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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

MELISSA MOSS, as an individual and on
behalf of all others similarly situated,

Plaintiffs,

vs.

SARES REGIS OPERATING COMPANY,
L.P.; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 30-2021-01201041-CU-OE-CXC

[Assigned for all purposes to the Hon. William
Claster, in Department CX104]

**DECLARATION OF NICHOLAS
ROSENTHAL IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT**

Date: July 8, 2022

Time: 9:00 a.m.

Dept.: CX104

Reservation Number: 73780679

Complaint Filed: May 17, 2021

FAC Filed: August 16, 2021

SAC Filed: June 10, 2022

Trial Date: None Set

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I, Nicholas Rosenthal, declare as follows:

1. I am an attorney at law, duly licensed to practice before all Courts in the State of California, and am with the law firm Diversity Law Group, counsel of record for Named Plaintiff Melissa Moss (“Plaintiff”). I have personal knowledge of the facts set forth below and if called to testify I could and would do so competently.

PROCEDURAL HISTORY

2. On May 17, 2021, Plaintiff filed a complaint against Defendant in the Superior Court of the State of California for the County of Orange on behalf of herself and all similarly situated employees (the “Action”). Plaintiff asserted claims for: (1) violation of Labor Code §§ 201, 202, 203, and 246; and (2) violation of Labor Code § 226(a). Specifically, Plaintiff alleged that Defendant failed to pay sick pay at the correct regular rate of pay, issued payment of wages on a paycard without written authorization, failed to pay all wages owed upon separation of employment, and issued inaccurate wage statements.

3. Plaintiff subsequently amended her complaint on August 16, 2021, adding causes of action for: (1) violation of Labor Code § 226.7; and (2) violation of Business and Professions Code § 17200, *et seq.* The first amended complaint adds claims for Defendant's failure to pay meal and rest period premium wages at the correct regular rate of pay.

4. Separately, Plaintiff filed a representative action complaint against Defendant on June 21, 2021 (the “PAGA Action”), and a first amended complaint on June 23, 2021. The PAGA Action asserts claims that are related to, and predicated on, the underlying Labor Code violations asserted in the Action.

5. Shortly after commencing written discovery, the Parties agreed to participate in private mediation. In connection with mediation, the Parties agreed to exchange informal discovery sufficient to allow Plaintiff to assess the claims and liability, as well as analyze the maximum exposure of damages and penalties. Defendant produced class data, including the number of putative class members for each claim, the number of aggrieved employees, and number of pay periods at issue. This allowed my office to conduct a full damages analysis.

1 6. On March 31, 2022, the Parties engaged in a full-day mediation with mediator
2 Todd A. Smith, Esq. Following arm’s length negotiations and continued discussions between the
3 Parties over the course of several weeks, the Parties reached the current settlement. Attached as
4 **Exhibit A** is a true and correct copy of the Joint Stipulation of Class Action and PAGA
5 Settlement and Release of Claims.

6 7. In connection with the Parties’ settlement, on June 10, 2022, Plaintiff filed a
7 second amended complaint in the Action. The second amended complaint alleges class and
8 representative action claims based on Defendant’s failure to pay meal and rest premium wages at
9 the correct regular rate of pay and issuance of final wages on a paycard without written
10 authorization. The second amended complaint subsumes the claims in the PAGA Action and
11 excludes Plaintiff’s sick pay and standalone wage statement claims. The second amended
12 complaint is the operative Complaint (“Complaint”).

13 **SUMMARY OF THE MONETARY TERMS OF THE SETTLEMENT**

14 8. The material terms of the settlement are memorialized in the Settlement
15 Agreement. As defined by the Settlement Agreement, the proposed Class consists of: “all
16 individuals who worked for SRG as an hourly or non-exempt employee in the State of California
17 from May 7, 2019 to July 8, 2021 (the “Class Period”), and who either (a) earned non-
18 discretionary incentive wages and received a meal or rest period premium during the same
19 workweek at any time during the Class Period (“Meal/Rest Class Members”); or (b) who were
20 paid final wages (upon separation of employment) via a paycard at any time during the Class
21 Period (“Paycard Class Members”).” *See* Stipulation ¶ 4. The Class Period means “the period of
22 time from May 3, 2020 through July 8, 2021.” *Id.* ¶ 3. Defendant has represented that there are
23 approximately 180 individuals that comprise the Class in total.

24 9. The July 8, 2021 end date of the Class Period is based on a release incorporated in
25 a class action settlement in the related matter of *Brittany Ellis v. Sares-Regis Group*, San
26 Bernardino County Superior Court, Case No. CVIDS1713085.

27 10. The Settlement Agreement provides for the Maximum Settlement Amount of Two
28 Hundred Twelve Thousand Five Hundred Dollars (\$212,500.00) which will be paid by

Defendant and distributed to the Class on a non-reversionary basis. Stipulation ¶ 13. The Net Settlement Amount is to be calculated by deducting the requested attorneys' fees (up to \$70,762.50), litigation costs (up to \$20,000.00), payment to the Class Representative (up to \$10,000.00), LWDA portion of the PAGA Payment (\$5,625.00), and claims administration costs (up to \$15,000.00). *Id.* ¶¶ 13, 14.a-e. Based on these amounts, the Net Settlement Amount is estimated to be approximately **\$91,112.50**.

11. Each Class Member that does not opt-out of the settlement will be awarded a portion of the Net Settlement Amount. The amount will be determined as follows: first, the Claims Administrator will evenly distribute four percent (4%) of the Net Settlement Amount to all Paycard Class Members. The Claims Administrator will then distribute the remaining ninety-six (96%) of the Net Settlement Amount to Meal/Rest Class Members on a *pro rata* basis, based on the number of weeks each Class Member worked during the Class Period. Stipulation ¶ 15.

12. As part of the Settlement Agreement, Defendant does not object to Class Counsel's request for attorneys' fees of approximately one-third (1/3) of the Maximum Settlement Amount, or up to \$70,762.50. Stipulation ¶ 14.a. Defendant also does not object to Class Counsel's request for reimbursement of actual litigation costs of up to \$20,000.00, subject to the Court finally approving this Settlement. *Id.* ¶ 14.b. Class Counsel have, at their own risk, expended costs, for example, to file this instant action and other pleadings, effect service of process, pay mediation costs, and pay other litigation related costs.

13. Defendant does not object to Plaintiff's request for an enhancement payment to the Class Representative of \$10,000.00, to compensate Plaintiff for prosecuting this action on behalf of other employees and for executing a general release of all claims, including a waiver under Civil Code § 1542. Stipulation ¶¶ 14.c, 20.

14. The Settlement Agreement provides for the payment of the fees and expenses incurred by the Claims Administrator in connection with the administration of this settlement. The Parties have received a quote from Phoenix Settlement Administrator for the amount of \$15,000.00 to administer the settlement. Stipulation ¶¶ 8, 14.d. Phoenix Settlement Administrators is a well-recognized class action settlement administrator. The Parties believe

1 that the administration fee is reasonable and should be approved.

2 15. Finally, the terms of the Settlement provide that uncashed checks (upon the
3 expiration date) shall be distributed to the Legal Aid Society of Orange County as the *cy pres*
4 beneficiary. *See* Stipulation ¶ 42. Legal Aid Society of Orange County is a non-profit
5 organization that provides civil legal services to low-income individuals, in accordance with
6 California Civil Procedure § 384. Plaintiff's Counsel does not have any relationship with or
7 connection to Legal Aid Society of Orange County.

8 **PAYMENTS TO CLASS MEMBERS**

9 16. Provided that the Court approves the above amounts in full, Class Counsel
10 estimates that the Net Settlement Amount will be approximately **\$91,112.50**.

11 17. Defendant has represented that there are 180 individuals that comprise the Class.
12 Based thereon, on a raw average, each Paycard Class Member potentially may recover
13 approximately \$260.32, and each Meal/Rest Class Member potentially may recover
14 approximately \$526.66. The amount paid to each Settlement Class Member may increase or
15 decrease depending on the actual number of workweeks worked during the Class Period and the
16 number of opt-outs received. To the extent that there are valid opt-outs, the Claims Administrator
17 will proportionately increase the individual Settlement Shares to each Settlement Class Member
18 so that the amount actually distributed to Settlement Class Members equals 100% of the Net
19 Settlement Amount.

20 **POTENTIAL DAMAGES AND PENALTIES**

21 18. Using the data and sample records provided by Defendant, Plaintiff's counsel
22 performed a damages analysis.

23 19. Based on the class data provided by Defendant, Plaintiff estimated that Defendant
24 would face potential liability of up to approximately \$820,104.00 for Plaintiff's class claims if
25 Plaintiff succeeded at trial on all class claims. This estimate is based on class data and sample
26 records provided by Defendant. The breakdown of Plaintiff's estimation of potential liability on
27 class claims is as follows:

- 28 • \$2,272.00 in underpaid meal and rest premiums. This amount is calculated based

on 1,136 instances of meal and/or rest premiums that were paid out to employees during the Class Period in the same workweek as non-discretionary incentive payments, based on an assumption that Defendant underpaid \$2.00 per hour for each of the instance that the meal and/or rest break premiums were paid.

- \$636,422.40 in waiting time penalties under Labor Code § 203, resulting from the underpayment of meal and rest premiums. This amount is calculated based on 116 former employees who were paid non-discretionary incentives and any meal/rest premiums in the same workweek that the non-discretionary incentive was earned, based on an average hourly rate of pay of \$22.86 [116 former employees x (\$22.86 average hourly rate x 8 x 30)].
- \$76,809.60 in waiting time penalties under Labor Code § 203, resulting from the payment of final wages on paycards. This amount is calculated based on 14 former employees who received final pay via paycards, based on an average hourly rate of pay of \$22.86 [14 former employees x (\$22.86 average hourly rate x 8 x 30)].
- \$104,600.00 [180 x \$50 + 956 x \$100] in wage statement penalties for wage statements reflecting payment for meal/rest period premiums in the same pay period that non-discretionary incentive payments were made.

