

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Guillermina Silvia Martinez Gutierrez (“Plaintiff”) and defendant Hakimianpour Santa Monica Group, L.L.C. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Guillermina Silvia Martinez Gutierrez, et al. v. Hakimianpour Santa Monica Group, L.L.C., et al.*, initiated on July 8, 2021 and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means CPT Group, Inc. (“CPT”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses” means the reasonable costs and fees incurred by Administrator to administer the Settlement to be paid from the Gross Settlement Amount, including, but not limited to: (i) translating into Spanish, printing, mailing and re-mailing (if necessary) of the Class Notice to Class Members; (ii) preparing and submitting to applicable Class Members and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual Class Payments, Individual PAGA Payments, the Class Representative Service Payment, the Class Counsel Award and all installments of any such payments, and the PAGA payment to the LWDA; (iv) processing and validating Requests for Exclusion; (v) establishing a Qualified Settlement Fund, as defined by the Internal Revenue Code; and (vi) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.
- 1.4. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its Administrative Expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.5. “Aggrieved Employee” means all persons employed by Defendant in California and classified as a non-exempt employee who worked for Defendant at any time during the PAGA Period.
- 1.6. “Class” means all persons employed by Defendant in California and classified as a non-exempt employee who worked for Defendant at any time during the Class Period.
- 1.7. “Class Counsel” means Solouki & Savoy, LLP.

- 1.8. “Class Counsel Award” means the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment.
- 1.9. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action to the extent approved by the Court.
- 1.10. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Pay Periods and PAGA Pay Periods.
- 1.11. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.12. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.13. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English, with a Spanish translation, in the form, without material variation other than to identify the applicable estimated Individual Class Payment and Individual PAGA Payment and the number of Pay Periods for the applicable Class Member during the Class Period and PAGA Period, respectively, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.14. “Class Pay Period(s)” means Pay Period(s) during which a Class Member worked for Defendant for at least one day during the Class Period.
- 1.15. “Class Period” means the period from July 14, 2017 to December 31, 2022.
- 1.16. “Class Representative” means the named Plaintiff in the Operative Complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.17. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action in an amount approved by the Court.
- 1.18. “Class Settlement” means the terms of this Agreement applicable to the settlement of the Released Class Claims.
- 1.19. “Court” means the Superior Court of California, County of Los Angeles.

- 1.20. “Defendant” means named Defendant Hakimianpour Santa Monica Group, L.L.C.
- 1.21. “Defense Counsel” means Pillsbury Winthrop Shaw Pittman LLP.
- 1.22. “Effective Date” means the sixty-first (61st) day after the date upon which the Judgment is entered; or if an appeal, review or writ is sought from the order granting final approval or the Judgment, the date upon which all appellate and/or other proceedings resulting from the appeal, review or writ have been finally terminated in such a manner as to permit the Judgment to take effect in substantially the form described herein..
- 1.23. “Employer’s Share of Payroll Taxes” means the employer’s portion of payroll taxes, including, but not limited to FICA and FUTA, on the portion of the Individual Class Payments that constitutes wages.
- 1.24. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.25. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement, at which time Plaintiff shall request the Court to finally approve the Settlement, enter the Judgment, and take other appropriate action.
- 1.26. “First Installment” means the first installment payment in the amount of one hundred fifty thousand dollars (\$150,000) payable by Defendant in accordance with Paragraph 4.3.
- 1.27. “Gross Settlement Amount” means \$300,000.00 which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses Payment.
- 1.28. “Individual Class Payment(s)” means each and every Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Pay Periods worked during the Class Period.
- 1.29. “Individual PAGA Payment(s)” means each and every Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.
- 1.30. “Judgment” means the judgment entered by the Court based upon the Final Approval, the form of which shall be substantially similar to the attached Exhibit B.
- 1.31. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

