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and YOLANDO CASTRO

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JOSE PASCUAL SALGADO; YRENE DIAZ, individually, and on behalf of other members of the general public similarly situated, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act; and YOLANDA CASTRO, individually, and on behalf of other members of the public similarly situated;

Plaintiffs,

vs.

MACADI CLEANING CORPORATION, a California corporation; and DOES 1 through 25, inclusive,

Defendants.

Case No.: 21STCV33823

Honorable Theresa M. Traber
Department 1

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: April 10, 2026
Time: 10:30 a.m.
Dept.: 1

Complaint Filed: September 14, 2021
FAC Filed: August 29, 2023
SAC Filed: October 16, 2025
Trial Date: Not Set

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[PROPOSED] ORDER

On April 10, 2026 at 10:30 a.m. in Department 1 of the above-captioned Court located at Spring Street Courthouse, 312 North Spring Street, Los Angeles, California 90012, Plaintiffs Yrene Diaz and Yolanda Castro’s (together, “Plaintiffs”) Motion for Preliminary Approval of Class Action and PAGA Settlement, came on for hearing before the Honorable Theresa M. Traber. Blackstone Law, APC appeared on behalf of Plaintiffs and Constangy, Brooks, Smith & Prophete, LLP appeared on behalf of Defendant Macadi Cleaning Corporation (“Defendant”).

The Court, having carefully considered the papers, argument of counsel, and all matters presented to the Court, and good cause appearing, hereby **GRANTS** Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement.

IT IS HEREBY ORDERED THAT:

1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”) attached as Exhibit 3 to the Declaration of Alexandra Rose in Support of Plaintiffs’ Motion for Preliminary Approval of Class Action and PAGA Settlement. This is based on the Court’s determination that the Settlement falls within the range of possible approval as fair, adequate, and reasonable.

2. This Order incorporates by reference the definitions in the Settlement Agreement, and all capitalized terms defined therein shall have the same meaning in this Order as set forth in the Settlement Agreement.

3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate, and reasonable. It appears to the Court that extensive investigation and research have been conducted such that counsel for the parties at this time are able to reasonably evaluate their respective positions. It further appears to the Court that the Settlement, at this time, will avoid substantial additional costs by all parties, as well as avoid the delay and risks that would be presented by the further prosecution of the case. It further appears that the Settlement has been reached as the result of intensive, serious, and non-collusive, arms-length negotiations, and was entered into in good faith.

4. The Court preliminarily finds that the Settlement, including the allocations for the Attorneys’ Fees and Costs, Enhancement Payments, LWDA Payment, Settlement Administration Costs, and payments to the Settlement Class Members and Aggrieved Employees provided for in the

Settlement Agreement, appear to be within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the monetary settlement awards made available to the Class Members and Aggrieved Employees are fair, adequate, and reasonable when balanced against the probable outcome of further litigation relating to certification, liability, and damages issues and are consistent with the requirements of California Labor Code § 2699(e)(1).

5. The Court concludes that, for settlement purposes only, the proposed Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the members of the Class with respect to the subject matter of the litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) Plaintiffs will fairly and adequately protect the interests of the members of the Class; (e) a class action is superior to other available methods for the efficient adjudication of the controversy; and (f) Class Counsel is qualified to act as counsel for Plaintiffs in their individual capacities and as the representatives of the Class.

6. The Court conditionally certifies, for settlement purposes only, the Class, defined as follows:

The "Class" collectively refers to the Non-Arbitration Class Members and the Arbitration Class Members:

- a. "Non-Arbitration Class Member(s)" means all individuals who worked for Defendant in California at any time during the Class Period who were classified as non-exempt and who did not sign an arbitration agreement.
- b. "Arbitration Class Member(s)" means all individuals who worked for Defendant in California at any time during the PAGA Period who were classified as non-exempt and who signed an arbitration agreement.

(The Class Period is defined as the period from September 14, 2017 through August 2, 2025.)

7. The Court provisionally appoints Jonathan M. Genish, Miriam L. Schimmel, Joana Fang, Alexandra Rose, and Jasmine Y. Kianfard of Blackstone Law, APC as counsel for the Class ("Class Counsel").

1 8. The Court provisionally appoints Plaintiffs Yrene Diaz and Yolanda Castro as the
2 representatives of the Class (together, “Class Representatives”).

3 9. The Court provisionally appoints ILYM Group, Inc. to handle the administration of the
4 Settlement (“Settlement Administrator”).

5 10. Within fourteen (14) calendar days after entry of this Order, Defendant will provide the
6 Settlement Administrator with the following information about each Class Member and Aggrieved
7 Employee: full name, last known mailing address, Social Security number, number of Non-Arbitration
8 Workweeks, Number of Arbitration Workweeks, and number of PAGA Pay Periods (collectively
9 referred to as the “Class List”) in conformity with the Settlement Agreement.