20. Based on the data provided by Defendant, Plaintiff also calculated potential civil penalties for Plaintiff's PAGA claims. Plaintiff estimated that Defendant could face civil penalties of up to \$95,800.00. The breakdown for the calculation of Plaintiff's PAGA penalties is as follows:

- \$47,200.00 for PAGA penalties with respect to the meal and rest period premium regular rate claims, based on 472 pay periods at issue during the PAGA Period, calculated based on PAGA's initial violation penalty of \$100 per aggrieved employee per pay period [472 x \$100 initial penalty].
- \$1,400.00 for PAGA penalties with respect to the paycard claims, calculated based on PAGA's initial violation penalty of \$100 per aggrieved employee per

1 pay period [14 former employees x \$100 penalty].

- 2 • \$47,200 for PAGA penalties with respect to wage statements that list the
3 inaccurate meal and/or rest period rate due to underpaid premiums during the
4 PAGA Period, calculated based on PAGA's initial violation penalty of \$100 per
5 aggrieved employee per pay period [472 x \$100 initial penalty].

6 21. However, even assuming Plaintiff ultimately prevails on her PAGA claims, the
7 Court still has discretion to reduce any PAGA penalties. Pursuant to Labor Code § 2699(e)(2),
8 the Court can decline to award PAGA penalties where “if, based on the facts and circumstances
9 of the particular case, to do otherwise, would result in an award that is unjust, arbitrary and
10 oppressive, or confiscatory.” Indeed, as shown in the Court of Appeal’s decision in *Carrington v.*
11 *Starbucks Corp.*, 30 Cal. App. 5th 504 (2018), while the plaintiff prevailed on his PAGA claim
12 upon trial, the trial court reduced the maximum PAGA penalty amount by 90%, citing the
13 employer’s good faith attempt at complying with the law. *Id.* at p. 517. Upon review, the Court
14 of Appeal found such reduction to be proper. *Id.* at p. 539.

15 22. Although Plaintiff believes in the merits of the alleged claims and maintains that
16 there is no reason for reducing PAGA penalties, Plaintiff is aware that Defendant may raise
17 defenses to the claims and further with respect to the reduction of PAGA penalties and that it
18 could be persuasive to the Court. For example, Defendant contends that waiting time penalties
19 are not available for any alleged late payment of meal and rest period premiums, as it disputes
20 that meal and rest period premiums constitutes “wages.” It is Defendant’s position that waiting
21 time penalties are only available in an action or claim to recover nonpayment of wages. Further,
22 Defendant asserts that Plaintiff cannot actually point to an underlying policy that would result in
23 inadequate meal/rest periods. In other words, it would take an individualized inquire to
24 determine whether the meal/rest periods in question actually were in violation of the law, which
25 is a threshold question before getting to the issue of whether the premiums paid were at the
26 proper rate. The Maximum Settlement Amount was premised with this risk in mind, associated
27 with the possibility of the Court significantly reducing Plaintiff’s PAGA penalties, along with
28 other attendant risks.

1 23. Although Plaintiff believes that the class can be certified, Plaintiff also believes in
2 the fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiff
3 involved in not prevailing on one or more of the causes of action or theories alleged in the
4 operative Complaint, the possibility of non-certification, and the potential for appeals.

5 24. Taking the above defenses into account on the class and PAGA claims, Plaintiff
6 believes that the settlement for the amount stated herein is fair, reasonable, and adequate.

7 25. Thus, the settlement for each Class Member is fair, reasonable, and adequate,
8 given the inherent risks of litigation, including the substantial risks relative to class certification,
9 the costs of pursuing such litigation, and the risks associated with the Court's discretion to
10 reduce PAGA penalties. Each side has apprised the other of their respective factual contentions,
11 legal theories, and defenses, resulting in negotiations taking place between the Parties. The
12 settlement is the result of extensive arm's-length negotiations between the Parties and their
13 counsel and was facilitated by an experienced and neutral mediator.

14 26. Based on the amounts explained above, the total class and PAGA
15 damages/penalties amount to approximately **\$915,004.00**, without discounting for potentially
16 losing on any of the causes of action. The Maximum Settlement Amount here is **\$212,500.00**,
17 and thus amounts to approximately **23.2%** of the total estimated liability. The Parties believe that
18 the percentage-to-recovery ratio of this settlement is within the range of fairness and
19 reasonableness and should be approved by the Court.

20 **ATTORNEY EXPERIENCE**

21 27. I am one of the primary attorneys on this matter. My qualifications are as
22 follows: I received my JD from University of Southern California Gould School of Law in
23 2009. Upon graduation, I practiced law as an associate at Seyfarth Shaw LLP, representing
24 corporate clients in both single-plaintiff and wage hour class actions. In 2014, I began as an
25 associate at Diversity Law Group.

26 28. I have handled a number of wage and hour matters including class actions and
27 multiple-plaintiff actions. I have been named as Class Counsel in a number of class actions that
28 have been granted certification or preliminary or final approval by the Superior Courts of Los

1 Angeles County, Orange County, Alameda County, and Monterey County, the United States
2 District Court for the Central District of California, and the United States District Court for the
3 Northern District of California. These cases include, but are not limited to: *Diller v. Under*
4 *Armour Retail, Inc.*, Santa Clara County Superior Court Case No. 114-CV-265729, *Dall v. Post*
5 *Alarm Systems*, Los Angeles County Superior Court Case No. BC598528, *Lopez v. Imperial*
6 *Body Shop, Inc.*, Orange County Superior Court Case No. Case No. 30-2015-00816193-CU-OE-
7 CXC, *Hughes v. Lincare, Inc., et al.*, Monterey County Superior Court Case No. M124764,
8 *Pittman v. Martinez Steel Corporation*, San Bernardino County Superior Court Case No.
9 CIVDS1823132, *Della Maggiora v. Watsonville Community Hospital*, Santa Cruz County
10 Superior Court Case No. 18CV00191, *Randolph v. Pacific Racing Association*, Alameda County
11 Superior Court Case No. RG18908139, *Morones v. Bimbo Bakeries USA, Inc.*, Sacramento
12 County Superior Court Case No. 34-2018-00245481-CU-OE-GDS, *Chavez v. Converse, Inc.*,
13 United States District Court – Northern District of California Case No. 15-cv-03746-NC, and
14 *Rodriguez v. Nike Retail Services, Inc.*, United States District Court – Northern District of
15 California Case No. 5:14-CV-1508 BLF.

16 29. My co-counsel and I will adequately represent the Class Members in this action.
17 Plaintiff's Counsel have and will zealously represent Plaintiff and the Class and pursue this
18 lawsuit to its conclusion. I have no conflicts with the Class and will adequately represent the
19 Class.

20 **NOTICE TO THE LWDA**

21 30. Concurrent with the filing of the Motion for Preliminary Approval of Class
22 Action Settlement, my office uploaded the Motion and Settlement Agreement to the LWDA's
23 website.

24 I declare under penalty of perjury under the laws of the State of California that the
25 foregoing is true and correct.

26 Executed on this 10th day of June 2022, at Los Angeles, California.

27 

28 _____
Nicholas Rosenthal

EXHIBIT A

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8 Attorneys for Defendant SARES REGIS
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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **COUNTY OF ORANGE, CENTRAL JUSTICE CENTER**
11

12 MELISSA MOSS, as an individual and on
behalf of all others similarly situated,

13 Plaintiffs,

14 v.

15 SARES REGIS OPERATING COMPANY,
16 L.P.; and DOES 1 through 50, inclusive,

17 Defendants.
18
19

Case No. 30-2021-01201041-CU-OE-CXC

Assigned for All Purposes:
HON. WILLIAM CLASTER
DEPARTMENT CX104

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

Action Filed: May 17, 2021
Trial Date: TBD

20
21 This Joint Stipulation of Class Action and PAGA Settlement and Release of Claims
22 ("Settlement Agreement," "Settlement," "Agreement," or "Stipulation of Settlement") is made and
23 entered into by and between Plaintiff Melissa Moss ("Plaintiff" or "Class Representative"),
24 individually and on behalf of all putative class members and aggrieved employees, on the one
25 hand, and Sares-Regis Operating Company, L.P. and on behalf of all Releasees ("Defendant" or
26 "SRG"). Plaintiff and Defendant are collectively referred to herein as the "Parties."
27
28

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ATTORNEYS AT LAW
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A. On or about May 17, 2021, Plaintiff filed the Class Action Complaint for Damages in the Orange County Superior Court, Case No. 30-2021-01201041-CU-OE-CXC (the "Class Action Complaint"). A First Amended Complaint was filed on August 16, 2021.

B. On or about June 21, 2021, Plaintiff filed the Private Attorneys General Act Complaint for Damages in the Orange County Superior Court, Case No. 30-2021-01207001-CU-OE-CXC (the "PAGA Complaint"). A First Amended Complaint was filed on August 9, 2021.