- 1.32. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.33. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.34. "Non-Participating Class Member" means any Class Member who opts out of the Class Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.35. "PAGA Pay Period(s)" means Pay Period(s) during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.36. "PAGA Period" means the period from July 9, 2020 to December 31, 2022.
- 1.37. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.38. "PAGA Notice" means Plaintiff's July 9, 2020 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.39. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500.00) and the 75% to LWDA (\$7,500.00) in settlement of PAGA claims.
- 1.40. "PAGA Settlement" means the terms of this Agreement applicable to the settlement of the Released PAGA Claims.
- 1.41. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Class Settlement.
- 1.42. "Pay Period" means any semi-monthly period consisting of the 1st day through the 15th day or the 16th day through the last day of each calendar month during which a Class Member worked for Defendant for at least one day, during the Class Period or PAGA Period, as applicable.
- 1.43. "Plaintiff" means Guillermina Silvia Martinez Gutierrez, the named plaintiff in the Action.
- 1.44. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
- 1.45. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of the Settlement.

- 1.46. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.47. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.48. “Released Parties” means: Defendant and its members, subsidiaries and any affiliated or related persons or entities (collectively, the “HSMG Related Parties”) and each of the HSMG Related Parties’ respective officers, directors, employees, partners, shareholders, attorneys, insurers and agents, and any other successors, assigns, or legal representatives..
- 1.49. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.50. "Response Deadline" means sixty (60) days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Class Settlement, or (b) fax, email, or mail his or her Objection to the Class Settlement. Class Members to whom the Class Notice is resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the expiration of the Response Deadline.
- 1.51. “Second Installment” means the second installment payment in the amount of \$150,000 payable by Defendant in accordance with Paragraph 4.3.
- 1.52. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1. On July 14, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for:
 - i. failure to provide required meal periods;
 - ii. failure to provide required rest periods;
 - iii. failure to pay overtime wages;
 - iv. failure to pay minimum wage;
 - v. failure to timely pay wages;
 - vi. failure to pay all wages due to discharged and quitting employees;
 - vii. failure to maintain required records;
 - viii. failure to furnish accurate itemized statements;
 - ix. failure to indemnify employees for necessary expenditures incurred in discharge of duties; and
 - x. unfair and unlawful business practices.
- 2.2. On February 28, 2022, Plaintiff filed a First Amended Complaint adding an eleventh causes of action against Defendant for violations of PAGA. The First

Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

- 2.3. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.4. On August 11, 2022, the Parties participated in an all-day mediation presided over by experienced mediator Jeffrey Krivis which led to this Agreement to settle the Action.
- 2.5. Prior to mediation, Plaintiff obtained, through informal discovery, time records, payroll records, wage statements and policy and procedure manuals. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in Dunk v. Foot Locker Retail, Inc. (1996) 48 Cal.App.4th 1794, 1801 and Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).
- 2.6. The Court has not granted class certification.
- 2.7. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$300,000.00 in two equal installments as provided in Paragraph 4.3 below and no more as the Gross Settlement Amount, and to separately pay to Administrator any and the Employer’s Share of Payroll Taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount or any payroll taxes prior to the deadline stated in Paragraph 5.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). The Class Representative Service Payment shall be paid by the Administrator to Plaintiff from the Gross Settlement Amount in

two installments: (1) no later than ten (10) business days after Defendant provides the Administrator with the First Installment, the Settlement Administrator will pay Plaintiff 50% of the Class Representative Service Payment; and (2) no later than ten (10) business days after Defendant provides the Settlement Administrator with the Second Installment, the Settlement Administrator will pay Plaintiff the remaining balance of the Class Representative Service Payment. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33.33%, which is currently estimated to be \$100,000.00 and a Class Counsel Litigation Expenses Payment of not more than \$15,000.00. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments. Any Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment approved by the Court shall be paid by the Administrator to Class Counsel from the Gross Settlement Amount in two installments: (1) no later than ten (10) business days after Defendant provides the Administrator with the First Installment, the Settlement Administrator will pay Class Counsel 50% of such approved sum; and (2) no later than ten (10) business days after Defendant provides the Settlement Administrator with the Second

Installment, the Settlement Administrator will pay Class Counsel the remaining balance of such approved sum.

- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$25,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$25,000.00, the Administrator will allocate the remainder in the Net Settlement Amount. The payment of Settlement Administration Costs shall be made in two installments: 50% shall be paid after receipt of the First Installment; the remainder shall be paid after receipt of the Second Installment.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment shall be calculated by (a) dividing the Net Settlement Amount by the total number of Class Pay Periods worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Pay Periods. Individual Class Payments shall be mailed by the Administrator by regular First Class U.S. Mail to each Participating Class Member's last known mailing address in two installments: (1) within ten (10) business days after Defendant provides the Administrator with the First Installment, the Administrator will pay each Participating Class Member 50% of his or her Individual Class Payment; and (2) within ten (10) business days after Defendant provides the Administrator with the Second Installment, the Administrator will pay each Participating Class Member the remaining portion of his or her Individual Class Payment.
 - 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
 - 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
- 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$10,000.00 to be paid from the Gross Settlement Amount, with 75% (\$7,500.00) allocated to the LWDA PAGA Payment and

25% (\$2,500.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties in the amount of \$2,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. Individual PAGA Payments shall be mailed by the Administrator by regular First Class U.S. Mail to each Participating Class Member and to each Non-Participating Class Member who is an Aggrieved Employee within ten (10) business days after Defendant provides the Administrator with the First Installment. For the avoidance of doubt, the Individual PAGA Payments owing to Participating Class Members may be combined in the same check as the payment of the first installment of the applicable Individual Class Payments. The Administrator shall pay the LWDA PAGA Payment within ten (10) business days after Defendant provides the Administrator with the Second Installment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Pay Periods and Aggrieved Employee PAGA Pay Periods. Based on a review of its records to date, Defendant estimates there are 600 Class Members who collectively worked a total of 20,115 Class Pay Periods, and 412 Aggrieved Employees who worked a total 10,099 PAGA Pay Periods.

4.2. Class Data. Not later than fifteen (15) court days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or

otherwise resolve any issues related to missing or omitted Class Data.

- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount in two installment payments, and Defendant shall also fund the amounts necessary to fully pay the Employer's Share of Payroll Taxes so that Administrator can pay such amounts as and when required by applicable law. Defendant shall transmit the Gross Settlement Amount to the Administrator, as follows:
- i. The First Installment in the amount of \$150,000.00 payable thirty (30) days after the Effective Date.
 - ii. The Second Installment in the amount of \$150,000.00 payable no later than one year after the first installment is due.
- If this Settlement is not finally approved by the Court in full, or is terminated, rescinded, canceled or fails to become effective for any reason, or if the Effective Date does not occur, then no portion of the Gross Settlement Amount or the Employer's Share of Payroll Taxes shall be payable.
- 4.4. Payments from the Gross Settlement Amount. In respect of each of the payments to be made by the Administrator pursuant to the foregoing Paragraph 4.3, the Administrator will mail checks for all installments of Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, all installments of the Administration Expenses Payment, all installments of the Class Counsel Fees Award, and all installments of the Class Representative Service Payment. Disbursement of the first installment of the Class Counsel Award and the first installment of the Class Representative Service Payment shall not precede disbursement of the first installment of the Individual Class Payments and the full Individual PAGA Payments; and disbursement of the second installment of the Class Counsel Award and the second installment of the Class Representative Service Payment shall not precede disbursement of the second installment of the Individual Class Payments or the full LWDA PAGA Payment.
- 4.5. The Administrator will issue checks for each installment of the Individual Class Payments and/or the full amount of the Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the first installment of the Individual Class Payment and the full Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address

Database.

