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Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

YURI MILON, individually, and on behalf of
other members of the general public similarly
situated; OLIMPIA MEZA PELAYO,
individually, and on behalf of other members
of the general public similarly situated and
on behalf of other aggrieved employees
pursuant to the California Private Attorneys
General Act; EMILIO LOPEZ, individually,
and on behalf of other members of the
general public similarly situated and on
behalf of other aggrieved employees pursuant
to the California Private Attorneys General
Act,

Plaintiffs,

vs.

DAVID & ESPERANZA CHAVEZ
FAMILY LIMITED PARTNERSHIP DBA
CHAVEZ SUPERMARKET, a California
limited partnership; and DOES 1-50,
inclusive,

Defendants.

Case No.: 20CV368379

Honorable Theodore C. Zayner
Department 19

CLASS ACTION

**DECLARATION OF YASMIN HOSSEINI
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

[Plaintiffs' Motion for Preliminary Approval of
Class Action Settlement; Declaration of
Proposed Class Counsel (David D. Bibiyan);
Declaration of Proposed Class Representatives
(Yuri Milon, Olimpia Meza Pelayo, and
Emilio Lopez) and [Proposed] Order filed
concurrently herewith]

Date: October 2, 2024
Time: 1:30 p.m.
Department: 19

Complaint Filed: July 17, 2020
FAC Filed: February 23, 2024
Trial Date: None Set

DECLARATION OF YASMIN HOSSEINI

I, Yasmin Hosseini, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Yuri Milon (“Plaintiff Milon”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

2. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is attorney of record in dozens of employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. The firm has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff in connection with the resolution of the above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA

1 Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University.
2 From approximately September 2002 to approximately December 2002, he served as a Judicial
3 Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the
4 Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a
5 Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
6 Appellate District. In December of 2004, he obtained a license to practice law from the California
7 State Bar. Since in or around October of 2008, through his work at Lawyers *for* Justice, PC, he
8 has almost exclusively focused on the prosecution of consumer and employment class actions.
9 While employed by Lawyers *for* Justice PC, he has argued over one hundred (100) motions, taken
10 or defended over one hundred fifty (150) depositions, prepared dozens of expert witnesses for
11 deposition or trial, and attended over one hundred seventy-five (175) mediations. Together with
12 other attorneys at the firm, and in some cases in conjunction with co-counsel, he has successfully
13 litigated cases involving the executive, administrative, and other overtime exemptions to the State
14 of California and federal overtime compensation requirements. Under his supervision, Lawyers
15 *for* Justice, PC has successfully obtained class certification by contested motion practice in
16 approximately fifteen (15) cases in the last decade and litigated over 1,000 class action or
17 representative action cases.

18 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
19 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
20 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.
21 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
22 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
23 From approximately August 2008 to approximately December 2008, he served as a Judicial Extern
24 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.
25 He was admitted to practice law in California in 2010. He is admitted to practice before all courts
26 of the State of California and all United States District Courts in the State of California. He has
27 worked on many wage-and-hour class action and representative action cases, taking the lead in
28 taking and defending depositions, arguing motions, and attending mediations. He has played an

1 integral role in preparing matters for class certification, including and not limited to, successful
2 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
3 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.
4 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.
5 RG13680477). He has worked on over one hundred (100) class action or representative action
6 cases which have resulted in settlement, including but not limited to, those listed in paragraph 7
7 herein.

8 5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a
9 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
10 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
11 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
12 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
13 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
14 Court. She has taken and defended dozens of depositions and successfully handled motion practice
15 in class action cases regarding discovery (including and not limited to, regarding class contact
16 information), class certification (both contested class certification and stipulated class
17 certification), arbitration agreements, coordination, and intervention. She has successfully handled
18 briefing and oral argument on appeal and obtained notable decisions regarding the Private
19 Attorneys General Act and employer efforts to compel arbitration, e.g., *Betancourt v. Prudential*
20 *Overall Supply* (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal., May 24, 2017),
21 cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also
22 has extensive experience with class action and/or representative action settlements. Under her,
23 Edwin Aiwarzian, and Arby Aiwarzian's supervision, the firm has handled the class certification
24 and court approval process for hundreds of class action and/or representative action matters that
25 have successfully resolved. She is a member of the California Employment Lawyers Association.

26 6. I am a Member of Lawyers for Justice, PC. I received my Bachelor of Arts degree
27 from the University of California, Santa Barbara in 2013 and earned my Juris Doctor degree from
28 Pepperdine University School of Law in 2017. I was admitted to practice law in California in

2019. I am admitted to practice before all courts of the State of California and all federal district courts in the State of California. I have worked on many wage and hour class action and PAGA representative matters, and my work has included, *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement agreements, engaging in motion practice, claims evaluation and analysis, and making court appearances. Prior to working at Lawyers *for* Justice, PC, I represented filmmakers and talent, negotiating and structuring various types of agreements on their behalf. I am a member of the California Employment Lawyers Association, Beverly Hills Bar Association, and Iranian American Bar Association.

**EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND
REPRESENTATIVE ACTION CASES**

7. What follows are just a few examples of the type of results Lawyers *for* Justice, PC (“LFJ”) has achieved on behalf of its clients:

a) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class action against a major property management company involving allegations of misclassification of various “manager” positions. On September 20, 2010, the court granted final approval of the class action settlement. The Los Angeles County Superior Court Case Number is BC400414.

b) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class action against a national retailer of household items involving allegations of misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court granted final approval of the class action settlement. The Los Angeles County Superior Court Case Number is BC413498.

c) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class action against a national property management company involving allegations of misclassification of the “Property Manager” position. On May 23, 2012, the court granted final approval of the class action settlement. The Los Angeles County Superior Court Case Number is BC430918.

1 d) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class action against a national retailer involving allegations of misclassification of
3 the “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
4 certification. On August 26, 2013, the court granted final approval of the class action settlement.
5 The Los Angeles County Superior Court Case Number is BC424012.