C. Plaintiff will file a Second Amended Class Action Complaint for Damages and Enforcement under the Private Attorneys General Act, Cal. Labor Code § 2698, Et Seq. ("SAC" or "Complaint") in Case No. 0-2021-01201041-CU-OE-CXC. The SAC will articulate two classes, one based on provision of meal period and rest breaks, and the other based on the use of paycards for final pay. The meal and rest period claims will be predicated upon alleged violations of Labor Code sections 201, 202, 203, 226 and 226.7 that accrued during the period of May 3, 2020 through July 8, 2021, and assert derivative violations of the Industrial Welfare Commission Wage Order 4 sections 11 and 12, and Business and Professions Code section 17200. The paycard claims will be predicated upon alleged violations of California Labor Code sections 201, 202, 203, 212 and 213 and Business and Professions Code section 17200. The SAC will seek penalties under the California Private Attorneys General Act, and seek all other damages, penalties, premiums, interest, costs, and attorneys' fees to which Plaintiff and the Class Members may be entitled. The Settlement is not intended to encompass a claim arising from the calculation of paid sick leave, or any standalone claim under Labor Code section 226, and the SAC will not include these claims.

D. The PAGA Complaint for Damages in the Orange County Superior Court, Case No. 30-2021-01207001-CU-OE-CXC will be dismissed without prejudice within five days of final approval of this Settlement.

E. Defendant denies all of Plaintiff's material allegations. Specifically, Defendant denies that Plaintiff and putative Class Members are entitled to increased or additional meal or rest period premiums in any amount not already paid. Defendant asserts that all meal and rest period premiums paid to Plaintiff and Class Members have at all times been calculated properly and in

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1 good faith reliance on Defendant's understanding of the laws, regulations, and any other
2 authorities governing the calculation of such premiums. Defendant further asserts that Plaintiff and
3 all former employee Class Members have at all times been timely paid all wages and
4 compensation they are due upon separation of employment, in a manner permitted by law;
5 including but not limited to those employees who received final pay with a pay card (all of which
6 were cash-able at millions of locations and without fees). Defendant also believes that Plaintiff's
7 derivative Unfair Business Practices Claim will fail because her underlying claims fail. Defendant
8 further believes that class treatment is not superior to individual litigation. Finally, Defendant
9 believes that all claims related to PAGA will fail.

10 F. The Parties engaged in an informal, voluntary exchange of information in the
11 context of privileged settlement discussions to facilitate an early mediation. Defendant produced
12 Plaintiff's entire personnel file and payroll. Defendant also provided information to Class Counsel
13 with: all of Plaintiff's payroll records (including but not limited to all pay stubs and W2 records);
14 all relevant policies pertaining to Defendant's payments of meal and rest period premiums to
15 employees and final pay upon termination of employment; a comprehensive written explanation of
16 Defendant's calculations of meal and rest period premiums; a comprehensive written explanation
17 regarding the employees who received final pay upon termination with the use of a paycard; an
18 example of the information provided to employees in conjunction with a paycard; specific data
19 regarding the numbers of meal and rest period premiums paid during the Class Period, including
20 but not limited to the number of premiums paid during the same pay period and/or workweek
21 during which non-discretionary incentive payments were earned, the number of employees who
22 received premiums during such pay periods and/or workweeks, the amounts paid in meal and rest
23 period premiums during pay periods and/or workweeks in which non-discretionary incentive pay
24 was earned, and the additional amounts that would have been paid in meal and rest period
25 premiums if non-discretionary incentive payments had been included in the calculation of such
26 premiums; specific data regarding the number of employees who received final pay with a paycard
27 during the Class Period; and documentation of the date upon which Defendant modified meal and
28 rest period calculations to include non-discretionary incentive payments.

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1 G. On March 31, 2021, following the foregoing discovery and exchange of
2 information, the Parties participated in a mediation presided over by mediator Todd Smith, Esq.
3 During the mediation, the Parties had a full day of productive negotiations and reached agreement
4 in principal on a class-wide settlement. During the mediation, each side, represented by its
5 respective counsel, recognized the risk of an adverse result in the Action and agreed to settle the
6 Action and all other matters covered by this Agreement under the terms and conditions of this
7 Agreement.

8 H. Based on their own thorough, independent investigation and evaluation of this case,
9 Plaintiff and Class Counsel (as defined in paragraph 6 below) are of the opinion that the
10 Settlement with Defendant for the consideration and on the terms set forth in this Agreement is
11 fair, reasonable, adequate, and in the best interest of the Class (as defined in paragraph 5 below) in
12 light of all known facts and circumstances, including the risk of significant costs and delay, the
13 risk of non-certification of the Class, the defenses asserted by Defendant, the risks of adverse
14 determinations on the merits, and numerous potential appellate issues. Although Defendant
15 contends it has no liability in this case, it and its counsel share Plaintiff and Class Counsel's belief
16 that the Agreement represents a fair and adequate settlement given the respective risks associated
17 with the Action.

18 I. This Agreement represents a compromise and settlement of highly disputed claims.
19 Nothing in this Agreement is intended or will be construed as an admission by Defendant that
20 Plaintiff's claims in the Action have merit or that Defendant has any liability to Plaintiff, the
21 Class, or the State of California on those claims; or as an admission by Plaintiff that Defendant's
22 defenses raised in the Action have merit. This Agreement is intended to fully, finally, and forever
23 compromise, release, resolve, discharge, and settle the Released Claims subject to the terms and
24 conditions set forth in this Agreement.

25 AGREEMENT

26 Subject to the approval of the Court, the Parties agree as follows:

27 1. "Action" shall mean the civil action commenced on May 17, 2021, by Plaintiff
28 against Defendant in the Superior Court of California, County of Orange, Case No. 0-2021-

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01201041-CU-OE-CXC, entitled: "*Melissa Moss v. Sares Regis Operating Company, L.P.*" and the civil action commenced on June 21, 2021, by Plaintiff against Defendant in the Superior Court of California, County of Orange, Case No. 30-2021-01207001-CU-OE-CXC also entitled:

"*Melissa Moss v. Sares Regis Operating Company, L.P.*"

2. "Court" shall mean the Superior Court for the County of Orange.

3. "Class Period" shall mean the period of time from May 3, 2020 through July 8, 2021.

4. "Class Members" shall mean all individuals who worked for SRG as an hourly or non-exempt employee in the State of California from May 7, 2019 to July 8, 2021 (the "Class Period"), and who either (a) earned non-discretionary incentive wages and received a meal or rest period premium during the same workweek at any time during the Class Period ("Meal/Rest Class Members"); or (b) who were paid final wages (upon separation of employment) via a paycard at any time during the Class Period ("Paycard Class Members"). "Class" shall mean all Class Members.

5. "Settlement Class" or "Settlement Class Members" means all Class Members who do not submit a timely and valid Request for Exclusion.

6. "Class Counsel" shall mean Larry W. Lee, Esq., Kristin M. Agnew, Esq., Nicholas Rosenthal, Esq. of Diversity Law Group LLP and William L. Marder, Esq. of Polaris Law Group LLP.

7. "Defense Counsel" shall mean the attorneys representing Defendant in the Action: Amy R. Patton, Esq. and Matthew C. Lewis, Esq. of Payne & Fears, LLP.

8. "Claims Administrator" shall mean Phoenix Settlement Administration, the third-party administrator proposed by the Parties and to be appointed by the Court to administer the Settlement.

9. "Preliminary Approval of the Settlement" shall mean the Court entering an order granting preliminary approval of the Settlement, conditionally certifying the Class for purposes of settlement, and setting a Final Approval Hearing, which the Parties contemplate will be memorialized in a [proposed] order to be jointly prepared by the Parties in accordance with

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1 this Agreement.

2 **10. "Final Approval Hearing"** shall mean the hearing to be conducted by the Court to
3 determine whether to approve finally, and implement the terms of, this Agreement.

4 **11. "Judgment"** shall mean the judgment that the Parties anticipate will be entered by
5 the Court, following a Final Approval Hearing, based on the Settlement in this Action.

6 **12. "Effective Date"** shall be 15 calendar days after the Court grants final approval of
7 the settlement, provided that there were no objections to the Settlement. If there were objections
8 to the Settlement, the Effective Date shall be 15 days after the date the later of the following
9 events occurs: (a) the period for filing any appeal, writ, or other appellate proceeding opposing
10 the Judgment has elapsed without any appeal, writ, or other appellate proceeding having been
11 filed; (b) any appeal, writ, or other appellate proceeding opposing the Judgment has been
12 dismissed finally and conclusively with no right by any appellant or objector to pursue further
13 remedies or relief; or (c) any appeal, writ, or other appellate proceeding has upheld the Judgment
14 with no right by any appellant or objector to pursue further remedies or relief. In this regard, it is
15 the intention of the Parties that the Settlement shall not become effective until the Court's
16 Judgment granting final approval of the Settlement is completely final, and no further recourse
17 exists by an appellant or objector who seeks to contest the Settlement. The occurrence of the
18 Effective Date is a prerequisite to any obligation of Defendant to pay any funds into the
19 Settlement Account, as set forth in paragraph 41.

20 **13. "Maximum Settlement Amount"** In consideration for the Settlement and the
21 release of claims set forth below, Defendant agrees to pay a non-reversionary amount of Two
22 Hundred Twelve Thousand Five Hundred Dollars (\$212,500) ("Maximum Settlement Amount" or
23 "MSA").

24 i. This settlement is premised on there being 1,136 workweeks in
25 which the Class earned non-discretionary incentive wages and received a meal or rest period
26 premium during the same workweek at any time during the Class Period. Should the actual
27 number of applicable workweeks be more than 10 percent higher than this number (i.e., more than
28 1,250), the amount of the MSA will increase in proportion to the increase above 10 percent. In

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1 other words, a 12 percent increase in the number of workweeks will result in a 2 percent increase
2 in the MSA.

3 ii. The MSA is the maximum total amount that Defendant may be
4 required to pay for the resolution of the Released Claims, and includes Settlement Shares to
5 Claimants, Class Representative Payment to Plaintiff, LWDA Payment to the LWDA, Attorneys'
6 Fees Payment to Class Counsel, Litigation Expenses Payment to Class Counsel, and the Claims
7 Administration Payment to the Claims Administrator.

