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NOEL MEDINA and RICARDO LARA

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

NOEL MEDINA, individually, and on behalf of
other members of the general public similarly
situated, an on behalf of other aggrieved
employees pursuant to the California Private
Attorneys General Act; RICARDO LARA,
individually and on behalf of other members of
the general public similarly situated,

Plaintiffs,

vs.

NATUREWARE, INC., a California
corporation; EUNAH SHIN, an individual; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: 30-2021-01215641-CU-OE-CXC

*Assigned for all purposes to the Honorable Lon
Hurwitz, Dept. CXI03*

**AMENDED JOINT STIPULATION OF
CLASS ACTION AND PAGA
SETTLEMENT**

Complaint Filed: August 9, 2021
FAC Filed: June 14, 2022
Trial Date: Not set

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1 **AMENDED JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Amended Joint Stipulation of Class Action and PAGA Settlement is entered into by and
3 between Plaintiffs Noel Medina and Ricardo Lara, individually and on behalf of the Class, and
4 Defendants Natureware, Inc. and Eunah Shin.

5 **DEFINITIONS**

6 1. “Agreement” or “Settlement Agreement” means this Amended Joint Stipulation of
7 Class Action and PAGA Settlement.

8 2. “Action” refers to the court action entitled *Noel Medina, et al. v. Natureware, Inc., et.*
9 *al.* (Orange County Superior Court Case No. 30-2021-01215641-CU-OE-CXC).

10 3. “Class Counsel” means S. Emi Minne and Jill J. Parker of Parker & Minne, LLP and
11 Edwin Aiwarzian, Arby Aiwarzian, and Joanna Ghosh of Lawyers for Justice, PC, who will seek to be
12 appointed as counsel for the Class.

13 4. “Class Counsel’s Fees and Costs” means attorneys’ fees for Class Counsel’s litigation
14 and resolution of the Action and their expenses and costs incurred in connection with the Action,
15 which shall be paid from the Gross Settlement Amount. Class Counsel will request attorneys’ fees not
16 to exceed Thirty-Five Percent (35%) of the Gross Settlement Amount (i.e., \$262,500.00), and the
17 reimbursement of reasonable and actual costs and expenses associated with the litigation and
18 settlement of the Action, not to exceed \$30,000.00, subject to the Court’s approval.

19 5. “Class and PAGA List” means a complete list of all Class Members and PAGA-Only
20 Members that Defendants will diligently and in good faith compile from their records and provide to
21 the Settlement Administrator within fourteen (14) calendar days after Preliminary Approval of this
22 Settlement. The Class and PAGA List will be formatted in a readable Microsoft Office Excel
23 spreadsheet and will include (to the extent Defendants have this information) all Class Members’ and
24 PAGA-Only Members’: (1) full name; (2) last known home address; (3) last known telephone number;
25 (4) social security number; (5) start and end dates of active employment as a non-exempt employee of
26 Defendant Natureware in the State of California; (6) total Workweeks during the Class Period (for
27 Class Members only); (7) total Workweeks during the PAGA Period (if applicable); and (8) any other
28 information required by the Settlement Administrator in order to effectuate the terms of the Settlement.

1 6. “Class” or “Class Members” means all current and former hourly-paid, non-exempt
2 employees of Defendant Natureware, Inc. who were employed by Defendant Natureware, Inc. in the
3 State of California at any time during the Class Period, and who have not previously entered into an
4 agreement with Defendants to release the unpaid wage claims alleged in the Action.

5 7. “Class Member Settlement Fund” means the funds available for payments to
6 Participating Class Members, which shall be the amount remaining after the following amounts are
7 deducted from the Gross Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3)
8 Settlement Administration Costs, (4) Class Representative Enhancement Payments to Plaintiffs; and
9 (5) the PAGA Penalties to the LWDA and PAGA Members.

10 8. “Class Notice” means the Notice of Class Action and PAGA Settlement in a form
11 substantially similar to the form attached hereto as Exhibit A, that will be mailed to Class Members’
12 last known address and which will provide Class Members with information regarding the Settlement
13 of the Action.

14 9. “Class Notice Packet” shall collectively refer to: (1) the Class Notice substantially
15 similar to the form attached hereto as Exhibit A; (2) the Objection Form substantially similar to the
16 form attached hereto as Exhibit B; and (3) the Request for Exclusion Form substantially similar to the
17 form attached hereto as Exhibit C, which shall be sent to all Class Members as set forth below.

18 10. “Class Period” means the period commencing on August 9, 2017, and ending on March
19 15, 2023.

20 11. “Class Representative Enhancement Payments” means the amounts that the Court
21 authorizes to be paid to Plaintiffs Noel Medina and Ricardo Lara, in addition to their Individual Class
22 Payment, in recognition of the efforts and risks they have taken in assisting with the prosecution of
23 the Action and in exchange for the General Release of their claims as provided herein.

24 12. “Court” means the Superior Court of the State of California for the County of Orange.

25 13. “Defendants” refers to Natureware, Inc. and Eunah Shin.

26 14. “Defendants’ Counsel” means Chanhoo C. Joo and Frank E. Marchetti (Of Counsel) of
27 Law Offices of Chanhoo C. Joo.
28

1 15. “Effective Date” means the date by when both of the following have occurred: (a) the
2 Court enters the Final Approval Order and Judgment; and (b) the Final Approval Order and Judgment
3 is final. The Final Approval Order and Judgment is final as of the latest of the following occurrences:
4 (a) if no Participating Class Member objects to the Settlement, the day the Court enters Final Approval
5 Order and Judgment; (b) if one or more Participating Class Members objects to the Settlement, the
6 day after the deadline for filing a notice of appeal from the Final Approval Order and Judgment; or if
7 a timely appeal from the Final Approval Order and Judgment is filed, the day after the appellate court
8 affirms the Final Approval Order and Judgment and issues a remittitur.

9 16. “Final Approval” means the date the Court enters an order granting final approval of
10 the Settlement Agreement.

11 17. “Final Approval Order and Judgment” mean the judgment and order entered by the
12 Court upon Final Approval of the Settlement Agreement, which will be a judgment for purposes of
13 California Rule of Court, Rule 3.771(a) and constitute approval pursuant to California Rule of Court,
14 Rule 3.769(a).

15 18. “Gross Settlement Amount” means the sum of Seven Hundred Fifty Thousand Dollars
16 and Zero Cents (\$750,000.00) to be paid by Defendants in full satisfaction of all of Defendants’
17 liabilities in the Action, including Class Counsel’s Fees and Costs, Class Representative Enhancement
18 Payments, Payments to Class Members, PAGA Penalties, and Settlement Administration Costs. The
19 Gross Settlement Amount does not include any employer-side taxes and withholdings, which will be
20 calculated by the Settlement Administrator and separately paid for by Defendant.

21 19. “Individual Class Payment” means a Participating Class Members’ pro-rata share of
22 the Class Member Settlement Fund.

23 20. “Individual PAGA Payment” means a PAGA Member’s pro-rata share of the 25%
24 portion of PAGA Penalties to be paid to PAGA Members.

25 21. “LWDA Notice” refers to the notice letter submitted to the LWDA by Plaintiff Noel
26 Medina on July 13, 2021.

27 22. “Objection” means a Class Member’s valid and timely written objection to the
28 Settlement. For an Objection to be valid, it must include: (a) the objector’s full name, address,

1 telephone number, last four digits of the employee's social security number or employee ID number;
2 and (b) a written statement of all grounds for the objection accompanied by legal support, if any, for
3 such objection. PAGA-Only Members may not object to the Settlement.

4 23. "Objection Form" means the form that Class Members may use to object to the
5 Settlement, substantially similar to the form attached hereto as Exhibit B.

6 24. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, Cal.
7 Lab. Code §§ 2698, *et seq.*

8 25. "PAGA Members" means all current and former non-exempt employees of Defendant
9 Natureware, Inc. who were employed by Defendant Natureware, Inc. in the state of California at any
10 time during the PAGA Period.

11 26. "PAGA-Only Members" means all current and former non-exempt employees of
12 Defendant Natureware, Inc. who were employed by Defendant Natureware, Inc. in the state of
13 California at any time during the PAGA Period who previously entered into an agreement with
14 Defendants to release the unpaid wage claims alleged in the Action.

15 27. "PAGA Notice" means the Notice of Class Action and PAGA Settlement in a form
16 substantially similar to the form attached hereto as Exhibit D, that will be mailed to PAGA-Only
17 Members' last known address and which will provide PAGA-Only Members with information
18 regarding the settlement of the Action.

19 28. "PAGA Penalties" means the amount that the Parties have agreed to allocate in order
20 to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et*
21 *seq.*) ("PAGA"). The Parties have agreed that \$75,000.00 of the Gross Settlement Amount will be
22 allocated to the resolution of Plaintiff Medina's PAGA Claims. Seventy Five Percent (75%) of this
23 amount (\$56,250.00) will be paid to the California Labor and Workforce Development Agency in
24 accordance with Labor Code §§ 2698 *et seq.* Twenty Five Percent (25%) of this amount (\$18,750.00),
25 will be distributed to PAGA Members. If the PAGA Penalties are approved by the Court, PAGA
26 Members will receive payment from the employee portion of the PAGA Penalties even if they request
27 to be excluded from the class action.
28

29. “PAGA Period” means the period commencing on July 13, 2020, and ending on March 15, 2023.

30. “Parties” means Plaintiffs and Defendants, collectively, and “Party” shall mean either Plaintiffs or Defendants, individually.

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

32. “Plaintiffs” means Plaintiff Noel Medina and Ricard Lara, who will seek to be appointed as the representative for the Class.

33. “Preliminary Approval” means the date the Court enters an order granting preliminary approval of the Settlement Agreement.

34. “Released Class Claims” means all claims, rights, demands, liabilities and causes of action that are alleged, or reasonably could have been alleged based on the facts and claims asserted in the operative complaint in the Action, including the following claims: (i) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1. (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) violations of Labor Code sections 201, 202, 203, 204, 226(a), 226.3, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2698, *et seq.*, 2800, and 2802. The Released Class Claims are limited to claims arising during the Class Period

35. “Released PAGA Claims” means any and all claims for the recovery for civil penalties, attorneys’ fees and costs permissible under PAGA which Plaintiffs and/or the PAGA Members had, or may claim to have, against Released Parties, arising out of the violations alleged in the Complaint or the LWDA Notice, including failure to pay overtime compensation, failure to pay minimum wages,

1 failure to provide compliant meal and rest breaks, failure to pay meal and rest period premiums, failure
2 to pay all wages owed at discharge or resignation; failure to timely pay wages during employment;
3 failure to provide complete and accurate wage statements; failure to keep complete and accurate
4 payroll records; failure to reimburse necessary business-related expenses; and violations of Labor
5 Code sections 201, 202, 203, 204, 226(a), 226.3, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1,
6 1198, 2698, *et seq.*, 2800, and 2802 . The Released PAGA Claims are limited to claims arising during
7 the PAGA Period

8 36. “Released Parties” means Defendants Natureware, Inc. and Eunah Shin and their past,
9 present and/or future, direct and/or indirect, officers, directors, members, managers, employees,
10 agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent
11 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

12 37. “Request for Exclusion” means a valid and timely written statement submitted by a
13 Class Member requesting to be excluded from the Settlement. PAGA-Only Members may not request
14 to be excluded from the Settlement.

