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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO

BLANCA ROMERO RAMIREZ, individually,
and on behalf of other members of the general
public similarly situated,

Plaintiff,

vs.

YIN MANAGEMENT, INC., a California
corporation; LIU-YIN PARTNERS, LP, a
California limited partnership; YIN FAMILY
LIMITED PARTNERSHIP - REAL ESTATE,
L.P., a California limited partnership; YIN-LIN
FAMILY LIMITED PARTNERSHIP, a
California limited partnership; and DOES 1
through 10, inclusive,

Defendants.

Case No.: 34-2021-00301530-CU-OE-GDS

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

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

2 This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement
3 Agreement”) is made and entered into by and between Plaintiffs Blanca Romero Ramirez and Cristina
4 Contreras (“Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly
5 situated, and Defendant Yin Management, Inc. (“Defendant”) (collectively with Plaintiffs, the “Parties”).

6 **DEFINITIONS**

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

9 1. “Actions” means the actions entitled *Ramirez v. Yin Management, Inc.*, No. 34-2021-
10 00301530-CU-OE-GDS (pending in Sacramento County Superior Court) and *Contreras v. Yin*
11 *Management, Inc.*, No. CV2021-0581 (currently pending in Yolo County Superior Court). The Parties
12 agree that prior to Plaintiffs’ Motion for Preliminary Approval, the Parties will take all steps necessary to
13 consolidate the Actions for purposes of seeking approval of the settlement.

14 2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and
15 approved by the Court for Class Counsel’s litigation and resolution of the Actions, and all out-of-pocket
16 costs incurred and to be incurred by Class Counsel in the Actions, including but not limited to
17 expert/consultant fees, investigation costs, and costs associated with documenting the Settlement,
18 providing any notices required as part of the Settlement or Court order, securing the Court’s approval of
19 the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Actions.
20 Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement
21 Amount, or Six Hundred Thousand Dollars (\$600,000). The Attorneys Fees’ in this Action shall be
22 divided 50% to Capstone Law APC and 50% to Winston Law Group, P.C. The attorneys’ fees being
23 sought in this action have not and will not be increased solely by reason of the division of fees. The
24 Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and
25 expenses associated with Class Counsel’s litigation and settlement of the Actions, up to Twenty-Five
26 Thousand Dollars (\$25,000), subject to the Court’s approval. Defendant has agreed not to oppose Class
27 Counsel’s request for fees and reimbursement of costs as set forth above.

28 3. “Class Counsel” means Capstone Law APC and Winston Law Group, P.C.

1 4. “Class List” means a complete list of all Class Members that Defendant will diligently
2 and in good faith compile from its records and provide to the Settlement Administrator and Class
3 Counsel within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List
4 will be formatted in Microsoft Office Excel and will include each Class Member’s full name; most
5 recent mailing address and telephone number (if available); Social Security number; dates of
6 employment; and the respective number of Pay Periods that each Class Member worked during the
7 Class Period and PAGA Period. The Class List will be treated as confidential, disclosed only to the
8 Settlement Administrator, and used for Settlement purposes only.

9 5. “Class Member(s)” or “Settlement Class” means all persons employed by Defenant in
10 the State of California as non-exempt hourly employees at any time during the Class Period.

11 6. “Class Period” means the period from January 29, 2017 to the earlier of March 1, 2022,
12 or the date of Preliminary Approval.

13 7. “Class Representative Enhancement Payments” means the amounts to be paid to
14 Plaintiffs in recognition of their effort and work in prosecuting the Actions on behalf of Class Members,
15 and for their general release of claim, including a Civil Code § 1542 waiver. Subject to the Court
16 granting final approval of this Settlement Agreement and subject to the exhaustion of any and all
17 appeals, Plaintiffs will request Court approval of Class Representative Enhancement Payments of Ten
18 Thousand Dollars (\$10,000), each.

19 8. “Court” means the Sacramento County Superior Court.

20 9. “Defendant” means Defendant Yin Management, Inc.

21 10. “Effective Date” means the date by which the Judgment approving the Settlement
22 Agreement becomes Final.