- 4.4.1. The Administrator must conduct a Class Member Address Search for all Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search., if any. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.2. For any Class Member whose Individual Class Payment check(s) or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- 4.4.3. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds to the Administrator the entire Gross Settlement Amount, Plaintiff, Class Members, and Class Counsel shall be deemed to have released claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff and her former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, occurrences, demands, rights, liabilities, and/or causes, of any form whatsoever, arising under federal, state or local laws, rules, or regulations, whether known or unknown, unforeseen, unanticipated, unsuspected or latent, that have been or could have been asserted by Plaintiff, or Plaintiff's heirs, successors and/or assigns, whether directly, indirectly, representatively, derivatively or in any other capacity, against Defendant or any of the other Released Parties by reason of any matter, event, act, omission, cause or thing whatsoever from the beginning of time to the date of this Agreement, including but not limited to any and all Claims relating to or arising out of the hire, employment, demotion, termination or remuneration (including without limitation salary, bonus, incentive or other compensation, sick leave or medical insurance benefits), of Plaintiff by the Released Parties, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged ("Plaintiff's

Released Claims”); provided that Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, nor does it extend to claims that cannot be released as a matter of law. . Without limiting the generality of the foregoing, Plaintiff’s Claims released herein include any Claims arising out of, based upon, or in any way related to (i) claims of discrimination, harassment, and retaliation; (ii) any tort claims, including wrongful discharge, intentional or negligent infliction of emotional distress, intentional or negligent misrepresentation, invasion of privacy, defamation, loss of consortium, breach of fiduciary duty, assault, battery, sexual battery, violation of public policy, or any other common law claim of any kind; (iii) any other violation or alleged violation of Title VII of the Civil Rights Act of 1964, as amended, the Equal Pay Act, as amended, the Fair Labor Standards Act, the Employee Retirement Income Security Act, the Americans With Disabilities Act, the Family and Medical Leave Act, the California Family Rights Act, the California Fair Employment and Housing Act, any provisions of California Labor Code Division 2, Part 1, Chapter 1, the California Unemployment Insurance Act, the Civil Rights Act of 1866, and the Consolidated Omnibus Budget Reconciliation Act; and (iv) any claim relating to or arising under any other local, state or federal statute, regulation or principle of common law governing the employment of individuals and/or discrimination in employment, to the extent permitted by law. This release extends to any and all administrative charges whether before the Equal Employment and Opportunity Commission or the Department of Fair Employment and Housing or any other court or agency to the extent permitted by law. Should Plaintiff ever become a party to any such proceeding against the Released Parties, as a result of claims released in the agreement, she shall immediately ask any such administrative agency or court to withdraw any such charge as to her. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1 Plaintiff’s Waiver of Rights Under California Civil Code Section 1542.

For purposes of the release of Plaintiff’s Released Claims, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

Notwithstanding the provisions of section 1542 of the California Civil Code, and for the purpose of implementing a full and complete release and discharge of all of Plaintiff’s Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all of Plaintiff’s Released Claims which Plaintiff does

not know or suspect to exist in his favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Plaintiff's Released Claims.

- 5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) any and all federal, state, and local claims, demands, rights, liabilities, and/or causes of action, known and unknown, that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, without limitation, any and all claims involving any alleged (a) failure to pay minimum wage; (b) failure to provide required meal periods; (c) failure to provide required rest periods; (d) failure to pay overtime wages; (e) failure to pay all wages due to discharged and quitting employees; (f) failure to maintain required records; (g) failure to furnish accurate itemized statements; (h) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (i) unfair and unlawful business practices predicated on the above claims which were alleged or could have been alleged based upon the facts pled in the Operative Complaint at any time during the Class Period; and (ii) any other claims under the Fair Labor Standards Act ("FLSA"), California Labor Code, including sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, , California Code of Regulations, Title 8, section 11040, civil penalties under Private Attorneys General Act (Labor Code §§2698, et seq.), the applicable California Wage Order, or federal law. The Individual Class Payment checks shall have language indicating that, by cashing the check, the Participating Class Member is opting in to an FLSA action and releasing all claims under the FLSA that may arise under the facts asserted in the Operative Complaint. All such Participating Class Members will opt-in to a release of the FLSA claims by endorsing or accepting their Individual Class Payment checks. Plaintiff and each and every Participating Class Member shall be deemed to have acknowledged and agreed that: (1) their claims for missed meal and rest breaks, overtime compensation, minimum wages, wages for all hours worked, statutory and civil penalties, and any other payments and/or penalties in the Action are disputed; and (2) the Individual Settlement Awards paid to each Participating Settlement Class member constitute full payment of any amounts allegedly due to them. In light of the payment by Defendant of all amounts due to them, Plaintiff and each and every Participating Settlement Class Member shall be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Parties hereto. That section provides in pertinent part as follows:

An employer shall not require the execution of any release of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.

