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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

JUAN CARLOS RAMIREZ, an individual
and on behalf of all others similarly situated,

Plaintiff,

v.

E.J. LAUREN, LLC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 21STCV31433

[Assigned for all purposes to the Hon.
Kenneth R. Freeman in Dept. 14]

CLASS ACTION

**FIRST AMENDED JOINT
STIPULATION RE: CLASS ACTION
AND REPRESENTATIVE ACTION
SETTLEMENT**

Action Filed: August 25, 2021

Trial Date: None set

This First Amended Joint Stipulation re: Class Action and Representative Action Settlement (“Settlement” or “Agreement” or “Settlement Agreement”) is made by and between plaintiff JUAN CARLOS RAMIREZ (“Plaintiff”) individually and on behalf of the Settlement Class, on the one hand; and defendant E.J. LAUREN, LLC (“Defendant”), on the other hand, in the lawsuit entitled *Ramirez v. E.J. LAUREN, LLC., et al.*, filed in Los Angeles County Superior Court, Case No. 21STCV31433 (the “Action”). Plaintiff and Defendant shall be, at times, collectively referred to as the “Parties”. This Agreement is intended by the Parties to fully,

1 finally, and forever resolve the claims as set forth herein, based upon and subject to the terms
2 and conditions of this Agreement.

3 **1. DEFINITIONS**

4 **A. “Action”** means *Ramirez v. E.J. Lauren, LLC et al.*, filed in Los Angeles Superior
5 Court, Case No. 22STC31433.

6 **B. “Aggrieved Employees”** means Class Members working for Defendant during
7 the PAGA Period as non-exempt, hourly-paid employees in California.

8 **C. “Class Counsel”** means: David D. Bibiyan, Jeffrey D. Klein, and Joshua Shirian
9 of Bibiyan Law Group, P.C. The term “Class Counsel” shall be used synonymously with the term
10 “Plaintiff’s Counsel.”

11 **D. “Class Period”** means the period from August 25, 2017 through the date of
12 preliminary approval , unless Defendant elects to shorten the Class Period pursuant to Paragraph
13 17 of this Agreement.

14 **E. “Class Notice”** means and refers to the notice sent to Class Members after
15 preliminary approval of the Settlement in the manner described in Paragraph 9(A) of this
16 Agreement.

17 **F. “Court”** means the Superior Court of the State of California for the County of
18 Los Angeles.

19 **G. “Final Approval Date”** means the later of: (1) the date the Court signs an Order
20 granting final approval of this Settlement (“Final Approval”) and Judgment; (2) if there is an
21 objector, 60 days from the date the Final Approval and Judgment; or (3) to the extent any appeals
22 have been filed, the date on which they have been resolved or exhausted.

23 **H. “Defendant”** means E.J. Lauren, LLC.

24 **I. “Employer Taxes”** means employer-funded taxes and contributions imposed on
25 the wage portions of the Individual Settlement Payments under the Federal Insurance
26 Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes
27 and contributions required of employers, such as for unemployment insurance.
28

1 **J. “General Release”** means the broader release of claims by Plaintiff, which is in
2 addition to Plaintiff’s limited release of claims as a Participating Class Member.

3 **K. “Gross Settlement Amount”** means a non-reversionary fund in the sum of Three
4 Hundred Eighty Thousand Dollars and Zero Cents (\$380,000.00),¹ which shall be paid by
5 Defendant, from which all payments for the Individual Settlement Payments to Participating
6 Class Members, the Court-approved amounts for attorneys’ fees and reimbursement of litigation
7 costs and expenses to Class Counsel, Settlement Administration Costs, the Service Award, the
8 PAGA Payment, and the LWDA Payment shall be paid. It expressly excludes Employer Taxes,
9 which shall be paid by Defendant separate, apart, and in addition to the Gross Settlement Amount.

10 **L. “Individual PAGA Payment”** means a payment made to an Aggrieved
11 Employee for his or her share of the PAGA Payment, which may be in addition to his or her
12 Individual Settlement Share if he or she is also a Participating Class Member.

13 **M. “Individual Settlement Payment”** means a payment to a Participating Class
14 Member of his or her net share of the Net Settlement Amount.

15 **N. “Individual Settlement Share”** means the gross amount of the Net Settlement
16 Amount that a Participating Class Member is projected to receive based on the number of
17 Workweeks that he or she worked as a Settlement Class Member during the Class Period, which
18 shall be reflected in his or her Class Notice.

19 **O. “LWDA Payment”** means the payment to the State of California Labor and
20 Workforce Development Agency (“LWDA”) for its seventy-five percent (75%) share of the total
21 amount allocated toward penalties under the PAGA all of which is to be paid from the Gross
22 Settlement Amount. The Parties have agreed that Twenty Thousand Dollars and Zero Cents
23 (\$20,000.00) shall be allocated toward PAGA penalties, of which Fifteen Thousand Dollars and
24 Zero Cents (\$15,000.00) will be paid to the LWDA (*i.e.*, the LWDA Payment) and Five Thousand
25 Dollars and Zero Cents (\$5,000.00) will be paid to Aggrieved Employees on a *pro rata* basis
26 based on the Workweeks worked for Defendant as a non-exempt, hourly-paid employee in
27 California in the PAGA Period (*i.e.* the PAGA Payment).

28

¹ As the same may be increased in accordance with Paragraph 17, below.

1 **P. “Net Settlement Amount”** means the portion of the Gross Settlement Amount
2 that is available for distribution to the Participating Class Members after deductions for the Court-
3 approved allocations for Settlement Administration Costs, a Service Award to Plaintiff, an award
4 of attorneys’ fees, reimbursement of litigation costs and expenses to Class Counsel, the LWDA
5 Payment, and the PAGA Payment.