23 11. “Final” means the date by which the Court’s order granting Final Approval of this Joint
24 Stipulation and Judgment becomes final. The Judgment becomes final upon the following events: (a)
25 upon the Court issuing an order granting Final Approval of this Joint Stipulation and entering Judgment
26 thereon; and (b) the later of the following events:: (i) the day immediately after the last day by which a
27 notice of appeal of Judgment may be timely filed with the California Court of Appeal (i.e., the sixty-first
28 (61st) calendar day following entry of Judgment), and no such appeal being filed; (ii) if an appeal is filed

1 and is finally disposed of by ruling, dismissal, denial, or otherwise, the day after the last date for filing a
2 request for further review of the Court of Appeal's decision passes and no further review is requested;
3 (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the
4 Court of Appeal, and further review of the Court of Appeal's decision is requested, the day after the
5 request for review is denied with prejudice and/or no further review of the order can be requested; or (iv)
6 if review is accepted, the day the Supreme Court of the State of California affirms the Settlement.

7 12. "Final Approval" means the date on which the Court enters an order granting final
8 approval of the Settlement Agreement.

9 13. "Gross Settlement Amount" means the Gross Settlement Amount of One Million Eight
10 Hundred Thousand Dollars (\$1,800,000), to be paid by Defendant in full satisfaction of all Released
11 Class Claims and Released PAGA Claims, which includes the Net Settlement Fund, Attorneys' Fees and
12 Costs, the Class Representative Enhancement Payments, the PAGA Settlement Amount, and Settlement
13 Administration Costs. This Gross Settlement Amount has been agreed to by Plaintiffs and Defendant
14 based on the aggregation of the agreed-upon settlement value of individual claims. In no event will
15 Defendant be liable for more than the Gross Settlement Amount except as otherwise explicitly set forth
16 herein. There will be no reversion of the Gross Settlement Amount to Defendant. Defendant will be
17 separately responsible for any employer payroll taxes required by law, including the employer FICA,
18 FUTA, and SDI contributions, which shall not be paid from the Gross Settlement Amount.

19 14. "Individual Class Settlement Payment" means each Participating Class Member's
20 respective shares of the Net Settlement Fund.

21 15. "Individual PAGA Settlement Payment" means each PAGA Member's respective share
22 of the PAGA Settlement Amount.

23 16. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
24 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payments, the
25 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
26 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
27 Defendant.

28 17. "Notice of Objection" means a Class Member's valid and timely written objection to the

1 Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector's full
2 name, signature, and address (for correspondence and identity verification purposes) , (ii) a written
3 statement of any grounds for the objection they wish to be considered accompanied by any legal support
4 for such objection; (iii) copies of any papers, briefs, or other documents upon which the objection is
5 based. Class Members need not include legal arguments for their written objections to be considered. If
6 an objector also wishes to appear at the Final Approval and Fairness Hearing, in person or through an
7 attorney, he or she need not file a notice of intention to appear at the same time as the objection is filed.
8 Any Class Member who does not submit a timely written objection to the Settlement, or who fails to
9 otherwise comply with the specific and technical requirements of this section, will be foreclosed from
10 objecting to the Settlement and seeking any adjudication or review of the Settlement, by appeal or
11 otherwise.

12 18. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
13 attached as Exhibit A.

14 19. "PAGA Members" means all persons employed by Defendant in the State of California
15 as hourly and/or non-exempt employees at any time during the PAGA Period.

16 20. "PAGA Period" means the period from March 26, 2020 to the earlier of March 1, 2022,
17 or the date of Preliminary Approval.

18 21. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to
19 the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with
20 Plaintiffs' claims under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
21 *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that One Hundred Thousand Dollars
22 (\$100,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
23 PAGA, Seventy-Five Percent (75%), or Seventy Five Thousand Dollars (\$75,000), of the PAGA
24 Settlement Amount will be paid to the LWDA ("LWDA Payment"), and Twenty-Five Percent (25%), or
25 Twenty-Five Thousand Dollars (\$25,000), of the PAGA Settlement will be disbursed to PAGA
26 Members, regardless whether they request to be excluded from the Settlement Class ("PAGA Fund").

27 22. "Parties" means Plaintiffs and Defendant collectively.

28 23. "Participating Class Members" means all Class Members who do not submit timely and

1 valid Requests for Exclusion.

2 24. “Pay Period” shall refer to and mean pay periods within the meaning of Labor Code
3 section 226.

4 25. “Plaintiffs” mean Plaintiffs Blanca Romero Ramirez and Cristina Contreras.

5 26. “Preliminary Approval” means the date on which the Court enters an order granting
6 preliminary approval of the Settlement Agreement.

