

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN JOAQUIN

EVELYN MANRIQUEZ, individually, and on behalf of other members of the general public similarly situated, and as an aggrieved employee pursuant to the Private Attorneys General Act ("PAGA"),

Plaintiff,

vs.

SONIC - W. SHAW, CORP., a California corporation; SONIC - 23RD STREET, CORP., a California corporation; SONIC - ASHE ROAD, CORP., a California corporation; SONIC - BLACKSTONE, CORP., a California corporation; SONIC - DELANO, CORP., a California corporation; SONIC - OLIVE DRIVE, CORP., a California corporation; SONIC - ROSEDALE HWY., CORP., a California corporation; SONIC - STOCKDALE HWY., CORP., a California corporation; SONIC - WHITE LANE, CORP., a California corporation; SONIC - WILLOW, CORP., a California corporation; SONIC - CALDWELL AVE. CORP., a California corporation; SONIC - HANFORD, CORP., a California corporation; SONIC - HERNDON, CORP., a California corporation; SONIC - KINGSBURG, CORP., a California corporation; SONIC - MING AVE., CORP., a California corporation; SONIC - MONTE VISTA, CORP., a California corporation; SONIC - NILES, CORP., a California corporation; SONIC - RIPON, CORP., a California corporation; SONIC - SHAFTER, CORP., a California corporation; SONIC - TAFT HWY., CORP., a California corporation; SONIC - TEHACHAPI, CORP., a

Case No.: STK-CV-UOE-2021-0006622

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

California corporation; SONIC - TULARE, CORP., a California corporation; SONIC - TURLOCK CORP., a California corporation; SONIC - VISALIA CORP., a California corporation; and DOES 1 through 10, inclusive, Defendants.

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“the Settlement” or “the Settlement Agreement”) is made and entered into by and between Plaintiff Evelyn Manriquez (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendants Sonic - W. Shaw Corp., Sonic - 23rd Street Corp., Sonic - Ashe Road Corp., Sonic - Blackstone Corp., Sonic - Delano Corp., Sonic - Olive Drive Corp., Sonic - Rosedale Hwy Corp., Sonic - Stockdale Hwy Corp., Sonic - White Lane Corp., Sonic - Willow Corp., Sonic - Caldwell Ave. Corp., Sonic - Hanford Corp., Sonic - Herndon Corp., Sonic - Kingsburg Corp., Sonic - Ming Ave. Corp., Sonic - Monte Vista Corp., Sonic - Niles Corp., Sonic - Ripon Corp., Sonic - Shafter Corp., Sonic - Taft Hwy Corp., Sonic - Tehachapi Corp., Sonic - Tulare Corp., Sonic Turlock Corp. and Sonic Visalia Corp. (“Defendants”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

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

1. “Action” means *Manriquez v. Sonic*, No. STK-CV-UOE-2021-0006622 (San Joaquin County Superior Court).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Five Hundred Fifty Eight Thousand Three Hundred Thirty Three Dollars and Zero Cents (\$558,333.00). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), subject to the Court’s approval.

Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set

1 forth above.

2 3. “Class Counsel” means Capstone Law APC.

3 4. “Class List” means a complete list of all Class Members that Defendants will diligently
4 and in good faith compile from their records and provide to the Settlement Administrator and Class
5 Counsel within twenty (20) calendar days after Preliminary Approval of the Settlement. The Class List
6 will be formatted in Microsoft Office Excel and will include each Class Member’s full name; last known
7 mailing address and telephone number; Social Security number; dates of employment; the respective
8 number of Workweeks that each Class Member worked during the Class Period and PAGA Period; and
9 any other relevant information needed to calculate settlement payments.

10 5. “Class Member(s)” or “Settlement Class” means all persons who were employed by
11 Defendants in the State of California in non-exempt positions at any time during the Class Period.

12 6. “Class Notice” means the Notice of Class Action Settlement, substantially in the form
13 attached as Exhibit A.