Each Participating Settlement Class Member shall be deemed to have made the foregoing Release as if by manually signing it. Except as set forth in Paragraphs 6.1 and 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action including, without limitation, (i) any and all claims involving any alleged (a) failure to pay minimum wage; (b) failure to provide required meal periods; (c) failure to provide required rest periods; (d) failure to pay overtime wages; (e) failure to pay all wages due to discharged and quitting employees; (f) failure to maintain required records; (g) failure to furnish accurate itemized statements; (h) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (i) unfair and unlawful business practices; and (j) violation of Private Attorneys General Act of 2004; and (ii) any other claims under the Fair Labor Standards Act ("FLSA"), California Labor Code, including sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, California Code of Regulations, Title 8, section 11040, civil penalties under Private Attorneys General Act (Labor Code §§2698, et seq.), the applicable California Wage Order, or federal law.
- 5.4 Release by Class Counsel. Class Counsel release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for fees or expenses incurred in connection with the Operative Complaint, this Agreement and any matters affected hereby.
- 5.5 Forbearance of Prosecution of Claims to be Released. The Plaintiff and Participating Class Members shall forbear from prosecuting claims fitting within the description of the Released Class Claims against the Released Parties from the Effective Date through and including the date on which the Second Installment is due in order to give Defendant the opportunity to pay the full Gross Settlement Amount in accordance with the terms of this Agreement.
6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.
 - 6.1 Defendant's Declaration in Support of Preliminary Approval. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to

Class Counsel a signed Declaration from an authorized representative of Defendant or Defense Counsel disclosing that the declarant is not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice in the form attached as Exhibit A; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or

conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, in an effort to agree on ways to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected CPT to serve as the Administrator and verified that, as a condition of appointment, CPT agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
 - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Class Pay Periods, and PAGA Pay Periods in the Class Data.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice, with a Spanish translation, substantially in the form attached to this Agreement as Exhibit "A". The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Class Pay Periods and PAGA Pay Periods used to calculate these amounts. Before mailing the Class Notice, the Administrator shall update Class Member addresses using the National Change of Address database.
 - 7.4.3 Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail

the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Class Pay Periods and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received the Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of the Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Class Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded from the Class Settlement. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity

shall be final and not appealable or otherwise susceptible to challenge.

- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 5.2 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the PAGA Released Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.6 Challenges to Calculation of Pay Periods. Each Class Member shall have sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Pay Periods and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Class Pay Periods and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Class Pay Periods and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.
- 7.7 Objections to Settlement.
- 7.7.1 Only Participating Class Members may object to the class action components of the Class Settlement and/or this Agreement, including contesting the fairness of the Class Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.
- 7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in

Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than sixty (60) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

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

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Class Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Class Pay Periods and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- 7.8.4 Class Pay Period and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Class Pay Periods and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 7.8.6 Final Report by Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES AND PLAINTIFF'S RIGHT TO WITHDRAW.** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 600 Class Members who worked a total of 20,115 Pay Periods during the Class Period and (2) there were 412 Aggrieved Employees who worked a total of 10,099 Pay Periods during the PAGA Period. In the event the number of Class Members stated in this paragraph increases by twenty percent (20%) or more, Plaintiff shall then have the right to revoke the Stipulation and withdraw from the Settlement.
9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds five percent (5%) of the total of all Class Members, Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Hakimianpour must notify Class Counsel and the Court of its election to

withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment against Defendant only in a form substantially similar to the attached Exhibit B (collectively “Motion for Final Approval”). No later than five (5) court days prior to the Final Approval Hearing, Plaintiff shall file a request for dismissal with prejudice of Herbert Hakimianpour, Robert Hakimianpour and Albert Hakimianpour. Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to try to resolve any disagreements concerning the Motion for Final Approval. Class Counsel and Defense Counsel confirm that the proposed Judgment attached hereto as Exhibit B is in a form approved by the Parties and all counsel.
- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to try to reach an agreement to address the Court’s concerns by revising the Agreement as and to the extent mutually agreed to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to

vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to try to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to try to agree on the form of a proposed amended judgment.

12. **ADDITIONAL PROVISIONS.**

- 12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association,

government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; (5) in response to an inquiry or subpoena issued by a state or federal government agency; (6) as needed to effectuate the terms of this Agreement; or (7) as required by law. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4 Binding Settlement. This Settlement shall bind the Parties, all Participating Class Members and all Non-Participating Class Members who are Aggrieved Employees, subject to the terms and conditions hereof and the Court's approval. The Parties agree that because the Participating Class Members are so numerous, it is impossible or impractical to have each Participating Class Member execute this Agreement. The Class Notice shall advise all Participating Class Members of the binding nature of the Settlement, and the release of Released Claims and shall have the same force and effect as if this Agreement were executed by each Participating Class Member.
- 12.5 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.7 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other

things, exploring potential ways to modify the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court to help facilitate a resolution.

- 12.8 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement or the Action, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and

electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 12.16 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.17 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter. The foregoing rule shall not apply to the definition of a Pay Period.
- 12.18 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Shoham J. Solouki
Solouki & Savoy, LLP
316 W. 2nd Street, Suite 1200
Los Angeles, CA 90012

To Defendant:

Kathy A. Jorrie
Paula Weber
Pillsbury Winthrop Shaw Pittman LLP
725 South Figueroa Street, Suite 3600
Los Angeles, CA 90017

- 12.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP Section 583.330 to extend the date to bring a case to trial under CCP Section 583.310 for the entire period of this settlement process.

Dated: 5/9/2023, 2023

DocuSigned by:
Guillermina
8444809C1B4841E...
Plaintiff Guillermina Silvia Martinez Gutierrez

Dated: May 23, 2023
LLC

Defendant Hakimianpour Santa Monica Group,
DocuSigned by:
By: Robert Hakimianpour
37C23008E8EB46F...
Its: a manager

APPROVED AS TO FORM:

Dated: May 9, 2023

SOLOUKI | SAVOY, LLP

By: Shoham J. Solouki
Grant Joseph Savoy
Shoham J. Solouki
Attorneys for Plaintiff Guillermina Silvia
Martinez Gutierrez and the Proposed Class
Members

Dated: May 23, 2023

PILLSBURY WINTHROP SHAW PITTMAN LLP

By: Kathy A. Jorne
Kathy A. Jorne
Attorneys for Defendant Hakimianpour Santa
Monica Group, LLC

EXHIBIT A

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

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

**Guillermina Silvia Martinez Gutierrez, et al. v. Hakimianpour Santa Monica Group, L.L.C.,
et al., case number 21STCV25946 in the Superior Court for the State of California authorized
this Notice. Read it carefully!**

It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Hakimianpour Santa Monica Group, L.L.C. (“Defendant”) for alleged wage and hour violations. The Action was filed by a former employee of Defendant named Guillermina Silvia Martinez Gutierrez (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt employees (“Class Members”) who worked for Defendant during the Class Period (July 14, 2017 to December 31, 2022; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all employees who worked for Defendant during the PAGA Period (July 9, 2020 to December 31, 2022) (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments which shall be payable in two installments as provided below, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and to pay penalties to the California Labor and Workforce Development Agency (“LWDA”) as provided below.