7 27. “Released Class Claims” means all claims, rights, demands, liabilities, and causes of
8 action, alleged in the operative Complaints in the Actions, or could reasonably have been alleged based
9 on the same set of operative facts as those set forth in the Complaints, during the Class Period, including:
10 (i) all claims for unpaid overtime; (ii) all claims for unpaid minimum wages; (iii) all claims for meal and
11 rest break violations; (iv) all claims for the failure to timely pay wages upon termination based on the
12 preceding claims; (v) all claims for the failure to timely pay wages during employment based on the
13 preceding claims; (vi) all claims for the failure to reimburse for necessary business expenses; (vii) all
14 claims for wage statement violations based on the preceding claims; and (viii) all claims asserted through
15 California Business & Professions Code §§ 17200, *et seq.*

16 28. “Released PAGA Claims” means all claims, demands, rights, liabilities, penalties, fees,
17 and causes of action under PAGA, including under California Labor Code §§ 558 and/or 2698, *et seq.*,
18 predicated on any Labor Code violations alleged or could have been alleged in the Actions based upon
19 the facts alleged in the Complaints, the March 26, 2021 PAGA Notice submitted on behalf of Plaintiff
20 Blanca Romero Ramirez (LWDA-CM-827092-21), and/or the May 20, 2021 PAGA Notice submitted
21 on behalf of Cristina Contreras (LWDA-CM-832799-21).

22 29. “Released Parties” means Defendant, all of its past or present affiliated entities, parents,
23 subsidiaries, owners, principals, officers, shareholders, executives, representatives, accountants, auditors,
24 attorneys, consultants, managers, employees, including but not limited to Liu-Yin Partners, LP, Yin
25 Family Limited Partnership – Real Estate, L.P, and Yin-Lin Family Limited Partnership.

26 30. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a
27 request to be excluded from the Settlement Class. The Request for Exclusion must: (i) set forth the name,
28 address, and last four digits of the Social Security Number of the Class Member requesting exclusion;

(ii) be signed by the Class Member; (iii) be returned to the Settlement Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement; and (v) be faxed or postmarked on or before the Response Deadline. A Class Member who does not submit a valid Request for Exclusion will be deemed a Participating Class Member and will be bound by all terms of the Settlement Agreement, if the settlement is granted Final Approval by the Court. Any Class Member who submits a Request for Exclusion will still remain bound by the PAGA portion of the Settlement Agreement, including the PAGA Released Claims, to the extent the Class Member also is an Aggrieved Employee.

31. “Response Deadline” means the deadline by which Class Members must postmark or fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

32. “Settlement Administration Costs” means the fees, costs, and expenses as approved by the Court and payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement.

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

TERMS OF AGREEMENT

The Plaintiffs, on behalf of themselves and the Settlement Class, and Defendant agree as follows:

34. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of the Gross Settlement Amount of One Million Eight Hundred Thousand Dollars (\$1,800,000) 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 Gross Settlement Amount will be used for: (i) Net Settlement Fund; (ii) the PAGA Settlement Amount; (iii) the Class Representative Enhancement Payments; (iv) Attorneys' Fees and Costs; and (v) Settlement Administration Costs. Defendant will deposit the Gross Settlement Amount and the employer's share of payroll taxes within ten (10) calendar days after the Effective Date ("Funding Date").

35. 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 Six Hundred Thousand Dollars (\$600,000), plus the reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation and settlement of the Actions (including expert/consultant fees, investigations costs, etc.), not to exceed Twenty-Five Thousand Dollars (\$25,000), both of which will be paid from the Gross Settlement Amount.

36. Class Representative Enhancement Payment. In recognition of their effort and work in prosecuting the Actions on behalf of Class Members, Defendant agrees not to oppose or impede any application or motion by Plaintiffs for Class Representative Enhancement Payments of Ten Thousand Dollars (\$10,000), each. The Class Representative Enhancement Payments will be paid from the Gross Settlement Amount and will be in addition to Plaintiffs' Individual Class Settlement Payment and PAGA Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement Payments.

37. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount, which is currently estimated to be Thirty Thousand Dollars (\$30,000). These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting

1 on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Notice
2 Packets, calculating and distributing the Gross Settlement Amount, and providing necessary reports and
3 declarations.

