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7 Attorneys for Plaintiff(s),
 8 MCKENNA MCKENZIE, and all others similarly situated
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9
 10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 11 **FOR THE COUNTY OF CONTRA COSTA**
 12 **(UNLIMITED JURISDICTION)**

13 MCKENNA MCKENZIE, on behalf of herself
 14 and all others similarly situated, and as an
 “aggrieved employee” on behalf of other
 15 “aggrieved employees” under the Labor Code
 Private Attorneys General Act of 2004,

16 *Plaintiff(s),*

17 vs.

18
 19 RED DOOR ESCAPE ROOM, LLC, a California
 limited liability company; KINGSMEN
 20 ESCAPE ENTERTAINMENT LLC, a California
 limited liability company; KYLE MALOY, a
 21 natural person; and DOES 1–50, inclusive,

22 *Defendant(s).*

Case No. CIVMSC21-01753

**CLASS ACTION AND PAGA
 SETTLEMENT AGREEMENT AND
 CLASS NOTICE**

Action filed: August 27, 2021
 Dept: 39, The Honorable Edward
 G. Weil

ADDITIONAL ATTORNEYS FOR PLAINTIFF(S)

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Attorneys for Defendant(s),
RED DOOR ESCAPE ROOM, LLC, KINGSMEN ESCAPE ENTERTAINMENT LLC, and
KYLE MALOY

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between plaintiff McKenna McKenzie (“Plaintiff”) and defendants Red Door Escape Room,
3 LLC, Kingsmen Escape Entertainment LLC, and Kyle Maloy (collectively “Defendants”). The
4 Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as “Party.”

5 **1. DEFINITIONS.**

6 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against
7 Red Door Escape Room, LLC, Kingsmen Escape Entertainment LLC, and Kyle Maloy captioned
8 “McKenna McKenzie, on behalf of herself, and all others similarly situated, and as an ‘aggrieved
9 employee’ on behalf of other ‘aggrieved employees’ under the Labor Code Private Attorneys
10 General Act of 2004, *Plaintiff(s)*, vs. defendants Red Door Escape Room, LLC, Kingsmen Escape
11 Entertainment LLC, and Kyle Maloy, and DOES 1 through 50, inclusive, *Defendant(s)*,” Case
12 No. CIVMSC21-01753 initiated on August 27, 2021 and pending in Superior Court of the State
of California, County of Contra Costa.

13 1.2. “Administrator” means Simpluris, Inc., the neutral entity the Parties have agreed
14 to appoint to administer the Settlement.

15 1.3. “Administration Expenses Payment” means the amount the Administrator will be
16 paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
17 accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection
with Preliminary Approval of the Settlement.

18 1.4. “Aggrieved Employee” means a person employed by Defendants and/or Red Door
19 Jet Fuel, L.P., an entity affiliated with Defendants, in California and classified as a hourly, non-
20 exempt employees who worked for Defendants and/or Red Door Jet Fuel, L.P. during the PAGA
21 Period except those who are immediate family members of anyone with an ownership interest in
22 one or more of the entities.

23 1.5. “Class” means all persons employed by Defendants and/or Red Door Jet Fuel, L.P.
24 in California and classified as hourly, non-exempt employees who worked for Defendants and/or
25 Red Door Jet Fuel, L.P. during the Class Period except those who are immediate family members
of anyone with an ownership interest in one or more of the entities.

26 1.6. “Class Counsel” means David G. Spivak of The Spivak Law Firm and Walter L.
27 Haines of United Employees Law Group.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in Defendants’ or affiliated entities’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Pay Periods and PAGA Pay Periods.

1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from August 27, 2018 to the date of preliminary approval of this settlement.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Contra Costa.

1.16. “Defendants” means named Defendants Red Door Escape Room, LLC, Kingsmen Escape Entertainment LLC, and Kyle Maloy.

1.17. “Defense Counsel” means Sarah Brite Evans of Schwartz Semerdjian Cauley & Evans LLP.

1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no

1 Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if
2 one or more Participating Class Members objects to the Settlement, the day after the deadline for
3 filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the
4 day after the appellate court affirms the Judgment and issues a remittitur.

5 1.19. "Final Approval" means the Court's order granting final approval of the
6 Settlement.

7 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final
8 Approval of the Settlement.

9 1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final
10 Approval of the Settlement.

11 1.22. "Gross Settlement Amount" means \$395,000.00 which is the total amount
12 Defendants agree to pay under the Settlement except as provided in Paragraph 9 below. The Gross
13 Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments,
14 the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative
15 Service Payment and the Administrator's Expenses. Defendants will pay the Gross Settlement
16 Amount in two (2) equal \$197,500.00 biannually installment payments, outlined further below.

17 1.23. "Individual Class Payment" means the Participating Class Member's pro rata
18 share of the Net Settlement Amount calculated according to the number of Pay Periods worked
19 during the Class Period.

20 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of
21 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the
22 PAGA Period.

23 1.25. "Judgment" means the judgment entered by the Court based upon the Final
24 Approval.

25 1.26. "LWDA" means the California Labor and Workforce Development Agency, the
26 agency entitled, under Labor Code section 2699, subd. (i).

27 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the
28 LWDA under Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following
payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel

1 Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be
2 paid to Participating Class Members as Individual Class Payments.

3 1.29. "Non-Participating Class Member" means any Class Member who opts out of the
4 Settlement by sending the Administrator a valid and timely Request for Exclusion.

5 1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee
6 worked for Defendants for at least one day during the PAGA Period.

7 1.31. "PAGA Period" means the period from August 02, 2020 to the date of preliminary
8 approval of this settlement.

9 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

10 1.33. "PAGA Notice" means Plaintiff's August 02, 2021 letter to Defendants and the
11 LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

12 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from
13 the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$1,000.00) and the
14 75% to LWDA (\$3,000.00) in settlement of PAGA claims.