14 7. “Class Period” means the period from July 23, 2017 through the Release End Date.

15 8. “Class Representative Enhancement Payment” means the amount to be paid to Plaintiff
16 in recognition of her effort and work in prosecuting the Action on behalf of Class Members, and for her
17 general release of claims. Subject to the Court granting final approval of the Settlement Agreement and
18 subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class
19 Representative Enhancement Payment of up to Ten Thousand Dollars and Zero Cents (\$10,000.00).

20 9. “Court” means the San Joaquin County Superior Court.

21 10. “Defendants” means Defendants Sonic - W. Shaw Corp., Sonic - 23rd Street Corp.,
22 Sonic - Ashe Road Corp., Sonic - Blackstone Corp., Sonic - Delano Corp., Sonic - Olive Drive Corp.,
23 Sonic - Rosedale Hwy Corp., Sonic - Stockdale Hwy Corp., Sonic - White Lane Corp., Sonic - Willow
24 Corp., Sonic - Caldwell Ave. Corp., Sonic - Hanford Corp., Sonic - Herndon Corp., Sonic - Kingsburg
25 Corp., Sonic - Ming Ave. Corp., Sonic - Monte Vista Corp., Sonic - Niles Corp., Sonic - Ripon Corp.,
26 Sonic - Shafter Corp., Sonic - Taft Hwy Corp., Sonic - Tehachapi Corp., Sonic - Tulare Corp., Sonic
27 Turlock Corp. and Sonic Visalia Corp..

28 11. “Effective Date” means the later of: (a) if no timely objections are filed, or are

1 withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an
2 objection to the Settlement, the Effective Date shall be the sixty-first (61st) calendar day after the date of
3 Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an
4 objector, then the Effective Date will be the date of final resolution of that appeal (including any requests
5 for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

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

8 13. "Gross Settlement Amount" means the Gross Settlement Amount of One Million Six
9 Hundred Seventy Five Thousand Dollars and Zero Cents (\$1,675,000.00), to be paid by Defendants in
10 full satisfaction of all Released Class Claims and Released PAGA Claims, which includes all Individual
11 Settlement Payments, Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the
12 PAGA Settlement Amount, and Settlement Administration Costs. The Gross Settlement Amount has
13 been agreed to by Plaintiff and Defendants based on the aggregation of the agreed-upon settlement value
14 of individual claims. In no event will Defendants be liable for more than the Gross Settlement Amount
15 except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement
16 Amount to Defendants. Defendants will be separately responsible for any employer payroll taxes
17 required by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid
18 from the Gross Settlement Amount.

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

21 15. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
22 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the
23 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
24 distributed to Participating Class Members as Individual Settlement Payments. There will be no
25 reversion of the Net Settlement Fund to Defendants.

26 16. "Notice of Objection" means a Class Member's valid and timely written objection to the
27 Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full
28 name, signature, address, and telephone number; (b) a written statement of all grounds for the objection

1 accompanied by any legal support for such objection; (c) copies of any papers, briefs, or other
2 documents upon which the objection is based; and (d) a statement whether the objector intends to appear
3 at the final fairness hearing.

4 17. "PAGA Members" means all persons who were employed by Defendants in the State of
5 California in non-exempt positions at any time during the PAGA Period.

6 18. "PAGA Period" means the period from August 6, 2020 through the Release End Date.

7 19. "PAGA Settlement Amount" means the amount that the Parties have agreed to pay to
8 the Labor and Workforce Development Agency ("LWDA") and PAGA Members in connection with
9 Plaintiff's claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
10 *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that Eighty Thousand Dollars
11 (\$80,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
12 PAGA, Seventy-Five Percent (75%), or Sixty Thousand Dollars (\$60,000), of the PAGA Settlement
13 Amount will be paid to the California Labor and Workforce Development Agency ("LWDA Payment"),
14 and Twenty-Five Percent (25%), or Twenty Thousand Dollars (\$20,000) ("PAGA Fund"), of the PAGA
15 Settlement will be disbursed to PAGA Members, and regardless of whether they request to be excluded
16 from the Settlement Class.