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$_(less withholding) and your Individual PAGA Payment is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked ____ Pay Periods** during the Class Period and **you worked _____ Pay Periods** during the PAGA Period. “Pay Period” means any semi-monthly period consisting of the 1st day through the 15th day or the 16th day through the last day of each calendar month during which a Class Member worked for Defendant for at least one day, during the Class Period or PAGA Period, as applicable. If you believe that you worked more Pay Periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant and affiliated persons and entities.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment (payable in two installments) and/or an Individual PAGA Payment (payable in a single installment). As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Hakimianpour, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment (payable in two installments) and an Individual PAGA Payment (if any) (payable in one installment). In exchange, you will give up your right to assert claims against Defendant and affiliated persons and entities that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [60 days after mailing]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue PAGA Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [date and time of final approval hearing]. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Pay Periods Written Challenges Must be Submitted by	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Pay Periods you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Pay Periods you worked during the Class Period and the number of Pay Periods you worked during the PAGA Period according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [60 days after mailing]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by allegedly failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses, failing to provide meal periods, rest breaks and accurate itemized wage statements and by allegedly engaging in unfair and unlawful business practices. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: Solouki & Savoy, LLP (“Class Counsel.”)

Defendant denies all liability and is confident that it has strong legal and factual defenses to these claims, but it recognizes the risks, distractions, and costs associated with litigation. Defendant contends that its conduct is and has been lawful at all times relevant and that Plaintiff’s claims do not have merit and do not meet the requirements for class certification. Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$300,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement in two installments of one hundred fifty thousand dollars (\$150,000) each, with the first installment payment to be made not more than thirty (30) days after the Effective Date, which is the 61st day after the date upon which the Judgment is entered, or if an appeal, review or writ is sought from the Final Approval Order and/or Judgment, the date upon which all appellate and/or other proceedings resulting from the appeal, review or writ have been finally terminated in such a manner as to permit the Judgment to take effect. Defendant will fund the second installment payment no later than one (1) year after the first installment payment is due.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$100,000.00 (33% of the Gross Settlement to Class Counsel for attorneys’ fees and up to \$15,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 as a Class Representative Service Payment for filing the

Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

- C. Up to \$25,000.00 to the Administrator for services administering the Settlement.
- D. Up to \$10,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments payable in two installments to Participating Class Members based on their Class Pay Periods.

The Net Settlement Amount shall be divided among all Participating Class Members on a pro rata basis based on the total number of Pay Periods worked by each Participating Class Member during the Class Period. Your estimated Individual Class Payment is listed on the first page of this Notice. Individual Class Payments will be mailed to Participating Class Members in two installments: the Settlement Administrator will pay each Participating Class Member 50% percent of his or her Individual Class Payment after the first installment payment is made by Defendant and the remaining portion after the final installment payment is made by Defendant.

Any amount paid to Participating Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendant, unless otherwise required by law.

- 4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest, and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back

taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for each installment of the Individual Class Payments and the Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [60 days after mailing], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [60 days after mailing] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, CPT Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement, and further that you are barred from pursuing any such claims until Defendant has the opportunity to fully fund the Gross Settlement in

accordance with the terms of the Class Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) any and all federal, state, and local claims, demands, rights, liabilities, and/or causes of action, known and unknown, that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, without limitation, any and all claims involving any alleged (a) failure to pay minimum wage; (b) failure to provide required meal periods; (c) failure to provide required rest periods; (d) failure to pay overtime wages; (e) failure to pay all wages due to discharged and quitting employees; (f) failure to maintain required records; (g) failure to furnish accurate itemized statements; (h) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (i) unfair and unlawful business practices predicated on the above claims which were alleged or could have been alleged based upon the facts pled in the Operative Complaint at any time during the Class Period; and (ii) any other claims under the Fair Labor Standards Act (“FLSA”), California Labor Code, including sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, California Code of Regulations, Title 8, section 11040, civil penalties under Private Attorneys General Act (Labor Code §§2698, et seq.), the applicable California Wage Order, or federal law. All such Participating Class Members will opt-in to a release of the FLSA claims by endorsing or accepting their settlement checks. Except as set forth in Paragraphs 6.1 and 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period. Additionally, by cashing either of their settlement checks, Settlement Class Members shall be deemed to have opted in as a party plaintiff pursuant to the Fair Labor Standards Act of 1938, 29 U.S.C. § 216(b) (“FLSA”) and to have released the Released Parties of any and all claims they may have under the FLSA which arise under the facts asserted in the Action. The “Released Parties” are Defendant and its members, subsidiaries and any affiliated or related persons or entities (collectively, the “Defendant Related Parties”) and each of the Defendant Related Parties’ respective officers, directors, employees, partners, shareholders, attorneys, insurers and agents, and any other successors, assigns, or legal representatives. .