15 1.35. "Participating Class Member" means a Class Member who does not submit a valid
16 and timely Request for Exclusion from the Settlement.

17 1.36. "Plaintiff" means McKenna McKenzie, the named plaintiff in the Action.

18 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval
19 of the Settlement.

20 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary
21 Approval and Approval of PAGA Settlement.

22 1.39. "Released Class Claims" means the claims being released as described in
23 Paragraph 6.2 below.

24 1.40. "Released PAGA Claims" means the claims being released as described in
25 Paragraph 6.2 below.

26 1.41. "Released Parties" means: Defendants and each of their former and present
27 directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors,
28 assigns subsidiaries, and affiliates. They include Red Door Corporate, LLC, and Red Door Jet
Fuel, LP. The Settlement shall cover all five California Red Door locations (Concord,
Sacramento, San Diego, Oxnard and San Mateo), and includes only claims arising at these
locations (the "California Locations").

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

2. RECITALS.

2.1. On August 27, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for failure to pay wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, and related claims. On October 28, 2021, Plaintiff filed a First Amended Complaint alleging causes of action against Defendants for failure to pay wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, and related allegations. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint.") Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.3. On August 31, 2022, the Parties participated in an all-day mediation presided over by Ms. Monique Ngo-Bonnici Esq. which led to this Agreement to settle the Action.

2.4. Prior to mediation and negotiating the Settlement, Plaintiff obtained, through formal and informal discovery, the number of comparable employees, the number of workweeks, the number of pay periods, average rates of pay, sample time records, sample payroll records,

1 written policies, financial records, and related information. Plaintiff's investigation was sufficient
2 to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48
3 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-
4 130 ("*Dunk/Kullar*").

5 2.5. The Court has not granted class certification.

6 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware
7 of any other pending matter or action asserting claims that will be extinguished or affected by the
8 Settlement.

9 **3. MONETARY TERMS.**

10 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below,
11 Defendants promise to pay \$395,000.00 and no more as the Gross Settlement Amount and to
12 separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual
13 Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any
14 payroll taxes) prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator
15 will disburse the entire Gross Settlement Amount without asking or requiring Participating Class
16 Members or Aggrieved Employees to submit any claim as a condition of payment. None of the
17 Gross Settlement Amount will revert to Defendants.

18 3.2. Payments from the Gross Settlement Amount. The Administrator will make and
19 deduct the following payments from the Gross Settlement Amount, in the amounts specified by
20 the Court in the Final Approval:

21 3.2.1. To Plaintiff: Class Representative Service Payment to the Class
22 Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any
23 Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class
24 Member). Defendants will not oppose Plaintiff's request for a Class Representative Service
25 Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment
26 and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class
27 Representative Service Payments no later than 16 court days prior to the Final Approval Hearing.
28 If the Court approves a Class Representative Service Payment less than the amount requested, the
Administrator will retain the remainder in the Net Settlement Amount. The Administrator will
pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full
responsibility and liability for employee taxes owed on the Class Representative Service Payment.

1 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than
2 33.33%, which is currently estimated to be \$131,666.00 and a Class Counsel Litigation Expenses
3 Payment of not more than \$20,000.00. Defendants will not oppose requests for these payments
4 provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for
5 Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days
6 prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or
7 a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator
8 will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability
9 to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class
10 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator
11 will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more
12 IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the
13 Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds
14 Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy
15 regarding any division or sharing of any of these Payments.

16 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
17 \$9,000.00 except for a showing of good cause and as approved by the Court. To the extent the
18 Administration Expenses are less or the Court approves payment less than \$9,000.00, the
19 Administrator will retain the remainder in the Net Settlement Amount.

20 3.2.4. To Each Participating Class Member: An Individual Class Payment
21 calculated by (a) dividing the Net Settlement Amount by the total number of Pay Periods worked
22 by all Participating Class Members during the Class Period and (b) multiplying the result by each
23 Participating Class Member's Pay Periods.

24 3.2.4.1. Tax Allocation of Individual Class Payments. 33.33% of
25 each Participating Class Member's Individual Class Payment will be allocated to settlement of
26 wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be
27 reported on an IRS W-2 Form. The 66.67% of each Participating Class Member's Individual
28 Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage
Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on
IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any
employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$4,000.00 to be paid from the Gross Settlement Amount, with 75% (\$3,000.00) allocated to the LWDA PAGA Payment and 25% (\$1,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$1,000.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Pay Periods and Aggrieved Employee Pay Periods. Based on a review of its records as of August 31, 2022, Defendants estimate there are 262 Class Members who collectively worked a total of 4,040 Pay Periods, and 220 Aggrieved Employees who worked a total of 3,164 Pay Periods.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated

1 Class Data as soon as reasonably feasible. Without any extension of the deadline by which must
2 send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best
3 efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted
4 Class Data.

5 4.3. Funding of Gross Settlement Amount. Defendants shall fully fund the Gross
6 Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll
7 taxes by transmitting the funds to the Administrator as follows:

8 4.3.1. Within ten (10) calendar days of the Effective Date, Defendants shall pay
9 the first of two \$197,500.00 installment payments on the Gross Settlement Amount into the
10 Settlement Account and shall pay each of the remaining \$197,500.00 installment payment within
11 180 calendar days of the first installment payment.

12 4.4. Distributions from the Installment Payments toward the Gross Settlement
13 Amount. There will be multiple distributions of the Gross Settlement Amount as follows:

14 4.4.1. **First Distribution.** Within fourteen (14) calendar days of the Effective
15 Date, or within ten (10) calendar days of the deadline for the First payment (whichever is later),
16 the Settlement Administrator shall distribute, *pro rata*, the portion of the Gross Settlement
17 Amount Defendants paid by that date, including *pro rata* portions of the Individual Class
18 Payments, Individual PAGA Payments, LWDA PAGA payment, Class Representative Service
19 Payments, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and
20 the Administrator's expenses.