6 **Q. “Operative Complaint” or “Complaint”** means the First Amended Complaint
7 to be filed with the Court.

8 **R. “PAGA Payment** is the 25% portion of the Twenty Thousand Dollars and Zero
9 Cents (\$20,000.00) that is allocated toward PAGA penalties (Five Thousand Dollars and Zero
10 Cents (\$5,000.00) that will be paid to Aggrieved Employees on a *pro rata* basis based on the
11 Workweeks worked as non-exempt, hourly-paid employees in California in the PAGA Period,
12 which would be in addition to their Individual Settlement Payment if they are Participating Class
13 Members, as well.

14 **S. “PAGA Period”** means the period from August 21, 2020 through the end of the
15 Class Period.

16 **T. “Participating Class Members”** means all Settlement Class Members who do
17 not submit a timely and valid Request for Exclusion.

18 **U. “Participating Individual Settlement Share”** means the gross amount of the Net
19 Settlement Amount that a Participating Class Member is eligible to receive based on the number
20 of Workweeks that he or she worked as a Settlement Class Member during the Class Period once
21 all opt-outs have been factored in, excluding any Individual PAGA Payment to which he or she
22 may be entitled if he or she is also an Aggrieved Employee.

23 **V. “Plaintiff”, “Named Plaintiff” or “Class Representative”** shall refer to
24 Plaintiff Juan Carlos Ramirez.

25 **W. “Preliminary Approval Date”** means the date on which the Court enters an
26 Order granting preliminary approval of the Settlement.

27 **X. “Released Parties”** shall mean Defendant and each of their past, present, and
28 future respective subsidiaries, dba’s, affiliates, parents, insurers and reinsurers, and company-

1 sponsored employee benefit plans of any nature and their successors and predecessors in interest,
2 including all of their officers, directors, shareholders, exempt employees, agents, principals,
3 heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries,
4 trustees, and agents.

5 **Y. “Response Deadline”** means the deadline for Settlement Class Members to mail
6 any Requests for Exclusion, Objections, or Workweek Disputes to the Settlement Administrator,
7 which is forty-five (45) calendar days from the date that the Class Notice is first mailed in English
8 and Spanish by the Settlement Administrator, unless a Class Member’s notice is re-mailed. In
9 such an instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing,
10 or forty-five (45) calendar days from the date of the initial mailing, whichever is later, in which
11 to postmark a Request for Exclusion, Workweek Dispute or Objection. The date of the postmark
12 shall be the exclusive means for determining whether a Request for Exclusion, Objection, or
13 Workweek Dispute was submitted by the Response Deadline.

14 **Z. “Request for Exclusion”** means a written request to be excluded from the
15 Settlement Class pursuant to Paragraph 9(C) below.

16 **AA. “Service Award”** means monetary amounts to be paid to Plaintiff of up to Seven
17 Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00), which subject to Court approval,
18 will be paid out of the Gross Settlement Amount.

19 **BB. “Settlement Administration Costs”** means all costs incurred by the Settlement
20 Administrator in administration of the Settlement, including, but not limited to, translating the
21 Class Notice to Spanish, the distribution of the Class Notice to the Settlement Class in English
22 and Spanish, calculating Individual Settlement Shares, Individual Settlement Payments,
23 Individual PAGA Payments, and Participating Individual Settlement Shares, as well as associated
24 taxes and withholdings, providing declarations, generating Individual Settlement Payment
25 checks and related tax reporting forms, doing administrative work related to unclaimed checks,
26 transmitting payment to Class Counsel for the Court-approved amounts for attorneys’ fees and
27 reimbursement of litigation costs and expenses, to Plaintiff for his Service Award, and to the
28 LWDA for the LWDA Payment, providing weekly reports of opt-outs, objections and related

1 information, and any other actions of the Settlement Administrator as set forth in this Agreement,
2 all pursuant to the terms of this Agreement. The Settlement Administration Costs are estimated
3 not to exceed \$10,000.00. If the actual amount of the Settlement Administration Costs is less
4 than \$10,000.00, the difference between \$10,000.00 and the actual Settlement Administration
5 Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed
6 \$10,000.00 then such excess will be paid solely from the Gross Settlement Amount and
7 Defendant will not be responsible for paying any additional funds in order to pay these additional
8 costs.

9 **CC. “Settlement Administrator”** means the Third-Party Administrator mutually
10 agreed upon by the Parties that will be responsible for the administration of the Settlement
11 including, without limitation, translating the Class Notice in Spanish, the distribution of the
12 Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount
13 and related matters under this Agreement.

14 **DD. “Settlement Class” or “Settlement Class Members”** means all current and
15 former non-exempt, hourly-paid employees who worked in California for Defendant at any time
16 during the Class Period.

17 **EE. “Workweeks”** means the number of weeks that a Class Member was employed
18 by and worked for the Defendant in a non-exempt, hourly position during the Class Period in
19 California, based on hire dates, re-hire dates (as applicable), and termination dates (as
20 applicable).

21 **2. BACKGROUND**

22 **A.** On August 21, 2021, Plaintiff filed with the LWDA and served on Defendant a
23 notice under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the
24 LWDA to recover civil penalties on behalf of Aggrieved Employees for various Labor Code
25 violations. (“PAGA Notice”).