15 38. “Request for Exclusion Form” means the form that Class Members may use to request
16 to be excluded from the Settlement, substantially similar to the form attached hereto as Exhibit C.

17 39. “Response Deadline” means the date sixty (60) days after the Settlement Administrator
18 mails Class Notice Packets to Class Members and PAGA Notice to PAGA-Only Members, which
19 shall be the last date on which: (1) Class Members may submit Requests for Exclusion, written
20 Objections to the Settlement, or Workweek Disputes; or (2) PAGA-Only Members may submit
21 Workweek Disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response
22 Deadline will be extended to the next day on which the U.S. Postal Service is open. Any Class Member
23 who is re-mailed a Notice Packet or any PAGA-Only Member who is re-mailed a PAGA Notice by
24 the Settlement Administrator shall have the later of the following deadlines to submit a Request for
25 Exclusion, written Objection, or Workweek Dispute to the Settlement Administrator: (i) forty-five
26 (45) calendar days after the Settlement Administrator remails the Notice Packet or PAGA Notice; or
27 (ii) fifteen (15) calendar days after the original 60-day Response Deadline (“Extended Response
28 Deadline). If the Extended Response Deadline falls on a Sunday or Federal holiday, the Extended

Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants' Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the deadline for Class Members to submit a Request for Exclusion or Objection to the Settlement.

40. "Settlement" means the disposition of the Action pursuant to this Agreement.

41. "Settlement Administrator" means Phoenix Class Action Administration Solutions. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

42. "Settlement Administration Costs" mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, translating, printing, distributing, and tracking documents for this Settlement, calculating/confirming the number of Workweeks from the information contained in the Class and PAGA List, calculating each Participating Class Member's Individual Class Payment, calculating each PAGA Member's Individual PAGA Payment, tax reporting, distributing the Gross Settlement Amount, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement. It is currently estimated that Settlement Administration Costs shall not exceed \$12,500.00.

43. "Workweek" shall mean any calendar week (i.e. a week beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Member worked at least 1 day for Defendant Natureware, Inc.

RECITALS

44. On July 13, 2021, Plaintiff Noel Medina provided written notice to the California Labor & Workforce Development Agency ("LWDA") and Defendants of Defendants' alleged violations of the California Labor Code and of Plaintiff Noel Medina's intent to seek civil penalties pursuant to PAGA.

1 45. On August 9, 2023, Plaintiff Noel Medina filed a putative class action complaint
2 against Defendants in the Superior Court for the State of California, County of Orange entitled *Noel*
3 *Medina v. Natureware, Inc.*, Case No. 30-2021-01215641-CU-OE-CXC, which alleged the following
4 ten (10) causes of action: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime
5 Wages); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
6 (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of
7 California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of
8 California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California
9 Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor
10 Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d)
11 (Failure to Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802
12 (Unreimbursed Business Expenses); and (10) Violation of California Business and Professions Code
13 §§ 17200, et seq.

14 46. On September 16, 2021, Plaintiff Noel Medina filed a separate representative PAGA
15 action complaint against Defendants in the Superior Court for the State of California, County of
16 Orange entitled *Noel Medina v. Natureware, Inc.*, Case No. 30-2021-01221681-CU-OE-CXC
17 (“PAGA Action”).

18 47. On June 8, 2022, the Parties stipulated to allow Plaintiff Noel Medina file a First
19 Amended Complaint in Case No. 30-2021-01215641-CU-OE-CXC in order to add his PAGA claim
20 to the Class Action case, and to add Plaintiff Ricardo Lara as an additional named plaintiff and
21 proposed class representative. The First Amended Complaint was subsequently filed on or about June
22 14, 2022. In light of the filing of the First Amended Complaint adding the PAGA claim to this Action,
23 on or about June 16, 2023, the Parties filed a joint stipulation to dismiss the PAGA Action (Case No.
24 30-2021-01221681-CU-OE-CXC) without prejudice.

25 48. Defendants deny the allegations in the complaint in the Action and LWDA Notice,
26 deny any failure to comply with the laws identified in in the operative complaint in the Action and
27 LWDA Notice, and deny any and all liability for any of the causes of action pled and facts asserted in
28 the Action and LWDA Notice.

1 49. Following the filing of the Action, the Parties met and conferred with respect to
2 potential resolution of this Action, and agreed to engage in private mediation. Prior to mediation, Class
3 Counsel diligently investigated the claims against Defendants, including any and all applicable
4 defenses and the applicable law. This investigation included, *inter alia*, the exchange of informal
5 discovery, review of numerous corporate policies and practices, and analysis of a one-third sampling
6 of the time and payroll records for the putative class. Class Counsel's investigation was sufficient to
7 satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th
8 1794, 1801 (1998) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008).

9 50. On April 24, 2023, the Parties participated in a private mediation with Jeffrey Krivis,
10 Esq., a respected mediator with extensive experience in complex wage and hour litigation. Mr. Krivis'
11 supervision of the mediation and negotiations was critical in managing the expectations of the Parties,
12 and in providing a useful and neutral analysis of the case to both Parties. After a full day of
13 negotiations, Mr. Krivis issued a mediator's proposal to settle this matter on a class-wide and PAGA
14 basis which was subsequently accepted by the Parties, the material terms of which are now fully
15 memorialized in this Agreement.

16 51. The settlement discussions during and after mediation were conducted at arms-length,
17 and this Agreement is the result of an informed and detailed analysis of Defendants' potential liability
18 in relation to the costs and risks associated with continued litigation.

19 52. Based on data produced pursuant to formal and informal discovery, as well as Class
20 Counsel's own independent investigation and evaluation, Plaintiffs and Class Counsel believe that the
21 Settlement for the consideration and terms set forth in this Agreement is fair, reasonable and adequate,
22 and is in the best interests of the Class in light of all known facts and circumstances.

23 53. This Agreement is made and entered into by and between Plaintiffs individually and
24 on behalf of the Class, and Defendants, and is subject to the terms and conditions hereof, and to the
25 Court's approval. The Parties expressly acknowledge that this Agreement is entered solely for the
26 purpose of compromising significantly disputed claims and that nothing herein is an admission of
27 liability or wrongdoing by Defendants. If for any reason this Agreement is not approved, it will be of
28 no force or effect, and the Parties shall be returned to their original respective positions.

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

54. Class Certification for Settlement Purposes Only: Solely for purposes of Settlement of the Action, the Parties stipulate and agree that the requirements for establishing class certification with respect to the Class have been satisfied, and stipulate and agree to certification of the Class. The Parties further agree to the designation of Parker & Minne, LLP and Lawyers for Justice, P.C. as counsel for the Class. Should the Settlement not be approved or is terminated, the fact that the Parties were willing to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in this Action.

55. Settlement Consideration: Defendants shall fund the Gross Settlement Amount and all applicable employer-side payroll taxes following Final Approval by the Court and the occurrence of the Effective Date, in accordance with the installment plan set forth in paragraph 57, below. The following will be paid out of the Gross Settlement Amount: the Individual Class Payments, the Class Representative Enhancement Payments, Class Counsel's Fees and Costs, the PAGA Penalties, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side taxes due on the Individual Class Payments, or as a result of an increase in the number of workweeks as set forth in Paragraph 56 below, Defendants shall not be required to pay more than the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendants.

56. Potential Increase to the Gross Settlement Amount: The Gross Settlement Amount is based on Defendants' certification that there are a total of 399 Class Members who worked a total of 13,114 Workweeks during the Class Period ("Certified Workweek Amount"). Should the actual number of Workweeks worked by Class Members during the Class Period exceed the Certified Workweek Amount by more than ten percent (10%) (i.e., final total Workweeks increased by more than 1,311 Workweeks), then Defendants shall have the option to either: (1) increase the Gross Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks

1 worked by the Class Members above 10% (e.g., if the number of Workweeks increases by 11% to
2 14,557 Workweeks, the Gross Settlement Amount will increase by 1% to \$757,500.00); or (2) shorten
3 the end of Class Period and PAGA Period to the date the total Workweeks reach the threshold of
4 13,114 Workweeks.

5 57. Funding of the Gross Settlement Amount: Within seven (7) calendar days of Final
6 Approval, Defendants shall provide all information necessary for the Settlement Administrator to
7 calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax
8 ID number, and other information requested by the Settlement Administrator. Defendants will deposit
9 the Gross Settlement Amount and all applicable employer-side payroll taxes into a Qualified
10 Settlement Fund ("QSF") to be established by the Settlement Administrator in two installment
11 payments. The first installment payment in the amount of \$375,000.00, plus any employer-side payroll
12 taxes calculated by the Settlement Administrator, shall be deposited by Defendants into the QSF on
13 or before April 24, 2024, or, in the event Final Approval is granted after April 24, 2024, by no later
14 than 7 calendar days of Final Approval. The second installment payment of \$375,000.00 shall be
15 deposited by Defendants into the QSF on or before April 25, 2025.

16 a) The Parties have expressly agreed to the foregoing installment plan based on
17 Defendant Natureware, Inc.'s representation that it is unable to fund the Gross Settlement Amount in
18 a single installment without incurring financial hardship. Within seven (7) calendar days of the
19 execution of this Agreement, Defendant Natureware, Inc. shall provide Class Counsel with a
20 declaration under oath testifying as to why Defendants' financial condition necessitates the funding of
21 the Gross Settlement Amount through installment payments, which Class Counsel may file in support
22 of Plaintiff's Motion for Preliminary Approval and Motion for Final Approval. Defendant Natureware,
23 Inc. further expressly agrees that it will provide Class Counsel and the Court with any additional
24 documentation, declarations, or other evidence that may be required by the Court in order to obtain
25 Preliminary Approval and/or Final Approval of the Agreement.

26 58. Distribution of the Gross Settlement Amount: The Settlement Administrator will
27 distribute payments from the Gross Settlement Amount as follows:
28

1 a) Within seven (7) calendar days of receipt of the First Installment Payment, the
2 Settlement Administrator shall distribute any available funds in the following order of priority: (1) full
3 payment of Individual Class Payments to Participating Class Members; (2) payment of Individual
4 PAGA Payments to PAGA Members (to the extent there are any funds remaining after all Individual
5 Class Payments are fully paid); and (3) payment of PAGA Penalties to the LWDA (to the extent there
6 are any funds remaining after both Individual Class Payments and Individual PAGA Penalties are
7 fully paid.)