10 11. The Court approves, both as to form and content, the Notice of Class Action Settlement
11 (“Class Notice”) attached hereto as **Exhibit 1**. The Class Notice shall be provided to Class Members
12 and Aggrieved Employees in the manner set forth in the Settlement Agreement. The Court finds that
13 the Class Notice appears to fully and accurately inform the Class Members of all material elements of
14 the Settlement, of Class Members’ right to be excluded from the Class Settlement by submitting a
15 Request for Exclusion, of Class Members’ right to dispute the Workweeks and/or PAGA Pay Periods
16 credited to each of them by submitting a Dispute, and of each Settlement Class Member’s right and
17 opportunity to object to the Class Settlement by submitting a Notice of Objection to the Settlement
18 Administrator. The Court further finds that distribution of the Class Notice substantially in the manner
19 and form set forth in the Settlement Agreement and this Order, and that all other dates set forth in the
20 Settlement Agreement and this Order, meet the requirements of due process and shall constitute due
21 and sufficient notice to all persons entitled thereto. The Court further orders the Settlement
22 Administrator to mail the Class Notice in English and Spanish by First-Class U.S. Mail to all Class
23 Members and Aggrieved Employees within seven (7) calendar days of receipt of the Class List,
24 pursuant to the terms set forth in the Settlement Agreement.

25 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
26 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
27 choose to be excluded from the Class Settlement by submitting a Request for Exclusion in conformity
28 with the requirements set forth in the Class Notice, to the Settlement Administrator, postmarked on or

1 before the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the
2 Settlement Administrator to Class Members (“Response Deadline”), or, in the case of a re-mailed
3 Class Notice, the Response Deadline shall be extended fifteen (15) calendar days from the original
4 Response Deadline. Any such person who timely and validly chooses to opt out of, and be excluded
5 from, the Class Settlement will not be entitled to any recovery under the Class Settlement and will not
6 be bound by the Class Settlement or have any right to object, appeal, or comment thereon.
7 Nevertheless, all Aggrieved Employees will be bound by the PAGA Settlement and issued their
8 Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. Class
9 Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members)
10 shall be bound by the Settlement Agreement and any final judgment based thereon.

11 13. A Final Approval Hearing shall be held before this Court on
12 _____ at _____ a.m./p.m. in Department 1 of the Los Angeles
13 County Superior Court, located at Spring Street Courthouse, 312 North Spring Street, Los Angeles,
14 California 90012, to determine all necessary matters concerning the Settlement, including: whether
15 the proposed settlement of the action on the terms and conditions provided for in the Settlement is fair,
16 adequate, and reasonable and should be finally approved by the Court; whether a judgment, as
17 provided in the Settlement, should be entered herein; whether the plan of allocation contained in the
18 Settlement should be approved as fair, adequate, and reasonable to the Class Members and Aggrieved
19 Employees; and determine whether to approve the requests for the Attorneys’ Fees and Costs,
20 Enhancement Payments, Settlement Administration Costs, and allocation for the PAGA Amount.

21 14. Class Counsel shall file a motion for final approval of the Settlement and for Attorneys’
22 Fees and Costs, Enhancement Payments, and Settlement Administration Costs, along with the
23 appropriate declarations and supporting evidence, including the Settlement Administrator’s
24 declaration, by _____, to be heard at the Final Approval Hearing.

25 15. To object to the Class Settlement, a Settlement Class Member must submit their Notice
26 of Objection to the Settlement Administrator on or before the Response Deadline. The Notice of
27 Objection must be signed and must contain the information that is required, as set forth in the Class
28 Notice, including and not limited to the grounds for the objection. Settlement Class Members,

1 individually or through counsel, may also present their objection orally at the Final Approval Hearing,
2 regardless of whether they have submitted a Notice of Objection.

3 16. In the event the Settlement does not become effective in accordance with the terms of
4 the Settlement Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails
5 to become effective for any reason, this Order shall be rendered null and void, shall be vacated, and
6 the parties shall revert back to their respective positions as of before entering into the Settlement
7 Agreement. The fact that the Court certified the Class for settlement purposes shall not be admissible
8 or have any bearing on the issue of whether any class should be certified in a non-settlement context.

9 17. The Court reserves the right to adjourn or continue the date of the Final Approval
10 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
11 Members and retains jurisdiction to consider all further applications arising out of or connected with
12 the Settlement.