26 **B.** On August 25, 2021, Plaintiff filed a putative wage-and-hour class action alleging
27 that, during the Class Period, Defendant, as it pertains to Class Members: (1) failed to pay
28 overtime wages; (2) failed to pay minimum wages; (3) failed to provide meal periods or

1 compensation in lieu thereof; (4) failed to provide rest periods or compensation in lieu thereof;
2 (5) failed to all wages due upon separation from employment; (6) failed to issue accurate and
3 compliant wage statements; (7) failed to timely pay wages; (8) failed to indemnify work
4 expenses; (8) failed to pay all vacation time accrued at separation in violation of Labor Code §
5 227.3; and (9) engaged in unfair competition (the “Class Action”).

6 **C.** Shortly thereafter, the Parties agreed to exchange informal discovery and attend
7 an early mediation, in which Plaintiff was provided with, among other things: (1) time and payroll
8 records for 20% of the estimated 345 Class Members (i.e., current and former non-exempt
9 employees working for Defendant in California) between August 25, 2017 and July 28, 2022,
10 which Plaintiff extrapolated through the date of mediation; (2) class data points, including
11 average rates of pay, total number of workweeks worked during the Class Period, the number
12 and separation/termination dates of terminated/separated Class Members in the waiting time
13 penalty period, the number of Aggrieved Employees, number of hours worked, and number of
14 pay periods in the wage statement period and PAGA Period; and (3) relevant wage and hour
15 policy documents and employee handbooks in effect during the Class Period; and (4) Plaintiff’s
16 personnel records, pay documents, and other employment files in Defendant’s custody,
17 possession, or control.

18 **D.** On August 17, 2022, the Parties participated in a full-day mediation before Lynn
19 S. Frank, Esquire, a well-regarded mediator experienced in mediating complex labor and
20 employment matters. With the aid of the mediator’s evaluation, the Parties reached the
21 Settlement to resolve the Action. As part and parcel to the Settlement, the Parties agree to
22 stipulate to Plaintiff filing a First Amended Complaint in the Action adding a cause of action for
23 PAGA penalties against Defendant to effectuate this Settlement.

24 **E.** Class Counsel has conducted significant investigation of the law and facts relating
25 to the claims asserted in the Class Action, and the PAGA Notice, and have concluded that that
26 the Settlement set forth herein is fair, reasonable, adequate, and in the best interests of the
27 Settlement Class, taking into account the sharply contested issues involved, the expense and time
28 necessary to litigate the Action through trial and any appeals, the risks and costs of further

1 litigation of the Action, the risk of an adverse outcome, the uncertainties of complex litigation,
2 the information learned through informal discovery regarding Plaintiff's allegations, and the
3 substantial benefits to be received by Settlement Class Members. As part of the Agreement,
4 Plaintiff agrees to file a First Amended Complaint in the Class Action.

5 **F.** Defendant has concluded that, because of the substantial expense of defending
6 against the Action, the length of time necessary to resolve the issues presented herein, the
7 inconvenience involved, and the concomitant disruption to its business operations, it is in its best
8 interest to accept the terms of this Agreement. Defendant denies each of the allegations and
9 claims asserted against it in the Action and the PAGA Notice. However, Defendant nevertheless
10 desires to settle the Action for the purpose of avoiding the burden, expense and uncertainty of
11 continuing litigation and for the purpose of putting to rest the controversies engendered by the
12 Action.

13 **G.** This Agreement is intended to and does effectuate the full, final, and complete
14 resolution of all Class Released Claims of Plaintiff and Participating Class Members, and all
15 PAGA Released Claims of Plaintiff and, to the extent permitted by law, of the State of California
16 and Aggrieved Employees.

17 **3. JURISDICTION**

18 The Court has jurisdiction over the Parties and the subject matter of the Action. The
19 Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the
20 applicable statutes. After the Court has granted Final Approval of the Settlement and entered
21 judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment
22 pursuant to California Rule of Court, rule 3.769, subdivision (h).

23 **4. STIPULATION OF CLASS CERTIFICATION**

24 The Parties stipulate to the certification of the Settlement Class under this Agreement for
25 purposes of settlement only.

26 **5. AMENDMENT OF PLEADING AND MOTIONS FOR APPROVAL OF** 27 **SETTLEMENT**

28 The Parties hereby stipulate to the filing of a First Amended Complaint in the Class

1 Action that includes all of the allegations in violation of PAGA as alleged in Plaintiff's PAGA
2 Notice.

3 After full execution of this Agreement, Plaintiff will move for an order granting
4 preliminary approval of the Settlement, approving and directing the mailing of the proposed
5 Notice of Class Action Settlement ("Class Notice") attached hereto as **Exhibit "A"**, conditionally
6 certifying the Settlement Class for settlement purposes only, and approving the deadlines
7 proposed by the Parties for the submission of Requests for Exclusion, Workweek Disputes, and
8 Objections. If and when the Court preliminarily approves the Settlement, and after
9 administration of the Class Notice in a manner consistent with the Court's Preliminary Approval
10 Order, Plaintiff will move for an order finally approving the Settlement and seek entry of a
11 Judgment in line with this Settlement. The Parties may both respond to any Objections lodged
12 to final approval of the Settlement up to five (5) court days before the Final Approval Hearing.