6 e) LFJ, in association with co-counsel therein, represented the plaintiff in a
7 wage-and-hour class and PAGA representative action against a bank, involving allegations of
8 misclassification of the “Assistant Branch Manager” position. On August 27, 2013, the court
9 granted final approval of the class and PAGA representative action settlement. The Kern County
10 Superior Court Case Number is S-1500-CV-273194-LHB.

11 f) LFJ, in association with co-counsel therein, represented the plaintiff in a
12 wage-and-hour class and PAGA representative action against a national wholesale distributor of
13 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
14 “manager” positions. On May 22, 2014, the court granted final approval of the class and PAGA
15 representative action settlement. The Sacramento County Superior Court Case Number is 34-
16 2012-00136285.

17 g) LFJ, in association with co-counsel therein, represented the plaintiff in a
18 wage-and-hour class action against a multinational corporation that provides global workplace
19 solutions, involving allegations of misclassification of the “Operations Manager” position. On
20 September 16, 2014, the court granted plaintiff’s motion for class certification. The Los Angeles
21 County Superior Court Case Number is BC478769.

22 h) LFJ, in association with co-counsel therein, represented the plaintiff in a
23 wage-and-hour class and PAGA representative action against a national retailer of household
24 items, on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted
25 final approval of the class and PAGA representative action settlement. The San Francisco County
26 Superior Court Case Number is CGC-13-532344.

27 i) LFJ, in association with co-counsel therein, represented the plaintiff in a
28 wage-and-hour class and PAGA action involving allegations of misclassification of the salaried

1 residential “Property Manager” position. On September 17, 2015, the court granted plaintiff’s
2 motion for class certification. On October 20, 2017, the court granted final approval of the class
3 and PAGA representative action settlement. The Los Angeles County Superior Court Case
4 Number is BC474784.

5 j) LFJ, in association with co-counsel therein, represented the plaintiffs in a
6 wage-and-hour class and PAGA representative action against a national retailer of upscale
7 hardware and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court
8 granted final approval of the class and PAGA representative action settlement. The Los Angeles
9 County Superior Court Case Numbers are BC516795 and JCCP4794, and the Judicial Council
10 Coordination Proceeding Number is 4794.

11 k) LFJ, in association with co-counsel therein, represented the plaintiffs in a
12 wage-and-hour class action against a national retailer of apparel and fashion accessories, on behalf
13 of non-exempt employees. On August 5, 2016, the court granted final approval of the class action
14 settlement. The Los Angeles County Superior Court Case Number is BC488069.

15 l) LFJ, in association with co-counsel therein, represented the plaintiffs in a
16 wage-and-hour class action against a national retailer of apparel, accessories, and home products,
17 involving allegations of misclassification of the “Department Manager” position. On August 12,
18 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class. On
19 August 6, 2019, the court granted final approval of the class action settlement. The Alameda
20 County Superior Court Case Number is RG13680477.

21 m) LFJ represented the plaintiff in a PAGA representative action against a real
22 estate and property management company, on behalf of non-exempt employees. On November 4,
23 2016, the court granted approval of the PAGA representative action settlement. The Orange
24 County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

25 n) LFJ, in association with co-counsel therein, represented the plaintiffs in a
26 wage-and-hour class and PAGA representative action against a full-service bank, on behalf of non-
27 exempt employees. On November 18, 2016, the court granted final approval of the class and
28

1 PAGA representative action settlement. The San Francisco County Superior Court Case Number
2 is CJC-13-004839 and the Judicial Council Coordination Proceeding Number is 4839.

3 o) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
4 representative action against a foodservice distributor, on behalf of non-exempt employees. On
5 January 26, 2017, the court granted final approval of the class and PAGA representative action
6 settlement. The San Bernardino County Superior Court Case Number is CIVDS1507260.

7 p) LFJ, on behalf of the plaintiff and respondent in a PAGA representative
8 action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the
9 employer's motion to compel arbitration, which resulted in a published opinion by the California
10 Court of Appeal in favor of employees. *Roberto Betancourt v. Prudential Overall Supply* (Cal.
11 App. 4th Dist., Mar. 7, 2017) 9 Cal.App.5th 439, review denied, cert. denied (U.S. Supreme Court
12 Docket No. 17-254). The Riverside County Superior Court Case Numbers are RIC1503952 and
13 RICJCCP5046, and the Judicial Council Coordination Proceeding Number is 5046.

14 q) LFJ, in association with co-counsel therein, represented the plaintiffs in a
15 wage-and-hour class and PAGA representative action against a consumer packaging company, on
16 behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the class
17 and PAGA representative action settlement. The Los Angeles County Superior Court Case
18 Number is BC590429.

19 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a
20 wage-and-hour class and PAGA representative action against a manufacturer of food service
21 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final
22 approval of the class and PAGA representative action settlement. The Orange County Superior
23 Court Case Number is 30-2015-00810013-CU-OE-CXC.

24 s) LFJ in association with co-counsel, represented the plaintiffs in a wage-and-
25 hour class and PAGA representative action against a lumber and hardware company on behalf of
26 non-exempt employees. On April 26, 2017, the court granted final approval of the class and PAGA
27 representative action settlement. The Orange County Superior Court Case Number is 30-2014-
28 00747750-CU-OE-CXC.

1 t) LFJ represented the plaintiff in a wage-and-hour class and PAGA
2 representative action against a property management company, on behalf of non-exempt
3 employees. On June 14, 2017, the court granted final approval of the class and PAGA
4 representative action settlement. The Los Angeles County Superior Court Case Number is
5 BC586234.

6 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
7 representative action against a food company on behalf of non-exempt employees. On June 30,
8 2017, the court granted final approval of the class and PAGA representative action settlement. The
9 Sacramento County Superior Court Case Number is 34-2015-00175871.

10 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
11 representative action against a chocolate company on behalf of non-exempt employees. On July
12 19, 2017, the court granted final approval of the class and PAGA representative action settlement.
13 The Alameda County Superior Court Case Number is RG15764300.

