Inc.; ISP2 San Luis Obispo, Inc.; ISP2 Santa Clara Inc.; ISP2 Santa Cruz, Inc.; ISP2 Santana Row, Inc.; ISP2 Serramonte, Inc.; ISP2 SF, Inc.; ISP2 Shattuck, Inc.; ISP2 Skyport, Inc.; ISP2 Stockton, Inc.; ISP2 Stonestown, Inc.; ISP2 Sunnyvale, Inc.; ISP2 The Plant, Inc.; ISP2 The Willows, Inc.; ISP2 Turlock, Inc.; ISP2 Tustin, Inc.; ISP2 Vacaville, Inc.; ISP2 Vallejo, Inc.; ISP2 Walnut Creek, Inc.; ISP2 Westgate, Inc.; ISP2 Manhattan Beach, LLC; and ISP2 SAP, Inc.

any liability or wrongdoing of any kind associated with these allegations. **The Court has not ruled on the merits of Plaintiff's claims.**

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny, the factual and legal allegations in the case and believes that it has valid defenses to Plaintiff's claims. By agreeing to settle, Defendant is not admitting any wrongdoing or that the case can or should proceed as a class action, and continues to dispute that any of Plaintiff's allegations have any merit or factual support. Defendant has agreed to settle the case as part of a compromise with Plaintiff to avoid the legal expense of litigation.

The Court granted preliminary approval of the Settlement on [REDACTED]. At that time, the Court also preliminarily approved Plaintiff to serve as Class Representative, and the law firm of Capstone Law APC to serve as Class Counsel. The Court also approved CPT Group, Inc. as the Settlement Administrator. The address of CPT Group, Inc. is: [REDACTED].

Summary of The Proposed Settlement Terms

Plaintiff and Defendant have agreed to settle the underlying class claims in exchange for a Class Settlement Amount of \$775,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$10,000 to Joss Harris for his services on behalf of the class, and for a release of all claims arising out of his employment with Defendant; (3) \$258,333 in attorneys' fees and up to \$30,000 in litigation costs and expenses; (4) a \$40,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$30,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$10,000 payment to all Class Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$20,000. After deducting the above payments, a total of approximately \$ _ will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Amount").

Payments from Net Settlement Amount. Defendant will calculate the total number of Pay Periods worked by each Class Member from April 9, 2020 to [the date of Preliminary Approval] ("Class Period") and the aggregate total number of Pay Periods worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Amount, the Settlement Administrator will use the following formula: The Net Settlement Amount will be divided by the aggregate total number of Pay Periods, resulting in the "Pay Period Value." Each Class Member's share of the Net Settlement Amount will be calculated by multiplying each individual Class Member's total number of Pay Periods by the Pay Period Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Amount according to the number of Pay Periods worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Amount.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of ____ Pay Periods. Accordingly, your estimated payment from the Net Settlement Amount is approximately \$ ____.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

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If you believe the Pay Period information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator

c/o _____

Fax No. _____

If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

If you do not opt out in a timely manner, you will be bound by the following release:

Class Members, including Plaintiff, release Defendant, its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, Subsidiaries, affiliates, parents and attorneys (the "Released Parties") from the "Released Claims" which are limited to the Class Period and defined as: All claims, rights, demands, liabilities, and causes of action for damages, penalties, interest and other remedies under California law, reasonably arising from, or related to, the same set of operative facts as those set forth in the operative complaint during the Class Period, including: (i) all claims for unpaid overtime; (ii) all claims for meal and rest break violations; (iii) all claims for unpaid minimum wages; (iv) all claims for the failure to timely pay wages upon termination based on the preceding claims; (v) all claims for the failure to timely pay wages during employment based on the preceding claims; (vi) all claims for the failure to reimburse for necessary business expenses; (vii) all claims for split shift violations; (viii) all claims for wage statement violations based on the preceding claims; (ix) all claims asserted through California Labor Code §§ 2698, et seq. ("PAGA") and California Business & Professions Code §§ 17200, et seq., based on the preceding claims.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

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Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

The Request for Exclusion must be postmarked or faxed not later than _____, 2023. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2023, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Amount.
- Not release the Released Claims.

Defendant in its discretion may withdraw from this Settlement if more than 5% of the Class Members opt out of the Settlement.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2023. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Contra Costa and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez

Capstone Law APC

1875 Century Park E., Suite 1000

Los Angeles, CA 90067

Phone: **Number**

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

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PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT'S ATTORNEYS
WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

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