4 38. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
5 of One Hundred Thousand Dollars (\$100,000) from the Gross Settlement Amount will be designated for
6 satisfaction of the LWDA and Plaintiffs' PAGA claims. Pursuant to PAGA, Seventy-Five Percent
7 (75%), or Seventy Five Thousand Dollars (\$75,000), of this sum will be paid to the LWDA and Twenty-
8 Five Percent (25%), or Twenty-Five Thousand Dollars (\$25,000), will be paid to PAGA Members in
9 proportion to the number of Pay Periods worked during the PAGA Period.

10 39. No Right to Exclusion or Objections by Representative Action Members. Because this
11 settlement resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as
12 Private Attorneys General of, and for, the State of California and the LWDA, no PAGA Member has the
13 right to exclude himself or herself from the Settlement. PAGA Members will be bound by the terms of
14 the Settlement Agreement, upon its approval by the Court, regardless of whether he or she cashes any
15 payment received as a result of this Settlement.

16 40. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
17 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendant.

18 41. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
19 portion of the PAGA Fund will revert to or be retained by Defendant.

20 42. Individual Settlement Payment Calculations. Individual Class Settlement Payments will
21 be calculated and apportioned from the Net Settlement Fund based on the number of Pay Periods a
22 Participating Class Member worked during the Class Period. Individual PAGA Settlement Payments
23 will be calculated and apportioned from the PAGA Fund based on the number of Pay Periods a PAGA
24 Member worked during the PAGA Period. Specific calculations of Individual Settlement Payments will
25 be made as follows:

26 42(a) Individual Class Settlement Payments from the Net Settlement Fund.

27 Defendant will calculate the total number of Pay Periods worked by each
28 Participating Class Member during the Class Period and the aggregate total

1 number of Pay Periods worked by all Participating Class Members during
2 the Class Period. To determine each Participating Class Member's estimated
3 "Individual Settlement Payment" from the Net Settlement Fund, the
4 Settlement Administrator will use the following formula: The Net
5 Settlement Fund will be divided by the aggregate total number of Pay
6 Periods, resulting in the "Pay Period Value." Each Participating Class
7 Member's "Individual Class Settlement Payment" will be calculated by
8 multiplying each individual Participating Class Member's total number of
9 Pay Periods by the Pay Period Value. The Individual Class Settlement
10 Payment will be reduced by any required deductions for each Participating
11 Class Member as specifically set forth herein, including employee-side tax
12 withholdings or deductions. The entire Net Settlement Fund will be
13 disbursed to all Class Members who do not submit timely and valid
14 Requests for Exclusion. If there are any valid and timely Requests for
15 Exclusion, the Settlement Administrator shall proportionately increase the
16 Individual Settlement Payment for each Participating Class Member
17 according to the number of Pay Periods worked, so that the amount actually
18 distributed to the Settlement Class equals 100% of the Net Settlement Fund.

19 42(b) Individual PAGA Settlement Payments from the PAGA Fund. Defendant
20 will calculate the total number of Pay Periods worked by each PAGA
21 Member during the PAGA Period and the aggregate total number of Pay
22 Periods worked by all PAGA Members during the PAGA Period. To
23 determine each PAGA Member's estimated "Individual PAGA Settlement
24 Payment," the Settlement Administrator will use the following formula: The
25 PAGA Fund will be divided by the aggregate total number of Pay Periods,
26 resulting in the "PAGA Pay Period Value." Each PAGA Member's
27 "Individual PAGA Settlement Payment" will be calculated by multiplying
28 each individual PAGA Member's total number of Pay Periods by the

PAGA Pay Period Value. The entire PAGA Fund will be disbursed to all PAGA Members.

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

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

45. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. The Class List will be treated as confidential, disclosed only to the Settlement Administrator, and used for Settlement purposes only.

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

47. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member

involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by skip-trace or by request, will have either (i) an additional fifteen (15) calendar days or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

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

49. Disputed Information on Notice Packets. Class Members and PAGA Members will have an opportunity to dispute the information provided in their Notice Packets. To the extent Class Members and/or PAGA Members dispute their employment dates or the number of Pay Periods on record, Class Members and/or PAGA Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Defendant's records will be presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, and will be decided within ten (10) business days after the Response Deadline.

50. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter,

1 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
2 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

3 51. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
4 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
5 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
6 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
7 for Exclusion has been timely submitted.