14 w) Our firm represented the plaintiff in a PAGA representative action, against
15 the parent company of several restaurants, on behalf of hourly-paid, non-exempt employees. On
16 October 18, 2017, the court granted approval of the PAGA representative action settlement. The
17 Los Angeles County Superior Court Case Number is BC569664.

18 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
19 representative action against a manufacturer of plastic containers on behalf of non-exempt
20 employees. On October 31, 2017, the court granted final approval of the class and PAGA
21 representative action settlement. The Los Angeles County Superior Court Case Number is
22 BC577233.

23 y) LFJ, in association with co-counsel therein, represented the plaintiffs in a
24 wage-and-hour class and PAGA representative action against a bank on behalf of non-exempt
25 employees. On December 11, 2017, the court entered an order granting final approval of the class
26 and PAGA representative action settlement. The Los Angeles County Superior Court Case
27 Number is BC569646.

1 z) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class and PAGA representative action against a property management company
3 on behalf of hourly-paid and non-exempt employees. On January 4, 2018, the court entered an
4 order granting final approval of the class and PAGA representative action settlement. The Los
5 Angeles County Superior Court Case Number is JCCP4819 and the Judicial Council Coordination
6 Proceeding Number is 4819.

7 aa) LFJ, in association with co-counsel therein, represented the plaintiffs in a
8 wage-and-hour class and PAGA representative action against a global provider of flexible office
9 space solutions. On February 15, 2018, the court entered an order granting final approval of the
10 class and PAGA representative action settlement. The Los Angeles County Superior Court Case
11 Number is BC498401.

12 bb) LFJ, in association with co-counsel therein, represents the plaintiff in a
13 wage-and-hour class action against a container manufacturer, on behalf of non-exempt employees.
14 On October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare
15 County Superior Court Case Number is VCU264528.

16 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
17 representative action against a behavioral health service provider on behalf of non-exempt
18 employees. On November 13, 2018, the court granted final approval of the class and PAGA
19 representative action settlement. The Alameda County Superior Court Case Number is
20 RG16811450.

21 dd) LFJ, in association with co-counsel therein, represented the plaintiff in a
22 PAGA representative action against a global provider of products and services to the energy
23 industry, on behalf of hourly-paid and non-exempt employees. On November 19, 2018, the court
24 granted approval of the PAGA representative action settlement. The Kern County Superior Court
25 Case Number is S-1500-CV-280215-SDC.

26 ee) LFJ, in association with co-counsel therein, represents the plaintiff in a
27 wage-and-hour class action against a parking company on behalf of non-exempt employees. On
28 September 3, 2019, the court granted the plaintiff's motion for class certification and certified a

1 class. The Santa Clara County Superior Court Case Number is 16CV292208 and the Judicial
2 Council Coordination Proceeding Number is 4886.

3 ff) LFJ, in association with co-counsel therein, represents the plaintiffs in a
4 wage-and-hour class and representative action against a bank on behalf of non-exempt employees.
5 On September 27, 2019, the court granted the plaintiffs' motion for class certification in part and
6 certified a class. The Alameda County Superior Court Case Number is RG15757606 and the
7 Judicial Council Coordination Proceeding Number is 4921.

8 gg) LFJ, in association with co-counsel therein, represented the plaintiffs in a
9 wage-and-hour class and PAGA representative action against a national retailer of apparel and
10 fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted
11 the plaintiffs' motion for class certification in part and certified a class. On May 14, 2021, the
12 court granted final approval of the class and PAGA representative action settlement. The
13 Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

14 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and
15 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
16 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
17 notable decision from the California Supreme Court clarifying the law and finding, in part, that
18 employer arbitration agreements are unenforceable where they block a PAGA claim from
19 proceeding, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court
20 granted approval of the PAGA representative action settlement. The San Diego County Superior
21 Court Case Number is 34-2015-00175330.

22 ii) LFJ, in association with co-counsel therein, represents the plaintiff in a
23 wage-and-hour class and PAGA representative action against a medical equipment supplier on
24 behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion
25 for class certification and certified a class. The San Bernardino County Superior Court Case
26 Number is CIVDS1505744.

27 jj) LFJ, in association with co-counsel therein, represents the plaintiff in a
28 wage-and-hour class and PAGA representative action against a large national drug testing

laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the plaintiff's motion for class certification and certified a class. The San Diego County Superior Court Case Number is 37-2018-00019611-CU-OE-CTL.

kk) LFJ, in association with co-counsel therein, represents the plaintiffs in a wage-and-hour class and PAGA representative action against a national retailer of sportswear, footwear, and camping equipment on behalf of non-exempt employees. On March 16, 2020, the court granted in part the plaintiff's motion for class certification and certified a class. The Riverside County Superior Court Case Numbers are RIC1507504 and RICJCCP4930, and the Judicial Council Coordination Proceeding Number is 4930.

ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a wage-and-hour class action against manufacturer and supplier of power products and services on behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion for class certification and certified a class. The San Diego County Superior Court Case Number is 37-2015-00025968-CU-OE-CTL.

mm) LFJ represents the plaintiff in a wage-and-hour class action against a nutritional products manufacturer on behalf of non-exempt production line employees. On December 13, 2021, the court granted the plaintiff's motion for class certification in part and certified a class. The Solano County Superior Court Case Number is FCS051001.

nn) LFJ represents the plaintiffs in a wage-and-hour class action against a manufacturer and distributor of commercial dish and glass cleaning machines and supplies for the restaurant and hospitality industries, on behalf of hourly-paid or non-exempt employees. On July 13, 2023, the court granted the plaintiffs' motion for class certification and certified a class. The Los Angeles County Superior Court Case Number is BC707670.