13 **6. STATEMENT OF NO ADMISSION**

14 Defendant denies any wrongdoing of any sort and further deny any liability to Plaintiff
15 and the Settlement Class with respect to any claims or allegations asserted in the Action and the
16 PAGA Notice. This Agreement shall not be deemed an admission by Defendant of any claims
17 or allegations asserted in the Action or the PAGA Notice. This Agreement represents a
18 compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or
19 should be construed as an admission by Defendant that any of the allegations in the Operative
20 Complaint have merit or that Defendant has any liability for any claims asserted; nor should it
21 be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action
22 have merit. The Parties agree that class certification and representative treatment is for purposes
23 of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final
24 Approval or enter Judgment, Defendant reserves the right to contest certification of any class for
25 any reasons, and Defendant reserves all available defenses to the claims in the Action, and
26 Plaintiff reserves the right to move for class certification on any grounds available and to contest
27 Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the
28

1 Action will have no bearing on, and will not be admissible in connection with, any litigation
2 (except for proceedings to enforce or effectuate the Settlement and this Agreement).

3 **7. RELEASE OF CLAIMS**

4 **A. Release by All Participating Class Members.**

5 **B.** Effective only upon the entry of an Order granting Final Approval of the
6 Settlement, entry of Judgment, and payment by Defendant to the Settlement Administrator of the
7 full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement,
8 Plaintiff and all Participating Class Members release all claims against the Released Parties
9 asserted in the Operative Complaint filed in the Action, or any and all claims that may be asserted
10 against the Released Parties based on the factual allegations in the Operative Complaint, as
11 follows: For the duration of the Class Period, the release includes but is not limited to, for
12 Participating Class Members: (1) all claims for failure to pay overtime wages; (2) all claims for
13 failure to pay minimum wages; (3) all claims for failure to provide meal periods or compensation
14 in lieu thereof; (4) all claims for failure to provide rest periods or compensation in lieu thereof;
15 (5) all claims for failure to pay all wages due upon separation from employment; (6) all claims
16 for failure to issue accurate and compliant wage statements; (7) all claims for failure to timely
17 pay wages; (8) all claims for failure to indemnify business expenses; and (8) all claims asserted
18 through Labor Code § 227.3 for failure to pay vacation time accrued at termination and (9) all
19 claims asserted through California Business & Professions Code section 17200, *et seq.* arising
20 out of the Labor Code violations referenced in the Operative Complaint (the "Class Released
21 Claims").

22 **C. Release by All Aggrieved Employees**

23 For Aggrieved Employees, and, to the extent permitted by law, the State of California,
24 the release includes for the duration of the PAGA Period, all claims asserted in the PAGA Notice
25 and thereafter alleged in the Operative Complaint for PAGA civil penalties, or that reasonably
26 could have been alleged based on the facts asserted in the PAGA Notice and thereafter alleged
27 in the Operative Complaint (the "PAGA Released Claims"). The Class Released Claims and
28 PAGA Released Claims shall be referred to herein as the "Released Claims".

1 Except as set forth herein, Participating Class Members do not release any other claims,
2 including claims for vested benefits, wrongful termination, violation of the Fair Employment and
3 Housing Act, unemployment insurance, disability, social security, workers' compensation, or
4 claims based on facts occurring outside the Class Period.

5 **D. General Release.**

6 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
7 of Judgment, and payment by Defendant to the Settlement Administrator selected of the full
8 Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, in
9 addition to the Released Claims, Plaintiff makes the additional following General Release:
10 Plaintiff releases the Released Parties from all claims, demands, rights, liabilities and causes of
11 action of every nature and description whatsoever, known or unknown, asserted or that might
12 have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule,
13 law or regulation arising out of, relating to, or in connection with any act or omission of the
14 Released Parties through the date of full execution of this Agreement in connection with
15 Plaintiff's employment with Defendant or the termination thereof, except for any and all other
16 claims that may not be released as a matter of law through this Agreement. To the extent of the
17 General Release provided herein, Plaintiff stipulates and agrees that, upon entry of an Order
18 granting Final Approval of the Settlement, entry of Judgment, and payment by Defendant to the
19 Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes
20 necessary to effectuate the Settlement, they shall have expressly waived and relinquished, to the
21 fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the
22 California Civil Code, or any other similar provision under federal or state law, which provides:

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

28 **8. SETTLEMENT ADMINISTRATOR**

A. Plaintiff and Defendant, through their respective counsel, have selected Phoenix
Settlement Administrators to administer the Settlement, which includes but is not limited to

1 translating the Class Notice to Spanish, distributing and responding to inquiries about the Class
2 Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and
3 expenses of the Settlement Administrator, currently estimated to be \$10,000.00 will be paid from
4 the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is
5 less than \$10,000.00 the difference between \$10,000.00 and the actual Settlement Administration
6 Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed
7 \$10,000.00, then such excess will be paid solely from the Gross Settlement Amount and
8 Defendant will not be responsible for paying any additional funds in order to pay these additional
9 costs.

10 **9. NOTICE, WORKWEEK DISPUTE, OBJECTION, AND EXCLUSION**
11 **PROCESS**

12 **A. Notice to the Settlement Class Members**

13 (1) Within seven (7) calendar days after the Preliminary Approval Date,
14 Defendant's Counsel shall provide the Settlement Administrator with information with respect
15 to each Settlement Class Member, including his or her: (1) name; (2) last known address(es)
16 currently in Defendant's possession, custody, or control; (3) last known telephone number(s)
17 currently in Defendant's possession, custody, or control; (4) last known Social Security
18 Number(s) in Defendant's possession, custody, or control; and (5) the dates of employment (*i.e.*,
19 hire dates, and, if applicable, re-hire date(s) and/or separation date(s)) for each Settlement Class
20 Member ("Class List"). The Settlement Administrator shall perform an address search using the
21 United States Postal Service National Change of Address ("NCOA") database and update the
22 addresses contained on the Class List with the newly-found addresses, if any. Within seven (7)
23 calendar days, or soon thereafter, of receiving the Class List from Defendant, the Settlement
24 Administrator shall mail the Class Notice in English and Spanish to the Settlement Class
25 Members via first-class regular U.S. Mail using the most current mailing address information
26 available. The Settlement Administrator shall maintain the Class List and digital copies of all
27 the Settlement Administrator's records evidencing the giving of notice to any Settlement Class
28 Member, for at least four (4) years from the Final Approval Date.