8 i. In the event that the First Installment Payment is insufficient to fully
9 pay all Individual Class Payments (e.g., if the Court, at Final Approval,
10 reduces the amounts currently provided for Class Counsel's Fees and
11 Costs, Class Representative Enhancement Payments, Settlement
12 Administration Costs, and/or PAGA Penalties such that the final Class
13 Member Settlement Fund exceeds \$375,000.00), the Settlement
14 Administrator shall distribute pro-rated shares of Individual Class
15 Payments to all Participating Class Members based on the payment ratio
16 set forth in paragraph 64. Any amounts remaining due for Individual
17 Class Payments after the distribution of funds from the First Installment
18 Payment shall be from the Second Installment Payment, as set forth in
19 paragraph 58(b).

20 ii. Similarly, in the event that there are sufficient funds from the First
21 Installment Payment to make full payment of all Individual Class
22 Payments, but only partial payment of Individual PAGA Payments, the
23 Settlement Administrator shall distribute prorated shares of Individual
24 PAGA Payments to all PAGA Members based on the payment ratio set
25 forth in paragraph 66. Any amounts remaining due for Individual PAGA
26 Payments shall be paid from the Second Installment Payment, as set
27 forth in paragraph 58(b).
28

b) Within seven (7) calendar days of receipt of the Second Installment Payment, the Settlement Administrator shall issue payments for: (1) any amounts remaining due for Individual Class Payments (if not fully funded through First Installment Payment); (2) any amounts remaining due for Individual PAGA Payments (if not fully funded through the First Installment Payment); (3) any amounts remaining due for PAGA Penalties to the LWDA; (4) Class Representative Enhancement Payments; (5) Settlement Administration Costs; and (6) Class Counsel's Fees and Costs.

59. Attorneys' Fees and Costs: Defendants agree not to oppose any application or motion by Class Counsel for attorneys' fees of not more than thirty-five percent (35%) of the Gross Settlement Amount, i.e. \$262,500.00, plus the reimbursement of costs and expenses associated with the litigation and settlement of the Action, in an amount not to exceed \$30,000.00, both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs that are not awarded to the Class Counsel shall be reallocated to the Class Member Settlement Fund and distributed to Participating Class Members as provided in this Agreement.

60. Class Representative Enhancement Payments: Defendants agree not to oppose or object to any application or motion by Plaintiffs for Class Representative Enhancement Payments of Five Thousand Dollars and Zero Cents (\$5,000.00) to each Plaintiff. The Class Representative Enhancement Payments are intended to recognize the Plaintiffs' time, effort, and risk in bringing and prosecuting the Action, as well as the General Release of Plaintiffs' individual claims against Defendants. Any portion of the requested Class Representative Enhancement Payments that are not awarded to Plaintiffs shall be reallocated to the Class Member Settlement Fund and distributed to Participating Class Members as provided in this Agreement.

61. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs are currently estimated not to exceed \$12,500.00. The Parties acknowledge that Settlement Administration Costs may increase above the current estimate of \$12,500.00 and that any such additional Settlement Administration Costs will be taken out of the Gross Settlement Amount. Any portion of the requested Settlement Administration Costs that are not awarded to the Settlement Administrator or which are

not ultimately required to complete administration of the Settlement shall be reallocated to the Class Member Settlement Fund and distributed to Participating Class Members as provided in this Agreement.

62. PAGA Penalties: \$75,000.00 of the Gross Settlement Amount shall be allocated for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Penalties (i.e., \$56,250.00), to the California Labor and Workforce Development Agency (“LWDA”). The Settlement Administrator shall distribute the remaining twenty-five percent (25%) of the PAGA Penalties (i.e., \$18,750.00) to PAGA Members on a *pro rata* basis based on the total number of Workweeks worked by each PAGA Member during the PAGA Period. Class Members who qualify as PAGA Members shall receive their portion of the PAGA Penalties even if they request to be excluded from the class portion of the Settlement.

63. Class Member Settlement Fund for Payment of Class Claims: The Class Member Settlement Fund will be used to satisfy the class portion of Participating Class Members’ Individual Class Payments in accordance with the terms of this Agreement. The estimated Class Member Settlement Fund is as follows:

Gross Settlement Amount	\$	750,000.00
Enhancement Payments:	\$	10,000.00
Class Counsel’s Fees:	\$	262,500.00
Class Counsel’s Costs:	\$	30,000.00
PAGA Penalties	\$	75,000.00
Settlement Administration Costs:	\$	12,500.00
Estimated Class Member Settlement Fund	\$	360,000.00

64. Individual Class Payment Calculations: Individual Class Payments will be paid from the Class Member Settlement Fund on a pro-rata basis based on the total Workweeks worked by Participating Class Members during the Class Period. Specifically, the Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all

Participating Class Members, resulting in the payment ratio for each Participating Class Member. Each Participating Class Member's payment ratio will then be multiplied by the Class Member Settlement Fund to calculate each Settlement Class Member's estimated Individual Class Payment.

65. Tax Allocation of Individual Class Payments: Individual Class Payments will be allocated as follows: twenty percent (20%) as wages, forty percent (40%) as interest, and forty percent (40%) as penalties. The portion of the Individual Class Payment allocated to wages will be reported by the Settlement Administrator on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099 by the Settlement Administrator

66. Individual PAGA Payment Calculations: Individual PAGA Payments will be paid on a pro-rata basis based on the total Workweeks worked by PAGA Members during the PAGA Period. Specifically, the Settlement Administrator will calculate the total Workweeks for all PAGA Members by adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The respective Workweeks for each PAGA Member will be divided by the total Workweeks for all PAGA Members, resulting in the payment ratio for each PAGA Member. Each PAGA Member's payment ratio will then be multiplied by the 25% employee portion of the PAGA Penalties to calculate each PAGA Member's estimated Individual PAGA Payment. Class Members who qualify as PAGA Members shall receive an Individual PAGA Payment regardless of whether they submit a Request for Exclusion.

67. Tax Allocation of Individual PAGA Payments: Individual PAGA Payments are not subject to withholdings and will be reported on an IRS Form 1099 by the Settlement Administrator.

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

69. Settlement Administration Process: The Parties agree to cooperate in the administration

of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. The Settlement Administrator will provide the following services:

- a) Establish and maintain a Qualified Settlement Fund.
- b) Calculate the Individual Class Payment each Participating Class Member is eligible to receive.
- c) Calculate the Individual PAGA Payment each PAGA Member shall receive.
- d) Print and mail the Class Notice Packet (consisting of the Class Notice, Objection Form, and Request for Exclusion Form) in both Spanish and English.
- e) Print and mail the PAGA Notice in both English and Spanish.
- f) Conduct additional address searches for mailed Class Notice Packets and PAGA Notices that are returned as undeliverable.
- g) Process Objections and Requests for Exclusion.
- h) Field inquiries from Class Members and PAGA Members.
- i) Print and issue Settlement Payment Checks.
- j) Prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority.
- k) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court.
- l) Provide weekly status reports to counsel for the Parties.
- m) Posting information related to the Settlement on the Settlement Administrator's website, including copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary Approval Order, Class Notice, Objection Form, Request for Exclusion Form, PAGA Notice, Motion for Final Approval, Final Approval Order and Judgment.
- n) Provide an invoice of Settlement Administration Costs in conjunction with Plaintiffs' Motion for Final Approval.

70. Delivery of the Class and PAGA List: Within fourteen (14) calendar days of

1 Preliminary Approval, Defendants will provide the Class and PAGA List to the Settlement
2 Administrator. This is a material term of the Agreement, and if Defendants fail to comply, Plaintiffs
3 shall have the right to void the Agreement.

4 71. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the
5 Class and PAGA List from Defendants, the Settlement Administrator will mail the Class Notice
6 Packets to all Class Members and PAGA Notices to all PAGA-Only Members via regular First-Class
7 U.S. Mail, using the most current, known mailing addresses identified in the Class and PAGA List
8 and updated by way of a search of the National Change of Address Database, as set forth in paragraph
9 72, below.

10 72. Confirmation of Contact Information in the Class and PAGA List: Prior to mailing
11 Class Notice Packets and PAGA Notices, the Settlement Administrator will perform a search based
12 on the National Change of Address Database for information to update and correct for any known or
13 identifiable address changes. Any Class Notice Packets and PAGA Notices returned to the Settlement
14 Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular
15 First-Class U.S. Mail to the forwarding address affixed thereto within three (3) business days of receipt
16 by the Settlement Administrator. The Settlement Administrator will indicate the date of such re-
17 mailing on the Class Notice Packet and PAGA Notice. If no forwarding address is provided, the
18 Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or
19 other search using the name, address and/or Social Security number of the Class Member or PAGA-
20 Only Member involved, and will then perform a single re-mailing. If any Class Notice Packet or PAGA
21 Notice sent to a current employee is re-mailed by the Settlement Administrator and is returned as
22 undeliverable, then Settlement Administrator shall immediately notify Defendants and Defendants
23 shall make all reasonable efforts to obtain the current address from the Class Member or PAGA-Only
24 Member and provide the same within seven (7) calendar days of notice from the Settlement
25 Administrator. The Response Deadline will be extended fifteen (15) calendar days for any Class
26 Member who is re-mailed a Notice Packet or any PAGA-Only Member who is re-mailed a PAGA
27 Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in
28 which case the Response Deadline will be extended to the next day on which the U.S. Postal Service

1 is open. The Administrator will inform the Class Member or PAGA-Only of the extended deadline
2 with the re-mailed Class Notice Packet or PAGA Notice.

3 73. Class Notice Packet: All Class Members will be mailed a Class Notice Packet
4 containing the Notice, Objection Form, and Request for Exclusion Form, substantially in the form
5 attached hereto as Exhibits A through C. The Class Notice Packets shall be provided in English and
6 Spanish. Each Notice will provide: (a) information regarding the nature of the Action; (b) a summary
7 of the Settlement's principal terms; (c) the Class definition; (d) the PAGA Member definition; (e) the
8 dates which comprise the Class Period and PAGA Period; (f) the formula for calculating Individual
9 Class Payments and Individual PAGA Payments; (g) the total number of Workweeks each respective
10 Class Member worked for Defendants during the Class Period; (h) the total number of Workweeks
11 PAGA Members worked for Defendants during the PAGA Period; (i) each Class Member's estimated
12 Individual Class Payment; (ij) each PAGA Members' estimated Individual PAGA Payment; (k) the
13 deadlines by which the Class Member must email, fax, or postmark Requests for Exclusion, Objections
14 to the Settlement, or Workweek Disputes; (l) the claims to be released, as set forth herein; and (m) the
15 date for the Final Approval hearing.

16 74. PAGA Notice: All PAGA-Only Members will be mailed a PAGA Notice, substantially
17 in the form attached hereto as Exhibit D. The PAGA Notice shall be provided in English and Spanish.
18 Each Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the
19 Settlement's principal terms; (c) the PAGA Member definition; (d) the dates which comprise the Class
20 Period and PAGA Period; (e) the formula for calculating Individual PAGA Payments; (f) the total
21 number of Workweeks each respective PAGA-Only Member worked for Defendants during the
22 PAGA Period; (g) each PAGA-Only Members' estimated Individual PAGA Payment; (h) the
23 deadlines by which the PAGA-Only Member must email, fax, or postmark Workweek Disputes; (i)
24 the claims to be released, as set forth herein; and (j) the date for the Final Approval hearing.