THE SETTLEMENT AND SUMMARY OF WORKED PERFORMED

8. Marked and attached hereto as "**EXHIBIT 1**" is the Class Action and PAGA Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiff Milon, Olimpia Meza Pelayo ("Plaintiff Pelayo") and Emilio Lopez ("Plaintiff Lopez") (collectively, "Plaintiffs"), on the one hand, and David & Esperanza Chavez

1 Family Limited Partnership DBA Chavez Supermarket (“Defendant”), on the other hand
2 (collectively, the “Parties”). The Parties and their counsel have approved the proposed Notice of
3 Class Action and PAGA Settlement (“Class Notice”), which is attached to the Settlement
4 Agreement as “Exhibit A” and respectfully request that the Court approve it as well.

5 9. Based on information provided by Defendant, as of October 27, 2022, the Class is
6 estimated to consist of approximately 3,139 individuals.

7 10. The effectiveness of Lawyers for Justice, PC and Bibiyan Law Group, P.C.
8 (together, “Class Counsel”) in prosecuting this matter has translated into tangible monetary
9 benefits in the following respects: (1) Class Members and the State of California recover over a
10 reasonably short period of time as opposed to waiting additional years for the same, or possibly
11 worse, result; (2) a guaranteed result that compares favorably with other complex wage and hour
12 class and/or representative action settlements of similar type given the strengths and weaknesses
13 of the cases; and (3) significant savings in attorneys’ fees and/or costs that would have only
14 increased significantly had the cases progressed through certification, trial, and/or appeals.

15 11. Class Counsel has litigated the case for over three (3) years, and was actively
16 preparing the matter for class certification and trial. The Parties have engaged in extensive
17 settlement negotiations and participated in a formal, full-day mediation conducted by Jeffrey A.
18 Ross, Esq., a well-respected mediator experienced in mediating complex labor and employment
19 matters. In the course of the litigation and in connection with the mediation and settlement
20 discussions, the Parties exchanged extensive information and engaged in discussions regarding
21 their evaluations of the case and various aspects of the cases, including but not limited to, the risks
22 and delays of further litigation, the risks to the Parties of proceeding with class certification and/or
23 representative adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA
24 representative actions, and wage-and-hour law and enforcement, as well as the evidence produced
25 and analyzed, and the possibility of appeals, among other things. During all settlement
26 discussions, the Parties conducted their negotiations at arm’s length in an adversarial position.
27 Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel
28 felt strongly about their ability to prevail on the merits and at certification, and Plaintiffs and Class

1 Counsel believed that they would be able to obtain class certification and prevail at trial. After
2 conducting investigations, formal and informal discovery, and exchange of information, extensive
3 settlement negotiations, and with the aid of the mediator's evaluation, the Parties have agreed that
4 the matter is well-suited for settlement given the legal issues relating to Plaintiffs' principal claims,
5 as well as the costs and risks to both sides that would attend further litigation. The Settlement is a
6 fair, reasonable, and adequate resolution of the Settled Class Claims of Plaintiffs and the Class
7 Members, and of the Settled PAGA Claims of Plaintiffs Pelayo and Lopez, the State of California
8 and the PAGA Members, against the Released Parties.

9 12. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
10 and scope of the claims, and was preparing the action for class certification and trial. Plaintiffs
11 conducted significant investigation and formal and informal discovery regarding the facts of the
12 cases, including and not limited to, the exchange, review, and analysis of a large volume of
13 documents and data obtained from Defendant, Plaintiffs, and other sources. Class Counsel
14 propounded multiple sets of formal written discovery requests onto Defendant (specifically,
15 Requests for Production of Documents (Set One), Special Interrogatories (Sets One and Two), and
16 Form Interrogatories-General (Set One)) and served notices of depositions of Defendant's Person
17 Most Knowledgeable designees along with accompanying requests for production of documents.
18 Class Counsel also worked with Plaintiff Milon to provide responses to formal written discovery
19 propounded by Defendant (specifically, Special Interrogatories (Set One), Requests for Admission
20 (Sets One and Two), Requests for Production of Documents (Set One), Demand for Inspection
21 (Set One), Form Interrogatories-General (Set One), and Form Interrogatories-Employment Law
22 (Set One)). The volume of data and documents that Class Counsel reviewed and analyzed included
23 and was not limited to: Plaintiffs and other Class Members' employment records; a detailed
24 sampling of Class Members' time and pay data; multiple versions of employee handbooks;
25 timekeeping training manuals; training documents, including Safety tests, Safety Program
26 documents and WIC Exams; new hire paperwork; job descriptions; performance evaluations,
27 disciplinary notices; and meal period waivers; among other information and documents. Class
28 Counsel had the opportunity to interview Plaintiffs and other Class Members to gather facts and

1 to identify potential witnesses. Counsel for the Parties also met and conferred on numerous
2 occasions, e.g., to discuss issues relating to the pleadings, discovery, negotiating a stipulated
3 protective order, and the production of documents and data prior to the mediation. Class Counsel
4 also drafted pleadings and the mediation brief and prepared for and attended court proceedings,
5 mediation, and settlement negotiations, among other tasks.

6 13. Counsel for the Parties have also invested time researching and investigating the
7 applicable law, which is constantly evolving as it relates to certification, representative PAGA
8 claims, off-the-clock theory, meal and rest periods, wage-and-hour enforcement, Plaintiffs' claims
9 and damages, and Defendant's defenses thereto, as well as facts discovered. Based on Class
10 Counsel's analysis, the result achieved in this litigation is fair, adequate, and reasonable.

11 14. The Settlement provides for a Gross Settlement Amount of Three Million Five
12 Hundred Thousand Dollars and Zero Cents (\$3,500,000.00). The Net Distribution Fund is the
13 Gross Settlement Amount less the following amounts subject to approval by the Court: Attorneys'
14 Fees to Class Counsel, Attorneys' Costs to Class Counsel, Service Payments to Plaintiffs,
15 Settlement Administration Costs to the Settlement Administrator, and the PAGA Allocation.
16 Assuming that the amounts allocated under the Settlement toward these payments are awarded by
17 the Court, the Net Distribution Fund that will be available for distribution to Settlement Class
18 Members is currently estimated to be One Million Eight Hundred Thirty-Two Thousand Dollars
19 and Zero Cents (\$1,832,000.00). Additionally, 25% of the PAGA Allocation (i.e., Net PAGA
20 Distribution Amount), which is \$87,500.00 out of \$350,000.00, will be distributed to the PAGA
21 Members. The Gross Settlement Amount will be fully distributed in accordance with the terms of
22 the Settlement and there is no reversion to Defendant.