1 (2) The Class Notice will set forth:

- 2 (a) the Settlement Class Member's estimated Individual
3 Settlement Payment and Individual PAGA Payment,
4 and the basis for each;
- 5 (b) the information required by California Rule of Court,
6 rule 3.766, subdivision (d);
- 7 (c) the material terms of the Settlement;
- 8 (d) the proposed Settlement Administration Costs;
- 9 (e) the definition of the Settlement Class;
- 10 (f) a statement that the Court has preliminarily approved
11 the Settlement;
- 12 (g) how the Settlement Class Member can obtain
13 additional information, including contact information
14 for Class Counsel;
- 15 (h) information regarding opt-out and objection
16 procedures;
- 17 (i) the date and location of the Final Approval Hearing;
18 and
- 19 (j) that the Settlement Class Member must notify the
20 Settlement Administrator no later than the Response
21 Deadline if the Settlement Class Member disputes the
22 accuracy of the number of Workweeks as set forth on
23 his or her Class Notice ("Workweek Dispute"). If a
24 Settlement Class Member fails to timely dispute the
25 number of Workweeks attributed to him or her in
26 conformity with the instructions in the Class Notice,
27 then he or she shall be deemed to have waived any
28

objection to its accuracy and any claim to any additional settlement payment based on different data.

(3) If a Class Notice from the initial notice mailing is returned as undeliverable, the Settlement Administrator will attempt to obtain a current address for the Settlement Class Member to whom the returned Class Notice had been mailed, within five (5) calendar days of receipt of the returned Class Notice, by: (1) contacting the Settlement Class Member by phone, if possible, and (2) undertaking skip tracing. If the Settlement Administrator is successful in obtaining a new address, it will re-mail the Class Notice to the Settlement Class Member within three (3) business days. Further, any Class Notices that are returned to the Settlement Administrator with a forwarding address before the Response Deadline shall be promptly re-mailed to the forwarding address affixed thereto.

(4) No later than seven (7) calendar days from the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the completion of the notice process, including the number of attempts to obtain valid mailing addresses for and re-sending of any returned Class Notices, as well as the identities, number of, and copies of all Requests for Exclusion and Objections received by the Settlement Administrator.

B. Objections.

Only Participating Class Members may object to the Settlement. In order for any Settlement Class Member to object to this Settlement in writing, or any term of it, he or she must do so by mailing a written objection to the Settlement Administrator at the address or phone number provided on the Class Notice no later than the Response Deadline. The Settlement Administrator shall email a copy of the Objection forthwith to Class Counsel and Defendant's counsel and attach copies of all Objections to the Declaration it provides Class Counsel, which Class Counsel shall file in support of Plaintiff's Motion for Final Approval. The Objection should set forth in writing: (1) the Objector's name; (2) the Objector's address; (3) the last four digits of the Objector's Social Security Number; (4) the Objector's signature; (5) a statement of whether the Objector plans to appear at the Final Approval Hearing; and (6) the reason(s) for the

1 Objection, along with whatever legal authority, if any, the Objector asserts in support of the
2 Objection. If a Settlement Class Member objects to the Settlement, the Settlement Class Member
3 will remain a member of the Settlement Class and if the Court approves this Agreement, the
4 Settlement Class Member will be bound by the terms of the Settlement in the same way and to
5 the same extent as a Settlement Class Member who does not object. The date of mailing of the
6 Class Notice to the objecting Settlement Class Member shall be conclusively determined
7 according to the records of the Settlement Administrator. Settlement Class Members need not
8 object in writing to be heard at the Final Approval Hearing; they may object or comment in
9 person at the hearing at their own expense. Class Counsel and Defendant's Counsel may respond
10 to any objection lodged with the Court up to five (5) court days before the Final Approval
11 Hearing.

12 **C. Requesting Exclusion.**

13 Any Settlement Class Member may request exclusion from (*i.e.*, "opt out" of) the
14 Settlement by mailing a written request to be excluded from the Settlement ("Request for
15 Exclusion") to the Settlement Administrator, postmarked on or before the Response Deadline.
16 To be valid, a Request for Exclusion must include: (1) the Class Member's name; (2) the last
17 four (4) digits of the Class Member's Social Security Number; (3) the Class Member's signature;
18 and (4) the following statement: "Please exclude me from the Settlement Class in the *Ramirez v.*
19 *E.J. LAUREN, LLC., et al.* matter" or any statement of similar meaning standing for the
20 proposition that the Class Member does not wish to participate in the Settlement. The Settlement
21 Administrator shall immediately provide copies of all Requests for Exclusion to Class Counsel
22 and Defendant's Counsel and shall report the Requests for Exclusions that it receives, to the
23 Court, in its declaration to be provided in advance of the Final Approval Hearing. Any Settlement
24 Class Member who requests exclusion using this procedure will not be entitled to receive any
25 payment from the Settlement and will not be bound by the Settlement Agreement or have any
26 right to object to, appeal, or comment on the Settlement. Any Settlement Class Member who
27 does not opt out of the Settlement by submitting a timely and valid Request for Exclusion will
28 be bound by all terms of the Settlement, including those pertaining to the Released Claims, as

well as any Judgment that may be entered by the Court if Final Approval of the Settlement is granted. A Settlement Class Member cannot submit both a Request for Exclusion and an objection. If a Settlement Class Member submits an Objection and a Request for Exclusion, the Request for Exclusion will control and the Objection will be overruled. Settlement Class Members who worked during the PAGA Period as Aggrieved Employees that submit a valid Request for Exclusion will still be deemed Aggrieved Employees, will still receive their Individual PAGA Payments, and will be bound by the release of the PAGA Released Claims.