25 75. Disputed Information on Notice: Class Members and PAGA-Only Members will have
26 an opportunity to dispute the information provided in their Notice. To the extent Class Members or
27 PAGA-Only Members dispute the number of Workweeks with which they have been credited or the
28 amount of their Individual Class Payments or Individual PAGA Payments, such Class Members or

1 PAGA-Only Members may produce evidence to the Settlement Administrator showing that such
2 information is inaccurate. Absent evidence rebutting Defendants' records, Defendants' records will be
3 presumed determinative. However, if a Class Member or PAGA-Only Member produces evidence to
4 the contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class
5 Member or PAGA-Only Member and the Parties will make the final decision as to the number of
6 eligible Workweeks that should be applied, and the Individual Class Payments or Individual PAGA
7 Payments to which the Class Member or PAGA-Only Member may be entitled. If the Parties are
8 unable to resolve the dispute, the Settlement Administrator will be the final arbiter of the Workweeks
9 for each Class Member or PAGA-Only Member, based on the information provided to it. Class
10 Members or PAGA-Only Members must submit any disputes to the number of Workweeks reported
11 on the Notice to the Settlement Administrator via email, facsimile or mail by the Response Deadline
12 (or, in the event that the Notice Packet or PAGA Notice is remailed, by the Extended Response
13 Deadline set forth in paragraph 39, above.)

14 76. Request for Exclusion Procedures: Any Class Member wishing to opt-out from the
15 Action must sign and return a written Request for Exclusion to the Settlement Administrator by the
16 Response Deadline (or, in the event that the Notice Packet is remailed, by the Extended Response
17 Deadline set forth in paragraph 39, above) via email, facsimile or mail. A Request for Exclusion Form,
18 substantially in the form attached hereto as Exhibit C, shall be included in the Class Notice Packet,
19 and may be utilized by Class Members to request exclusion from the Settlement. All Requests for
20 Exclusion must include: (a) the Class Member's name, address, telephone number, and the last four
21 digits of the Class Member's Social Security number and/or the Employee ID number; and (b) a clear
22 statement requesting to be excluded from the settlement of the class claims similar to the following:
23 "I wish to exclude myself from the class settlement reached in the matter of *Medina v. Natureware,*
24 *Inc.* I understand that by excluding myself, I will not receive money from the settlement of my
25 individual claims." The date of the email, fax, or postmark will be the exclusive means to determine
26 whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be
27 submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendants'
28 Counsel the Requests for Exclusion that were timely submitted. All Class Members who do not request

1 exclusion from the Action will be bound by all terms of the Settlement Agreement if the Settlement is
2 granted final approval by the Court. The Request for Exclusion shall not be effective as to the release
3 of claims arising under the Private Attorneys General Act. PAGA-Only Members may not opt-out
4 from the Settlement.

5 77. Defective Submissions: If a Class Member's Request for Exclusion is defective as to
6 the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s).
7 The Settlement Administrator will mail the Class Member a cure letter within three (3) business days
8 of receiving the defective submission to advise the Class Member that his or her submission is
9 defective and that the defect must be cured to render the Request for Exclusion valid. The Class
10 Member will have until the later of (a) the Response Deadline or (b) fourteen (14) calendar days from
11 the date of the cure letter, whichever date is later, to email, fax, or postmark a revised Request for
12 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the Settlement
13 Administrator will have no further obligation to give notice of a need to cure. If the revised Request
14 for Exclusion is not emailed, faxed, or postmarked within that period, it will be deemed untimely.

15 78. Defendants' Right to Rescind: If more than ten percent (10%) of Class Members
16 (rounded to the next whole number) elect not to participate in the Settlement, Defendants may, at their
17 election, rescind the Settlement Agreement and all actions taken in furtherance of it will be thereby
18 null and void. Defendants must meet and confer with Class Counsel prior to exercising this right, and
19 must make clear their intent to rescind the Agreement within fourteen (14) calendar days of the
20 Settlement Administrator notifying the Parties of the final number of opt-outs. If Defendants exercise
21 their right to rescind the Agreement, Defendants shall be responsible for all Settlement Administration
22 Costs incurred to the date of rescission.

23 79. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Any Class Member
24 who does not affirmatively opt-out of the Settlement by submitting a timely and valid Request for
25 Exclusion will be bound by all of its terms, including those pertaining to the Released Claims, as well
26 as any Final Approval Order and Judgment that may be entered by the Court if it grants final approval
27 to the Settlement. Class Members who opt-out of the Settlement shall not be bound by such Final
28 Approval Order and Judgment or release. The names of Class Members who have opted-out of the

Settlement shall be disclosed to the Counsel for both Plaintiffs and Defendants and noted in the proposed Final Approval Order and Judgment submitted to the Court.

80. Objection Procedures: To object to the Settlement, a Participating Class Member must email, fax, or postmark a valid Objection to the Settlement Administrator on or before the Response Deadline (or, in the event that the Notice Packet is remailed, by the Extended Response Deadline set forth in paragraph 39, above.) An Objection Form, substantially in the form attached hereto as Exhibit B, shall be included in the Class Notice Packet, and may be utilized by Participating Class Members to object to the Settlement. All Objections must be signed by the Participating Class Member and contain the Participating Class Member's full name, address, telephone number, the last four digits of their social security number and/or Employee ID number, and the specific reason including any legal grounds for the Participating Class Member's objection. The email, facsimile, or postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. Absent good cause found by the Court, Participating Class Members who fail to object in the manner specified above will be foreclosed from making a written objection, but shall still have a right to appear at the Final Approval Hearing in order to have their objections heard by the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to submit written objections to the Settlement or appeal from the Final Approval Order and Judgment. Class Counsel will not represent any Class Members with respect to any objections to this Settlement. PAGA-Only Members may not object to the Settlement.

81. Reminders: No later than thirty (30) days after the initial mailing of the Class Notice Packets, the Settlement Administrator will send a Reminder Postcard to all Class Members who have not returned a Request for Exclusion or Objection. All Reminder Postcards will include the Response Deadline, and the contact information for Class Counsel and the Settlement Administrator.

82. Weekly Reports Regarding Settlement Administration: The Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) the number of Class Notice Packets returned and re-mailed; (c) whether any Class Member has submitted any Objections or, Requests for Exclusions; and (d) whether any Class Member or PAGA-Only Member has submitted

any challenges to any information contained in the Class Notice or PAGA Notice. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

83. Compliance Declaration by Settlement Administrator: Within two weeks of the Response Deadline, the Settlement Administrator will provide to a signed declaration to Class Counsel and Defendants' counsel attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, the mailing of Class Notice Packets and PAGA Notices, the Class Notice Packets and PAGA Notices returned as undelivered, the re-mailing of Class Notice Packets and PAGA Notices, attempts to locate Class Members and PAGA-Only Members whose Class Notice Packets and PAGA Notices were returned as undelivered, the names of the individuals who submitted timely and valid Requests for Exclusion from Settlement, and the number of written Objections to the Settlement. The Administrator shall also provide to Class Counsel and Defendants' Counsel authenticated copies of every written Objection and Request for Exclusion that it received. The Administrator shall also provide a copy of its final invoice to Class Counsel and Defense Counsel for submission in conjunction with Plaintiffs' Motion for Final Approval. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court.

84. Payment Schedule for All Court Approved Settlement payments: Within three (3) business days of the Court granting Final Approval of the Settlement, the Settlement Administrator will calculate all payments due, and shall provide Defendants' Counsel and Class Counsel with a report on all disbursements to be made under the Settlement.

85. Returned Settlement Checks: Any checks issued to Participating Class Members and PAGA Members that are returned to the Settlement Administrator as non-deliverable will be sent via regular First-Class U.S. Mail to the forwarding address affixed thereto within three (3) business days of receipt by the Settlement Administrator. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member or PAGA-Only Member involved, and will then perform a single re-mailing. If any checks issued to Participating Class Members or PAGA Members who are current employees are resent by the Settlement Administrator

1 and are returned as undeliverable, then Defendants shall make all reasonable efforts to obtain the
2 current address from the Class Member or PAGA-Only Member and provide the same to the
3 Settlement Administrator within seven (7) calendar days of notice from the Settlement Administrator.

4 86. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator to
5 Participating Class Members and PAGA Members will be negotiable for at least one hundred eighty
6 (180) calendar days. If a Participating Class Member or PAGA Member does not cash his or her
7 Individual Class Payment check or Individual PAGA Payment check within 180 days, the uncashed
8 funds, subject to Court approval, shall be distributed to the Controller of the State of California to be
9 held pursuant to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of
10 those Participating Class Members and PAGA Members who did not cash their checks until such time
11 that they claim their property. The Parties agree that this disposition results in no “unpaid residue”
12 under California Civil Procedure Code § 384, as the entire Class Member Settlement Fund will be
13 paid out to Participating Class Members and PAGA Members, whether or not they all cash their
14 Individual Class Payment checks or Individual PAGA Payment checks. Therefore, Defendants will
15 not be required to pay any interest on such amounts. The Individual Class Payment checks provided
16 to Participating Class Members and Individual PAGA Payment checks provided to PAGA Members
17 shall prominently state the expiration date or a statement that the Settlement Check will expire in one
18 hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying
19 the Individual Class Payment and/or Individual PAGA Payment. Expired Individual Class Payments
20 and expired Individual PAGA Payments will not be reissued, except for good cause and as mutually
21 agreed by the Parties in writing. The parties agree no unclaimed funds will result from the settlement.

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

27 88. Final Distribution Report and Declaration by Settlement Administrator: Within 10
28 calendar days after the Settlement Administrator disburses all funds in the Gross Settlement Amount,

1 the Administrator will provide Class Counsel and Defendants' Counsel with a final report detailing its
2 disbursements by employee identification number only of all payments made under this Agreement.
3 At least 14 calendar days before any deadline set by the Court, the Settlement Administrator will
4 prepare, and submit to Class Counsel and Defendants' Counsel, a signed declaration under oath
5 suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.
6 Class Counsel is responsible for filing the Settlement Administrator's Declaration with the Court.

7 89. Tax Liability: Defendants make no representation as to the tax treatment or legal effect
8 of the payments called for hereunder, and Plaintiffs, Participating Class Members, and PAGA
9 Members are not relying on any statement, representation, or calculation by Defendants or by the
10 Settlement Administrator in this regard. Plaintiffs, Participating Class Members, and PAGA Members
11 understand and agree that they will be solely responsible for the payment of any taxes and penalties
12 assessed on the payments described herein. Defendants' share of any employer payroll taxes and other
13 required employer withholdings due on the Individual Class Payments, including, but not limited to,
14 Defendants' FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement
15 Amount.