10. Release of Claims by Non-Participating Class Members Who Are Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for P Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action including, without limitation, (i) any and all claims involving any alleged (a) failure to pay minimum wage; (b) failure to provide required meal periods; (c) failure to provide required rest periods; (d) failure to pay overtime wages; (e) failure to pay all wages due to discharged and quitting employees; (f) failure to maintain required records; (g) failure to furnish accurate itemized statements; (h) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (i) unfair and unlawful business practices; and (j) violation of Private Attorneys General Act of 2004; and (ii) any other claims under the Fair Labor Standards Act ("FLSA"), California Labor Code, including sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, California Code of Regulations, Title 8, section 11040, civil penalties under Private Attorneys General Act (Labor Code §§2698, et seq.), the applicable California Wage Order, or federal law..

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Pay Periods worked by all Participating Class Members during the Class Period, and (b) multiplying the result by the number of Pay Periods worked by each individual Participating Class Member during the Class Period.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500 by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of Pay Periods worked by each individual Aggrieved Employee during the PAGA Period.
3. Pay Period Challenges. The number of Pay Periods you worked during the Class Period ("Class Pay Periods") and the number of Pay Periods you worked during the PAGA

Period (“PAGA Pay Periods”), as recorded in Defendant’s records, are stated in the first page of this Notice. You have until [60 days after mailing] to challenge the number of Class Pay Periods and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant’s calculation of Class Pay Periods and/or PAGA Pay Periods based on Defendant’s records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Class Pay Period and/or PAGA Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant’s Counsel. The Administrator’s decision is final. You can’t appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, two checks to every Participating Class Member (i.e., every Class Member who doesn’t opt-out) including those who also qualify as Aggrieved Employees. The first check will combine the first installment of the Individual Class Payment and the full amount of the Individual PAGA Payment and will be paid following the payment to the Administrator of the first installment of the Gross Settlement Amount by Defendant and the second check will be for the second installment of the Individual Class Payment and shall be paid following the payment to the Administrator of the second installment of the Gross Settlement Amount by Defendant.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator’s contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as Guillermina Silvia Martinez Gutierrez, et al. v. Hakimianpour Santa Monica Group, L.L.C., et al., case number 21STCV25946, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [60 days after mailing], or it will be invalid.** Section 9 of this Notice has the Administrator’s contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 Court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Court's website <https://www.lacourt.org/>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [60 days after mailing].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action Guillermina Silvia Martinez Gutierrez, et al. v. Hakimianpour Santa Monica Group, L.L.C., et al., case number 21STCV25946 and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at (time) in Department 9 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Los Angeles Superior Court's Website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Los Angeles Superior Court's website at <https://www.lacourt.org>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 21STCV25946. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney: Shoham J. Solouki; Grant Joseph Savoy

Email Address: shoham@soloukisavoy.com; grant@soloukisavoy.com

Name of Firm: SOLOUKI & SAVOY, LLP

Mailing Address: 316 W. 2nd Street, Suite 1200, Los Angeles, CA 90012

Telephone: (213) 814-4940

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace any settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund <https://ucpi.sco.ca.gov/en/Property/SearchIndex> for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check(s), you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT B
PROPOSED FORM OF JUDGMENT
[ATTACHED]