17 20. "Parties" means Plaintiff and Defendants, collectively.

18 21. "Participating Class Members" means all Class Members who do not submit timely and
19 valid Requests for Exclusion.

20 22. "Plaintiff" means Plaintiff Evelyn Manriquez.

21 23. "Preliminary Approval" means the date on which the Court enters an order granting
22 preliminary approval of the Settlement Agreement.

23 24. "Release End Date" means March 3, 2024, or, if Option B of the Escalator Clause is
24 exercised, the last date on which the total number of Workweeks during the Class Period was not in
25 excess of One Hundred Forty-Two Thousand Six Hundred Thirty-Nine (142,639).

26 25. "Released Class Claims" means all claims asserted in the First Amended Complaint
27 ("FAC") in the Action, or could have been alleged in the FAC based on the same operative facts, which
28 include claims for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2)

Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1 and 1198 (Unpaid Minimum Wages); (3) Violation of California Labor Code §§ 226.7, 512(a), 516 and 1198 (Failure to Provide Meal Periods); (4) Violation of California Labor Code §§ 226.7, 516 and 1198 (Failure to Provide Rest Periods); (5) Violation of California Labor Code §§ 226(a), 1174(d) and 1198 (Non-Compliant Wage Statement and Failure to Maintain Payroll Records); (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination); (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment); (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses); (9) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices) based on the preceding claims; and (10) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices) based on the preceding claims.

26. “Released PAGA Claims” means all claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiff’s LWDA letter during the PAGA Period, including, but not limited to PAGA civil penalties for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1 and 1198 (Unpaid Minimum Wages); (3) Violation of California Labor Code §§ 226.7, 512(a), 516 and 1198 (Failure to Provide Meal Periods); (4) Violation of California Labor Code §§ 226.7, 516 and 1198 (Failure to Provide Rest Periods); (5) Violation of California Labor Code §§ 226(a), 1174(d) and 1198 (Non-Compliant Wage Statement and Failure to Maintain Payroll Records); (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination); (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment); and (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses).

27. “Released Parties” means Defendants, their past or present officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

28. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a

request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

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

30. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering the Settlement, including, but not limited to, printing, distributing, and tracking documents for the Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Settlement Administration Costs are currently estimated to be Twenty-Five Thousand Dollars (\$25,000).

31. “Settlement Administrator” means CPT Group, Inc. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

32. “Workweeks” means the number of days of employment for each Class Member during the Class Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to the nearest whole number. All Class Members will be credited with at least one Workweek during the Class Period, and all PAGA Members will be credited with at least one Workweek during the PAGA Period.

TERMS OF AGREEMENT

The Plaintiff, on behalf of herself and the Settlement Class, and Defendants agree as follows:

33. Funding of the Gross Settlement Amount. Defendants will make a one-time deposit of the Gross Settlement Amount of One Million Six Hundred Seventy Five Thousand Dollars and Zero Cents (\$1,675,000.00) into a Qualified Settlement Account to be established by the Settlement Administrator. Defendants will pay the employer's share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual Settlement Payments; (b) the LWDA Payment; (c) the Class Representative Enhancement Payment; (d) Attorneys' Fees and Costs; and (e) Settlement Administration Costs. Defendants will deposit the Gross Settlement Amount and the employer's share of payroll taxes within ten (10) calendar days of the Effective Date ("Funding Date").

34. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion for attorneys' fees and costs by Class Counsel for Attorneys' Fees and Costs of not more than Five Hundred Fifty-Eight Thousand Three Hundred Thirty-Three Dollars and Zero Cents (\$558,333.00), plus the reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation and settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), both of which will be paid from the Gross Settlement Amount.