D. Disputes Regarding Settlement Class Members' Workweek Data.

Each Settlement Class Member may dispute the number of Workweeks attributed to him or her on his or her Class Notice ("Workweek Dispute"). Any such disputes must be mailed to the Settlement Administrator by the Settlement Class Member, postmarked on or before the Response Deadline. The Settlement Administrator shall immediately provide copies of all disputes to Class Counsel and counsel for Defendant and shall immediately attempt to resolve all such disputes directly with relevant Settlement Class Member(s) with the assistance of Defendant and Class Counsel. If the dispute cannot be resolved in this manner, the Court shall adjudicate the dispute.

10. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS

Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class Members' respective number of Workweeks during the Class Period. Individual PAGA Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from the PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number of Workweeks during the PAGA Period. Specific calculations of the Individual Settlement Shares and Individual PAGA Payments to Aggrieved Employees will be made as follows:

A. The Settlement Administrator will determine the total number of Workweeks worked by each Settlement Class Member during the Class Period ("Class Member's

Workweeks”), as well as the aggregate number of Workweeks worked by all Settlement Class Members during the Class Period (“Class Workweeks”). Additionally, the Settlement Administrator will determine the total number of Workweeks worked by each Aggrieved Employee during the PAGA Period (“Aggrieved Employee’s Workweeks”), as well as the aggregate number of Workweeks worked by all Aggrieved Employees during the PAGA Period (“PAGA Workweeks”).

B. To determine each Settlement Class Member’s Individual Settlement Share, the Settlement Administrator will use the following formula: Individual Settlement Share = (Settlement Class Member’s Workweeks ÷ Class Workweeks) × Net Settlement Amount.

C. To determine each Participating Class Member’s Participating Individual Settlement Share, the Settlement Administrator will determine the aggregate number of Workweeks worked by all Participating Class Members during the Class Period (“Participating Class Workweeks”) and use the following formula: Individual Settlement Share = (Participating Class Member’s Workweeks ÷ Participating Class Workweeks) × Net Settlement Amount.

D. The net amount of the Participating Individual Settlement Share is to be paid out to Participating Class Members by way of check and is referred to as “Individual Settlement Payment(s)”.

E. To determine each Aggrieved Employee’s Individual PAGA Payment, the Settlement Administrator will use the following formula: Aggrieved Employee’s Individual PAGA Payment = (Aggrieved Employee’s Workweeks ÷ PAGA Workweeks) x \$5,000.00 (the PAGA Payment).

F. Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or Aggrieved Employees by way of check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment

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1 **11. DISTRIBUTION OF PAYMENTS**

2 **A. Distribution of Individual Settlement Payments.**

3 Participating Class Members will receive an Individual Settlement Payment and
4 Aggrieved Employees will receive an Individual PAGA Payment. Individual Settlement
5 Payment and Individual PAGA Payment checks shall remain valid and negotiable for one
6 hundred and eighty (180) calendar days after the date of their issuance. Within seven (7)
7 calendar days after expiration of the 180-day period, checks for such payments shall be
8 canceled and funds associated with such checks shall be considered unpaid, unclaimed or
9 abandoned cash residue pursuant to Code of Civil Procedure section 384 (“Unpaid
10 Residue”). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil
11 Procedure section 384, shall be transmitted to the California Controller’s Office, Unclaimed
12 Property Fund to be held in the name of each Participating Class Member and Aggrieved
13 Employee. Thus, there is no “unpaid residue” subject to the requirements of Code of Civil
14 Procedure section 384.

15 **B. Funding of Settlement.**

16 Defendant shall, (a) within seven (7) calendar days of the Final Approval Date, make a
17 payment of fifty percent (50%) of the Gross Settlement Amount (as the same may be escalated
18 pursuant to Paragraph 17 of this Agreement); and (b) make a payment of the remaining fifty
19 percent (50%) of the Gross Settlement Amount within twelve (12) months of the first payment
20 to the Settlement Administrator. Employer Taxes shall be paid to the Settlement Administrator
21 with each of the two payments of the Gross Settlement Amount, pursuant to Internal Revenue
22 Code section 1.468B-1 for deposit in an interest-bearing qualified settlement account (“QSA”)
23 with an FDIC insured banking institution, for distribution in accordance with this Agreement and
24 the Court’s Orders and subject to the conditions described herein.

25 **C. Time for Distribution.**

26 Within seven (7) calendar days after payment of the full Gross Settlement Amount and
27 Employer Taxes by Defendant, or as soon thereafter as practicable, the Settlement Administrator
28 shall distribute Payments from the QSA for: (1) the Service Award to Plaintiff as specified in

1 this Agreement and approved by the Court; (2) the Attorneys' Fees and Cost Award to be paid
2 to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement
3 Administrator Costs, as specified in this Agreement and approved the Court; (4) the LWDA
4 Payment, as specified in this Agreement and approved by the Court; and (5) Individual PAGA
5 Payments as specified in this Agreement and approved by the Court. The balance remaining
6 shall constitute the Net Settlement Amount from which Individual Settlement Payments shall be
7 made to Participating Class Members, less applicable taxes and withholdings. All interest
8 accrued shall be for the benefit of the Class Members and distributed on a *pro rata* basis to
9 Participating Class Members based on the number of Workweeks worked by them in the Class
10 Period.