16 90. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,
17 the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an
18 "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written
19 communication or disclosure between or among the Parties or their attorneys and other advisers, is or
20 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
21 relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31
22 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its
23 own, independent legal and tax counsel for advice (including tax advice) in connection with this
24 Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party
25 or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication
26 or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed
27 on the acknowledging party, and (3) no attorney or advisor to any other Party has imposed any
28 limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless

of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

91. No Prior Assignments: The Parties and their counsel 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 right herein released and discharged.

92. Release by Participating Class Members: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendants, Participating Class Members shall fully release and discharge the Released Parties from any and all Released Class Claims for the Class Period. This release shall be binding on all Participating Class Members.

93. Release by PAGA Members, the LWDA and the State of California: Upon the complete funding of the Gross Settlement Amount, all PAGA Members, the LWDA, and State of California shall fully release and discharge the Released Parties from any and all Released PAGA Claims for the PAGA Period. In light of the binding nature of a PAGA judgment on non-party employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969 (2009), all PAGA Members shall release claims arising under PAGA regardless of their decision to participate in the class settlement. PAGA Members who exclude themselves from the settlement of class claims, shall still receive an Individual PAGA Payment and release all claims for penalties pursuant to the PAGA during the PAGA Period.

94. Release of Additional Claims & Rights by Plaintiffs: Upon the complete funding of the Gross Settlement Amount, Plaintiffs agree—on behalf of themselves only—to the additional following General Release: In consideration of Defendants’ promises and agreements as set forth herein, Plaintiffs hereby fully release the Released Parties from any and all Released Claims and also generally release and discharge the Released Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against the Released Parties arising out of or relating to their employment by Defendants, including but not limited to claims for wages, restitution, and penalties. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and

attorneys' fees and costs (except provided by the Settlement Agreement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiffs waive all rights and benefits afforded by California Civil Code Section 1542, which provides:

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

This release specifically excludes claims for unemployment insurance, disability, social security, workers compensation (with the exception of claims arising pursuant to California Labor Code Sections 132(a) and 4553), defamation, and/or any claims arising under the California Fair Employment and Housing Act for discrimination, harassment, retaliation, or wrongful termination.

95. Neutral Employment Reference: Defendants agree that they will adopt a neutral reporting policy regarding any future employment references related to Plaintiffs. Specifically, should Plaintiffs seek an employment reference from Defendants, Plaintiffs must direct all such inquiries to Defendants' Human Resources department. Defendants shall communicate to any prospective employer Plaintiffs' title and dates of employment, and no characterization of employment or separation from employment will be provided.

96. Preliminary Approval Hearing: Promptly upon execution of this Settlement Agreement, Plaintiffs shall file a Motion for Preliminary Approval requesting the entry of an order as follows:

- a. Granting preliminary approval of the Settlement Agreement
- b. Certifying the Class for the purpose of Settlement;
- c. Approving, as to form and content, the proposed Class Notice, Objection Form, Request for Exclusion Form, and PAGA Notice;
- d. Approving the manner and method for Class Members to request exclusion from the Stipulation of Settlement as contained herein and within the Class Notice;

- e. Directing the mailing of the Class Notice Packets and Reminder Postcards to the Class Members, in accordance with the Agreement;
- f. Directing the mailing of the PAGA Notice to PAGA-Only Members; and
- g. Setting a date for a Final Approval/Settlement Fairness Hearing.

In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Agreement, which sets forth the terms of the Settlement, and will include the proposed Class Notice attached as Exhibit A, the Objection Form attached as Exhibit B, the Request for Exclusion Form attached as Exhibit C, and the PAGA Notice attached as Exhibit D. Defendants agree that they will not oppose Plaintiffs' motion for preliminary approval or delay the hearing thereon, and that they will provide Plaintiffs with any declarations or other evidence required by the Court in order to obtain preliminary approval of the Settlement. This is a material term of the Agreement and any delay or opposition by Defendants will be grounds for Plaintiffs to withdraw from the Agreement.

97. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the deadlines to email, fax, or postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Individual Class Payments; (b) PAGA Penalties; (c) the Attorneys' Fees and Costs; (d) the Class Representative Enhancement Payments; and (e) the Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing and shall submit to the Court a Proposed Final Approval Order as follows:

- a. Approving the Agreement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- b. Approving Class Counsel's application for an award of attorneys' fees and costs;
- c. Approving the Class Representative Enhancement Payments to Plaintiffs;
- d. Setting a date when the parties shall report to the Court the total amount that was actually paid to the Class Members; and

e. Entering Final Approval Order and Judgment in this Action consistent with this Agreement.

Defendants agree that they will not oppose Plaintiffs' Motion for Final Approval and Attorneys' Fees and Costs, and that they will provide Plaintiffs with any declarations or other evidence required by the Court in order to obtain Final Approval of the Settlement.

98. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, Plaintiffs will present the Final Approval Order and Judgment to the Court for its approval. After entry of the Final Approval Order and Judgment, the Court will have continuing jurisdiction pursuant to California Code of Civil Procedure section 664.6 and California Rules of Court, Rule 3.769(h) for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement.

99. Nullification of Settlement Agreement: The Parties, Class Counsel and Defendants' counsel pledge their good faith and fair dealing in supporting the approval of the Settlement by the Court. In the event that: (a) the Court does not grant preliminary or final approval of the Settlement as provided herein; (b) the Court strikes or does not approve any material term of this Settlement Agreement; or (c) the Settlement does not become final as written and agreed to by the Parties for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, all amounts deposited into the QSF will be returned to Defendants, and the Parties shall be returned to their original respective positions prior to the Settlement and shall proceed in all respects as if this Settlement Agreement had not been executed. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning. Notwithstanding this provision, the Parties agree that they shall make a good faith effort to resolve any issues raised by the Court prior to invoking their right to nullify the Settlement under this provision. The Parties further agree that they will return to and attend mediation with Jeffrey Krivis, Esq. in an effort to reach a settlement that may be approved by the Court.

100. Exhibits Incorporated by Reference: The terms of this Settlement include the terms set

1 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
2 Any Exhibits to this Settlement are an integral part of the Settlement.

3 101. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute the
4 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
5 may be deemed binding on the Parties.

6 102. Amendment or Modification: This Settlement Agreement may be amended or modified
7 only by a written instrument signed by counsel for all Parties or their successors-in-interest.

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

17 104. Binding on Successors and Assigns: This Settlement Agreement will be binding upon,
18 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

19 105. California Law Governs: All terms of this Settlement Agreement and Exhibits hereto
20 will be governed by and interpreted according to the laws of the State of California.

21 106. Execution and Counterparts: This Settlement Agreement is subject only to the
22 execution of all Parties. However, the Settlement Agreement may be executed in one or more
23 counterparts. All executed counterparts and each of them, including facsimile and scanned copies of
24 the signature page, will be deemed to be one and the same instrument provided that counsel for the
25 Parties will exchange among themselves original signed counterparts.

26 107. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe this
27 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
28 this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into

1 account all relevant factors, present and potential. The Parties further acknowledge that they are each
2 represented by competent counsel and that they have had an opportunity to consult with their counsel
3 regarding the fairness and reasonableness of this Settlement.

4 108. Invalidity of Any Provision: Before declaring any provision of this Agreement invalid,
5 the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
6 with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

7 109. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to class
8 certification for purposes of this Settlement only; except, however, that either party may appeal any
9 court order that materially alters the Settlement Agreement's terms.

10 110. Class Action Certification for Settlement Purposes Only: The Parties agree to stipulate
11 to class action certification only for purposes of the Settlement. If, for any reason, the Settlement is
12 not approved, the stipulation to certification will be void. The Parties further agree that certification
13 for purposes of the Settlement is not an admission that class action certification is proper under the
14 standards applied to contested certification motions and that this Agreement will not be admissible in
15 this or any other proceeding as evidence that either: (a) a class action should be certified or (b)
16 Defendants are liable to Plaintiffs or any Class Member, other than according to the Settlement's
17 terms.

18 111. Non-Admission of Liability: The Parties enter into this Agreement to resolve the
19 dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation.
20 In entering into this Agreement, Defendants do not admit, and specifically deny, that they have
21 violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant
22 to any statute or any other applicable laws, regulations or legal requirements; breached any contract;
23 violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other
24 unlawful conduct with respect to their employees. Neither this Agreement, nor any of its terms or
25 provisions, nor any of the negotiations connected with it, shall be construed as an admission or
26 concession by Defendants of any such violations or failures to comply with any applicable law. Except
27 as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and
28 provisions shall not be offered or received as evidence in any action or proceeding to establish any

1 liability or admission on the part of Defendants or to establish the existence of any condition
2 constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

3 112. Captions: The captions and section numbers in this Agreement are inserted for the
4 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
5 provisions of this Agreement.

6 113. Waiver: No waiver of any condition or covenant contained in this Settlement
7 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to
8 imply or constitute a further waiver by such party of the same or any other condition, covenant, right
9 or remedy.

10 114. Enforcement Action: In the event that one or more of the Parties institutes any legal
11 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
12 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
13 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs,
14 including expert witness fees incurred in connection with any enforcement actions.

15 115. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms and
16 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
17 one Party than another merely by virtue of the fact that it may have been prepared by counsel for one
18 of the Parties, it being recognized that, because of the arms-length negotiations between the Parties,
19 all Parties have contributed to the preparation of this Settlement Agreement.

20 116. Representation By Counsel: The Parties acknowledge that they have been represented
21 by counsel throughout all negotiations that preceded the execution of this Agreement, and that this
22 Agreement has been executed with the consent and advice of counsel and reviewed in full. Further,
23 Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement.

24 117. All Terms Subject to Final Court Approval: All amounts and procedures described in
25 this Settlement Agreement herein will be subject to final Court approval.

26 118. Cooperation and Execution of Necessary Documents: The Parties agree to cooperate to
27 promote participation in the Settlement, and in seeking court approval of the Settlement. The Parties
28 and their counsel agree not to take any action to encourage any Class Members to opt out of and/or

1 object to the Settlement. Defendants agree not to obtain any settlement agreement waivers or Pick Up
2 Stix agreements from any Class Member prior to the funding of the Gross Settlement Amount
3 concerning claims released via this Agreement, or enter into any arbitration agreement with any Class
4 Member that covers the claims released via this Agreement during the Settlement approval process
5 prior to the funding of the Gross Settlement Amount and that the Parties will work in good faith to
6 reach an agreement approved by the Court.

7 119. Confidentiality: The Parties and their counsel agree to keep the terms of the Settlement
8 confidential until the filing of Plaintiffs' Motion for Preliminary Approval. Plaintiffs, Class Counsel,
9 Defendants, and Defendants' counsel agree that they will not issue any press releases, initiate any
10 contact with the press, respond to any press inquiry or have any communication with the press about
11 the fact, amount or terms of the Settlement Agreement. Nothing in this Settlement Agreement shall
12 limit Defendants' ability to fulfill disclosure obligations reasonably required by law or in furtherance
13 of business purposes, including the fulfillment of obligations stated in this Settlement Agreement or
14 limit Class Counsel's communications with the Class Members in furtherance of approval of this
15 Settlement. Furthermore, nothing in this provision shall be construed as preventing Class Counsel
16 from referring to the Settlement or the Action in support of their adequacy as counsel or to justify an
17 award of attorneys' fees in other cases.