35. Class Representative Enhancement Payment. In exchange for a general release, and in recognition of her effort and work in prosecuting the Action on behalf of Class Members, Defendants agree not to oppose or impede any application or motion for a Class Representative Enhancement Payment of up to Ten Thousand Dollars and Zero Cents (\$10,000.00). The Class Representative Enhancement Payment will be paid from the Gross Settlement Amount and will be in addition to Plaintiff's Individual Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to pay any and all applicable taxes on the Class Representative Enhancement Payment. Plaintiff understands and agrees that the Settlement Agreement shall remain in full force and effect even if the full amount of Class Representative Enhancement Payment sought by Plaintiff is not ultimately awarded by the Court.

36. Settlement Administration Costs. The Settlement Administrator will be paid for the

1 reasonable costs of administration of the Settlement and distribution of payments from the Gross
2 Settlement Amount, which is currently estimated to be Twenty-Five Thousand Dollars (\$25,000). These
3 costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax
4 reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing
5 Class Notices, calculating and distributing the Gross Settlement Amount, and providing necessary
6 reports and declarations.

7 37. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
8 of Eighty Thousand Dollars and Zero Cents (\$80,000.00) from the Gross Settlement Amount will be
9 designated for satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%),
10 or Sixty Thousand Dollars and Zero Cents (\$60,000.00), of this sum will be paid to the LWDA and
11 Twenty-Five Percent (25%), or Twenty Thousand Dollars and Zero Cents (\$20,000.00), will be paid to
12 PAGA Members in proportion to the number of Workweeks worked during the PAGA Period.

13 38. No Right to Exclusion or Objections to the PAGA Settlement. Because the Settlement
14 resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private
15 Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
16 Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and
17 all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA
18 Member has the right to object to the PAGA Settlement Amount.

19 39. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
20 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendants.

21 40. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
22 portion of the PAGA Fund will revert to or be retained by Defendants.

23 41. Individual Settlement Payment Calculations. Individual Settlement Payments will be
24 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of
25 Workweeks a Class Member worked during the Class Period and PAGA Period. Specific calculations of
26 Individual Settlement Payments will be made as follows:

27 41(a) Payments from the Net Settlement Fund. Defendants will calculate the total
28 number of Workweeks worked by each Class Member during the Class

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

19 41(b) Payments from the PAGA Fund. Defendants will calculate the total number
20 of Workweeks worked by each PAGA Member during the PAGA Period
21 and the aggregate total number of Workweeks worked by all PAGA
22 Members during the PAGA Period. To determine each PAGA Member's
23 estimated "Individual Settlement Payment," the Settlement Administrator
24 will use the following formula: The PAGA Fund will be divided by the
25 aggregate total number of Workweeks during the PAGA Period, resulting in
26 the "PAGA Workweek Value." Each PAGA Member's "Individual
27 Settlement Payment" will be calculated by multiplying each individual
28 PAGA Member's total number of Workweeks by the PAGA Workweek

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

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

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

44. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator and to Class Counsel.

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

46. Confirmation of Updated Contact Information in the Class Lists. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Class Notices returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security Number of the Class Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by request, will have either (a) an additional fifteen (15) calendar days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion

1 or an objection to the Settlement.

2 47. Class Notices. All Class Members will be mailed a Class Notice. Each Class Notice will
3 provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal
4 terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each
5 respective Class Member and PAGA Member worked for Defendants during the Class Period and
6 PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment
7 and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class
8 Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of
9 Objection; (h) the deadlines by which the Class Member must postmark or fax Request for Exclusions,
10 or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

11 48. Disputed Information on Class Notices. Class Members will have an opportunity to
12 dispute the information provided in their Class Notices. To the extent Class Members dispute their
13 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
14 Settlement Administrator showing that such information is inaccurate. Defendants' records will be
15 presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the
16 Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline,
17 and will be decided within ten (10) business days after the Response Deadline.

18 49. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
19 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
20 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
21 receiving the defective submission to advise the Class Member that his/her/their submission is defective
22 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
23 until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter,
24 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
25 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

26 50. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
27 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
28 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the

1 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
2 for Exclusion has been timely submitted.