8 iii. Defendant will be responsible for employer's share of payroll taxes
9 on the approximate amount of Five Thousand Two Hundred Fifty Dollars (\$5,250.00) of alleged
10 unpaid meal period premiums, separate from and in addition to the MSA.

11 **14. "Net Settlement Amount"** The Net Settlement Amount ("NSA") shall mean the
12 MSA payable by Defendant under this Settlement, less the following sums, which Defendant will
13 not oppose:

14 **a. Attorneys' Fees Payment.** Plaintiff will apply to the Court to approve an
15 award of not more than Seventy Thousand Seven Hundred Sixty Two Dollars and Fifty Cents
16 (\$70,762.50) (which is one-third of the MSA) to Class Counsel for attorneys' fees ("Attorneys'
17 Fees Payment"). The Claims Administrator will pay the amount approved by the Court for the
18 Attorneys' Fees Payment from the MSA. Withholding and deductions will not be taken from the
19 Attorneys' Fees Payment and it will be reported on an IRS Form 1099.

20 **b. Litigation Expenses Payment.** Plaintiff will apply to the Court to approve
21 an award of not more than Twenty Thousand Dollars (\$20,000) to Class Counsel to compensate
22 them for out-of-pocket costs and expenses actually incurred in connection with the Action
23 ("Litigation Expenses Payment"). The Claims Administrator will pay the amount approved by the
24 Court for the Litigation Expenses Payment from the MSA. Withholding and deductions will not
25 be taken from the Litigation Expenses Payment and it will be reported on an IRS Form 1099.

26 **c. Class Representative Payment.** Plaintiff will apply to the Court to
27 approve an award to Plaintiff of not more than Ten Thousand Dollars (\$10,000) ("Class
28 Representative Payment") to compensate her for initiating the Action and for her efforts on behalf

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of the Class. The Claims Administrator will pay the Class Representative Payment approved by the Court from the MSA. Payroll taxes, withholdings, and deductions will not be taken from the Class Representative Payment, and it will be reported on an IRS Form 1099. Plaintiff agrees to assume all responsibility and liability for the payment of taxes due on the Class Representative Payment.

d. Claims Administration Payment. The Claims Administrator will be paid its reasonable fees and expenses as approved by the Court in an amount currently estimated to not exceed Fifteen Thousand Dollars (\$15,000) ("Claims Administration Payment"). The Claims Administration Payment will be paid from the MSA.

e. LWDA Payment. The Parties have agreed to allocate Seven Thousand Five Hundred Dollars (\$7,500) ("PAGA Payment") for penalties pursuant to the Private Attorneys General Act ("PAGA"), of which the amount of Five Thousand Six Hundred Twenty Five Dollars (\$5,625), which is 75% of the PAGA Payment, will be paid to the Labor Workforce Development Agency ("LWDA Payment") and One Thousand Eight Hundred Seventy Five Dollars (\$1,875), which is 25% of the PAGA Payment, will remain in the NSA for distribution to Claimants.

15. Allocation of NSA and Calculation of Settlement Shares. Subject to the terms and conditions of this Agreement, the Claims Administrator will calculate each individual Class Member's *pro rata* share of the NSA which he or she is eligible to claim ("Settlement Share"). Four percent (4%) of the NSA will be evenly distributed amongst the Paycard Class Members. The remainder of the NSA shall be distributed amongst the Meal/Rest Class Members on a *pro rata* basis depending on the number of weeks worked by the Class Member during the Class Period.

16. No Opt-In. There is no opt-in or claim form a Class Member must submit to receive payment of their Settlement Share. Class Members who do not submit a timely Request for Exclusion will automatically be mailed a check for their Settlement Share.

17. Settlement Share Worksheet. Upon calculation of the Class Members' Settlement Share, the Claims Administrator shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of the of the Class Members (listed by an employee identifier) with

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1 their corresponding Settlement Shares.

2 **18. Wage Allocation of Settlement Shares.** The actual amount owed on meal period
3 premiums is allocated to wages (for which IRS Form W-2 will be issued), the balance is allocated
4 to penalties and interest (for which IRS Form 1099 will be issued, if applicable). Each Settlement
5 Share is intended, in part, to settle the Class Members' claims for unpaid wages. Each Settlement
6 Share will be reduced by employees' share of applicable payroll tax withholdings and deductions
7 in connection with the wage portion of the Settlement Share. Defendant will be responsible for
8 employer's share of any payroll taxes attributable to the wage portion of the Settlement Shares
9 ("Employer Taxes") separately from and in addition to the MSA. The Settlement Administrator
10 will calculate the employer taxes, which will be funded by Defendant and paid by the Settlement
11 Administrator. Each Class Member shall be individually responsible for any and all employee's
12 share of taxes, withholdings, and deductions that may be due in connection with any payments
13 under the Settlement.

14 **19. Release of Claims by Plaintiff and Settlement Class Members.** Upon the entry
15 of an order by the Court granting final approval of this Settlement Agreement, and except as to
16 such rights or claims as may be created by this Settlement Agreement, the Settlement Class
17 Members (i.e., Class Members who do not submit a timely and valid Request for Exclusion), in
18 exchange for the consideration recited in this Settlement Agreement, on behalf of themselves and
19 on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents,
20 and assigns, fully release and discharge Defendant Sares-Regis Operating Company, L.P., and its
21 parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, and all of its
22 employees, officers, agents, attorneys, stockholders, fiduciaries, clients, other service providers,
23 and assigns (collectively hereinafter the "Releasees"), from any and all claims, demands, rights,
24 liabilities, and causes of action of any kind whatsoever, that have been, or that could have been,
25 asserted against the Releasees as follows.

26 a. As to the Meal/Rest Class Members the release includes:

27 i. all claims, including penalties, interest, costs, and attorneys' fees
28 related thereto, that could have been brought under the facts and allegations made in the operative

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1 First Amended Complaint for violation of Labor Code section 226.7, and derivative violations of
2 the Industrial Welfare Commission Wage Order 4 sections 11 and 12, and Business and
3 Professions Code section 17200, during the Class Period;

4 ii. all claims, including penalties, interest, costs, and attorneys' fees
5 related thereto, that could have been brought under the facts and allegations made in the operative
6 First Amended Complaint for violation of Labor Code section 226 based on the failure to display
7 the accurate meal/rest period pay of pay during the period of May 17, 2020 to July 8, 2021;

8 iii. all claims, including penalties, interest, costs, and attorneys' fees
9 related thereto, that could have been brought under the facts and allegations made in the operative
10 First Amended Complaint for violation of Labor Code sections 201, 202 and 203 during the Class
11 Period; and

12 iv. all claims for penalties under the California Private Attorneys
13 General Act, including interest, costs and attorneys' fees related thereto, predicated on the
14 violation of Labor Code sections 201, 202, 203, 226 and 226.7 that accrued during the period of
15 May 3, 2020 through July 8, 2021.

16 b. As to the Paycard Class Members the release includes:

17 i. all claims, including penalties, interest, costs, and attorneys' fees
18 related thereto, that could have been brought under the facts and allegations made in the operative
19 First Amended Complaint for violation of Labor Code sections 201, 202, 203, 212 and 213 during
20 the Class Period; and

21 ii. all claims for penalties under the California Private Attorneys
22 General Act, including interest, costs and attorneys' fees related thereto, predicated on the
23 violation of Labor Code sections 201, 202, 203, 221 and 213 that accrued during the period of
24 May 3, 2020 through July 8, 2021.

25 **20. Release by Plaintiff.** Plaintiff, on behalf of herself and her dependents, heirs and
26 assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators,
27 guardians, personal representatives, and successors-in-interest, whether individual, class,
28 representative, legal, equitable, direct or indirect, or any other type or in any other capacity, shall

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1 and does hereby forever release, discharge and agree to hold harmless the Released Parties from
2 any and all charges, complaints, claims, liabilities, obligations, promises, agreements,
3 controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and
4 expenses (including attorney fees and costs), known or unknown, at law or in equity, which she
5 may now have or may have after the signing of this Settlement Agreement, arising out of or in any
6 way connected with her employment with Defendant including, the Released Claims, claims that
7 were asserted or could have been asserted in the Complaint, and any and all transactions,
8 occurrences, or matters between the Parties occurring prior to the date this Settlement Agreement
9 is fully executed. Without limiting the generality of the foregoing, this release shall include, but
10 not be limited to, any and all claims under: (a) the Americans with Disabilities Act; (b) Title VII
11 of the Civil Rights Act of 1964; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981; (e) the
12 Age Discrimination in Employment Act; (f) the Fair Labor Standards Act; (g) the Equal Pay Act;
13 (h) the Employee Retirement Income Security Act, as amended; (i) the Consolidated Omnibus
14 Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the Family and Medical Leave
15 Act; (l) the Civil Rights Act of 1966; (m) the California Fair Employment and Housing Act;
16 (n) the California Constitution; (o) the California Labor Code; (p) the California Government
17 Code; (q) the California Civil Code; and (r) any and all other federal, state, and local statutes,
18 ordinances, regulations, rules, and other laws, and any and all claims based on constitutional,
19 statutory, common law, or regulatory grounds as well as any other claims based on theories of
20 wrongful or constructive discharge, breach of contract or implied contract, fraud,
21 misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent
22 infliction of emotional distress, or damages under any other federal, state, or local statutes,
23 ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how
24 denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses,
25 compensatory damages, tortious damages, liquidated damages, punitive damages, damages for
26 pain and suffering, and attorney fees and costs, and Plaintiff hereby forever releases, discharges
27 and agrees to hold harmless Defendant and the Released Parties from any and all claims for
28 attorney fees and costs arising out of the matters released in this Settlement Agreement. Plaintiff,

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1 with respect to herself only as an individual, waives all rights and benefits afforded by Section
2 1542 of the Civil Code of the State of California, and does so understanding the significance of
3 that waiver, which states:

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

8 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and
9 relinquishes all rights and benefits she may have under section 1542 as well as any other statutes
10 or common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to
11 or different from those which she now knows or believes to be true with respect to the subject
12 matter of all the claims referenced herein, but agrees that, upon the Effective Date, Plaintiff shall
13 and hereby does fully, finally, and forever settle and release any and all claims against the
14 Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that
15 were asserted or could have been asserted upon any theory of law or equity without regard to the
16 subsequent discovery of existence of such different or additional facts.