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

23
24 *[Remainder of page intentionally left blank – Signatures on following page.]*
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27
28

1 **APPROVED AS TO FORM AND CONTENT:**

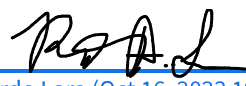
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4 Dated:

By:

Plaintiff Noel Medina

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7 Dated: 10/16/2023

By:


Ricardo Lara (Oct 16, 2023 19:09 PDT)

Plaintiff Ricardo Lara

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9
10
11 Dated:

By:

Name: Roy Shin

Title: CEO

For Defendant Natureware, Inc.

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14
15 **APPROVED AS TO FORM ONLY:**

16
17 Dated: October 16, 2023

PARKER & MINNE, LLP

18
19
20 By:


S. Emi Minne

Attorneys for Plaintiffs

Noel Medina and Ricardo Lara

21
22
23 Dated:

LAW OFFICES OF CHANHO C. JOO

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25
26 By:

Frank E. Marchetti

Attorneys for Defendants

Natureware, Inc. and Eunah Shin

1 **APPROVED AS TO FORM AND CONTENT:**

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4 Dated: 12/28/2023

By: 
Noel Medina.(Dec 28, 2023 17:22 PST)
Plaintiff Noel Medina

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7 Dated:

By: _____
Plaintiff Ricardo Lara

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11 Dated:

By: _____
Name: Roy Shin
Title: CEO
For Defendant Natureware, Inc.

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15 **APPROVED AS TO FORM ONLY:**

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17 Dated:

PARKER & MINNE, LLP

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19
20 By: _____
S. Emi Minne
Attorneys for Plaintiffs
Noel Medina and Ricardo Lara

21
22
23 Dated:

LAW OFFICES OF CHANHO C. JOO

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25
26 By: _____
Frank E. Marchetti
Attorneys for Defendants
Natureware, Inc. and Eunah Shin

1 **APPROVED AS TO FORM AND CONTENT:**

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4 Dated:

By:

Plaintiff Noel Medina

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7 Dated:

By:

Plaintiff Ricardo Lara

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10
11 Dated: 10/18/2023

By:



Name: Roy Shin

Title: CEO

For Defendant Natureware, Inc.

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13
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15 **APPROVED AS TO FORM ONLY:**

16
17 Dated:

PARKER & MINNE, LLP

18
19
20 By:

S. Emi Minne

Attorneys for Plaintiffs

Noel Medina and Ricardo Lara

21
22
23 Dated: 10/24/23

LAW OFFICES OF CHANHO C. JOO

24
25 By:



Frank E. Marchetti

Attorneys for Defendants

Natureware, Inc. and Eunah Shin

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT

Noel Medina v. Natureware, Inc.

Orange County Superior Court, Case No. 30-2021-01215641-CU-OE-CXC

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION OR ADVERTISEMENT. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

- If you are a current or former non-exempt employee of Natureware, Inc. who was employed by Natureware, Inc. any time between August 9, 2017, to March 15, 2023, you may be eligible to receive compensation from a proposed Class Action and PAGA Settlement.
- The Settlement resolves a class action and PAGA lawsuit brought against Natureware, Inc. (“Defendant”) regarding Defendant’s meal period, rest period, overtime and minimum wage, recordkeeping, and reimbursement policies and practices.
- The proposed Settlement has two main parts: (1) a Class Member Settlement Fund requiring Defendant to pay Individual Class Payments to Class Members; and (2) a PAGA Settlement requiring Defendant to pay civil penalties to PAGA Members and to the California Labor and Workforce Development Agency (“LWDA”).
- The Court still has to decide whether to grant Final Approval the Settlement. Payments will be made after the Court finally approves the Settlement. This decision is currently scheduled to be made at **1:30 p.m. on May 3, 2024**, in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. This date may change without further notice.
- Your legal rights are affected whether you act or do not act. Your rights and choices and explained in this notice. **PLEASE READ THIS NOTICE CAREFULLY.**

BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by former employees of Natureware, Inc. (“Defendant”) on August 2, 2021, in the Orange County Superior Court, Case No. 30-2021-01215641-CU-OE-CXC (“Lawsuit”). The Lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, the Lawsuit alleges that Defendant failed to provide meal and rest periods and associated premium pay, did not timely pay employees all wages owed during and upon termination of their employment, did not provide accurate wage statements, failed to maintain required payroll records, failed to reimburse employees for necessary business expenses, and engaged in unfair business practices. The Lawsuit claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to damages, statutory penalties, and restitution. The Lawsuit also seeks to recover civil penalties pursuant to the California Private Attorneys General Act of 2004 (“PAGA”). Defendant denies all alleged violations and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. What is this a class action and PAGA action?

In a class action, one or more people called the Class Representatives (in this case, Noel Medina and Ricardo Lara, also known as “Plaintiffs”), sue on behalf of people who appear to have similar claims (also known as “Class Members”). In this case, the Class Members are all current and former non-exempt or hourly-paid employees who are or were employed by Defendant in the State of California at any time from August 9, 2017 through March 15, 2023, and who have not previously entered into an agreement with Defendant to release the unpaid wage claims alleged in the Lawsuit. In a class action one court resolves the issues for all Class Members in one case, except for those who exclude themselves from the Class. The Orange County Superior Court is in charge of this Lawsuit.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiffs or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On [Date of Preliminary Approval] the Court granted preliminary approval of the Settlement, appointed Plaintiffs Noel Medina and Ricardo Lara as the Class Representatives, and appointed their attorneys at Parker & Minne, LLP and Lawyers for Justice, PC as counsel for the Class (“Class Counsel”). The Class Representatives and Class Counsel think the Settlement is in the best interests of the Class Members and PAGA Members.

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendant as a non-exempt or hourly-paid employee in the state of California at any time between August 9, 2017 through March 15, 2023, and have not previously entered into an agreement with Defendant to release the unpaid wage claims alleged in the Lawsuit. You are receiving this notice because Defendant’s records indicate that you are a Class Member.

In addition, all individuals who were employed by Defendant as a non-exempt or hourly paid employee in the state of California, at any time between July 13, 2020, to March 13, 2023, are considered “PAGA Members”. PAGA Members will receive a portion of the PAGA Penalties, even if they previously entered into an agreement with Defendant to release the unpaid wage claims alleged in the Lawsuit.

WHAT DO I GET FROM THE SETTLEMENT?

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of \$750,000.00 (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Class Member Settlement Fund” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Class Member Settlement Fund is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Class Settlement Amount, or \$262,500.00;
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed \$30,000.00;
- C. **Class Representative Enhancement Payments** in an amount not to exceed \$5,000.00 to each of the Plaintiffs, for a total of \$10,000.00;
- D. **Settlement Administration Costs** which are currently estimated not to exceed \$12,500.00; and
- E. **PAGA Penalties** in the amount of \$75,000.00 for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). 75% of the PAGA Penalties (\$56,250.00) shall be paid to the California Labor & Workforce Development Agency. The remaining 25% of the PAGA Penalties (\$18,750.00) will be distributed to PAGA Members.

Class Members are entitled to receive an Individual Class Payment from the Class Member Settlement Fund, which is determined on a *pro rata* basis based on the number of weeks each Class Member worked for Defendant as an hourly-paid, non-exempt employee of Defendant from August 9, 2017 through March 15, 2023 (“Workweeks”). Your Individual Class Payment will be apportioned as 20% wages, 40% interest and 40% penalties. The wage portion of the Individual Class Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each class member’s settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

PAGA Members are eligible to receive an Individual PAGA Payment from the 25% portion of the PAGA Penalties allocated towards payment of employees, which is determined on a *pro rata* basis based on the number of weeks each PAGA Member worked for Defendant as an hourly-paid, non-exempt employee of Defendant from July 13, 2020, and ending on March 15,

2023. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, which will be reported on an IRS Form 1099 (if applicable). PAGA Members will receive an Individual PAGA Settlement even if they submit a Request for Exclusion.

The Settlement provides that Defendant will fund the Gross Settlement Amount over the course of two installment payments. The first installment payment in the amount of \$375,000.00, plus any employer-side payroll taxes, shall be deposited by Defendant into a Qualified Settlement Fund on the later of the following dates: (1) April 24, 2024, or (2) 7 calendar days after the Court grants Final Approval of the Settlement ("First Installment Payment"). The second installment payment in the amount of \$375,000.00 shall be deposited by Defendant into the Qualified Settlement Fund by no later than April 25, 2025.

6. How Much Will I Receive From the Settlement?

According to Defendant's Records you worked:

_____ workweeks during the Class Period (August 9, 2017, through March 15, 2023); and
_____ workweeks during the PAGA Period (July 13, 2020, through March 15, 2023).

Based on the number of Workweeks credited to you, your Individual Class Payment is estimated to be \$_____, and your Individual PAGA Payment (if applicable) is estimated to be \$_____.

The settlement approval process may take multiple months. Your Individual Class Payment and/or Individual PAGA Payment (if applicable) reflected in this Notice is only an estimate. Your actual Individual Class Payment and/or Individual PAGA Payment (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

Your Individual Class Payment and/or Individual PAGA Payment was determined based on Defendant's record of your employment, and are presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [RESPONSE DEADLINE]. All disputes regarding your workweeks will be resolved and decided by the Parties or if the Parties cannot agree, the Settlement Administrator, after you submit evidence to the Settlement Administrator.

If the Court grants final approval of the Settlement, Individual Class Payments and Individual PAGA Payments will be mailed to at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to under the Settlement.**

The Settlement Administrator's contact information is listed below:

Settlement Administrator
[Address]
[Telephone No].
[Fax No.]
[E-mail address]

7. How can I get a payment?

You do not have to do anything to receive payment of your portion of the Settlement.

8. When will I receive my payment?

If you do nothing, you will receive your Individual Class Payment and your Individual PAGA Payment (if eligible) after the Court grants Final Approval of the Settlement. These payments will be issued in one or two payments over the period of approximately one year, as follows:

- If funds from the First Installment Payment are sufficient to fully fund the Class Member Settlement Fund, payments for the full amount of all Individual Class Payments will be mailed to all Participating Class Members approximately 14 days after the Court enters an order granting Final Approval of the Settlement (approximately May of 2024). Any funds remaining from the First Installment Payment *after* Individual Class Payments are fully paid to Participating Class Members will be distributed to pay Individual PAGA Payments to all PAGA Members on the same date. If there are insufficient funds remaining from the First Installment Payment to fully pay Individual PAGA Payments, pro-rated shares of Individual PAGA Payments will be sent to all PAGA Members, and a second payment for any amounts remaining due for Individual PAGA Payments will be mailed after Defendants fund the Second Installment Payment (approximately May of 2025); **OR**
- If funds from the First Installment Payment are insufficient to fully fund the Class Member Settlement Fund, pro-rated shares of Individual Class Payments will be mailed to all Participating Class Members approximately 14 days after the Court enters an order granting Final Approval of the Settlement (approximately May of 2024). A second payment for any amounts remaining due for Individual Class Payments and for the full amount of all Individual PAGA Payments will be mailed after Defendants fund the Second Installment Payment (approximately May of 2025).