3 51. Escalator Clause. Defendants represent that, as of November 22, 2023, Class Members
4 worked an aggregate total of One Hundred Twenty-Nine Thousand Six Hundred Seventy-One (129,671)
5 Workweeks during the Class Period. In the event the Workweeks during the Class Period increases by
6 more than ten percent (10%), or One Hundred Forty-Two Thousand Six Hundred Thirty-Nine
7 (142,639), Defendants will have the option to either: (a) increase the Gross Settlement Amount on a pro-
8 rata basis equal to the percentage increase in the number of Workweeks above One Hundred Forty-Two
9 Thousand Six Hundred Thirty-Nine (142,639) (for example, if the number of workweeks increases by
10 11% from 129,671, the Gross Settlement Amount will increase by 1%) (“Option A of the Escalator
11 Clause”); or (b) advance the Release End Date to the last date on which the total number of Workweeks
12 during the Class Period was not in excess of One Hundred Forty-Two Thousand Six Hundred Thirty-
13 Nine (142,639) (“Option B of the Escalator Clause”).

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

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

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

1 55. Defendants' Right to Rescind. Defendants will have, in their sole discretion, the right to
2 void and withdraw from the Settlement if, at any time prior to Final Approval, Five Percent (5%) or
3 more of Class Members opt out of the Settlement. Defendants must exercise this right of rescission in
4 writing to Class Counsel within fourteen (14) calendar days after the Response Deadline. If the option to
5 rescind is exercised, then Defendants will be solely responsible for all Settlement Administration Costs
6 incurred to the date of rescission.

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

19 57. Certification Reports Regarding Individual Settlement Payment Calculations. The
20 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that
21 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
22 the Settlement, and whether any Class Member has submitted a challenge to any information contained
23 in their Class Notice, including those received after the Response Deadline. Additionally, the Settlement
24 Administrator will provide to counsel for both Parties any updated reports regarding the administration
25 of the Settlement Agreement as needed or requested.

26 58. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
27 of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class
28 Members and PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiff; and

(d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved services performed in connection with the Settlement.

59. Un-cashed Settlement Checks. Proceeds represented by Individual Settlement Payment checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for more than one hundred and eighty (180) calendar days after issuance will be tendered pursuant to Code of Civil Procedure section 384 to the Justice Gap Fund maintained by The State Bar of California.

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

61. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

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

63. Tax Liability. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff, Participating Class Members, and PAGA Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard.

64. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND

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

20 65. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
21 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
22 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
23 action or right herein released and discharged.

24 66. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
25 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other
26 reason, then the Settlement Agreement, and any documents generated to bring it into effect, will be null
27 and void. Any order or judgment entered by the Court in furtherance of the Settlement Agreement will
28 likewise be treated as void *ab initio*.

67. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only; (b) preliminary approval of the proposed Settlement Agreement; and (c) setting a date for a final fairness hearing. The Preliminary Approval Order will provide for the Class Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit the Settlement Agreement, which sets forth the terms of the Settlement, and will include the proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval.

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

69. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement; (b) Settlement administration matters; and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in the Settlement Agreement. A copy of the Judgment will be posted to the Settlement Administrator's website.

70. Release by Plaintiff. Upon the Funding Date, in addition to the claims being released by all Participating Class Members, Plaintiff will release and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of the

1 Settlement Agreement. To the extent the foregoing release is a release to which Section 1542 of the
2 California Civil Code or similar provisions of other applicable law may apply, Plaintiff expressly waives
3 any and all rights and benefits conferred upon her by the provisions of Section 1542 of the California
4 Civil Code or similar provisions of applicable law which are as follows:

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

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

14 72. Entire Agreement. The Settlement Agreement and any attached Exhibits constitute the
15 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
16 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
17 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
18 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
19 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
20 contradict the terms of the Settlement Agreement.