21 4.4.2. **Second Distribution.** Within ten (10) calendar days of the Second
22 Installment Payment, the Settlement Administrator shall distribute, *pro rata*, the portion of the
23 Gross Settlement Amount Defendants paid since the first distribution, including *pro rata* portions
24 of the Individual Class Payments, Individual PAGA Payments, LWDA PAGA payment, Class
25 Representative Service Payments, the Class Counsel Fees Payment, the Class Counsel Litigation
26 Expenses Payment, and the Administrator's expenses.

27 4.5. Payments from the Gross Settlement Amount. Disbursement of the Class
28 Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class
Representative Service Payment shall not precede disbursement of Individual Class Payments
and Individual PAGA Payments.

4.5.1. The Administrator will issue checks for the Individual Class Payments

1 and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail,
2 postage prepaid. The face of each check shall prominently state the date (not less than 180 days
3 after the date of mailing) when the check will be voided. The Administrator will cancel all checks
4 not cashed by the void date. The Administrator will send checks for Individual Settlement
5 Payments to all Participating Class Members (including those for whom Class Notice was
6 returned undelivered). The Administrator will send checks for Individual PAGA Payments to all
7 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
8 Employees (including those for whom Class Notice was returned undelivered). The
9 Administrator may send Participating Class Members a single check combining the Individual
10 Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator
must update the recipients' mailing addresses using the National Change of Address Database.

11 4.5.2. The Administrator must conduct a Class Member Address Search for all
12 other Class Members whose checks are returned undelivered without USPS forwarding address.
13 Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS
14 forwarding address provided or to an address ascertained through the Class Member Address
15 Search. The Administrator need not take further steps to deliver checks to Class Members whose
16 re-mailed checks are returned as undelivered. The Administrator shall promptly send a
replacement check to any Class Member whose original check was lost or misplaced, requested
by the Class Member prior to the void date.

17 4.5.3. For any Class Member whose Individual Class Payment check or
18 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator
19 shall transmit the funds represented by such checks to the California Controller's Unclaimed
20 Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to
21 the requirements of California Code of Civil Procedure Section 384, subd. (b).

22 4.5.4. The payment of Individual Class Payments and Individual PAGA
23 Payments shall not obligate Defendants to confer any additional benefits or make any additional
24 payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in
this Agreement.

25 **5. [OMITTED]**

26 **6. RELEASES OF CLAIMS.** Effective on the date when Defendants fully fund the entire
27 Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the

1 Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims
2 against all Released Parties as follows:

3 6.1 Plaintiff's Release. Plaintiff and her respective former and present spouses,
4 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release
5 and discharge Released Parties from all claims, transactions, or occurrences that occurred during
6 the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have
7 been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims
8 that were, or reasonably could have been, alleged based on facts contained in the Operative
9 Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under 6.2,
10 below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to
11 enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
12 benefits, social security benefits, workers' compensation benefits that arose at any time, or based
13 on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts
14 or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be
15 true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects,
16 notwithstanding such different or additional facts or Plaintiff's discovery of them.

17 6.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
18 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights,
19 and benefits, if any, of section 1542 of the California Civil Code, which reads:

20 **A general release does not extend to claims that the creditor or releasing party does**
21 **not know or suspect to exist in his or her favor at the time of executing the release,**
22 **and that if known by him or her would have materially affected his or her settlement**
23 **with the debtor or Released Party.**

24 6.2 Release by Participating Class Members Who Are Not Aggrieved Employees:
25 All Participating Class Members, on behalf of themselves and their respective former and present
26 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released
27 Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the
28 Class Period facts stated in the Operative Complaint and ascertained in the course of the Action
including, failure to pay wages, failure to provide meal periods, failure to authorize and permit

rest periods, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, and related allegations. Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

6.3 Release by Non-Participating Class Members Who Are Aggrieved Employees:

All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action including, failure to pay wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, and related claims.

7. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

7.1 Defendants' Declaration in Support of Preliminary Approval. Within 21 days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

7.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and

1 attesting to its willingness to serve; competency; operative procedures for protecting the security
 2 of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other
 3 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;
 4 and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense
 5 Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve
 6 and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members,
 7 and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its
 8 competency to represent the Class Members; its timely transmission to the LWDA of all necessary
 9 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
 10 Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699,
 11 subd. (1)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class
 12 Members and the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration
 shall aver that they are not aware of any other pending matter or action asserting claims that will
 be extinguished or adversely affected by the Settlement.

13 7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
 14 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later
 15 than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the
 16 Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion
 17 for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary
 Approval Order to the Administrator.

18 7.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion
 19 for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
 20 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
 21 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
 22 Preliminary Approval or conditions Preliminary Approval on any material change to this
 23 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
 24 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
 otherwise satisfy the Court's concerns.

25 **8. SETTLEMENT ADMINISTRATION.**

26 8.1 Selection of Administrator. The Parties have jointly selected Simpluris, Inc. to
 27 serve as the Administrator and verified that, as a condition of appointment, Simpluris, Inc. agrees

1 to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
2 Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel
3 represent that they have no interest or relationship, financial or otherwise, with the Administrator
4 other than a professional relationship arising out of prior experiences administering settlements.

5 8.2 Employer Identification Number. The Administrator shall have and use its own
6 Employer Identification Number for purposes of calculating payroll tax withholdings and
7 providing reports state and federal tax authorities.

8 8.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund
9 that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury
10 Regulation section 468B-1.

11 8.4 Notice to Class Members.