17 **21. Waiver of Attorneys' Fees and Expenses Except As Provided.** The Attorneys'
18 Fees Payment and Litigation Expenses Payment provided for under this Agreement shall
19 constitute full payment by Defendant and Releasees of any and all attorneys' fees and costs in
20 connection with the Released Claims, and as of the date the Judgment becomes Final, and except
21 as otherwise provided by this Agreement, Class Counsel and any counsel associated with Class
22 Counsel shall not be entitled to any additional costs and attorneys' fees and expenses against
23 Defendant or the Releasees and shall be deemed to have waived any claims for such costs,
24 attorneys' fees, and expenses, and this is so regardless of the amount awarded to Class Counsel as
25 Attorneys' Fees Payment and Litigation Expenses Payment by the Court.

26 **22. Certification for Settlement Purposes.** Solely for the purposes of effectuating
27 this Settlement, and subject to Court approval, the Parties hereby stipulate to the conditional
28 certification of the Class. The Parties agree that if for any reason the Settlement is not

1 preliminarily and finally approved, the conditional certification of the Class will be of no force or
2 effect, does not constitute an admission by Defendant that class certification is proper, and will
3 not be deemed admissible in this or any other proceeding, and that the Parties will litigate the
4 issue of class certification.

5 **23. Motion for Preliminary Approval of Settlement by the Court.** Class Counsel
6 will move the Court for an order granting Preliminary Approval of the Settlement (the "Motion
7 for Preliminary Approval"), setting a date for the Final Approval Hearing, and approving the
8 Notice Packet. Class Counsel will submit a proposed order granting preliminary approval of
9 Settlement, approval of the Notice Packet to Class, and setting the Final Approval Hearing.

10 **24. Duties of the Claims Administrator.** The Parties have agreed to the appointment
11 of Phoenix Settlement Administration (the "Claims Administrator") or such other independent
12 administrator as the Court might appoint to mail the Notice Packet to the Class Members, to
13 independently review and verify documentation associated with any submitted Requests for
14 Exclusion, Disputes, and Objections, and to compute and pay the appropriate sums from the
15 MSA. The Claims Administration Payment will be paid from the MSA, subject to approval by the
16 Court.

17 **25. Class Member Data.** Within thirty (30) calendar days after the Court grants
18 Preliminary Approval of the Settlement, Defendant shall provide to the Claims Administrator an
19 electronic database containing the following information for all Class Members: full name; last
20 known mailing address; Social Security number; telephone number; dates of employment as a
21 Class Member; the total weeks worked by the Class Member during the Class Period; and
22 whether the Class Member is a member of the Paycard class.

23 **a.** If any of the Class Member Data is unavailable to Defendant, Defendant
24 will so inform Class Counsel and the Parties will make their best efforts to reconstruct or
25 otherwise agree upon the appropriate substitute data before it is submitted to the Claims
26 Administrator. Class Member Data will otherwise remain confidential and will not be disclosed to
27 anyone, except as necessary to applicable taxing authorities and to administer the Settlement,
28 pursuant to Defendant's express written authorization, or by order of the Court.

1 **26. Notice to Class Members.** Upon receipt of Class Member Data, the Administrator
2 will run the Class Members' mailing addresses through the National Change of Address
3 ("NCOA") database to obtain the most current address information. Within fifteen (15) calendar
4 days of its receipt of the Class Member Data, the Claims Administrator will mail to each Class
5 Member by first-class mail the Notice of Proposed Class Action Settlement ("Class Notice") and
6 a pre-addressed return envelope (together, collectively, "Notice Packet(s)"). The deadline for
7 Class Members to respond to the Settlement with an objection, request for exclusion, or allocation
8 dispute shall be forty-five (45) days from the date the Settlement Administrator initially mails the
9 Notice Packet ("Response Deadline").

10 **a. Returned Notice Packets.** If a Notice Packet is returned on or before the
11 Response Deadline, the Claims Administrator will, no later than five (5) calendar days from
12 receipt of the returned Notice Packet, re-mail the Notice Packet to a forwarding address, if any,
13 or, if no forwarding address is provided, conduct a skip-trace search using the Class Member's
14 Social Security number for a more current mailing address and re-mail the Notice Packet if an
15 updated address is found. The Claims Administrator will be responsible for taking reasonable
16 steps, consistent with its agreed-upon job parameters, court orders, and administration quote, to
17 trace the mailing address of any Class Member for whom a Notice Packet is returned by the U.S.
18 Postal Service as undeliverable. These reasonable steps shall include the tracking of all
19 undelivered mail; performing address searches for all mail returned without a forwarding address;
20 and promptly re-mailing to Class Members for whom new addresses are found. If the Notice
21 Packet is re-mailed, the Claims Administrator will note for its own records and notify Class
22 Counsel and Defense Counsel of the date and address of each such re-mailing as part of a weekly
23 status report provided to the Parties. The Response Deadline for Class Members who receive a re-
24 mailed Notice Packet will be extended by fifteen (15) calendar days.

25 **27. Request for Exclusion from Settlement.** A Class Member may request to be
26 excluded from the Settlement by timely mailing a written request seeking to be excluded from the
27 Settlement ("Request for Exclusion") to the Claims Administrator. To be timely, the Request for
28 Exclusion must be mailed to the Claims Administrator, postmarked on or before the Response

Deadline. A Request for Exclusion must: (a) contain the Class Member's full name, mailing address, telephone number, signature, and last four (4) digits of their Social Security number; (b) contain the case name and number of the Action; and (c) clearly state that the Class Member wishes to be excluded from the Settlement. A Class Member who properly submits a valid and timely Request for Exclusion shall not receive any payment of any kind in connection with this Agreement or this Action, shall not be bound by or receive any benefit of this Agreement, and shall have no standing to object to the Settlement. The Claims Administrator will transmit all Requests for Exclusion to counsel for the Parties within five (5) business days of receipt of each Request for Exclusion.

28. Objections to Settlement. The Class Notice will provide that any Class Member who does not submit a timely and valid Request for Exclusion may object to the Settlement by mailing a written objection ("Objection") to the Claims Administrator, postmarked on or before the Response Deadline. An Objection must: (a) contain the objector's full name, mailing address, telephone number, signature, and last four (4) digits of their Social Security number; (b) contain the case name and number of the Action; (c) clearly state that the individual objects to the Settlement and the factual and legal basis for the objection; (d) state whether the objector intends to appear and argue at the Final Approval Hearing; and state whether they intend to formally intervene and become a party of record in the Action. A Class Member who does not submit a written objection may still appear in person at the Final Approval Hearing and object. If the Court grants final approval of the Settlement, objector will still be bound by the terms of this Agreement. The Claims Administrator will transmit all Objections to counsel for the Parties within five (5) business days of receipt of each Objection.

29. Settlement Share Dispute. If a Class Member disputes the amount they are eligible to receive, the Class Member may submit a written dispute ("Dispute") to the Claims Administrator. To be timely, a Dispute and supporting documents must be mailed to the Claims Administrator, postmarked on or before Response Deadline. A valid Dispute must: (a) state the Class Member's full name, mailing address, telephone number, signature, and last four (4) digits of their Social Security number; (b) contain the case name and number of the Action; (c) state that

1 the Class Member disputes the amount they are entitled to listed on their Class Notice; and (d)
2 state the amount the Class Member believes should be allocated them and attach any evidence in
3 support of the Class Member's contention. Disputes will initially be decided by the Claims
4 Administrator. If the Claims Administrator's decision is not mutually accepted by all Parties, the
5 dissatisfied party may request that the Court make a final decision. The Court's decision shall be
6 final and binding on the Parties.

7 **30. Report.** No later than fourteen (14) calendar days after the Response Deadline, the
8 Claims Administrator will provide the Parties with a complete and accurate list of all Class
9 Members who sent timely and valid Requests for Exclusion and Objections.

10 **31. Declaration of Claims Administrator.** No later than twenty-one (21) calendar
11 days before the Final Approval Hearing, the Claims Administrator will provide the Parties for
12 filing with the Court a declaration of due diligence setting forth its compliance with its obligations
13 under this Agreement. Before the Final Approval Hearing, the Claims Administrator will
14 supplement its declaration of due diligence if any material changes occur from the date of the
15 filing of its prior declaration.

16 **32. No Solicitation of Objection.** Class Counsel will not directly or indirectly solicit
17 or otherwise encourage any Class Member to seek exclusion from the Settlement, object to the
18 Settlement, or to appeal from the Judgment.

19 **33. Final Approval and Right to Respond to Objections.** Plaintiff will file with the
20 Court a motion for final approval of the Settlement and for the Court to approve the awards of the
21 Class Representative Payment, the Attorneys' Fees Payment, the Litigation Expenses Payment,
22 and Claim Administration Payment pursuant to this Settlement, and memoranda in support of the
23 motion ("Motion for Final Approval"). Before the Final Approval Hearing, the Parties shall be
24 entitled to file and serve a response to any Objections to the Settlement and/or reply in support of
25 the Motion for Final Approval.