23 15. The Parties have agreed to retain ILYM Group, Inc. ("ILYM" or "Settlement
24 Administrator") to handle the notice and settlement administration process. The Parties
25 respectfully request that the Court appoint ILYM to handle these procedures and serve as the
26 Settlement Administrator. Defendant will provide the Settlement Administrator with a list of Class
27 Members that Defendant will compile from its records, which will include each Class Member's
28 full name, last-known mailing address, last known telephone number, Social Security Number, the

1 number of Workweeks during the Class Period and, if applicable, Workweeks during the PAGA
2 Period (collectively, "Class List"), and the Settlement Administrator will calculate each Class
3 Member's estimated share of the Net Distribution Fund ("Individual Settlement Share") and
4 estimated share of the Net PAGA Distribution Amount ("Individual PAGA Payment"). The
5 Settlement Administrator will also receive opt-outs, objections, and disputes regarding
6 Workweeks; provide necessary reports and declarations; calculate, subtract, and transmit
7 necessary taxes and withholdings; prepare and submit informational and other tax filings and
8 documents; issue and transmit all payments provided for by the Settlement, including and not
9 limited to, mailing payments to Settlement Class Members and PAGA Members; and perform any
10 other usual and customary duties for administering a class action settlement. Settlement
11 Administration Costs are currently estimated not to exceed Twenty-Five Thousand Dollars and
12 Zero Cents (\$25,000.00) and will be paid out of the Gross Settlement Amount, subject to approval
13 of the Court.

14 16. Based on investigation and information discovered, Class Counsel believes that
15 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations
16 that Defendant, with respect to Plaintiffs, Class Members, and PAGA Members, *inter alia*, failed
17 to properly pay overtime and minimum wages, failed to provide compliant meal and rest periods
18 and to pay associated premium pay, failed to timely pay wages during employment and upon
19 termination of employment, failed to provide compliant wage statements, failed to maintain
20 requisite payroll records, failed to pay all vested vacation wages upon termination, and failed to
21 reimburse necessary business expenses, and thereby engaged in unfair business practices and
22 conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004
23 (California Labor Code sections 2698, et seq.). Plaintiffs also asserted that Class Members were
24 expected to perform similar job duties and were subject to the same or similar operations and
25 employment policies, practices, and procedures. Additionally, Plaintiffs asserted that Defendant's
26 recordkeeping practices with respect to Plaintiffs, Class Members, and PAGA Members were
27 substantially the same during the time period at issue. As a result of said alleged uniform practices,
28 Plaintiffs claim that Class Members and PAGA Members were not paid all of the compensation

1 that was owed to them by Defendant. Thus, in Class Counsel's view, it is clear that the outcome
2 of this litigation would be determined by Defendant's uniform operations and employment
3 practices, policies, and procedures that Plaintiffs allege applied across Defendant's hourly-paid or
4 non-exempt employees in California during the relevant time period.

5 17. Class Counsel is aware of the defenses and position of Defendant, but believes that
6 Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class
7 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
8 and the difficulties and delays inherent in such litigation, including those involved in class
9 certification and/or representative adjudication. Plaintiffs and Class Counsel further recognize the
10 burdens of proof necessary to establish liability for the claims asserted in the lawsuits, Defendant's
11 defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class
12 Counsel have also considered the Parties' settlement discussions, as well as the evaluations of the
13 mediator, who is experienced and well-regarded in complex labor and employment matters.

14 18. Defendant, on the other hand, denied and continues to deny any liability and
15 wrongdoing of any kind associated with the allegations in the lawsuit, and further denies that the
16 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
17 the Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have
18 also had the opportunity to interview witnesses and review documents and information relating to
19 Plaintiffs', Class Members', and Aggrieved Employees' employment with Defendant, and
20 Defendant's operations and employment policies, practices, and procedures. The Parties also
21 reviewed and analyzed a volume of documents and data, including but not limited to a detailed
22 sampling of Class Members' time and pay information, to determine the potential value and
23 strength of the claims. The available information enabled Class Counsel to assess and value the
24 class and PAGA claims and prepare violation, damages, and penalties analyses models.
25 Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently
26 informed of the nature and extent of the Class Members' claims, and to enable both sides to fully
27 evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into
28 account the strengths and weaknesses of each side's position and the uncertainty of how the case

1 might have concluded at certification, trial, and/or appeals.

2 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
3 in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount
4 (i.e., \$1,225,000.00) and expenses and costs in an amount not to exceed Thirty-Two Thousand
5 Dollars (\$32,000.00), which will be paid out of the Gross Settlement Amount, subject to approval
6 by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation
7 and will not receive any compensation until recovery is obtained.

8 20. The Settlement Agreement provides for payment of up to Twelve Thousand Dollars
9 and Zero Cents (\$12,000.00) each to Plaintiffs Milon, Pelayo, and Lopez as Service Payments, to
10 be paid out of the Gross Settlement Amount subject to approval by the Court. Plaintiffs spent
11 considerable time and effort to produce relevant documents and past employment records and to
12 provide the facts and evidence necessary to attempt to prove the allegations. For example, Plaintiff
13 Milon expended effort to review and provide responses to multiple sets of discovery requests that
14 were propounded by Defendant and to thereafter provide supplemental and further supplemental
15 responses to Defendant's discovery requests after extensive meet and confer efforts with
16 Defendant's counsel. Plaintiffs were available whenever Class Counsel needed Plaintiffs, and
17 actively tried to obtain information that would benefit the Class. Accordingly, it is appropriate
18 and just for Plaintiffs to receive an Service Payments, in addition to their individual settlement
19 payments, for services on behalf of the Class, PAGA Members, and State of California.