In the event it is necessary to issue two separate rounds of payments, the total of the two payments will equal your estimated Individual Class Payment and Individual PAGA Payment listed above.

The Final Approval hearing is currently scheduled for **May 3, 2024**. (See Section 16, below). The payments may be delayed if the Court does not grant Final Approval of the Settlement on **May 3, 2024**, or if the Final Approval hearing is continued or delayed, or if there is an appeal of the order granting Final Approval.

9. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount, in exchange for the consideration set forth by the Settlement, Plaintiffs and all Class Members who do not submit a timely request for exclusion shall release the “Released Parties” from the “Released Class Claims” for the Class Period.

The “Released Parties” include Defendant Natureware, Inc. and Eunah Shin, and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The “Released Class Claims” means all claims, rights, demands, liabilities and causes of action that are alleged, or reasonably could have been alleged based on the factual allegations and claims asserted in the operative Complaint in this Action, including the following claims: (i) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1. (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business & Professions Code §§ 17200, et seq. based on violations of Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 2800, and 2802. The Released Class Claims pertain to the period of August 9, 2017, to March 15, 2023.

In addition, All PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged all claims, rights, demands, liabilities and causes of actions for civil penalties under the California Labor Code Private Attorneys General Act of 2004, Cal. Labor Code §§ 2698, et seq. which Plaintiffs and/or

the PAGA Members had, or may claim to have, against Released Parties, arising out of the violations alleged in the Complaint or the PAGA Notice, including failure to pay overtime compensation, failure to pay minimum wages, failure to provide compliant meal and rest breaks, failure to pay meal and rest period premiums, failure to pay all wages owed at discharge or resignation; failure to timely pay wages during employment; failure to provide complete and accurate wage statements; failure to keep complete and accurate payroll records; failure to reimburse necessary business-related expenses; and violations of Labor Code sections 201, 202, 203, 204, 226(a), 226.3, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2698, *et seq.*, 2800, and 2802. All PAGA Members will have been deemed to have released the Released PAGA Claims against the Released Parties irrespective of whether they submit a request for exclusion from the Class settlement.

EXCLUDING YOURSELF FROM THE RELEASE OF CLASS CLAIMS

10. How can I not participate in the Settlement?

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims, then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from the Class Member Settlement Fund. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Penalties because the Request for Exclusion does not apply to the PAGA claim.

To exclude yourself from the release of Released Class Claims you must submit a written request for exclusion. You must include your name, address, telephone number and the last four digits of your social security number and/or Employee ID number. Your request for exclusion must also include a statement that you do not wish to be included in this action similar to the following: I wish to exclude myself from the class action settlement reached in the matter of *Medina v. Natureware, Inc.* I understand that by excluding myself I will not receive money from the class portion of the settlement.” You may also use the “Request for Exclusion Form” enclosed with this Notice.

All requests for exclusion must be mailed, emailed, or faxed to the Settlement Administrator at the address listed below, by U.S. mail, facsimile, or e-mail **by [RESPONSE DEADLINE]**. You cannot exclude yourself by phone.

Settlement Administrator

[Address]

[Telephone No.

[Fax No.]

[E-mail address]

If you ask to be excluded, you will not receive payment of any portion of the Class Member Settlement Fund and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims. You may be able to sue Defendant and/or the Released Parties or continue any suit you have pending against Defendant and/or the Released Parties, regarding the Released Class Claims.

11. If I don’t exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendant and the Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

12. If I exclude myself, can I get money from the Settlement?

No (except if you worked between July 13, 2020 to March 15, 2023, in which case you will still receive your Individual PAGA Payment for Released PAGA Claims). But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against and/or the Released Parties for Released Class Claims.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has approved PARKER & MINNE, LLP and LAWYERS FOR JUSTICE, P.C. as counsel for the Class for Settlement purposes. The firms' contact information is:

PARKER & MINNE, LLP
S. Emi Minne
Jill J. Parker
700 South Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833
Facsimile: (310) 889-0822

LAWYERS FOR JUSTICE, PC
Edwin Aiwarzian
Arby Aiwarzian
Joanna Ghosh
Yasmin Hosseini
410 West Arden Avenue, Suite 203
Glendale, California 91023
Telephone: (818) 265-1020
Facsimile: (818) 265-1021

Class Counsel will ask the Court for attorneys' fees of up to \$262,500.00 and reimbursement of litigation cost/expenses of up to \$30,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

14. How do I tell the Court if I don't like the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail, email, or fax your objection to the Settlement Administrator no later than [RESPONSE DEADLINE]. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, and the specific reason for your objection. You may use the "Objection Form" enclosed with this Notice to submit your objection. You may also come to the Final Approval Hearing on **May 3, 2024** and make an objection at that time, regardless of whether you submitted a written objection.

15. What is the difference between objecting and requesting to be excluded?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

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

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). The Final Approval Hearing is currently scheduled to take place at **1:30 p.m. on May 3, 2024**, in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them. The time and date of this hearing may change, so please contact Class Counsel or the Settlement Administrator prior to the date of the hearing if you plan to attend.

17. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. The link for remote appearances can be found by clicking on the link for Department CX-103 at <https://www.occourts.org/media-relations/aci.html>. A copy of the Court's tentative ruling on the Motion for Final Approval may be posted at <https://www.occourts.org/directory/civil/tentative-rulings/>. Tentative rulings are typically posted the day before the hearing.

18. How will I learn if the settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator's website located at www.occourts.org.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant and/or the Released Parties about the Released Claims, ever again. Your Individual Class Payment and Individual PAGA Payment (if applicable) will be mailed to you and remain valid and negotiable for 180 days. If you do not cash the check for your Individual Class Payment and Individual PAGA Payment (if applicable) within 180 days, these funds will be transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

20. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at www.occourts.org, or by contacting the Settlement Administrator or Class Counsel by phone or email. You may also download copies of the Settlement Agreement by accessing the Court's Case Access Portal at <https://www.occourts.org/online-services/case-access/>, and searching for case number 30-2021-01215641-CU-OE-CXC. If you use the Court's Case Access Portal, the Settlement Agreement is attached as Exhibit 1 to the Declaration of S. Emi Minne in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement (Register of Action No. ____).

WHAT IF MY INFORMATION CHANGES?

21. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LAWSUIT TO THE CLERK OF THE COURT OR THE JUDGE

EXHIBIT B

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF ORANGE

Medina, et al. v. Natureware, Inc.

Orange County Superior Court, Case No. 30-2021-01215641-CU-OE-CXC

OBJECTION FORM

INSTRUCTIONS: If you wish to tell the Court that you do not like the Settlement or some part of it, you may make an objection by completing, signing and returning this Objection Form. Please state each reason for your objection and any legal support for your objection, and return the completed form to the Administrator via mail, email, or fax at:

Settlement Administrator

Medina v. Natureware

[Insert Address]

[Insert Fax Number]

[Insert Email Address]

THE DEADLINE TO SUBMIT THIS OBJECTION FORM IS [INSERT RESPONSE DEADLINE].

1. CONTACT INFORMATION

Name: _____

Home Street Address: _____

City, State, Zip Code: _____

Home Telephone Number: (____) _____

Last 4 Digits of Social Security Number or Employee ID Number: _____

2. REASON FOR OBJECTION

Please state each reason you do not like the Settlement and any legal support for your objection:

Signed: _____

Dated: _____

EXHIBIT C

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF ORANGE

Medina, et al. v. Natureware, Inc.

Orange County Superior Court, Case No. 30-2021-01215641-CU-OE-CXC

REQUEST FOR EXCLUSION FORM

ATTENTION: IF YOU SUBMIT THIS FORM YOU WILL NOT RECEIVE PAYMENT FROM THE CLASS ACTION PORTION OF THE SETTLEMENT. DO NOT USE THIS FORM IF YOU WISH TO PARTICIPATE IN THE PROPOSED CLASS SETTLEMENT.

INSTRUCTIONS: If you do not want to participate in the proposed Class Action Settlement, you may request to exclude yourself from the Settlement. To exclude yourself from the Settlement, you must fully complete, sign, date and return this form to the Administrator via mail, e-mail, or fax at:

Settlement Administrator

Medina v. Natureware

[Insert Address]

[Insert Fax Number]

[Insert Email Address]

If you were employed between July 13, 2020 to March 15, 2023, you will still receive your share of penalties arising under the California Private Attorneys General Act of 2004 ("PAGA") claim because the opt-out provision does not apply to this claim. However, you will not receive your share of the Settlement for the Class claims.

THE DEADLINE FOR SUBMITTING THIS FORM IS [RESPONSE DEADLINE]. IF YOU SUBMIT THIS FORM VIA MAIL, IT MUST BE POSTMARKED BY [RESPONSE DEADLINE].

By signing this form, I hereby certify that I wish to be excluded from the proposed Settlement reached in *Medina v. Natureware, Inc.* I understand that I will NOT receive any money from the proposed Settlement, and cannot object to the proposed Settlement at the Final Approval hearing. I understand that if I wish to pursue any claim I may have, I will be responsible for doing so on my own.

Dated: _____

Signed: _____

Print Name: _____

Address: _____

Home Telephone Number: _____

Last 4 Digits of Social Security Number or Employee ID
Number: _____

EXHIBIT D

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT

Noel Medina v. Natureware, Inc.

Orange County Superior Court, Case No. 30-2021-01215641-CU-OE-CXC

THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION OR ADVERTISEMENT. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

- If you are a current or former non-exempt employee of Natureware, Inc. who was employed by Natureware, Inc. any time between July 13, 2020, to March 15, 2023, you may be eligible to receive compensation from a proposed Class Action and PAGA Settlement.
- The Settlement resolves a class action and PAGA lawsuit brought against Natureware, Inc. (“Defendant”) regarding Defendant’s meal period, rest period, overtime and minimum wage, recordkeeping, and reimbursement policies and practices.
- The proposed Settlement has two main parts: (1) a Class Member Settlement Fund requiring Defendant to pay Individual Class Payments to Class Members; and (2) a PAGA Settlement requiring Defendant to pay civil penalties to PAGA Members and to the California Labor and Workforce Development Agency (“LWDA”).
- The Court still has to decide whether to grant Final Approval the Settlement. Payments will be made after the Court finally approves the Settlement. This decision is currently scheduled to be made **1:30 p.m. on May 3, 2024**, in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. This date may change without further notice.
- Your legal rights are affected whether you act or do not act. Your rights and choices and explained in this notice. **PLEASE READ THIS NOTICE CAREFULLY.**

BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by former employees of Natureware, Inc. (“Defendant”) on August 2, 2021, in the Orange County Superior Court, Case No. 30-2021-01215641-CU-OE-CXC (“Lawsuit”). The Lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, the Lawsuit alleges that Defendant failed to provide meal and rest periods and associated premium pay, did not timely pay employees all wages owed during and upon termination of their employment, did not provide accurate wage statements, failed to maintain required payroll records, failed to reimburse employees for necessary business expenses, and engaged in unfair business practices. The Lawsuit claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to damages, statutory penalties, and restitution. The Lawsuit also seeks to recover civil penalties pursuant to the California Private Attorneys General Act of 2004 (“PAGA”). Defendant denies all alleged violations and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. What is this a class action and PAGA action?