26 **34. Settlement Agreement Conditioned on Approval.** Should the Court decline to
27 preliminarily approve the Settlement in its entirety, the Settlement will be null and void. Also, if
28 the Court ultimately does not grant final approval of the Settlement, then the Settlement shall be

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1 deemed null and void. If the Court grants preliminary or final approval conditioned on any
2 material change to the Settlement, then either Party will have the unilateral right to void the
3 Settlement in its entirety. If the Settlement is voided under this paragraph, the Parties will have no
4 further obligations under the Settlement, including any obligation by Defendant to pay the MSA,
5 NSA or any amounts that otherwise would have been payable under this Agreement. The Parties
6 will jointly and equally pay the Claims Administration Payment as incurred as of the date that any
7 Party exercises the right to void the Settlement under this paragraph. An award by the Court of a
8 lesser amount than that sought by Plaintiff and Class Counsel for the Class Representative
9 Payment, Attorneys' Fees Payment, or Litigation Expenses Payment will not constitute a material
10 modification to the Settlement within the meaning of this paragraph and shall not render the
11 Settlement void or voidable. Plaintiff and Class Counsel shall retain the right to appeal awards of
12 attorneys' fees and litigation costs and expenses less than requested.

13 **35. Defendant's Option to Terminate the Settlement.** If ten percent (10%) or more
14 of the Class Members submit a timely and valid Request for Exclusion, then Defendant shall have
15 the unilateral right to terminate this Settlement. Defendant may do so by giving notice to Class
16 Counsel and the Court of its election to terminate the Settlement no later than seven (7) calendar
17 days before the Final Approval Hearing. No sums shall be payable by Defendant if this
18 Agreement is terminated as provided for herein, with one exception: Defendant agrees to pay any
19 fees owing to the Claims Administrator for services rendered in the event Defendant exercises its
20 right to terminate the Settlement. If the Settlement is terminated under this paragraph, the Parties
21 will have no further obligations under the Settlement, including any obligation by Defendant to
22 pay the MSA, NSA, or any amounts that otherwise would have been payable under this
23 Agreement. If the Settlement is terminated under this paragraph, the Parties will have no further
24 obligations under the Settlement, including any obligation by Defendant to pay the MSA, NSA, or
25 any amounts that otherwise would have been payable under this Agreement.

26 **36. Final Judgment.** Upon final approval of the Settlement by the Court at or after the
27 Final Approval Hearing, the Parties will present for the Court's approval and entry a proposed
28 Final Order and Judgment.

1 **37. Continuing Jurisdiction.** After entry of the Judgment, the Court will have
2 continuing jurisdiction over the Action and the Settlement solely for purposes of (a) enforcing this
3 Agreement, (b) addressing claims administration matters, and (c) addressing such post-Judgment
4 matters as may be appropriate under court rules or applicable law.

5 **38. Waiver of Right to Appeal.** Provided that the Judgment is entered consistent with
6 the terms and conditions of this Agreement, Class Members who do not submit a valid and timely
7 Objection and also become a party of record in the Action as now required under the California
8 Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 5th 260, 228 Cal. Rptr. 3d
9 106 (2018), shall have no right to appeal from the Judgment, or any right to engage in any post-
10 judgment proceeding and appellate proceeding, a motion for new trial, any extraordinary writ, and
11 any appeal, except as provided for in this Agreement or prohibited by law. Parties maintain the
12 right to oppose any appeal, appellate proceedings or post-judgment proceedings. If an appeal is
13 taken from the Judgment, the time for consummation of the Settlement (including making any
14 payments under the Settlement) will be suspended until the appeal is fully and finally resolved
15 and the Judgment, consistent with the terms of this Agreement, becomes Final.

16 **39. Vacating, Reversal, or Material Modification of Judgment on Appeal or**
17 **Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other
18 motion, petition, writ, application, or appeal, the reviewing court vacates, reverses, or modifies
19 the Judgment such that there is a material modification to the Settlement, and that court's decision
20 is not completely reversed and the Judgment is not fully affirmed on review by a higher court,
21 then Defendant will have the unilateral right to void the Settlement, which it must do by giving
22 written notice to the other Party, the reviewing court, and the Court, no later than fourteen (14)
23 calendar days after the reviewing court's decision vacating, reversing, or materially modifying the
24 Judgment becomes final.

25 **40. Establishment of Settlement Account.** The Claims Administrator will establish a
26 Settlement Account for the purpose of administering the funds described in this Agreement.
27 Within thirty (30) calendar days of the Effective Date, Defendant shall pay into the Settlement
28 Account (via wire transfer) the Maximum Settlement Amount.

1 **41. Disbursements.**

2 a. Within ten (10) business days of the Claims Administrator's receipt from
3 Defendant of settlement funds, the Claims Administrator shall disburse the Class Representative
4 Payment to Plaintiff, Attorneys' Fees Payment and Litigation Expenses Payment to Class Counsel,
5 Claims Administration Payment to the Claims Administrator; and LWDA Payment to the LWDA.

6 b. Within ten (10) business days of the Claims Administrator's receipt from
7 Defendant of settlement funds, the Claims Administrator shall pay each Claimant their Settlement
8 Share by way of check that is mailed by First Class U.S. Mail.

9 **42. Uncashed Settlement Share Checks.** Settlement Share checks shall be negotiable
10 for one hundred and eighty (180) calendar days from issuance, and thereafter, the checks will be
11 cancelled and the funds associated with such cancelled checks will be transmitted to the Legal Aid
12 Society of Orange County, in conformity with California Civil Procedure Code § 384.

13 **43. Final Report by Claims Administrator to Court.** Within ten (10) calendar days
14 after final disbursement of all funds under the Settlement (including any transmittal of uncashed
15 funds to the Legal Aid Society of Orange County), the Claims Administrator will serve on the
16 Parties for filing with the Court a declaration providing a final summary report on the
17 disbursements of all funds from the MSA.

18 **44. Non-Publicity Provision.** The Parties and their counsel agree that they will not
19 issue any press releases, initiate any contact with the press, respond to any press inquiry or have
20 any communication with the press about the fact, amount, or terms of the Settlement. In addition,
21 the Parties and their counsel agree that they will not engage in any advertising or distribute any
22 marketing materials relating to the Settlement of this case in any manner that identifies the
23 Defendant, including but not limited to any postings on any websites maintained by Class
24 Counsel.

25 **45. No Effect on Other Benefits.** The payments provided for under this Settlement
26 will not result in any additional employee benefit payments (such as pension, ERISA, 401(k),
27 vacation, or bonus) and shall not have any effect on the eligibility for, or calculation of, any
28 employee benefit.

1 **46. No Admission of Liability.** Defendant denies that it has engaged in any unlawful
2 activity, has failed to comply with the law in any respect, or has any liability to anyone under the
3 claims asserted in the Action. This Agreement is entered into solely for the purpose of
4 compromising highly disputed claims. Nothing in this Agreement is intended or will be construed
5 as an admission of liability or wrongdoing by Defendant, or an admission by Plaintiff that any of
6 her claims was non-meritorious or any defense asserted by Defendant was meritorious. This
7 Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have no
8 bearing on, and will not be admissible in connection with, any litigation (other than solely in
9 connection with the Settlement).

10 **47. Improper Use of Settlement.** Whether or not the Settlement becomes final, this
11 Agreement is a settlement document and shall, pursuant to California Evidence Code section
12 1152 and Federal Rule of Evidence 408(a), not be offered in evidence. The preceding sentence
13 shall not apply to an action or proceeding to approve, interpret, or enforce this Agreement.

14 **48. Integrated Agreement.** After this Agreement is signed and delivered by all
15 Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement
16 between the Parties relating to the Settlement, and it will then be deemed that no oral
17 representations, warranties, covenants, or inducements have been made to any Party concerning
18 this Agreement or its exhibits other than the representations, warranties, covenants, and
19 inducements expressly stated in this Agreement and its exhibits.

20 **49. Modification.** This Agreement may not be changed, altered, or modified, except in
21 a writing signed by counsel for the Parties hereto and approved by the Court. This Agreement
22 may not be discharged except by performance in accordance with its terms or by a writing signed
23 by all of the Parties hereto.

24 **50. Attorney Authorization.** Class Counsel and Defense Counsel warrant and
25 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
26 action required or permitted to be taken by such Parties under this Agreement to effectuate its
27 terms, and to execute any other documents required to effectuate the terms of this Agreement. The
28 Parties and their counsel will cooperate with each other and use their best efforts to affect the

1 implementation of the Settlement. In the event the Parties cannot reach agreement on the form or
2 content of any document needed to implement the Agreement, or on any supplemental provisions
3 that may become necessary to effectuate the terms of this Agreement, the Parties will seek the
4 assistance of the Court, and in all cases, all such documents, supplemental provisions and
5 assistance of the court will be consistent with this Agreement.

6 **51. Agreement Binding on Successors.** This Agreement will be binding upon, and
7 inure to the benefit of, the successors of each of the Parties.

8 **52. Applicable Law.** All terms and conditions of this Agreement and its exhibits will
9 be governed by and interpreted according to the laws of the State of California, without giving
10 effect to any conflict of law principles or choice of law principles.

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

14 **54. Fair Settlement.** The Parties and their respective counsel believe and warrant that
15 this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived
16 at this Agreement through arms-length negotiations, considering all relevant factors, current and
17 potential.

18 **55. Headings.** The descriptive heading of any section or paragraph of this Agreement
19 is inserted for convenience of reference only and does not constitute a part of this Agreement.