8 52. Escalator. This Settlement is based on Defendant's representation that there are
9 approximately 173,000 workweeks at issue as of December 3, 2021. If the number of workweeks is
10 more than 10% higher, or greater than 190,300 Workweeks worked as of the date of December 3, 2021,
11 then Plaintiffs may request a pro rata increase in the Gross Settlement Amount or, if Defendant refuses,
12 Plaintiffs may void the settlement before Final Approval. Concurrent with providing information about
13 the number of Pay Periods worked by Class Members and the Class List following preliminary approval,
14 Defendant shall provide the Settlement Administrator and Plaintiffs with information about the number
15 of workweeks at issue as of December 3, 2021.

16 53. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
17 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
18 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class
19 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
20 Settlement.

21 54. Releases by Participating Class Members. Upon the Effective Date, and except as to
22 such rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
23 together and individually, on their behalf and on behalf of their respective heirs, executors,
24 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
25 Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

26 55. Releases by PAGA Members. Upon the Effective Date, and except as to such rights or
27 claims as may be created by this Settlement Agreement, each PAGA Member, together and individually,
28 on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys,

1 shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the
2 Released PAGA Claims during the PAGA Period.

3 56. Release of Claims by Plaintiffs. In addition to the Class Released Claims applicable to
4 the Participating Class Members and the PAGA Released Claims applicable to PAGA Members, and in
5 consideration for the Enhancement Payment, Plaintiffs release the Released Parties from all claims,
6 demands, rights, liabilities and causes of action of every nature and description whatsoever, known or
7 unknown, asserted or that might have been asserted, whether in tort, contract, or violation of any local,
8 state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or
9 omission by or on the part of any of the Released Parties committed or omitted through the Effective
10 Date. This release is intended to have the broadest possible application but excludes the Fair
11 Employment and Housing Act claims alleged by Plaintiff Contreras in her Complaint of Discrimination
12 filed with the Department of Fair Employment and Housing in *Contreras/Yin Management Inc.*, Case
13 No. 202104-13359226, claims for workers' compensation benefits, claims for unemployment benefits,
14 and any current and/or future claims that are unwaivable as a matter of law. Nothing in this Agreement is
15 intended to or shall be interpreted: (i) to restrict or otherwise interfere with Plaintiffs' obligation to testify
16 truthfully in any forum; or (ii) to restrict or otherwise interfere with Plaintiffs' right and/or obligation to
17 contact, cooperate with, provide information to, or participate in any investigation conducted by, any
18 government agency or commission. Plaintiffs' release as set forth herein includes a waiver of all rights
19 under California Civil Code section 1542, which includes a release of all known and unknown claims
20 against the Released Parties that have been alleged or could have been alleged arising out of the facts,
21 circumstances, causes of action, and primary rights alleged in the Action. Civil Code section 1542
22 provides:

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

28 Upon the Effective Date, Plaintiffs will be deemed to have expressly waived their rights under

Civil Code section 1542, as set forth above. Plaintiffs' execution of this Settlement Agreement will be deemed a consent by Plaintiffs to this general release of claims and Section 1542 waiver.

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

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

59. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days of the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class Members and PAGA Members; (ii) the LWDA; (iii) Plaintiffs; and (iv) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

60. 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 in equal shares to

1 the following cy pres beneficiaries: (i) The 100 Club of Solano and Yolo Counties, (ii) Leaven Kids –
2 Solano County; (iii) Salvation Army Kroc Center – Suisun City, and (iv) Opportunity House – Vacaville
3 (collectively, “Cy Pres Beneficiaries”). In connection with Plaintiffs’ Motion for Preliminary Approval
4 of the Class Action Settlement, the Parties and their counsel will each file declarations confirming that
5 they not have a connection to, or a relationship with, the Cy Pres Beneficiaries that could reasonably
6 create the appearance of impropriety as between the selection of Cy Pres Beneficiaries as the recipients
7 of the unclaimed residuals and the interests of the Settlement Class. If, for whatever reason, the Court
8 does not approve of any or all of the foregoing Cy Pres Beneficiaries, the Parties may propose alternative
9 cy pres recipients for the Court to consider and approve.

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

13 62. Treatment of Individual Class Settlement Payments. All Individual Class Settlement
14 Payments will be allocated as follows: (i) Twenty Percent (20%) of each Individual Class Settlement
15 Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (ii) Eighty Percent
16 (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

17 63. Treatment of Individual PAGA Settlement Payments. All Individual PAGA Settlement
18 Payments shall be allocated as One Hundred Percent (100%) non-wage penalties, for which IRS Forms
19 1099-MISC will be issued.