12 8.4.1 No later than three (3) business days after receipt of the Class Data, the
13 Administrator shall notify Class Counsel that the list has been received and state the number of
14 Class Members, PAGA Members, Pay Periods, and Pay Periods in the Class Data.

15 8.4.2 Using best efforts to perform as soon as possible, and in no event later than
16 14 days after receiving the Class Data, the Administrator will send to all Class Members identified
17 in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice
18 substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class
19 Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or
20 Individual PAGA Payment payable to the Class Member, and the number of Pay Periods and PAGA
21 Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the
22 Administrator shall update Class Member addresses using the National Change of Address
23 database.

24 8.4.3 Not later than three (3) business days after the Administrator's receipt of
25 any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class
26 Notice using any forwarding address provided by the USPS. If the USPS does not provide a
27 forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail
28 the Class Notice to the most current address obtained. The Administrator has no obligation to
make further attempts to locate or send Class Notice to Class Members whose Class Notice is
returned by the USPS a second time.

8.4.4 The deadlines for Class Members' written objections, Challenges to Pay

1 Periods and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days
2 beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is
3 re-mailed. The Administrator will inform the Class Member of the extended deadline with the
4 re-mailed Class Notice.

5 8.4.5 If the Administrator, any of the Defendants or Class Counsel is contacted
6 by or otherwise discovers any persons who believe they should have been included in the Class
7 Data and should have received Class Notice, the Parties will expeditiously meet and confer in
8 person or by telephone, and in good faith, in an effort to agree on whether to include them as Class
9 Members. If the Parties agree, such persons will be Class Members entitled to the same rights as
10 other Class Members, and the Administrator will send, via email or overnight delivery, a Class
11 Notice requiring them to exercise options under this Agreement not later than 14 days after receipt
12 of Class Notice, or the deadline dates in the Class Notice, which ever are later.

13 8.5 Requests for Exclusion (Opt-Outs).

14 8.5.1 Class Members who wish to exclude themselves (opt-out of) the Class
15 Settlement must send the Administrator, by fax, email, or mail, a signed written Request for
16 Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional
17 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
18 from a Class Member or his/her representative that reasonably communicates the Class Member's
19 election to be excluded from the Settlement and includes the Class Member's name, address and
20 email address or telephone number. To be valid, a Request for Exclusion must be timely faxed,
21 emailed, or postmarked by the Response Deadline.

22 8.5.2 The Administrator may not reject a Request for Exclusion as invalid
23 because it fails to contain all the information specified in the Class Notice. The Administrator
24 shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the
25 identity of the person as a Class Member and the Class Member's desire to be excluded. The
26 Administrator's determination shall be final and not appealable or otherwise susceptible to
27 challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion,
28 the Administrator may demand additional proof of the Class Member's identity. The
Administrator's determination of authenticity shall be final and not appealable or otherwise
susceptible to challenge.

8.5.3 Every Class Member who does not submit a timely and valid Request for

1 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all
2 benefits and bound by all terms and conditions of the Settlement, including the Participating Class
3 Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless whether the
4 Participating Class Member actually receives the Class Notice or objects to the Settlement.

5 8.5.4 Every Class Member who submits a valid and timely Request for
6 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment
7 or have the right to object to the class action components of the Settlement. Because future PAGA
8 claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class
9 Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph
6.4 of this Agreement and are eligible for an Individual PAGA Payment.

10 8.6 Challenges to Calculation of Pay Periods. Each Class Member shall have 60 days
11 after the Administrator mails the Class Notice (plus an additional 14 days for Class Members
12 whose Class Notice is re-mailed) to challenge the number of Class Pay Periods and PAGA Pay
13 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may
14 challenge the allocation by communicating with the Administrator via fax, email or mail. The
15 Administrator must encourage the challenging Class Member to submit supporting
16 documentation. In the absence of any contrary documentation, the Administrator is entitled to
17 presume that the Pay Periods contained in the Class Notice are correct so long as they are
18 consistent with the Class Data. The Administrator's determination of each Class Member's
19 allocation of Pay Periods and/or PAGA Pay Periods shall be final and not appealable or otherwise
20 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to
calculation of Pay Periods and/or PAGA Pay Periods to Defense Counsel and Class Counsel and
the Administrator's determination the challenges.

21 8.7 Objections to Settlement.

22 8.7.1 Only Participating Class Members may object to the class action
23 components of the Settlement and/or this Agreement, including contesting the fairness of the
24 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel
Litigation Expenses Payment and/or Class Representative Service Payment.

25 8.7.2 Participating Class Members may send written objections to the
26 Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear
27 in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval

1 Hearing. A Participating Class Member who elects to send a written objection to the
2 Administrator must do so not later than 60 days after the Administrator's mailing of the Class
3 Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

4 8.7.3 Non-Participating Class Members have no right to object to any of the class
action components of the Settlement.

5 8.8 Administrator Duties. The Administrator has a duty to perform or observe all
6 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7 8.8.1 Website, Email Address and Toll-Free Number. The Administrator will
8 establish and maintain and use an internet website to post information of interest to Class
9 Members including the date, time and location for the Final Approval Hearing and copies of the
10 Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
11 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class
12 Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final
13 Approval and the Judgment. The Administrator will also maintain and monitor an email address
and a toll-free telephone number to receive Class Member calls, faxes and emails.

14 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator
15 will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not
16 later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the
17 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
18 and other identifying information of Class Members who have timely submitted valid Requests
19 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class
20 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
Exclusion from Settlement submitted (whether valid or invalid).

21 8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide
22 written reports to Class Counsel and Defense Counsel that, among other things, tally the number
23 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
24 Exclusion (whether valid or invalid) received, objections received, challenges to Pay Periods
25 and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments
26 and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide
27 the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all
Requests for Exclusion and objections received.