20 **56. Notice.** All notices, demands or other communications given under this Agreement
21 will be in writing and deemed to have been duly given as of the third business day after mailing
22 by United States mail, addressed as follows:

23 To Class Counsel:

24 Larry W. Lee
25 Kristen M. Agnew
26 Nicholas Rosenthal
27 DIVERSITY LAW GROUP LLP
28 515 S. Figueroa Street., Suite 125
Los Angeles, California 90071

William L. Marder
POLARIS LAO GROUP LLP

To Defense Counsel:

Amy R. Patton
Matthew C. Lewis
Payne & Fears LLP
4 Park Plaza, Suite 1100
Irvine, California 92614

501 San Benito Street, Suite 200
Hollister, CA 95023

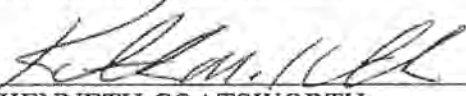
57. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be presumptive evidence of execution of the original, which shall be produced on reasonable request. Any executed counterpart will be admissible to prove the existence and contents of this Agreement.

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

59. Class Counsel Signatories. It is agreed that, because the Class Members are so numerous, it is impossible or impractical to have each such Class Member execute this Agreement. The Class Notice will advise all Class Members of the binding nature of the release with respect to the Class, and such shall have the same force and effect as if this Agreement were executed by each Class Member.

DATED:

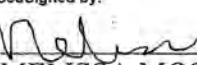
Sares-Regis Operating Company, L.P.

By: 

KENNETH COATSWORTH
Its: Authorized Signer

DATED: 5/24/2022

DocuSigned by:

By: 

MELISSA MOSS

PAYNE & FEARS LLP

ATTORNEYS AT LAW
4 PARK PLAZA, SUITE 1100
IRVINE, CALIFORNIA 92614
(949) 851-1100

EXHIBIT 1

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

MELISSA MOSS V. SARES-REGIS OPERATING COMPANY

Orange County Superior Court, Case No. 30-2021-02101041-CU-OE-CXC

A court authorized this notice. This is not a solicitation from a lawyer.

PLEASE READ THIS NOTICE CAREFULLY THIS PROPOSED SETTLEMENT MAY EFFECT YOUR LEGAL RIGHTS

- A proposed class action settlement (“Settlement”) has been reached in the lawsuit titled *Melissa Moss v. Sares-Regis Operating Company*, Orange County Superior Court Case No. 30-2021-01201041-CU-OE-CXC (the “Action”), by Plaintiff Melissa Moss (“Plaintiff”) and Defendant Sares-Regis Operating Company, LP (“SRG” or “Defendant”). The Settlement has been reached on behalf of Plaintiff and the “Class,” defined as: all individuals who worked for SRG as an hourly or non-exempt employee in the State of California from May 7, 2019 to July 8, 2021 (the “Class Period”), and who either (a) earned non-discretionary incentive wages and received a meal or rest period premium during the same workweek at any time during the Class Period (“Meal/Rest Class Members”); or (b) who were paid final wages (upon separation of employment) via a paycard at any time during the Class Period (“Paycard Class Members”).
- You have received this notice because SRG’s records indicate that you are a member of the Class (you are either a Meal/Rest Class Member or a Paycard Class Member, or both).

OVERVIEW OF YOUR RIGHTS AND OPTIONS UNDER THE SETTLEMENT

DO NOTHING	If you do nothing (i.e., if you do not submit a Request for Exclusion), and the Court grants final approval of the Settlement, you will participate in the Settlement and you will be entitled to receive your proportional share of the Settlement. You will not need to submit a claim to receive an Individual Settlement Payment. You will be bound by the Settlement, including the release of claims described below.
EXCLUDE YOURSELF (“OPT OUT”) FROM THE SETTLEMENT	You may request to be excluded from the Settlement by mailing a Request for Exclusion to the Claims Administrator, in conformity with the instructions in section 13 of this notice. Any Request for Exclusion must be postmarked on or before Response Deadline . If you do submit a Request for Exclusion, you will not receive a payment under the Settlement, and you will not release the Released Claims as described herein.
OBJECT TO THE SETTLEMENT	If you wish to comment on or object to the Settlement, you may submit a written objection to the Claims Administrator by mail on or before Response Deadline or you may appear at the Final Approval Hearing and give an oral objection. A written objection must comply with the instructions in section 15, below. If you exclude yourself from the Settlement, you will not be able to comment on or object to the Settlement, because you will no longer be a part of the Settlement.

OVERVIEW OF THE ACTION AND THE SETTLEMENT

1. What is the Action about?

The Action involves claims under California wage and hour laws. Plaintiff is a former employee of SRG. Plaintiff alleges that SRG violated the California Labor Code and California Business and Professions Code with respect to herself and the Class Members by, *inter alia*, failing to properly calculate meal and rest period premium payments, and by improperly paying departing employees via paycards. Through the Action, Plaintiff seeks to recover additional amounts that Plaintiff alleges should have been included in meal and rest period premium calculations, penalties, damages, and other related relief. SRG denies all liability in the Action and denies that a class action is proper for any purpose other than the Settlement. Plaintiff and her attorneys (“Class Counsel”) believe that the Settlement is fair, adequate, reasonable, and is in the best interest of the Class.

2. Why is this Action a class action?

In a class action, one or more people called the “class representatives” (in this case, Plaintiff Melissa Moss) sue on behalf of people who may have similar claims. Collectively, all of these people with similar claims are referred to as a “class,” or “class members.” In a class action, one court resolves the issues for all class members, except for those who opt out of, or request exclusion from, the class.

3. Who is a Class Member?

On [Preliminary Approval Date], the Court preliminarily certified the following Classes for settlement purposes: All individuals who worked for SRG as an hourly or non-exempt employee in the State of California from May 7, 2019 to July 8, 2021 (the “Class Period”), and who either (a) earned non-discretionary incentive wages and received a meal or rest period premium during the same workweek at any time during the Class Period (“Meal/Rest Class Members”); or (b) who were paid final wages (upon separation of employment) via a paycard at any time during the Class Period (“Paycard Class Members”).

4. What is SRG’s position?

SRG believes that it has complied with the law in all respects, and denies any liability for the claims asserted by Plaintiff. SRG is not admitting liability of any of the factual and legal allegations asserted in the Action, nor that the Action should proceed as a class action for any purpose other than the Settlement. SRG has agreed to settle the Action as a compromise of disputed claims.

5. Why is there a Settlement?

After investigating the claims at issue, and the possible defenses to those claims, both sides have agreed to settle this case in order to avoid the cost and risk of further litigation. In view of the costs and risks that continued litigation would entail, Plaintiff and Class Counsel believe the Settlement is in the best interests of all Class Members.

6. Who are the lawyers for the parties?

The law firm of Payne & Fears LLP is serving as Counsel for SRG. The Court has preliminarily appointed Larry W. Lee, Kristen M. Agnew and Nicholas Rosenthal of Diversity Law Group, P.C., and William L. Marder of Polaris Law Group LLP to serve as Counsel for the Class (“Class Counsel”). Class Counsel’s contact information is as follows:

Larry W. Lee
Kristen M. Agnew
Nicholas Rosenthal
Diversity Law Group, PC
515 S. Figueroa Street, Suite 125
Los Angeles, California 90071
Tel: (213) 488-6555

William L. Marder
Polaris Law Group LLP
501 San Benito Street, Suite 200
Hollister, CA 95023
Tel: (831) 531-4214

7. How will the costs of the Action and the Settlement be paid?

Under the Settlement, the Attorneys’ Fees Payment, Litigation Expenses Payment, Claims Administration Payment, LWDA Payment, and the Class Representative Payment, will all be paid out of the Maximum Settlement Amount, as described in section 8, below.

THE SETTLEMENT STRUCTURE

8. What does the Settlement provide?

Under the terms of the Settlement, SRG has agreed to pay \$212,500 (the “Maximum Settlement Amount”). The “Net Settlement Amount” means the amount that will be available to be distributed to Claimants, after deducting the following amounts from the Maximum Settlement Amount, subject to Court approval: (1) Attorneys’ Fees Payment of up to 1/3 of the Maximum Settlement Amount (i.e., \$70,762.50 out of \$212,500) to Class Counsel, as an award for attorneys’ fees; (2) Litigation Expenses Payment in an amount of up to \$20,000 to Class Counsel, for reimbursement of litigation costs and expenses; (3) Class Representative Payment in an amount of up to \$10,000 to Plaintiff, for her services as the Class Representative; (4) LWDA Payment of 75% of the PAGA Payment (i.e., \$5,625 out of \$7,500) to the Labor Workforce Development Agency (“LWDA”); and (5) Claims Administration Payment in an amount currently estimated not to exceed \$15,000 to the Claims Administrator.

Each Class Member who does not exclude themselves from the Settlement by submitting an Opt Out Form will receive a *pro rata* share of the Net Settlement Amount (a “Settlement Share”). Initially, 4% of the Net Settlement Amount will be evenly distributed amongst the Paycard Class Members. The remainder of the Net Settlement Amounts shall be distributed amongst Meal/Rest Class Members on a *pro rata* basis depending on the number of weeks worked by the Class Member during the Class Period.

Your estimated Settlement Share is [INSERT].

For tax purposes, Settlement Shares will be allocated as follows: the actual amount allegedly owed on meal period premiums is allocated to wages, which amounts will be reduced by the employee's share of applicable payroll taxes, withholdings, and deductions. The balance of each Settlement Share will be allocated to penalties and interest. The employer's share of taxes and withholdings will be paid separately by Defendant. The portion of the Settlement Share allocated as interest and penalties will not be subject to reduction for taxes or withholdings. The wages portion of the Settlement Share will be subject to reporting on an IRS Form W2, and the portions allocated to interest and penalties will be subject to reporting on an IRS Form 1099. Each Class Member will be responsible for correctly characterizing their respective Settlement Share for tax purposes and for the payment of any other taxes owing on that amount.