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

25 65. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
26 of the payments called for hereunder, and Plaintiffs, Participating Class Members, and PAGA Members
27 are not relying on any statement, representation, or calculation by Defendant or by the Settlement
28 Administrator in this regard. Plaintiffs, Participating Class Members, and PAGA Members understand

1 and agree that, except for the payment of the employer's share of the payroll taxes, Plaintiffs,
2 Participating Class Members, and PAGA Members will be solely responsible for correctly
3 characterizing any compensation received under the Settlement on his/her personal income tax returns
4 and paying any and all taxes due for any and all amounts paid to them under the Settlement.

5 66. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
6 OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
7 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
8 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
9 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
10 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
11 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
12 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
13 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
14 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
15 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
16 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
17 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
18 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
19 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
20 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
21 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
22 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
23 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER
24 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
25 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
26 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
27 AGREEMENT.

28 67. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant

1 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
2 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
3 action or right herein released and discharged.

4 68. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
5 approve the Settlement as provided herein; (ii) the appropriate appellate court fails to approve the
6 Settlement; or (iii) the Settlement does not become final for any other reason: (1) the Settlement
7 Agreement shall have no force and effect and the Parties shall be restored to their respective positions
8 prior to entering into it, and no Party shall be bound by any of the terms of the Settlement Agreement; (2)
9 Defendant shall have no obligation to make any payments to the Settlement Class and PAGA Members,
10 Plaintiffs or Class Counsel; (3) any preliminary approval order, final approval order or judgment, shall be
11 vacated; and (4) the Settlement Agreement and all negotiations, statements, proceedings and data relating
12 thereto shall be deemed confidential mediation settlement communications and not subject to disclosure
13 for any purpose in any proceeding.

14 69. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
15 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval
16 Order for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii)
17 preliminary approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness
18 hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to all Class
19 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will
20 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
21 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for
22 drafting all documents necessary to obtain preliminary approval, and will provide a draft to Defendant's
23 counsel for their review at least five (5) business days before the filing deadline. The Parties will work in
24 good faith to consider and implement any proposed revisions to Plaintiffs' Motion for Preliminary
25 Approval. In accordance with Labor Code section 2699(1)(2), Class Counsel shall submit a copy of this
26 proposed Settlement to the LWDA on the same date on which Plaintiffs file the Motion for Preliminary
27 Approval.

28 70. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the

1 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
2 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
3 Settlement Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii)
4 the Class Representative Enhancement Payments; (iii) Net Settlement Fund; (iv) the PAGA Settlement
5 Amount; (v) all Settlement Administration Costs. The final fairness hearing will not be held earlier than
6 thirty (30) calendar days after the Response Deadline. Class Counsel will be responsible for drafting all
7 documents necessary to obtain final approval and will provide a draft to Defendant's counsel for their
8 review at least five (5) business days before the filing deadline. The Parties will work in good faith to
9 consider and implement any proposed revisions to Plaintiffs' Motion for Final Approval. Class Counsel
10 will also be responsible for drafting the attorneys' fees and costs application to be heard at the final
11 approval hearing.

12 71. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
13 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
14 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
15 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
16 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or
17 as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement
18 Administrator's website.

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

22 73. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the
23 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
24 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
25 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
26 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
27 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
28 contradict the terms of this Settlement Agreement.

1 74. Amendment or Modification. No amendment, change, or modification to this Settlement
2 Agreement will be valid unless in writing and signed, either by the Parties or their counsel, subject to any
3 required Court approval.

4 75. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
5 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
6 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
7 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
8 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
9 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
10 reach agreement on the form or content of any document needed to implement the Settlement, or on any
11 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
12 may seek the assistance of the Court to resolve such disagreement.

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

15 77. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
16 will be governed by and interpreted according to the laws of the State of California.

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

21 79. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
22 Settlement Agreement is a fair, adequate and reasonable settlement of the Actions and have arrived at
23 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
24 account all relevant factors, present and potential. The Parties further acknowledge that they are each
25 represented by competent counsel and that they have had an opportunity to consult with their counsel
26 regarding the fairness and reasonableness of this Settlement.