13 **IT IS SO ORDERED.**

14 Dated: _____

Honorable Theresa M. Traber
Judge of the Superior Court

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

***Yrene Diaz, et al. v. Macadi Cleaning Corporation* Superior Court of California for the County of Los Angeles, Case No. 21STCV33823**

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Yrene Diaz ("Plaintiff Diaz") and Yolanda Castro ("Plaintiff Castro") (together, "Plaintiffs") and Defendant Macadi Cleaning Corporation ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the case entitled *Yrene Diaz, et al. v. Macadi Cleaning Corporation*, Los Angeles County Superior Court, Case No. 21STCV33823 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" collectively refers to the Non-Arbitration Class Members and the Arbitration Class Members:

- "Non-Arbitration Class Members" means all individuals who worked for Defendant in California at any time during the Class Period who were classified as non-exempt and who did not sign an arbitration agreement.
- "Arbitration Class Members" means all individuals who worked for Defendant in California at any time during the PAGA Period who were classified as non-exempt and who signed an arbitration agreement.

"Class Period" means the period from September 14, 2017 through August 2, 2025.

"Class Settlement" means the settlement and resolution of all Released Class Claims.

"Aggrieved Employee(s)" means all individuals who worked for Defendant in California at any time during the PAGA Period and who were classified as non-exempt, regardless of whether they signed an arbitration agreement.

"PAGA Period" means the period from July 17, 2022 through August 2, 2025.

"PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On September 14, 2021, the Action was filed. On July 17, 2023, Plaintiff Diaz provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that she contends were violated ("PAGA Letter"). On August 29, 2023, a first amended complaint was filed in the Action. On [redacted], 2025, Plaintiffs filed Second Amended Class Action Complaint for Damages and Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698, Et Seq. ("Operative Complaint") in the Action.

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination of employment and associated waiting-time penalties, issue accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties

under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”). Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Diaz and Plaintiff Casto as representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Jasmine Y. Kianfard
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all Aggrieved Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs, Class Members, or Aggrieved Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and Aggrieved Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$175,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Sixty Thousand Dollars and Zero Cents (\$60,000.00) to Class Counsel; (2) Enhancement Payments in amounts not to exceed Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Diaz and Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) to Plaintiff Casto their services in the Action; (3) the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$7,500.00) (“LWDA Payment”) and the remaining 25% (\$2,500.00) will be distributed

to Aggrieved Employees (“Aggrieved Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on their number of “Workweeks”, which collectively refers to the Non-Arbitration Workweeks and the Arbitration Workweeks as follows:

- a) “Non-Arbitration Workweek(s)” means a week in which a Non-Arbitration Class Member performed work during the Class Period. Weeks in which a Non-Arbitration Class Member was employed but performed no work (i.e., was on sick leave, vacation, or other leave of absence) do not count as Non-Arbitration Workweeks.
- b) “Arbitration Workweek(s)” means a week in which an Arbitration Class Member performed work during the PAGA Period. Weeks in which an Arbitration Class Member was employed but performed no work (i.e., was on sick leave, vacation, or other leave of absence) do not count as Arbitration Workweeks.

Individual Settlement Shares, which are listed in Section III.C below) have been calculated by the Settlement Administrator as follows:

- a) Non-Arbitration Class Members. The Settlement Administrator has divided the Net Settlement Amount by the Non-Arbitration Workweeks of all Non-Arbitration Class Members to yield the “Estimated Non-Arbitration Workweek Value,” and multiplied each Non-Arbitration Class Member’s individual Non-Arbitration Workweeks by the Estimated Non-Arbitration Workweek Value to yield each Non-Arbitration Class Member’s estimated Individual Settlement Share that the Non-Arbitration Class Member may be entitled to receive under the Class Settlement. Each Non-Arbitration Workweek counts as one (1).
- b) Arbitration Class Members. The Settlement Administrator has divided the Net Settlement Amount by the Arbitration Workweeks of all Arbitration Class Members to yield the “Estimated Arbitration Workweek Value,” and multiplied each Arbitration Class Member’s individual Arbitration Workweeks by the Estimated Arbitration Workweek Value to yield each Arbitration Class Member’s estimated Individual Settlement Share that the Arbitration Class Member may be entitled to receive under the Class Settlement. Each Arbitration Workweek counts as 0.5.