1 8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the
2 authority to address and make final decisions consistent with the terms of this Agreement on all
3 Class Member challenges over the calculation of Pay Periods and/or Pay Periods. The
4 Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

5 8.8.5 Administrator's Declaration. Not later than 14 days before the date by
6 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
7 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
8 for filing in Court attesting to its due diligence and compliance with all of its obligations under
9 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
10 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
11 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
12 number of written objections and attach the Exclusion List. The Administrator will supplement
13 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
14 for filing the Administrator's declaration(s) in Court.

15 8.8.6 Final Report by Administrator. Within 10 days after the Administrator
16 disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
17 and Defense Counsel with a final report detailing its disbursements by employee identification
18 number only of all payments made under this Agreement. At least 15 days before any deadline
19 set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
20 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all
21 payments required under this Agreement. Class Counsel is responsible for filing the
22 Administrator's declaration in Court.

23 **9. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records,
24 Defendants and Red Door estimate that, as of August 30, 2022, (1) there are 262 Class Members
25 and 4,040 Total Pay Periods during the Class period and (2) there were 220 Aggrieved Employees
26 who worked 3,164 Pay Periods during the PAGA Period. As described in the Mediator's Proposal,
27 if the Pay Periods and/or Class Members as of that August 30, 2022 date is 10% more than 6,000
28 pay periods or 240 Class members as of August 31, 2022, the Gross Settlement Amount, including
the Class Counsel Fees Payment, the Class Representative Payment, and the LWDA payment,
will increase proportionally according to the number of additional Pay Periods or Class Members,

1 whichever results in a higher increase in the Gross Settlement Amount.

2
3 **10. DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for
4 Exclusion identified in the Exclusion List exceeds 10.00% of the total of all Class Members,
5 Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties
6 agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect
7 whatsoever, and that neither Party will have any further obligation to perform under this
8 Agreement; provided, however, Defendants will remain responsible for paying all Settlement
9 Administration Expenses incurred to that point. Defendants must notify Class Counsel and the
10 Court of its election to withdraw not later than 7 days after the Administrator sends the final
11 Exclusion List to Defense Counsel; late elections will have no effect.

12 **11. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared
13 Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement
14 that includes a request for approval of the PAGA settlement under Labor Code section 2699,
15 subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for
16 Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later
17 than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel
18 will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any
19 disagreements concerning the Motion for Final Approval.

20 **11.1 Response to Objections.** Each Party retains the right to respond to any objection
21 raised by a Participating Class Member, including the right to file responsive documents in Court
22 no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
23 by the Court.

24 **11.2 Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final
25 Approval on any material change to the Settlement (including, but not limited to, the scope of
26 release to be granted by Class Members), the Parties will expeditiously work together in good
27 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
28 Approval. The Court's decision to award less than the amounts requested for the Class
Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
Expenses Payment and/or Administrator Expenses Payment shall not constitute a material

1 modification to the Agreement within the meaning of this paragraph.

2 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of
3 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
4 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

5 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms
6 and conditions of this Agreement, specifically including the Class Counsel Fees Payment and
7 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
8 respective counsel, and all Participating Class Members who did not object to the Settlement as
9 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
10 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
11 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
12 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
13 Parties' obligations to perform under this Agreement will be suspended until such time as the
14 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
the amount of the Net Settlement Amount.

15 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If
16 the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
17 material modification of this Agreement (including, but not limited to, the scope of release to be
18 granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
19 expeditiously work together in good faith to address the appellate court's concerns and to obtain
20 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
21 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
22 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
23 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
as long as the Gross Settlement Amount remains unchanged.

24 **12. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil
25 Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed
26 amended judgment.

1 **13. ADDITIONAL PROVISIONS.**

2 13.1 No Admission of Liability, Class Certification or Representative Manageability
3 for Other Purposes. This Agreement represents a compromise and settlement of highly disputed
4 claims. Nothing in this Agreement is intended or should be construed as an admission by
5 Defendants that any of the allegations in the Operative Complaint have merit or that Defendants
6 have any liability for any claims asserted; nor should it be intended or construed as an admission
7 by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class
8 certification and representative treatment is for purposes of this Settlement only. If, for any reason
9 the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants
10 reserve the right to contest certification of any class for any reasons, and Defendants reserve all
11 available defenses to the claims in the Action, and Plaintiff reserves the right to move for class
12 certification on any grounds available and to contest Defendants' defenses. The Settlement, this
13 Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be
admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
Settlement and this Agreement).

14 13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,
15 Defendants and Defense Counsel separately agree that, until the Motion for Preliminary Approval
16 of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or
17 cause or permit another person to disclose, disseminate or publicize, any of the terms of the
18 Agreement directly or indirectly, specifically or generally, to any person, corporation, association,
19 government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses,
20 all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter;
21 (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a
22 court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
government agency.

23 Each Party agrees to immediately notify each other Party of any judicial or agency
24 order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants and
25 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other
26 communication, before the filing of the Motion for Preliminary Approval, any with third party
27 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
"the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's

1 communications with Class Members in accordance with Class Counsel's ethical obligations
2 owed to Class Members.

3 13.3 No Solicitation. The Parties separately agree that they and their respective
4 counsel and employees will not solicit any Class Member to opt out of or object to the Settlement,
5 or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
6 Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical
obligations owed to Class Members.

7 13.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
8 Agreement together with its attached exhibits shall constitute the entire agreement between the
9 Parties relating to the Settlement, superseding any and all oral representations, warranties,
covenants, or inducements made to or by any Party.

10 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant
11 and represent that they are authorized by Plaintiff and Defendants, respectively, to take all
12 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
13 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
14 terms of this Agreement including any amendments to this Agreement.