20 27. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is
21 in the best interests of Plaintiffs, the Class, and the State of California. Class Counsel further
22 submits that the Settlement is within an acceptable range of recovery for this type of litigation
23 given the strengths and weaknesses of the cases, the inherent costs and risks of further litigation,
24 and the costs and risks associated with class certification, representative adjudication, trial, and/or
25 appeals.

26 ///

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1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct.

3 Executed on this 17th day of May 2024, at Glendale, California.

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6 Yasmin Hosseini
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EXHIBIT 1

1 This Class Action and PAGA Settlement Agreement (“Settlement,” Agreement,” or
2 “Settlement Agreement”) is made and entered into between YURI MILON (“Plaintiff Milon”),
3 OLIMPIA MEZA PELAYO (“Plaintiff Pelayo”) and EMILIO LOPEZ (“Plaintiff Lopez”)
4 (collectively, “Plaintiffs”), individually and on behalf of all others similarly situated and on behalf
5 of the State of California with respect to aggrieved employees pursuant to the Private Attorneys
6 General Act, and Defendant DAVID & ESPERANZA CHAVEZ FAMILY LIMITED
7 PARTNERSHIP DBA CHAVEZ SUPERMARKET (“Defendant”) (collectively, Plaintiffs and
8 Defendant are referred to as the “Parties” and individually they are referred to as “Party”).

9 This Agreement shall be binding on Plaintiffs, Settlement Class Members (as defined
10 herein), the State of California with respect to PAGA Members (as defined herein), and on
11 Defendant, subject to the terms and conditions hereof and the approval of the Court.

12 **DEFINITIONS**

13 1. Actions. The “Milon Action” means the class action lawsuit entitled
14 *Yuri Milon v. David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket*
15 in the Superior Court of California for the County of Santa Clara, Case No. 20CV368379. The
16 “Pelayo Action” means the class and representative action lawsuit entitled *Olivia Meza Pelayo v.*
17 *David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket* in the Superior
18 Court of California for the County of Santa Clara, Case No. 20CV373672. Collectively, the Milon
19 Action and Pelayo Action shall be referred to herein as the Actions.

20 2. Agreement, Settlement or Settlement Agreement. As noted above,
21 “Agreement,” “Settlement” or “Settlement Agreement” shall refer to the instant Class Action and
22 PAGA Settlement Agreement.

23 3. Attorneys’ Fees. “Attorneys’ Fees” refers to the amount to be awarded to
24 Class Counsel for Class Counsel’s litigation and resolution of the Actions, which, pending Court
25 approval, shall be up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., up to One
26 Million Two Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$1,225,000.00) if the
27 Gross Settlement Amount is Three Million Five Hundred Thousand Dollars and Zero Cents
28 (\$3,500,000.00)).

1 4. Attorneys' Costs. "Attorneys' Costs" refers to the amount to be reimbursed
2 for Class Counsel's litigation costs and expenses, which, pending Court approval, shall not exceed
3 Thirty-Two Thousand Dollars and Zero Cents (\$32,000.00).

4 5. Class Counsel. "Class Counsel" shall mean Arby Aiwasian, Joanna Ghosh,
5 and Yasmin Hosseini of Lawyers *for* Justice, PC and David D. Bibyan and Vedang J. Patel, of
6 Bibiyan Law Group, P.C.

7 6. Class List. "Class List" means the data file Defendant shall diligently and
8 in good faith compile from their records and provide to the Settlement Administrator within
9 twenty-one (21) calendar days after notice of entry of the Preliminary Approval Order, which will
10 be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class
11 Member's full name, last-known mailing address, last known telephone number, Social Security
12 number, the number of Workweeks during the Class Period and, if applicable, Workweeks during
13 the PAGA Period for each Class Member/PAGA Member.

14 7. Class Members and the Class. "Class Members" (individually, "Class
15 Member") are all current and former non-exempt employees of Defendant employed in California
16 during the Class Period.

17 8. Class Notice. "Class Notice" means the Notice of Class Action and PAGA
18 Settlement mutually agreed upon by the Parties and approved by the Court to be sent to the Class
19 Members and PAGA Members following preliminary approval that includes the scope of release
20 language for Settled Class Claims and Settled PAGA Claims, notifies Class Members and PAGA
21 Members of the Settlement, explains the Class Members' options, including how Class Members
22 may opt out or object to the Class Settlement, and explains the facts and methods based on which
23 the Class Members' and PAGA Members' estimated settlement payments are calculated,
24 substantially in the form attached hereto as **Exhibit A**.

25 9. Class Period. "Class Period" means the time period from July 17, 2016
26 through July 25, 2023, or, if applicable, the Alternate End Date pursuant to Paragraph 55.

27 10. Class Settlement. "Class Settlement" refers to the settlement and resolution
28 of the Settled Class Claims.

11. Complaint. “Complaint” refers to the operative complaint in the Milon Action, which in compliance with this Agreement, will be the First Amended Class Action Complaint.

12. Court. “Court” refers to the Superior Court of California, Santa Clara County, or other court, that will approve the Agreement.

13. Day. “Day” or “days” refers to a calendar day(s) unless otherwise stated. If any designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur on the next business day.

14. Defendant. “Defendant” means David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket.

15. Defendant’s Counsel. “Defendant’s Counsel” means Ernest M. Malaspina, Jennifer S. Coleman, and Elaisha Nandrajog of HOPKINS & CARLEY, A Law Corporation.

16. Effective Date. “Effective Date” of this Agreement means the first business day following the last of the following occurrences: (i) sixty (60) calendar days following the date the Court enters the Final Approval Order and Judgment; and (ii) if an appeal is taken from the Final Approval Order and Judgment, then the date of final resolution of that appeal (including any requests for rehearing and/or petitions for *certiorari*), resulting in final and complete judicial approval of the Settlement in its entirety, with no further challenge to the Settlement being possible.