21 73. Amendment or Modification. No amendment, change, or modification to the Settlement
22 Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved
23 by the Court.

24 74. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
25 represent they are expressly authorized by the Parties whom they represent to negotiate the Settlement
26 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
27 to the Settlement Agreement to effectuate its terms and to execute any other documents required to
28 effectuate the terms of the Settlement Agreement. The Parties and their counsel will cooperate with each

1 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
2 reach agreement on the form or content of any document needed to implement the Settlement, or on any
3 supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties
4 may seek the assistance of the Court to resolve such disagreement.

5 75. Binding on Successors and Assigns. The Settlement Agreement will be binding upon,
6 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

7 76. California Law Governs. All terms of the Settlement Agreement and Exhibits hereto
8 will be governed by and interpreted according to the laws of the State of California.

9 77. Execution and Counterparts. The Settlement Agreement is subject only to the execution
10 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
11 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
12 copies of the signature page, will be deemed to be one and the same instrument.

13 78. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe the
14 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at the
15 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
16 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
17 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
18 fairness and reasonableness of the Settlement.

19 79. Invalidity of Any Provision. Before declaring any provision of the Settlement
20 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
21 possible consistent with applicable precedents so as to define all provisions of the Settlement Agreement
22 valid and enforceable.

23 80. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
24 certification for purposes of the Settlement only; except, however, that Plaintiff or Class Counsel may
25 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
26 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

27 81. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
28 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not

1 approved, the stipulation to certification will be void. The Parties further agree that certification for
2 purposes of the Settlement is not an admission that class action certification is proper under the standards
3 applied to contested certification motions and that the Settlement Agreement will not be admissible in
4 this or any other proceeding as evidence that either (a) a class action should be certified or (b) Defendants
5 are liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

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

19 83. No Public Comment: Prior to Preliminary Approval, the Parties and their counsel agree
20 that they will not issue any press releases, initiate any contact with the press, respond to any press
21 inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.

22 84. Waiver. No waiver of any condition or covenant contained in the Settlement Agreement
23 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
24 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

25 85. Enforcement Actions. In the event that one or more of the Parties institutes any legal
26 action or other proceeding against any other Party or Parties to enforce the provisions of the Settlement
27 or to declare rights and/or obligations under the Settlement, the successful Party or Parties will be entitled
28 to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert

witness fees incurred in connection with any enforcement actions.

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

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

88. All Terms Subject to Final Court Approval. All amounts and procedures described in the Settlement Agreement herein will be subject to final Court approval.

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

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

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 5/6/2024

DocuSigned by:

Evelyn Norrington

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DEFENDANTS SONIC - W. SHAW CORP.,
SONIC - 23RD STREET CORP., SONIC - ASHE
ROAD CORP., SONIC - BLACKSTONE
CORP., SONIC - DELANO CORP., SONIC -
OLIVE DRIVE CORP., SONIC - ROSEDALE
HWY CORP., SONIC - STOCKDALE HWY
CORP., SONIC - WHITE LANE CORP., SONIC
- WILLOW CORP., SONIC - CALDWELL
AVE. CORP., SONIC - HANFORD CORP.,
SONIC - HERNDON CORP., SONIC -
KINGSBURG CORP., SONIC - MING AVE.
CORP., SONIC - MONTE VISTA CORP.,
SONIC - NILES CORP., SONIC - RIPON
CORP., SONIC - SHAFTER CORP., SONIC -
TAFT HWY CORP., SONIC - TEHACHAPI
CORP., SONIC - TULARE CORP., SONIC
TURLOCK CORP. AND SONIC VISALIA
CORP.

Dated:

Scott A. McMillan

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 5/6/2024

DocuSigned by:

Evelyn Romig

FB22918783F04A9...