15 13.6 Cooperation. The Parties and their counsel will cooperate with each other and
16 use their best efforts, in good faith, to implement the Settlement by, among other things,
17 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
18 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
19 the form or content of any document necessary to implement the Settlement, or on any
20 modification of the Agreement that may become necessary to implement the Settlement, the
Parties will seek the assistance of a mediator and/or the Court for resolution.

21 13.7 No Prior Assignments. The Parties separately represent and warrant that they
22 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
23 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
action, or right released and discharged by the Party in this Settlement.

24 13.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense
25 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
26 Settlement be relied upon as such within the meaning of United States Treasury Department
27 Circular 230 (31 CFR Part 10, as amended) or otherwise.

1 13.9 Modification of Agreement. This Agreement, and all parts of it, may be
2 amended, modified, changed, or waived only by an express written instrument signed by all
3 Parties or their representatives, and approved by the Court.

4 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and
5 inure to the benefit of, the successors of each of the Parties.

6 13.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will
7 be governed by and interpreted according to the internal laws of the state of California, without
8 regard to conflict of law principles.

9 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and
10 preparation of this Agreement. This Agreement will not be construed against any Party on the
11 basis that the Party was the drafter or participated in the drafting.

12 13.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
13 entered during Action and in this Agreement relating to the confidentiality of information shall
14 survive the execution of this Agreement.

15 13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant
16 to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class
17 Counsel by Defendants in connection with the mediation, other settlement negotiations, or in
18 connection with the Settlement, may be used only with respect to this Settlement, and no other
19 purpose, and may not be used in any way that violates any existing contractual agreement, statute,
20 or rule of court. Not later than 90 days after the date when the Court discharges the
21 Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement
22 funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from
23 Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants
24 make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

25 13.15 Headings. The descriptive heading of any section or paragraph of this Agreement
26 is inserted for convenience of reference only and does not constitute a part of this Agreement.

27 13.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement
28 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
weekend or federal legal holiday, such date or deadline shall be on the first business day
thereafter.

 13.17 Notice. All notices, demands or other communications between the Parties in

1 connection with this Agreement will be in writing and deemed to have been duly given as of the
2 third business day after mailing by United States mail, or the day sent by email or messenger,
3 addressed as follows:

4 To Plaintiff:
5 David G. Spivak, Esq.
6 The Spivak Law Firm
7 8605 Santa Monica Bl
8 PMB 42554
9 West Hollywood, CA 90069
10 david@spivaklaw.com

11 To Defendants:
12 Sarah Brite Evans, Esq.
13 Schwartz Semerdjian Cauley & Evans LLP
14 101 W Broadway
15 Ste 810
16 San Diego, CA 92101
17 sarah@sscelaw.com

18 13.18 Execution in Counterparts. This Agreement may be executed in one or more
19 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
20 Agreement shall be accepted as an original. All executed counterparts and each of them will be
21 deemed to be one and the same instrument if counsel for the Parties will exchange between
22 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
23 the existence and contents of this Agreement.

24 13.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement
25 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
26 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
27 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
28 process.

29 02 / 15 / 2023
30 Dated: February ____, 2023

By: 

MCKENNA MCKENZIE

2/14/2023
Dated: February ____, 2023

DocuSigned by:
By: Kyle Maloy
KYLE MALOY for
Red Door Escape Room, LLC,
Kingsmen Escape Entertainment LLC,
Red Door Corporate, LLC, Red Door
Jet Fuel, LP, and himself

02 / 15 / 2023
Dated: February ____, 2023

THE SPIVAK LAW FIRM
By: David Spivak
DAVID G. SPIVAK, Attorneys for
Plaintiff, MCKENNA MCKENZIE,
and all others similarly situated

Dated: February 15, 2023

UNITED EMPLOYEES LAW GROUP
By: Walter L. Haines
WALTER L. HAINES, Attorneys for
Plaintiff, MCKENNA MCKENZIE,
and all others similarly situated

2/10/2023
Dated: February ____, 2023

SCHWARTZ SEMERDJIAN CAULEY &
EVANS LLP
DocuSigned by:
By: Sarah Evans
SARAH BRITE EVANS, Attorneys for
Defendants, Red Door Escape Room,
LLC, Kingsmen Escape Entertainment
LLC, and Kyle Maloy

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EXHIBIT A

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

(case name: *McKenna McKenzie v. Red Door Escape Room, LLC, et al.* and number
CIVMSC21-01753)

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit ("Action") against Red Door Escape Room, LLC, Kingsmen Escape Entertainment LLC, and Kyle Maloy (collectively "Defendants") for alleged wage and hour violations. The Action was filed by a former Kingsmen Escape Entertainment, LLC employee McKenna McKenzie ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of hourly, non-exempt employees ("Class Members") who worked at any California Red Door Escape Room location owned by Red Door Escape Room, LLC; Kingsmen Escape Entertainment LLC; and/or Red Door Jet Fuel, L.P. (collectively "Red Door Escape") during the Class Period (August 27, 2018 to the date of preliminary approval of this settlement); and (2) penalties under the California Private Attorney General Act ("PAGA") for all hourly, non-exempt employees who worked for Red Door during the PAGA Period (August 02, 2020 to the date of preliminary approval of this settlement) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

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

The above estimates are based on Defendants' records showing that **you worked ___ Pay Periods** during the Class Period and **you worked ___ Pay Periods** during the PAGA Period. If you believe that you worked more Pay Periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and

Aggrieved Employees to give up their rights to assert certain claims against Defendants and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns subsidiaries, and affiliates, including Red Door Corporate, LLC, and Red Door Jet Fuel, LP. (“Released Parties”).