17. Final Approval Order and Judgment. “Final Approval Order and Judgment” means the order and judgment entered and filed by the Court, that: (1) ultimately approves this Agreement; (2) awards and orders the payment of all required amounts pursuant to the terms of this Agreement, and (3) enters judgment in connection with the Actions pursuant to California Rules of Court, 3.769, et seq. The Final Approval Order and Judgment will constitute a binding and final resolution, have full *res judicata* effect, and discharge Defendant and Released Parties from liability for any and all claims by Plaintiffs and all Settlement Class Members as to all Settled Class Claims, and Plaintiffs Pelayo and Lopez, PAGA Members, and the State of California with respect to the PAGA Members, as to all Settled PAGA Claims as set forth in this Agreement.

1 18. Final Approval Hearing. “Final Approval Hearing” means the hearing at
2 which the Court shall consider the motion for final approval of this Settlement and determine
3 whether to fully and finally approve the fairness and reasonableness of this Settlement and
4 Agreement, and enter the Final Approval Order and Judgment.

5 19. Gross Settlement Amount. “Gross Settlement Amount” means a total
6 payment of Three Million Five Hundred Thousand Dollars and Zero Cents (\$3,500,000.00), subject
7 to Paragraph 55 herein, payable by Defendant under this Agreement. The Gross Settlement
8 Amount includes all Attorneys’ Fees, Attorney’s Costs, Settlement Administration Costs, Service
9 Payment to Plaintiffs, the PAGA Allocation, all employee taxes for the wage portion of any
10 individual settlement payment(s), and the Net Distribution to Class Members. In no event shall
11 Defendant be required to pay any amounts above the Gross Settlement Amount to effectuate this
12 Agreement. The Settlement Administrator will withhold the employees’ share of taxes on
13 settlement payments, as provided below, and Class Members and PAGA Members shall remain
14 responsible for paying any additional taxes due on any payments they are issued under the
15 settlement. Defendant shall pay any and all employer side taxes separately and in addition to the
16 Gross Settlement Amount.

17 20. Individual PAGA Payment(s). “Individual PAGA Payment(s)” means the
18 *pro rata* share of the Net PAGA Distribution Amount that a PAGA Member may be eligible to
19 receive for the PAGA Settlement, to be calculated in accordance with Paragraph 54.e.

20 21. Individual Settlement Payment(s). “Individual Settlement Payment(s)”
21 means the net payment of each Settlement Class Member’s Individual Settlement Share, after
22 reduction for the employee’s share of taxes and withholdings with respect to the wages portion
23 of the Individual Settlement Share, as provided in Paragraph 57.a.

24 22. Individual Settlement Share(s). “Individual Settlement Share(s)” means the
25 *pro rata* share of the Net Distribution Fund that a Class Member may be eligible to receive for
26 the Class Settlement, to be calculated in accordance with Paragraph 54.f.

27 23. Net Distribution Fund. “Net Distribution Fund” means the amount available
28 for distribution to Settlement Class Members, which is the Gross Settlement Amount, less all

Attorneys' Fees, Attorney's Costs, Settlement Administration Costs, Service Payment to Plaintiffs, and the PAGA Allocation.

24. Objection. "Objection" means an objection to the Class Settlement that a Settlement Class Member submits in writing to the Settlement Administrator. Each Objection must (1) contain the name and case number of the Milon Action; (2) contain the full name, address, and telephone number of the Settlement Class Member objecting; (3) be signed by the Settlement Class Member; (4) contain a written statement of all grounds for the Objection accompanied by any legal support for such Objection; (5) contain copies of any papers, briefs, or other documents upon which the Objection is based; and (6) be postmarked or fax stamped on or before the Response Deadline (as defined below) and returned to the Settlement Administrator at the specified address or fax number. If a Class Member submits both an Objection and an Opt Out Request, he or she will be excluded from the Class Settlement and the Objection will not be considered.

25. Opt Out Request. "Opt Out Request" means a request by a Class Member to be excluded from the Class Settlement. Each "Opt Out Request" must (1) contain the name and case number of the Milon Action; (2) contain the full name, address, and telephone number of the Class Member requesting exclusion from the Class Settlement; (3) be signed by the Class Member; (4) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement; and (5) be postmarked or fax stamped on or before the Response Deadline and returned to the Settlement Administrator at the specified address or fax number.

26. Parties. "Parties" shall mean Plaintiffs and Defendant, collectively, and "Party" means any of the Plaintiffs or Defendant.

27. PAGA Allocation. "PAGA Allocation" refers to the amount of Three Hundred and Fifty Thousand Dollars and Zero Cents (\$350,000.00) which is allocated to the settlement of the Settled PAGA Claims, which will be distributed 75% to the Labor and Workforce Development Agency ("LWDA Payment") and 25% to PAGA Members ("Net PAGA Distribution Amount").

28. PAGA Members. "PAGA Members" means all current and former non-exempt employees of Defendant employed in the State of California during the PAGA Period.

1 29. PAGA Period. “PAGA Period” means the time period from August 19, 2019
2 through July 25, 2023, or, if applicable, the Alternate End Date pursuant to Paragraph 55.

3 30. PAGA Settlement. “PAGA Settlement” refers to the settlement and
4 resolution of the Settled PAGA Claims.

5 31. Plaintiffs. “Plaintiffs” means Yuri Milon (“Plaintiff Milon”), Olimpia Meza
6 Pelayo (“Plaintiff Pelayo”) and Emilio Lopez (“Plaintiff Lopez”).

7 32. Preliminary Approval Order. “Preliminary Approval Order” is the Order
8 entered and filed by the Court that preliminarily approves the terms and conditions of this
9 Agreement, including approval of the Parties’ Agreement that specifies the content of notice and
10 manner in which notice will be provided to the Class and responded to by the Class.