Note: The Court has to decide whether to grant final approval of the Settlement. Settlement payments will only be issued if the Court grants final approval of the Settlement. The scheduled date, time, and location of the Final Approval Hearing are described in section 17, below.

9. What rights will I give up if I do not exclude myself from the Settlement?

If the Court grants final approval of the Settlement, as of the Effective Date of the Settlement, Plaintiff and each Class Member who has not properly excluded him or herself from the Settlement by submitting a timely and valid Request for Exclusion, as described herein, will be bound by the Settlement, and will be deemed to have fully released Sares-Regis Operating Company, LP, Sares Regis Group, a California general partnership, Sares Company, a California Corporation, Regis-Stack Partners, a California general partnership, Sares Regis Group Operating, Inc., a California corporation, Sares Regis Operating Company, L.P., a Delaware limited partnership, SRG Contractors, L.P., a California limited partnership, Sares Regis Management Company, L.P., a Delaware limited partnership, SRG Development, L.P., a Delaware limited partnership, Sares Regis Group of Northern California, LLC, a Delaware limited liability company, SRG Fund Overhead, LLC, a Delaware limited liability company, Sares Regis Multifamily Fund, L.P., a Delaware limited partnership, Sares Regis Multifamily Value-Add Fund II, L.P., a Delaware limited partnership, Sares Regis Multifamily Value-Add Fund II – Parallel Fund, L.P., a Delaware limited partnership, and Sares Regis Multifamily Value-Add Fund III, L.P., a Delaware limited partnership, SRG Investment Partners, L.P., a Delaware limited partnership, and their parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, other service providers, and assigns (collectively hereinafter the "Releasees") from any and all claims, demands, rights, liabilities, and causes of action of any kind whatsoever, that have been, or that could have been, asserted against the Releasees as follows.

a. As to the Meal/Rest Class Members the release includes:

- i. all claims, including penalties, interest, costs, and attorneys' fees related thereto, that could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code section 226.7, and derivative violations of the Industrial Welfare Commission Wage Order 4 sections 11 and 12, and Business and Professions Code section 17200, during the Class Period;
- ii. all claims, including penalties, interest, costs, and attorneys' fees related thereto, that could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code section 226 based on the failure to display the accurate meal/rest period ray of pay during the period of May 17, 2020 to July 8, 2021;
- iii. all claims, including penalties, interest, costs, and attorneys' fees related thereto, that could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code sections 201, 202 and 203 during the Class Period; and
- iv. all claims for penalties under the California Private Attorneys General Act, including interest, costs and attorneys' fees related thereto, predicated on the violation of Labor Code sections 201, 202, 203, 226 and 226.7 that accrued during the period of May 3, 2020 through July 8, 2021.

b. As to the Paycard Class Members the release includes:

- i. all claims, including penalties, interest, costs, and attorneys' fees related thereto, that could have been brought under the facts and allegations made in the operative First Amended Complaint for violation of Labor Code sections 201, 202, 203, 212 and 213 during the Class Period; and
- ii. all claims for penalties under the California Private Attorneys General Act, including interest, costs and attorneys' fees related thereto, predicated on the violation of Labor Code sections 201, 202, 203, 221 and 213 that accrued during the period of May 3, 2020 through July 8, 2021.

YOUR RIGHTS AND OPTIONS UNDER THE SETTLEMENT

10. How do I get a cash payment?

To receive a payment under the Settlement, you do not need to do anything. If you received this Notice, and the Settlement receives final approval from the Court, you will receive your Settlement Share at the same address through which you received this Notice.

Settlement Shares will be paid by the Claims Administrator, who you may reach through the contact information below:

Phoenix Settlement Administration

[INSERT CONTACT INFO]

11. What if I disagree with the amount of my Settlement Share?

Your estimated Settlement Share is set forth above. If you disagree with the amount of the Settlement Share listed on this Notice, you may submit a dispute (“Dispute”) to the Claims Administrator. To be valid, a Dispute must: (a) state your full name, mailing address, telephone number, signature, and last four (4) digits of your Social Security number; (b) contain the case name and number of the Action (*Melissa Moss v. Sares-Regis Operating Company*, Orange County Superior Court Case No. 30-2021-01201041-CU-OE-CXC); (c) state that you dispute the amount you are entitled to listed in this Notice; and (d) state the amount you believe should be allocated to you and attach any evidence in support of your contention. Your Dispute must be postmarked no later than **[Response Deadline]**.

Disputes will initially be decided by the Claims Administrator. If the Claims Administrator's decision is not mutually accepted by all parties, the dissatisfied party may request that the Court make a final binding decision.

12. When will I get my settlement check?

Class Members who are eligible to receive a Settlement Share check will be mailed their checks only if the Court grants final approval of the Settlement. Even if the Court approves the Settlement at the Final Approval Hearing, there may be appeals. If there are appeals, resolving them could take some time and it will delay settlement payments, so please be patient.

You will only have 180 calendar days from the date that the settlement check is issued to cash or deposit it. If you do not cash or deposit your settlement check within the 180-day period, your settlement check will be voided.

It is your responsibility to maintain your current address with the Claims Administrator. If you move, you should mail a letter to the Claims Administrator to provide your updated contact information.

13. How do I ask the Court to exclude me from the Settlement?

If you do not wish to participate in the Settlement, you may opt out of the Settlement by submitting a letter requesting to be excluded from the Settlement (“Request for Exclusion”) to the Claims Administrator. To be valid, any Request for Exclusion must: (a) contain your full name, mailing address, telephone number, signature, and last four (4) digits of your Social Security number; (b) contain the case name and number (*Melissa Moss v. Sares-Regis Operating Company*, Orange County Superior Court Case No. 30-2021-01201041-CU-OE-CXC); (c) clearly state that you wish to be excluded from the Settlement; and (d) be sent to the Claims Administrator at the address listed in section 10, above, postmarked on or before **[Response Deadline]**.

Requests for Exclusion that do not include all required information and/or that are not timely submitted will not be considered. Class Members who fail to submit a valid and timely Request for Exclusion by **[Response Deadline]** will be bound by all terms of the Settlement (including the release of Released Claims) and any judgment entered in the Action if the Court approves the Settlement.

Class Members who properly request exclusion from the Settlement will not receive any payment under the Settlement, and will not be bound by the terms of the Settlement, including the release of the Released Claims, if the Settlement becomes final.

14. If I don’t exclude myself, can I sue later?

No. Unless you exclude yourself, you give up the right to sue the Releasees for the claims released under the Settlement, as described in Section 9, above. You must exclude yourself from the Settlement in order to start or continue your own lawsuit for the claims that are released as part of this Settlement.

15. How do I object to the Settlement?

According to the terms of the Settlement, a “Settlement Class Member” means all Class Members who do not submit a timely and valid Request for Exclusion.

Any Settlement Class Member may object to the Settlement, or any portion thereof, by mailing a written objection (“Objection”) to the Claims Administrator. To be timely, an Objection must be mailed to the Claims Administrator, at the address listed in section 10, above, postmarked no later than **[Response Deadline]**.

To be valid, a written objection must: (a) contain your full name, mailing address, telephone number, signature, and last four (4) digits of your Social Security number; (b) contain the case name and number (*Melissa Moss v. Sares-Regis Operating Company*, Orange County Superior Court Case No. 30-2021-01201041-CU-OE-CXC); (c) clearly state that you wish to object to the Settlement and the factual and legal basis for the objection; (d) state whether you intend to appear and argue at the Final Approval Hearing; and (e) state whether you intend to formally intervene and become a party of record in the Action.

Settlement Class Members may also, at their own expense, and whether or not they submit a written objection, appear in person at the Final Approval Hearing in order to object to final approval of this Settlement.

A Class Member who fails to meet the requirements for objections, as provided above, will be deemed to have waived any comments or objections and will be foreclosed from making any objections (whether at the Final Approval Hearing, by appeal, or otherwise) to the Settlement.

16. What happens if I do nothing?

If you do nothing, you will still be included in the Settlement if it is approved, and you will be bound by the terms of the Settlement (including the Released Claims), and you will receive a check for your Settlement Share.

THE FINAL APPROVAL HEARING AND FURTHER INFORMATION

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing on **[date]** at **[time]**, in Department CX104 at the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701. The Court may reschedule the Final Approval Hearing without additional notice to Class Members. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and decide whether to grant final approval of the Settlement. If there are objections, the Court will consider them. The Court will also decide whether to approve the allocations for the Attorneys’ Fees Payment, Litigation Expenses Payment, Claims Administration Payment, LWDA Payment, and the Class Representative Payment.

You are not required to attend the Final Approval Hearing, but you are welcome to attend at your own expense. If you submitted a timely and valid objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. If you want to object in person, you must appear at the Final Approval Hearing and present your oral objection at the hearing.

18. How do I get more information?

This Notice summarizes the terms of the Settlement. The precise terms and conditions of the Settlement are set forth in the Joint Stipulation of Class Action and PAGA Settlement and Release of Claims, which is on file with the Clerk of the Orange County Superior Court. The pleadings and other records that have been filed in this litigation may be examined by accessing the Court’s website at <https://www.occourts.org/>, or by visiting the office of the Clerk of the Court for the Superior Court of California, County of Orange, located at 751 W. Santa Ana Blvd., Santa Ana, California 92701, during regular business hours. The case number is 30-2021-01201041-CU-OE-CXC.

If you have any questions about the Settlement, you may also contact Class Counsel (see section 6 of this notice) or the Claims Administrator (see section 10 of this notice).

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR SRG’S COUNSEL WITH ANY QUESTIONS.

4893-8824-2205.2