DEFENDANTS SONIC - W. SHAW CORP.,
SONIC - 23RD STREET CORP., SONIC - ASHE
ROAD CORP., SONIC - BLACKSTONE
CORP., SONIC - DELANO CORP., SONIC -
OLIVE DRIVE CORP., SONIC - ROSEDALE
HWY CORP., SONIC - STOCKDALE HWY
CORP., SONIC - WHITE LANE CORP., SONIC
- WILLOW CORP., SONIC - CALDWELL
AVE. CORP., SONIC - HANFORD CORP.,
SONIC - HERNDON CORP., SONIC -
KINGSBURG CORP., SONIC - MING AVE.
CORP., SONIC - MONTE VISTA CORP.,
SONIC - NILES CORP., SONIC - RIPON
CORP., SONIC - SHAFTER CORP., SONIC -
TAFT HWY CORP., SONIC - TEHACHAPI
CORP., SONIC - TULARE CORP., SONIC
TURLOCK CORP. AND SONIC VISALIA
CORP.

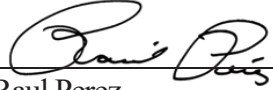
Dated: 7/31/24

Scott A. McMillan
Scott A. McMillan

APPROVED AS TO FORM

CAPSTONE LAW APC

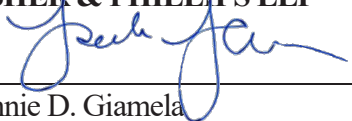
Dated: May 6, 2024

By: 
Raul Perez

Attorneys for Plaintiff Evelyn Manriquez

FISHER & PHILLIPS LLP

Dated: July 31, 2024

By: 
Lonnie D. Giamela
Landon R. Schwob

Attorneys for Defendants Sonic - W. Shaw Corp.,
Sonic - 23rd Street Corp., Sonic - Ashe Road Corp.,
Sonic - Blackstone Corp., Sonic - Delano Corp.,
Sonic - Olive Drive Corp., Sonic - Rosedale Hwy
Corp., Sonic - Stockdale Hwy Corp., Sonic - White
Lane Corp., Sonic - Willow Corp., Sonic - Caldwell
Ave. Corp., Sonic - Hanford Corp., Sonic - Herndon
Corp., Sonic - Kingsburg Corp., Sonic - Ming Ave.
Corp., Sonic - Monte Vista Corp., Sonic - Niles
Corp., Sonic - Ripon Corp., Sonic - Shafter Corp.,
Sonic - Taft Hwy Corp., Sonic - Tehachapi Corp.,
Sonic - Tulare Corp., Sonic Turlock Corp. and Sonic
Visalia Corp.

Exhibit A

Manriquez v. Sonic, No. STK-CV-UOE-2021-0006622
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SAN JOAQUIN
NOTICE OF CLASS ACTION SETTLEMENT

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

To: All persons who were employed by Defendants Sonic - W. Shaw Corp., Sonic - 23rd Street Corp., Sonic - Ashe Road Corp., Sonic - Blackstone Corp., Sonic - Delano Corp., Sonic - Olive Drive Corp., Sonic - Rosedale Hwy Corp., Sonic - Stockdale Hwy Corp., Sonic - White Lane Corp., Sonic - Willow Corp., Sonic - Caldwell Ave. Corp., Sonic - Hanford Corp., Sonic - Herndon Corp., Sonic - Kingsburg Corp., Sonic - Ming Ave. Corp., Sonic - Monte Vista Corp., Sonic - Niles Corp., Sonic - Ripon Corp., Sonic - Shafter Corp., Sonic - Taft Hwy Corp., Sonic - Tehachapi Corp., Sonic - Tulare Corp., Sonic Turlock Corp. and Sonic Visalia Corp. (“Defendants”) in the State of California in non-exempt positions at any time during the **July 23, 2017 through [Release End Date]** (“Class Members”).

All persons who were employed by Defendants in the State of California in non-exempt positions at any time during the **August 6, 2020 through [Release End Date]** (“PAGA Members”).