In a class action, one or more people called the Class Representatives (in this case, Noel Medina and Ricardo Lara, also known as “Plaintiffs”), sue on behalf of people who appear to have similar claims (in this case, all current and former non-exempt or hourly-paid employees who are or were employed by Defendant in the State of California at any time from August 9, 2017 through March 15, 2023, and have not previously entered into an agreement with Defendant to release the unpaid wage claims alleged in the Lawsuit.) All of these individuals are referred to in this notice as “Class Members”. In a class action one court resolves the issues for all Class Members in one case, except for those who exclude themselves from the Class.

In a PAGA action, the plaintiffs seek to recover civil penalties on behalf of the Labor and Workforce Development Agency (“LWDA”) and other aggrieved employees (in this case, all current and former non-exempt or hourly-paid employees who are or were employed by Defendant in the State of California at any time from July 13, 2020, to March 13, 2023.) In this notice, the aggrieved employees are referred to as “PAGA Members”.

The Orange County Superior Court is in charge of this Lawsuit.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiffs or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On [Date of Preliminary Approval] the Court granted preliminary approval of the Settlement, appointed Plaintiffs Noel Medina and Ricardo Lara as the Class Representatives, and appointed their attorneys at Parker & Minne, LLP and Lawyers for Justice, PC as counsel for the Class (“Class Counsel”). The Class Representatives and Class Counsel think the Settlement is in the best interests of the Class Members and PAGA Members.

4. How do I know if I am part of the settlement?

Defendant’s records indicate that you previously entered into an agreement with Defendant to release the unpaid wage claims alleged in the Lawsuit. As a result, you are not considered a Class Member and are not entitled to receive payment from the Class Member Settlement. However, Defendant’s records indicate that you are still considered a “PAGA Member”. PAGA Members will receive a portion of the PAGA Penalties, even if they previously entered into an agreement with Defendant to release the unpaid wage claims alleged in the Lawsuit.

WHAT DO I GET FROM THE SETTLEMENT?

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of \$750,000.00 (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Class Member Settlement Fund” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Class Member Settlement Fund is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed 35% of the Class Settlement Amount, or \$262,500.00;
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed \$30,000.00;
- C. **Class Representative Enhancement Payments** in an amount not to exceed \$5,000.00 to each of the Plaintiffs, for a total of \$10,000.00;
- D. **Settlement Administration Costs** which are currently estimated not to exceed \$12,500.00; and
- E. **PAGA Penalties** in the amount of \$75,000.00 for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). 75% of the PAGA Penalties (\$56,250.00) shall be paid to the California Labor & Workforce Development Agency. The remaining 25% of the PAGA Penalties (\$18,750.00) will be distributed to PAGA Members.

Class Members will receive an Individual Class Payment from the Class Member Settlement Fund, which is determined on a *pro rata* basis based on the number of weeks each Class Member worked for Defendant as an hourly-paid, non-exempt employee of Defendant from August 9, 2017 through March 15, 2023. Because you previously signed an agreement to release the unpaid wage claims alleged in the Lawsuit, you are not considered a Class Member and are not entitled to receive payment from the Class Member Settlement Fund.

Although you do not qualify as a Class Member, Defendant’s records indicate that you are still considered a PAGA Member. PAGA Members are eligible to receive an Individual PAGA Payment from the 25% portion of the PAGA Penalties allocated

towards payment of employees, which is determined on a *pro rata* basis based on the number of weeks each PAGA Member worked for Defendant as an hourly-paid, non-exempt employee of Defendant from July 13, 2020, and ending on March 15, 2023. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, which will be reported on an IRS Form 1099 (if applicable).

The Settlement provides that Defendant will fund the Gross Settlement Amount over the course of two installment payments. The first installment payment in the amount of \$375,000.00, plus any employer-side payroll taxes, shall be deposited by Defendant into a Qualified Settlement Fund on the later of the following dates: (1) April 24, 2024, or (2) 7 calendar days after the Court grants Final Approval of the Settlement (“First Installment Payment”). The second installment payment in the amount of \$375,000.00 shall be deposited by Defendant into the Qualified Settlement Fund by no later than April 25, 2025.

6. How Much Will I Receive From the Settlement?

According to Defendant’s Records you worked: ____ **workweeks during the PAGA Period (July 13, 2020, through March 15, 2023). Based on the number of Workweeks credited to you, your Individual PAGA Payment (if applicable) is estimated to be \$_____.**

The settlement approval process may take multiple months. Your Individual PAGA Payment reflected in this Notice is only an estimate. Your actual Individual PAGA Payment may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

Your Individual PAGA Payment was determined based on Defendant’s records of your employment, and is presumed correct. If you dispute the accuracy of Defendant’s records as to the number of weeks worked during the PAGA Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding your workweeks will be resolved and decided by the Parties or if the Parties cannot agree, the Settlement Administrator, after you submit evidence to the Settlement Administrator.

If the Court grants final approval of the Settlement, Individual PAGA Payments will be mailed to at the address that is on file with the Settlement Administrator. **If the address to which this PAGA Notice was mailed is not correct, or if you move after you receive this PAGA Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to under the Settlement.**

The Settlement Administrator’s contact information is listed below:

Settlement Administrator
[Address]
[Telephone No].
[Fax No.]
[E-mail address]

7. How can I get a payment?

You do not have to do anything to receive payment of your portion of the Settlement.

8. When will I receive my payment?

You will receive your Individual PAGA Payment after the Court grants Final Approval of the Settlement. Your Individual PAGA Payment will be issued in one to two payments over the period of approximately one year, as follows:

- Funds from the First Installment Payment will first be used to pay the Individual Class Payments to all Participating Class Members. If there are any funds remaining from the First Installment Payment *after* Individual Class Payments are fully paid to Participating Class Members, those remaining funds will be distributed to pay Individual PAGA Payments to all PAGA Members. The checks for these payments will be mailed approximately 14 days after

the Court enters an order granting Final Approval of the Settlement (approximately May of 2024.) If there are insufficient funds remaining from the First Installment payment to fully pay Individual PAGA Payments then pro-rated shares of Individual PAGA Payments will be sent to all PAGA Members, and a second payment for any amounts remaining due for Individual PAGA Payments will be mailed after Defendants fund the Second Installment Payment (approximately May of 2025); **OR**

- If funds from the First Installment Payment are insufficient to fully fund the Class Member Settlement Fund, payments for Individual PAGA Payments will be mailed after Defendants fund the Second Installment Payment (approximately May of 2025).

In the event it is necessary to issue two separate rounds of payments, the total of the two payments will equal your estimated Individual PAGA Payment listed above.

The Final Approval hearing is currently scheduled for **May 3, 2024**. (See Section 16, below). The payments may be delayed if the Court does not grant final approval of the Settlement on **May 3, 2024**, or if the Final Approval hearing is continued or delayed, or if there is an appeal of the order granting Final Approval.

9. What is the legal effect of the Settlement?

Upon the funding of the Gross Settlement Amount, in exchange for the consideration set forth by the Settlement, Plaintiffs and all PAGA Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged all claims, rights, demands, liabilities and causes of actions for civil penalties under the California Labor Code Private Attorneys General Act of 2004, Cal. Labor Code §§ 2698, et seq. which Plaintiffs and/or the PAGA Members had, or may claim to have, against Released Parties, arising out of the violations alleged in the Complaint or the PAGA Notice, including failure to pay overtime compensation, failure to pay minimum wages, failure to provide compliant meal and rest breaks, failure to pay meal and rest period premiums, failure to pay all wages owed at discharge or resignation; failure to timely pay wages during employment; failure to provide complete and accurate wage statements; failure to keep complete and accurate payroll records; failure to reimburse necessary business-related expenses; and violations of Labor Code sections 201, 202, 203, 204, 226(a), 226.3, 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2698, et seq., 2800, and 2802.

The “Released Parties” include Defendant Natureware, Inc. and Eunah Shin, and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

PAGA Members may not opt out of or object to the foregoing release of PAGA claims against the Released Parties.

THE LAWYERS REPRESENTING YOU

10. Do I have a lawyer in this case?

The Court has approved PARKER & MINNE, LLP and LAWYERS FOR JUSTICE, P.C. as counsel for the Class for Settlement purposes. The firms’ contact information is:

PARKER & MINNE, LLP
S. Emi Minne
Jill J. Parker
700 South Flower Street, Suite 1000
Los Angeles, California 90017
Telephone: (310) 882-6833
Facsimile: (310) 889-0822

LAWYERS FOR JUSTICE, PC
Edwin Aiwarzian
Arby Aiwarzian
Joanna Ghosh
Yasmin Hosseini
410 West Arden Avenue, Suite 203
Glendale, California 91023
Telephone: (818) 265-1020
Facsimile: (818) 265-1021

Class Counsel will ask the Court for attorneys' fees of up to \$262,500.00 and reimbursement of litigation cost/expenses of up to \$30,000.00. These amounts are subject to Court approval and the Court may award less than these amounts.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

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

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). The Final Approval Hearing is currently scheduled to take place at **1:30 p.m. on May 3, 2024**, in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Boulevard, Santa Ana, California 92701. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. The time and date of this hearing may change, so please contact Class Counsel or the Settlement Administrator prior to the date of the hearing if you plan to attend.

12. Do I have to come to the hearing?

No. You are not required to attend the Final Approval Hearing. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. The link for remote appearances can be found by clicking on the link for Department CX-103 at <https://www.occourts.org/media-relations/aci.html>. A copy of the Court's tentative ruling on the Motion for Final Approval may be posted at <https://www.occourts.org/directory/civil/tentative-rulings/>. Tentative rulings are typically posted the day before the hearing.

13. How will I learn if the settlement was approved?

A notice of final judgment will be posted on the Settlement Administrator's website located at www._____.com.

GETTING MORE INFORMATION

14. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at www._____.com, or by contacting the Settlement Administrator or Class Counsel by phone or email. You may also download copies of the Settlement Agreement by accessing the Court's Case Access Portal at <https://www.occourts.org/online-services/case-access/>, and searching for case number 0-2021-01215641-CU-OE-CXC. If you use the Court's Case Access Portal, the Settlement Agreement is attached as Exhibit 1 to the Declaration of S. Emi Minne in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement (Register of Action No. ____).

WHAT IF MY INFORMATION CHANGES?

15. What if my contact information changes?

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**DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LAWSUIT TO THE CLERK
OF THE COURT OR THE JUDGE**