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

(1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Released Parties.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against the Released Parties, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

The Released Parties **will not retaliate against you for any actions you take with respect to the proposed Settlement.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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

1 2 3 4 5 6	Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
7 8 9 10	You Can Participate in the ____ Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
11 12 13 14 15	You Can Challenge the Calculation of Your Pay Period / Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Pay Periods you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Pay Periods and number of PAGA Period Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Kingsmen Escape Entertainment, LLC employee. The Action accuses Defendants of violating California labor laws by failure to pay wages, failure to provide meal periods, failure to authorize and permit rest periods, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, and related violations of the Labor Code. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: David G. Spivak of The Spivak Law Firm and Walter L. Haines of United Employees Law Group (“Class Counsel.”)

The Released Parties strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

So far, the Court has made no determination whether anyone is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing

1 the expensive and time-consuming process of litigation. The negotiations were successful. By
2 signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the
3 Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and
4 Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval.
Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to
settle, Defendants do not admit any violations or concede the merit of any claims.

5 Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they
6 believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount
7 considering the strength of the claims and the risks and uncertainties of continued litigation; and
8 (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court
preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this
Notice, and scheduled a hearing to determine Final Approval.

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

10 1. Defendants Will Pay \$395,000.00 as the Gross Settlement Amount (Gross
11 Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled
12 by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay
13 the Individual Class Payments, Individual PAGA Payments, Class Representative Service
14 Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and
15 penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”).
16 Assuming the Court grants Final Approval, Defendants will begin to fund the Gross Settlement as
follows: Within ten (10) calendar days of the Effective Date, Red Door shall pay the first of two
(2) \$197,500.00 installment payments on the Gross Settlement Amount into the Settlement
Account and shall pay the remaining \$197,500.00 installment payments within 180 calendar days
of the first installment payment.

17 2. The Administrator will make a distribution after each installment payment as
18 follows:

19 A. **First Distribution.** Within fourteen (14) calendar days of the Effective
20 Date, or within ten (10) calendar days of the deadline for the First payment (whichever is later),
21 the Settlement Administrator shall distribute, *pro rata*, the portion of the Gross Settlement
22 Amount Defendants paid by that date, including *pro rata* portions of the Individual Class
Payments, Individual PAGA Payments, LWDA PAGA payment, Class Representative Service
Payments, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and
the Administrator’s expenses.

23 B. **Second Distribution.** Within ten (10) calendar days of the Second
24 Installment Payment, the Settlement Administrator shall distribute, *pro rata*, the portion of the
25 Gross Settlement Amount Defendants paid since the first distribution, including *pro rata* portions
26 of the Individual Class Payments, Individual PAGA Payments, LWDA PAGA payment, Class
27
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1 Representative Service Payments, the Class Counsel Fees Payment, the Class Counsel Litigation
2 Expenses Payment, and the Administrator's expenses.

3 C. Disbursements of the pro rata portions of the Class Counsel Fees Payment,
4 the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments
5 shall not precede disbursement of pro rata portions of the Individual Class Payments and
6 Individual PAGA payments.

7 3. The Judgment will be final on the date the Court enters Judgment, or a later date
8 if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

9 4. Court Approved Deductions from Gross Settlement. At the Final Approval
10 Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions
11 from the Gross Settlement, the amounts of which will be decided by the Court at the Final
12 Approval Hearing:

13 A. Up to \$131,666.00 (33.33% of the Gross Settlement to Class Counsel for
14 attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have
15 worked and incurred expenses on the Action without payment.

16 B. Up to \$10,000.00 as a Class Representative Award for filing the Action,
17 working with Class Counsel and representing the Class. A Class Representative Award will be
18 the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any
19 Individual PAGA Payment.

20 C. Up to \$9,000.00 to the Administrator for services administering the
21 Settlement.

22 D. Up to \$4,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA
23 Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their
24 PAGA Period Pay Periods.

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

27 5. Net Settlement Distributed to Class Members. After making the above deductions
28 in amounts approved by the Court, the Administrator will distribute the rest of the Gross
Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class
Members based on their Class Period Pay Periods.

6. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking
the Court to approve an allocation of 33.33% of each Individual Class Payment to taxable wages
("Wage Portion") and 66.67% to interest and penalties ("Non-Wage Portion."). The Wage Portion
is subject to withholdings and will be reported on IRS W-2 Forms. Red Door will separately pay
employer payroll taxes they owe on the Wage Portion. The Individual PAGA Payments are
counted as penalties rather than wages for tax purposes. The Administrator will report the

1 Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS
2 1099 Forms.

3 Although Plaintiff and Defendants have agreed to these allocations, neither side is giving
4 you any advice on whether your Payments are taxable or how much you might owe in taxes. You
5 are responsible for paying all taxes (including penalties and interest on back taxes) on any
6 Payments received from the proposed Settlement. You should consult a tax advisor if you have
7 any questions about the tax consequences of the proposed Settlement.

8 7. Need to Promptly Cash Payment Checks. The front of every check issued for
9 Individual Class Payments and Individual PAGA Payments will show the date when the check
10 expires (the void date). If you don't cash it by the void date, your check will be automatically
11 cancelled, and the monies will be deposited with the California Controller's Unclaimed Property
12 Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed
13 Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

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

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

27 9. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is
28 possible the Court will decline to grant Final Approval of the Settlement or decline enter a
Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs
and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not
pay any money and Class Members will not release any claims against the Released Parties.

10 10. Administrator. The Court has appointed a neutral company, Simpluris, Inc. (the
11 "Administrator") to send this Notice, calculate and make payments, and process Class Members'
12 Requests for Exclusion. The Administrator will also decide Class Member Challenges over Pay
13 Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to
14 administer the Settlement. The Administrator's contact information is contained in Section 9 of
15 this Notice.