On _____, the Honorable Barbara Kronlund of the San Joaquin County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants' records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at ____:00 __m. on _____, 2025 in Department 10-D of the San Joaquin County Superior Court located at 180 E. Weber Avenue, Stockton, California 95202.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

SUMMARY OF 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 deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Member, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendants based on the same facts alleged in the Action during the Class Period.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to participate in the proposed class settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.
The Opt-out Deadline is [DATE]	You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [DATE]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the [DATE] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [DATE] in Department 10-D of the San Joaquin County Superior Court located at 180 E. Weber Avenue, Stockton, California 95202. 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. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.

Summary of the Litigation

Plaintiff Evelyn Manriquez, on her behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) provide employees with accurate, itemized wage statements; (5) maintain payroll records; and (6) reimburse for business expenses.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On November 10, 2023, the parties participated in a mediation with Daniel Turner, an experienced and well-respected class action mediator. With Mr. Turner’s guidance, the parties were able to negotiate a complete settlement of Plaintiff’s claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiff’s claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$1,675,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$10,000 to Evelyn Manriquez for her services on behalf of the class, and for a release of all claims arising out of her employment with Defendants; (3) \$558,333 in attorneys’ fees and up to \$25,000 in litigation costs and expenses; (4) a \$80,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), inclusive of a \$60,000 payment to the California Labor and Workforce Development Agency (“LWDA”)

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

in connection with the PAGA, and a \$20,000 payment (“PAGA Fund”) to all PAGA Members; and (5) reasonable Settlement Administrator’s fees and expenses currently estimated at \$_,000. After deducting the above payments, a total of approximately \$_ will be allocated to Class Members who do not opt out of the Settlement Class (“Net Settlement Fund”). Additionally, all PAGA Members will receive a proportional share of the \$20,000 PAGA Fund, regardless of whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member from July 23, 2017 through [Release End Date] (“Class Period”) and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member’s estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the “Workweek Value.” Each Class Member’s share of the Net Settlement Fund will be calculated by multiplying each individual Class Member’s total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member’s share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$_____.

Payments from PAGA Fund. Defendants will calculate the total number of Workweeks worked by each PAGA Member from August 6, 2020 through [Release End Date] (“PAGA Period”) and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member’s estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the “PAGA Workweek Value.” Each PAGA Member’s share of the PAGA Fund will be calculated by multiplying each individual PAGA Member’s total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he/she/they submits a valid Request for Exclusion.

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

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$_____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____
Fax No. _____

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult

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

their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – *Automatically Receive a Payment from the Settlement*

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims:

Released Class Claims: All claims asserted in the First Amended Complaint (“FAC”) in the Action, or could have been alleged in the FAC based on the same operative facts, which include claims for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1 and 1198 (Unpaid Minimum Wages); (3) Violation of California Labor Code §§ 226.7, 512(a), 516 and 1198 (Failure to Provide Meal Periods); (4) Violation of California Labor Code §§ 226.7, 516 and 1198 (Failure to Provide Rest Periods); (5) Violation of California Labor Code §§ 226(a), 1174(d) and 1198 (Non-Compliant Wage Statement and Failure to Maintain Payroll Records); (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination); (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment); (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses); (9) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices) based on the preceding claims; and (10) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices) based on the preceding claims.

Released PAGA Claims: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiff’s LWDA letter during the PAGA Period, including, but not limited to PAGA civil penalties for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1 and 1198 (Unpaid Minimum Wages); (3) Violation of California Labor Code §§ 226.7, 512(a), 516 and 1198 (Failure to Provide Meal Periods); (4) Violation of California Labor Code §§ 226.7, 516 and 1198 (Failure to Provide Rest Periods); (5) Violation of California Labor Code §§ 226(a), 1174(d) and 1198 (Non-Compliant Wage Statement and Failure to Maintain Payroll Records); (6) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination); (7) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment); and (8) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses).

Option 2 – *Opt Out of the Settlement*

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

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

The Request for Exclusion must be postmarked or faxed not later than _____, 2025. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2025, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2025. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of San Joaquin and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: 1 (888) 510-5237

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

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