Settlement Class Members will be issued their final Individual Settlement Payment. “Settlement Class Members” collectively refers to the Non-Arbitration Settlement Class Members and the Arbitration Settlement Class Members as follows:

- “Non-Arbitration Settlement Class Members” are all Non-Arbitration Class Members who do not submit a timely and valid Request for Exclusion.
- “Arbitration Settlement Class Members” are all Arbitration Class Members who do not submit a timely and valid Request for Exclusion

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the Aggrieved Employee Amount (“Individual PAGA Payment”) based on their number of bi-weekly pay periods during which they performed work during the PAGA Period (“PAGA Pay Period(s)”). Pay periods in which an Aggrieved Employee was employed but performed no work (i.e., was on sick leave, vacation, or other leave of absence) do not count as PAGA Pay

Periods. The Settlement Administrator had divided the Aggrieved Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Pay Periods of all Aggrieved Employees to yield the “PAGA Pay Period Value,” and multiplied each Aggrieved Employee’s individual PAGA Pay Periods by the PAGA Pay Period Value to yield each Aggrieved Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval, Defendant will fund the Gross Settlement Amount in thirteen (13) installments as follows:

- No later than seven (7) calendar days after the Court grants final approval, Defendant will deposit half of the Gross Settlement Amount (i.e., \$250,000.00) and Employer Taxes into a qualified settlement account established by the Settlement Administrator (“Initial Payment”).
 - Within five (5) business days of the funding of the Initial Payment and Effective Date, the Settlement Administrator will issue half of the Individual Settlement Payments to Settlement Class Members, half of the Individual PAGA Payments to Aggrieved Employees, half of the LWDA Payment to the LWDA, half of the Enhancement Payments to Plaintiffs, half of the Attorneys’ Fees and Costs to Class Counsel, and half of the Settlement Administration Costs to itself.
- The remainder of the Gross Settlement Amount will be paid in twelve (12) equal payments for twelve (12) months after the payment of the Initial Payment until the Gross Settlement Amount has been fully paid (“Installment Payment(s)”).
 - Within five (5) business days of the funding of the last Installment Payment, the Settlement Administrator will issue the remaining half of the Individual Settlement Payments to Settlement Class Members, remaining half of the Individual PAGA Payments to Aggrieved Employees, remaining half of the LWDA Payment to the LWDA, remaining half of the Enhancement Payments to Plaintiffs, remaining half of the Attorneys’ Fees and Costs to Class Counsel, and remaining half of the Settlement Administration Costs to itself.

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

B. Your Workweeks and PAGA Pay Periods (if applicable) Based on Defendant’s Records

According to Defendant’s records:

- You are credited as having worked [] [Non-Arbitration/Arbitration] Workweeks.
- You are credited as having worked [] PAGA Pay Periods.

If you wish to dispute the Workweeks and/or PAGA Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*Diaz, et al. v. Macadi Cleaning Corporation*, Los Angeles County Superior Court, Case No. 21STCV33823); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Pay Periods (if applicable) credited to you.

**Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [].
The Individual Settlement Share is subject to reduction for the employee’s share of taxes and**

withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Non-Arbitration Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims for the Class Period.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Arbitration Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims for the PAGA Period.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all causes of action, claims, rights, statutory damages, penalties, liabilities, expenses, and losses against the Released Parties, arising out of the claims pled in the Operative Complaint (i.e., California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1197, 1197.1, 1198, 2800, and 2802, and Business & Professions Code §§ 17200, *et seq.* based on alleged violations of these California Labor Code provisions) and all other potential claims reasonably related to or arising out of the same set of facts pled in the Operative Complaint, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law. The Released Class Claims do not include claims for unemployment, workers compensation, wrongful termination, disability, race, gender or other discrimination, social security, vested benefits, or claims based on facts outside of the Class Period.

“Released PAGA Claims” means any and all claims for civil penalties under PAGA arising during the PAGA Period based on the California Labor Code violations alleged in the PAGA Letter, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Letter, as well as any claims brought under the PAGA in the Operative Complaint. The Released PAGA Claims do not include claims for unemployment, workers compensation, wrongful termination, disability, race, gender or other discrimination, social security, vested benefits, or claims based on facts outside of the PAGA Period.

“Released Parties” means Defendant and all of its parent companies, subsidiaries, divisions, related or affiliated companies, clients, and its or their shareholders, officers, directors, employees, agents, principals, representatives, attorneys, accountants, partners, investors, owners, administrators, insurers, predecessors, successors and assigns, and any individual or entity that could be liable for any of the Released Class Claims and Released PAGA Claims.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$175,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Sixty Thousand Dollars and Zero Cents (\$60,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs, Class Members, and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amounts of Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff Diaz and Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) to Plaintiff Castro (together, “Enhancement Payments”), in recognition of their services in connection with the Action. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to any other payments that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are an Aggrieved Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and Aggrieved Employee (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Diaz, et al. v. Macadi Cleaning Corporation*, Los Angeles County Superior Court, Case No. 21STCV33823; (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. Aggrieved Employees will

be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Diaz, et al. v. Macadi Cleaning Corporation*, Los Angeles County Superior Court, Case No. 21STCV33823); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 1 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Actions by visiting Stanley Mosk Courthouse, 111 North Hill Street, California 90012, during normal business hours, or by online by visiting the following website: <https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access>

You may also visit the Settlement Administrator’s website at **[redacted]** for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**