27 80. Invalidity of Any Provision. Before declaring any provision of this Settlement
28 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

81. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court.

82. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not approved, the stipulation to certification will be void and the Court shall, either *sua sponte* or on motion of any party, decertify the class. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Settlement Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant is liable to Plaintiffs or any Class Member, other than according to the Settlement's terms.

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

84. No Public Comment: The Parties and their counsel agree that they will not make any public disclosure of this Settlement, except to obtain preliminary and final approval from the Court.

1 Plaintiffs and their counsel further agree that, if contacted regarding this case, they will state only that the
2 lawsuit exists and has been resolved. This provision is not intended to, and does not, limit Class Counsel
3 from responding to questions from and providing advice to Class Members regarding the settlement after
4 preliminary approval is granted. Waiver. No waiver of any condition or covenant contained in this
5 Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be
6 considered to imply or constitute a further waiver by such party of the same or any other condition,
7 covenant, right or remedy.

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

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

17 87. All Terms Subject to Final Court Approval. All amounts and procedures described in
18 this Settlement Agreement herein will be subject to final Court approval.

19 88. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
20 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
21 Settlement Agreement.

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

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: _____
Blanca Romero Ramirez

PLAINTIFF

Dated: _____
Cristina Contreras

DEFENDANT YIN MANAGEMENT, INC.

Dated: _____
Please Print Name of Authorized Signatory

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: _____ By: _____
Raul Perez
Attorneys for Plaintiff Blanca Romero Ramirez

WINSTON LAW GROUP, P.C.

Dated: _____ By: _____
David S. Winston
Attorneys for Plaintiff Cristina Contreras

LEWIS BRISBOIS BISGAARD & SMITH LLP

Dated: _____ By: _____
Katherine C. Den Bleyker
Attorneys for Defendant Yin Management, Inc., Liu-Yin Partners, LP, Yin Family Limited Partnership – Real Estate, L.P., and Yin-Lin Family Limited Partnership

Exhibit A

Ramirez vs. Yin Management, Inc., No. 34-2021-00301530 (Sacramento County Superior Court)
Contreras v. Yin Management, Inc., No. CV2021-0581 (Yolo County Superior Court)
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SACRAMENTO
NOTICE OF CLASS ACTION SETTLEMENT

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

To: All persons employed by Defendant Yin Management, Inc. (“Defendant”) in the State of California as non-exempt hourly employees at any time during the [Class Period] (“Class Members”).

All persons employed by Defendant in the State of California as hourly and/or non-exempt employees at any time during the [PAGA Period] (“PAGA Members”).

On _____, the Honorable Christopher E. Krueger of the Sacramento County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. You have received this notice because Defendant’s records indicate that you are a Class Member. You have several options available to you:

PARTICIPATE IN THE SETTLEMENT AND RECEIVE A SETTLEMENT PAYMENT	<u>YOU DO NOT NEED TO DO ANYTHING TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE A SETTLEMENT PAYMENT.</u> By doing nothing, you <u>WILL</u> receive a share of the Settlement proceeds if the proposed Settlement is finally approved, and you will give up any rights to sue Defendant separately regarding certain claims as described below in this Notice. Your estimated Settlement Award is [INSERT ESTIMATED NET SETTLEMENT AWARD] and the estimated number of pay periods that you worked during the Class Period are [INSERT ESTIMATED NUMBER OF PAY PERIODS WORKED DURING THE CLASS PERIOD].
ASK TO BE EXCLUDED (OPT OUT)	If you timely request in writing to be excluded from the proposed Settlement, you <u>WILL NOT</u> receive a share of the Settlement proceeds, but you will keep any rights you may have to sue Defendant separately about the same legal claims in this lawsuit. Your written Request for Exclusion letter must be postmarked by _____, _____. However, you will still be bound to the PAGA release of claims and still receive your portion of the aggrieved employees’ \$25,000.00 in PAGA penalties as explained in more detail below.
OBJECT	You may object to the Settlement if you did not ask to be excluded from the Settlement. If you timely submit in writing an objection to the Settlement and the Settlement is nonetheless granted final approval, you <u>WILL</u> (i) receive a share of the Settlement proceeds and (ii) release legal claims against Defendant. Your written objection should be postmarked or faxed by _____, _____.

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at _:00 _m. on _____, 2022 in Department 54 of the Sacramento County Superior Court located at 813 6th St. Sacramento, California 95814.