11 **12. ATTORNEYS' FEES AND LITIGATION COSTS**

12 Class Counsel shall apply for, and Defendant shall not oppose, an award of attorneys'
13 fees of up to 35% of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph
14 17 of this Agreement, amounts to One Hundred and Thirty Three Thousand Dollars and Zero
15 Cents (\$133,000.00). Class Counsel shall further apply for, and Defendant shall not oppose, an
16 application or motion by Class Counsel for reimbursement of actual costs associated with Class
17 Counsel's prosecution of this matter as set forth by declaration testimony in an amount up to
18 Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). Awards of attorneys' fees and
19 costs shall be paid out of the Gross Settlement Amount, for all past and future attorneys' fees and
20 costs necessary to prosecute, settle, and obtain Final Approval of the settlement in Action. The
21 "future" aspect of the amounts stated herein includes, without limitation, all time and expenses
22 expended by Class Counsel (including any appeals therein). There will be no additional charge
23 of any kind to either the Settlement Class Members or request for additional consideration from
24 Defendant for such work unless, Defendant materially breach this Agreement, including any term
25 regarding funding, and further efforts are necessary from Class Counsel to remedy said breach,
26 including, without limitation, moving the Court to enforce the Agreement. Should the Court
27 approve attorneys' fees and/or litigation costs and expenses in amounts that are less than the
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1 amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement
2 Amount.

3 **13. SERVICE AWARD TO PLAINTIFF**

4 Named Plaintiff shall seek, and Defendant shall not oppose, a Service Award in an
5 amount not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to
6 Plaintiff, for participation in and assistance with the Action. Any Service Award awarded to
7 Plaintiff shall be paid from the Gross Settlement Amount and shall be reported on an IRS Form
8 1099. If the Court approves the Service Award to Plaintiff in less than the amounts sought herein,
9 then the unapproved portion(s) shall be a part of the Net Settlement Amount.

10 **14. TAXATION AND ALLOCATION**

11 a. Each Individual Settlement Share shall be allocated as follows: 20% as wages (to
12 be reported on an IRS Form W2); and 80% as interest and penalties (to be reported on an IRS
13 Form 1099). Each Individual PAGA Payment shall be allocated entirely as penalties. The Parties
14 agree that the employees' share of taxes and withholdings with respect to the wage-portion of the
15 Individual Settlement Share will be withheld from the Individual Settlement Share in order to
16 yield the Individual Settlement Payment. The amount of federal income tax withholding will be
17 based upon a flat withholding rate for supplemental wage payments in accordance with Treasury
18 Regulation § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also
19 be made pursuant to applicable state and/or local withholding codes or regulations.

20 b. Forms W-2 and/or Forms 1099 will be distributed by the Settlement
21 Administrator at times and in the manner required by the Internal Revenue Code of 1986 (the
22 "Code") and consistent with this Agreement. If the Code, the regulations promulgated
23 thereunder, or other applicable tax law, is changed after the date of this Agreement, the processes
24 set forth in this Section may be modified in a manner to bring Defendant into compliance with
25 any such changes.

26 c. All Employer Taxes shall be paid by Defendant separate, apart, and in addition to
27 the Gross Settlement Amount. Defendant shall remain liable to pay the employer's share of
28 payroll taxes as described above.

d. Neither Counsel for Plaintiff nor Defendant intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

15. PRIVATE ATTORNEYS' GENERAL ACT ALLOCATION

The Parties agree to allocate Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent (75%) of the amount allocated toward PAGA (\$15,000.00) will be paid to the LWDA and twenty-five percent (25%) (\$5,000.00) will be distributed to Aggrieved Employees on a *pro rata* basis based upon their respective Workweeks worked as Aggrieved Employees during the PAGA Period.

16. COURT APPROVAL

This Agreement is contingent upon an order by the Court granting Final Approval of the Settlement, and that the LWDA does not intervene and object to the Settlement. In the event it becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties shall be restored to their respective positions in the Action prior to entry of this Settlement. If this Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement specifically stated to survive the Settlement Agreement being voided or not approved, and which control in such an event.

17. INCREASE IN WORKWEEKS

Defendant represents that the class is comprised of approximately 41,679 workweeks in the Class Period. If the number of workweeks increases by more than 10%, or 4,168 Workweeks, during the Class Period, then, at Defendant's election, either: (a) the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 45,847 Workweeks (41,679 Workweeks + 4,168 Workweeks) multiplied by the Workweek Value; or (b) the Class Period shall end on the date the number of Workweeks reaches 45,847. The

1 Workweek Value shall be calculated by dividing the originally agreed-upon Gross Settlement
2 Amount (\$380,000.00) by 41,679, which amounts to a Workweek Value of \$9.12. Thus, for
3 example, should there be 50,000 Workweeks in the Class Period, and Defendant elects to
4 increase the Gross Settlement Amount, then the Gross Settlement Amount shall be increased
5 by \$44,870.44. ((50,000 Workweeks – 45,847 Workweeks) x \$9.12 Workweek Value.).
6 Defendant shall notify Plaintiff of its election no later than seven (7) calendar days after being
7 notified by the Settlement Administrator the number of Workweeks has exceeded 45,847.

8 **18. WITHDRAWAL FROM SETTLEMENT BASED ON REQUESTS**
9 **FOR EXCLUSION**

10 Defendants shall retain the right to nullify the Agreement in the event that more than
11 10% of Class Members submit timely and valid Requests for Exclusion. Defendant must
12 provide written notice to Class Counsel of their withdrawal within fourteen (14) calendar days
13 of being notified by the Settlement Administrator the number of opt-outs has exceeded 10%.
14 If Defendants exercise this right, it shall be solely responsible for the costs incurred for
15 settlement administration up to the date of nullification.