16 11. Participating Class Members' Release. After the Judgment is final and Defendants

1 have fully funded the Gross Settlement (and separately paid all employer payroll taxes),
 2 Participating Class Members will be legally barred from asserting any of the claims released under
 3 the Settlement. This means that unless you opted out by validly excluding yourself from the Class
 4 Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against the Released
 Parties for wages based on the Class Period facts and PAGA penalties based on PAGA Period
 facts, as alleged in the Action and resolved by this Settlement.

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

6 All Participating Class Members, on behalf of themselves and their respective former and
 7 present representatives, agents, attorneys, heirs, administrators, successors, and assigns,
 8 release Released Parties [defined as Red Door Escape Room, LLC, Kingsmen Escape
 9 Entertainment LLC, Kyle Maloy, Red Door Corporate, LLC, and Red Door Jet Fuel, LP
 10 and each of their former and present directors, officers, shareholders, owners, members,
 11 attorneys, insurers, predecessors, successors, assigns subsidiaries, and affiliates] from (i)
 12 all claims that were alleged, or reasonably could have been alleged, based on the Class
 13 Period facts stated in the Operative Complaint and ascertained in the course of the Action
 14 including failure to pay wages, failure to provide meal periods, failure to authorize and
 permit rest periods, failure to issue proper wage statements, failure to timely pay wages,
 failure to maintain required payroll records, and related allegations. Except as set forth in
 Section 6.3 of the Settlement Agreement, Participating Class Members do not release any
 other claims, including claims for vested benefits, wrongful termination, violation of the
 Fair Employment and Housing Act, unemployment insurance, disability, social security,
 workers' compensation, or claims based on facts occurring outside the Class Period.

15 12. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and
 16 Defendants have paid the Gross Settlement (and separately paid the employer-side payroll taxes),
 17 all Aggrieved Employees will be barred from asserting PAGA claims against the Released Parties,
 18 whether or not they exclude themselves from the Settlement. This means that all Aggrieved
 19 Employees, including those who are Participating Class Members and those who opt-out of the
 Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against the
 Released Parties based on the PAGA Period facts alleged in the Action and resolved by this
 Settlement.

20 The Aggrieved Employees' Releases for Participating and Non-Participating Class
 21 Members are as follows:

22 All Participating and Non-Participating Class Members who are Aggrieved Employees
 23 are deemed to release, on behalf of themselves and their respective former and present
 24 representatives, agents, attorneys, heirs, administrators, successors, and assigns, the
 Released Parties, from all claims for PAGA penalties that were alleged, or reasonably
 25 could have been alleged, based on the PAGA Period facts stated in the Operative
 Complaint and the PAGA Notice and ascertained in the course of the Action including
 26 failure to pay wages, failure to provide meal periods, failure to authorize and permit rest
 periods, failure to issue proper wage statements, failure to timely pay wages, failure to
 27 maintain required payroll records, and related allegations.

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4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Pay Period worked by all Participating Class Members, and (b) multiplying the result by the number of Pay Period worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$1,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Pay Period Challenges. The number of Class Pay Periods you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until ____ to challenge the number of Pay Periods and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

Within ten (10) calendar days of the Effective Date, Defendants shall pay the first of two (2) \$197,500.00 installment payments on the Gross Settlement Amount into the Settlement Account and shall pay each of the remaining \$197,500.00 installment payment within 180 days of the first installment payment.

1. Participating Class Members. After each instalment payment by Defendants toward the Gross Settlement Amount, the Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. After each instalment payment by Defendants toward the Gross Settlement Amount, the Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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2 **Your checks will be sent to the same address as this Notice. If you change your**
3 **address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has**
4 **the Administrator's contact information.**

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

12 Submit a written and signed letter with your name, present address, telephone number,
13 and a simple statement that you do not want to participate in the Settlement. The Administrator
14 will exclude you based on any writing communicating your request be excluded. Be sure to
15 personally sign your request, identify the Action as *McKenna McKenzie vs. Red Door Escape*
16 *Room, LLC*, Case No. CIVMSC21-01753, and include your identifying information (full name,
17 address, telephone number, approximate dates of employment, and social security number for
18 verification purposes). You must make the request yourself. If someone else makes the request
19 for you, it will not be valid. **The Administrator must be sent your request to be excluded by**
20 **____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

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28 **7. HOW DO I OBJECT TO THE SETTLEMENT?**

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

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for
Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to
object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class
Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the**
Administrator is ____. Be sure to tell the Administrator what you object to, why you object, and
any facts that support your objection. Make sure you identify the Action, *McKenna McKenzie vs.*
Red Door Escape Room, LLC, case no. CIVMSC21-01753, and include your name, current
address, telephone number, and approximate dates of employment at any California Red Door
Escape Room location owned by Red Door Escape Room, LLC, Kingsmen Escape Entertainment
LLC, and/or Red Door Jet Fuel, L.P. and sign the objection. Section 9 of this Notice has the
Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at
your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready
to tell the Court what you object to, why you object, and any facts that support your objection.

See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on ____ at (time) in Department 39 of the Contra Costa Superior Court, located at Wakefield Taylor Courthouse, 725 Court Street, Martinez, CA 94553. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via ____ ([https://www. ____](https://www.____)). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website ____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to (specify entity)'s website at (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.____.aspx) and entering the Case Number for the Action, Case No. CIVMSC21-01753. You can also make an appointment to personally review court documents in the Clerk's Office at the Wakefield Taylor Courthouse by calling ____.

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

Class Counsel:

Name of Attorney:	David G. Spivak
Email Address:	david@spivaklaw.com
Name of Firm:	The Spivak Law Firm
Mailing Address:	8605 Santa Monica Bl
	PMB 42554
	West Hollywood, CA 90069
Telephone:	(213) 725-9094

Administrator:

Name of Company:	Simpluris, Inc.
Email Address:	____

Mailing Address: _____
Telephone: _____
Fax Number: _____

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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