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.

Summary of the Litigation

Plaintiffs Blanca Romero Ramirez and Cristina Contreras, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during employment and upon termination of their employment; (4) reimburse employees for necessary business expenses; (5) provide employees with accurate, itemized wage statements; (6) engaged in unfair competition in violation of Bus. & Prof. Code section 17200; and (7) violated California's Private Attorney General Act of 2004 ("PAGA").

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On December 3, 2021, the parties participated in a mediation with Chris Barnes, Esq., an experienced and well-respected class action mediator. With Mr. Barnes' guidance, the parties were able to negotiate a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC and Winston Law Group, P.C. ("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 Plaintiffs' claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiffs.

Summary of The Proposed Settlement Terms

Plaintiffs and Defendant have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$1,800,000. This amount is inclusive of: (1) individual settlement payments to all Class Members who do not opt out; (2) Class Representative Enhancement Payments of \$10,000, each, to Blanca Romero Ramirez and Cristina Contreras for their services on behalf of the class; (3) \$600,000 in attorneys' fees and up to \$25,000 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$25,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$30,000. 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 Fund"). Additionally, all PAGA Members will receive a proportional share of the \$25,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendant will calculate the total number of Pay Periods worked by each Class Member from January 29, 2017 to March 1, 2022 ("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 Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the

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

aggregate total number of Pay Periods, resulting in the “Pay Period Value.” Each Class Member’s share of the Net Settlement Fund 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 Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

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 Fund is approximately \$_____.

Payments from PAGA Fund. Defendant will calculate the total number of Pay Periods worked by each PAGA Member from March 26, 2020 to March 1, 2022 (“PAGA Period”) and the aggregate total number of Pay Periods worked by all PAGA Members during the PAGA Period. To determine each PAGA Member’s estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Pay Periods, resulting in the “PAGA Pay Period Value.” Each PAGA Member’s share of the PAGA Fund will be calculated by multiplying each individual Participating PAGA Member’s total number of Pay Periods by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendant’s records, you worked during the PAGA Period in a non-exempt position for a total of ____ Pay Periods. Accordingly, your estimated payment from the PAGA Fund is approximately \$_____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$_____. 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, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

How Do I Receive a Payment from the Settlement?

If 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.

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

If the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims and Released PAGA Claims:

Released Class Claims: All claims, rights, demands, liabilities, and causes of action, reasonably arising from, or related to, the same set of operative facts as those set forth in the operative Complaints in the actions entitled *Ramirez v. Yin Management, Inc.*, No. 34-2021-00301530 (Sacramento County Superior Court) and *Contreras v. Yin Management, Inc.*, No. CV2021-0581 (Yolo County Superior Court) during the Class Period, including: (i) all claims for unpaid overtime; (ii) all claims for unpaid minimum wages; (iii) all claims for meal and rest break violations; (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 wage statement violations based on the preceding claims; and (viii) all claims asserted through California Business & Professions Code §§ 17200, *et seq.*

Released PAGA Claims: All claims, demands, rights, liabilities, penalties, fees, and causes of action under PAGA, including under California Labor Code §§ 558 and/or 2698, *et seq.*, predicated on any Labor Code violations alleged or could have been alleged in the actions entitled *Ramirez v. Yin Management, Inc.*, No. 34-2021-00301530 (Sacramento County Superior Court) and *Contreras v. Yin Management, Inc.*, No. CV2021-0581 (Yolo County Superior Court) predicated on any Labor Code violations alleged or could have been alleged in the Actions based upon the facts alleged in the Complaints, the March 26, 2021 PAGA Notice submitted on behalf of Plaintiff Blanca Romero Ramirez (LWDA-CM-827092-21), and/or the May 20, 2021 PAGA Notice submitted on behalf of Cristina Contreras (LWDA-CM-832799-21).

What if I do not wish to participate in the Proposed 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 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, and the 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 _____, 2022. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2022, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you request exclusion, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund except for your share of PAGA Penalties.
- Not release the Released Class Claims.

What If I Have an Objection?

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 include: (1) your full name, signature, and address, (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].

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

All written objections must be received by the administrator by not later than _____ 2022. 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 Sacramento 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 object, 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: 1 (888) 315-4691

David Winston
Winston Law Group, P.C.
1880 Century Park East, Suite 511
Los Angeles, CA 90067
Phone: 1 (424) 288-4568

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