16 **19. NOTICE OF JUDGMENT**

17 In addition to any duties set out herein, the Settlement Administrator shall provide
18 notice of the Final Judgment entered in the Action by posting the same on its website for a
19 period of no less than four (4) years.

20 **20. MISCELLANEOUS PROVISIONS**

21 **A. Interpretation of the Agreement.**

22 This Agreement constitutes the entire agreement between the Parties with respect to its
23 subject matter. Except as expressly provided herein, this Agreement has not been executed in
24 reliance upon any other written or oral representations or terms, and no such extrinsic oral or
25 written representations or terms shall modify, vary or contradict its terms. In entering into this
26 Agreement, the Parties agree that this Agreement is to be construed according to its terms and
27 may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
28 enforced under the laws of the State of California, both in its procedural and substantive aspects,

1 without regard to its conflict of law provisions. Any claim arising out of or relating to the
2 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
3 Court of the State of California for the County of Los Angeles, and Plaintiff and Defendant
4 hereby consent to the personal jurisdiction of the Court in the Action over it solely in connection
5 therewith. The foregoing is only limited to disputes concerning this Agreement. The Parties,
6 and each of them, participated in the negotiation and drafting of this Agreement and had available
7 to them the advice and assistance of independent counsel. As such, neither Plaintiff nor
8 Defendant may claim that any ambiguity in this Agreement should be construed against the other.
9 The Agreement may be modified only by a writing signed by counsel for the Parties and approved
10 by the Court.

11 **B. Further Cooperation.**

12 The Parties and their respective attorneys shall proceed diligently to prepare and execute
13 all documents, to seek the necessary approvals from the Court, and to do all things reasonably
14 necessary to consummate the Settlement as expeditiously as possible. The Parties agree that they
15 will not take any action inconsistent with this Agreement, including, without limitation,
16 encouraging Class Members to opt out of the Settlement. In the event the Court finds that any
17 Party has taken actions inconsistent with the Settlement, including, without limitation,
18 encouraging Class Members to opt out of the Settlement, the Court may take any corrective
19 actions, including enjoining any Party from communicating regarding the Settlement on an *ex*
20 *parte* basis, issuing (a) corrective notice(s), awarding monetary, issue, evidentiary and/or
21 terminating sanctions against that Party, and/or enforcing this Agreement despite the presence of
22 opt-outs and/or objections.

23 **C. Counterparts.**

24 The Agreement may be executed in one or more actual or non-original counterparts, all
25 of which will be considered one and the same instrument and all of which will be considered
26 duplicate originals.

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1 **D. Authority.**

2 Each individual signing below warrants that he or she has the authority to execute this
3 Agreement on behalf of the Party for whom or which that individual signs.

4 **E. No Third-Party Beneficiaries.**

5 Plaintiff, Participating Class Members, Aggrieved Employees, the State of California,
6 Class Counsel, and Defendant are direct beneficiaries of this Agreement, but there are no third-
7 party beneficiaries.

8 **F. Deadlines Falling on Weekends or Holidays.**

9 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday,
10 or legal holiday, that deadline shall be continued until the following business day.

11 **G. Jurisdiction of the Court**

12 Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain
13 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms
14 of this Settlement Agreement and all orders and judgments entered in connection therewith,
15 and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of
16 interpreting, implementing, and enforcing the settlement embodied in this Settlement
17 Agreement and all orders and judgments entered in connection therewith.

18 **H. Severability.**

19 In the event that one or more of the provisions contained in this Agreement shall for any
20 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
21 unenforceability shall in no way effect any other provision if Defendant's Counsel and Class
22 Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed
23 as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

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1 **IT IS SO AGREED:**

2 Dated: 02/27, 2024

Juan C. Ramirez
Juan C. Ramirez (Feb 27, 2024 01:59 PST)

JUAN CARLOS RAMIREZ
Plaintiff and Class Representative

6 Dated: _____, 2024

E.J. LAUREN, LLC
Defendant

8 By: _____

9 Its: _____

10 **AGREED AS TO FORM:**

11
12 Dated: 02/27, 2024

Vedang J. Patel

DAVID D. BIBIYAN
VEDANG J. PATEL
**Counsel for Plaintiff JUAN CARLOS
RAMIREZ**

15 Dated: _____, 2024

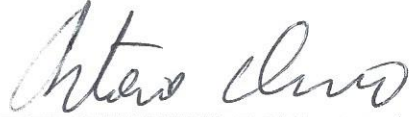
CHRISTOPHER J. HARNEY
JIN OH
Counsel for Defendant E.J. LAUREN, LLC

1 **IT IS SO AGREED:**

2 Dated: _____, 2024

3 JUAN CARLOS RAMIREZ
4 Plaintiff and Class Representative

5
6 Dated: FEBRUARY 22, 2024


7 E.J. LAUREN, LLC
8 Defendant

9 By: ANTONIO OCAÑO
10 Its: PRESIDENT

11 **AGREED AS TO FORM:**

12 Dated: _____, 2024

13 DAVID D. BIBIYAN
14 VEDANG J. PATEL
15 **Counsel for Plaintiff JUAN CARLOS**
16 **RAMIREZ**

17 Dated: February 22, 2024


18 CHRISTOPHER J. HARNEY
19 JIN OH
20 **Counsel for Defendant E.J. LAUREN, LLC**