11 33. Released Parties. “Released Parties” means Defendant David & Esperanza
12 Chavez Family Limited Partnership DBA Chavez Supermarket and each of its officers, directors,
13 members, partners, owners, shareholders, employees, former employees, agents, servants,
14 attorneys, assigns, affiliates, predecessors, successors, parent companies and organizations,
15 insurers, and any and all other persons, firms and corporations in which Defendant may have an
16 interest.

17 34. Response Deadline. The “Response Deadline” means the day that is forty-
18 five (45) days after the date the Class Notice is mailed to Class Members via First-Class U.S. Mail
19 and is the deadline to submit an Opt Out Request (as defined herein), Objection (as defined herein),
20 and/or Workweeks Dispute (as defined below). Any Class Members that have their notices remailed
21 shall have an additional fourteen (14) days to respond.

22 35. Service Payment. “Service Payment” refers to individual payments to
23 Plaintiffs approved by the Court, not to exceed Twelve Thousand Dollars and Zero Cents
24 (\$12,000.00) to each of the Plaintiffs, or Thirty-Six Thousand Dollars and Zero Cents (\$36,000.00)
25 total, in recognition of their efforts and work in prosecuting the Actions.

26 36. Settlement Administrator. “Settlement Administrator” shall mean ILYM
27 Group, Inc., a neutral third-party administrator as mutually chosen by the Parties and approved by
28 the Court.

1 37. Settlement Administration Costs. “Settlement Administration Costs” refers
2 to the amount to be paid to the Settlement Administrator for the costs of administering this
3 Settlement, not to exceed Twenty Five Thousand Dollars and Zero Cents (\$25,000.00).

4 38. Settled Class Claims. “Settled Class Claims” means all claims, charges,
5 complaints, liens, demands, causes of action, obligations, damages and liabilities that arise during
6 the Class Period that each Settlement Class Member had, now has, or may hereafter claim to have
7 against the Released Parties and that were asserted in the Complaint, or that could have been
8 asserted in the Complaint based on any of the facts or allegations in the Complaint, regardless of
9 whether such claims arise under federal, state and/or local law, statute, ordinance, regulation,
10 common law, or other source of law. The Settled Class Claims specifically include, but are not
11 limited to, claims for violations of the California Labor Code (including but not limited to §§ 200,
12 201, 202, 203, 204, 226, 226.3, 226.7, 227.3, 246, 432, 510, 512, 516, 558, 1174, 1174.5, 1194,
13 1197, 1197.1, 1198, 2800, 2802, 2810.3, 2810.5) and applicable Industrial Welfare Commission
14 Wage Orders for failure to pay all and overtime wages due; failure to provide compliant meal
15 periods and associated premiums; failure to provide compliant rest periods and associated
16 premiums; failure to pay all minimum wages due; failure to pay all wages timely during
17 employment; failure to pay all wages timely at the time of termination; failure to provide
18 complete, accurate, or properly formatted wage statements; failure to provide and/or pay vested
19 vacation and/or sick pay; failure to maintain requisite time records, payroll records, personnel
20 records, and documents signed to obtain or hold employment; failure to provide written notice of
21 rates of pay and overtime rates of pay applicable to employment, allowances claimed as part of the
22 minimum wage, the regular payday designated by employer, the name of the employer, including
23 any “doing business as” names used, the name, address and telephone number of the workers’
24 compensation insurance carrier, information regarding paid sick leave, and other pertinent
25 information required to be disclosed by an employer under California Labor Code section 2810.5;
26 failure to reimburse business expenses; and unfair business practices.

27 39. Settled PAGA Claims. “Settled PAGA Claims” means all claims for civil
28 penalties that were asserted, or could have been asserted, or that arise during the PAGA Period,

1 based for any of the alleged violations of the California Labor Code and/or Industrial Welfare
2 Commission Wage Orders that were asserted, or could have been asserted, within the Complaint
3 and PAGA Notice based on any facts or allegations therein, including, but not limited to, violations
4 of the California Labor Code (§§ 200, 201, 202, 203, 204, 226, 226.3, 226.7, 227.3, 246, 432, 510,
5 512, 516, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, 2810.3, 2810.5) and applicable
6 Industrial Welfare Commission Wage Orders, for failure to pay all and overtime wages due; failure
7 to provide compliant meal periods and associated premiums; failure to provide compliant rest
8 periods and associated premiums; failure to pay all minimum wages due; failure to pay all wages
9 timely during employment; failure to pay all wages timely at the time of termination; failure to
10 provide complete, accurate, or properly formatted wage statements; failure to provide and/or pay
11 vested vacation and/or sick pay; failure to maintain requisite time records, payroll records,
12 personnel records, and documents signed to obtain or hold employment; failure to provide written
13 notice of rates of pay and overtime rates of pay applicable to employment, allowances claimed as
14 part of the minimum wage, the regular payday designated by employer, the name of the employer,
15 including any “doing business as” names used, the name, address and telephone number of the
16 workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent
17 information required to be disclosed by an employer under California Labor Code section 2810.5;
18 and failure to reimburse business expenses.

19 40. Settlement Class Member(s). “Settlement Class Member(s)” means all Class
20 Members who have not submitted a timely and valid Opt Out Request from the Class Settlement.

21 41. Workweek. “Workweek” shall mean any calendar week (*i.e.*, a week
22 beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Member was
23 employed by Defendant for at least one day. The Parties agree that, for purposes of determining a
24 Class Member’s and/or PAGA Member’s Workweeks under this Agreement, Workweeks may be
25 calculated by Defendant and/or the Settlement Administrator based on the number of days between
26 a Class Member’s and/or PAGA Member’s (1) hire date(s) or the start of the applicable Class Period
27 or PAGA Period (which ever is later) and (2) termination date(s), or, in the absence of a subsequent
28 termination date, either the end date of July 25, 2023 or, if applicable, the Alternate End Date

1 pursuant to Paragraph 55, based on a 360-day year (using Microsoft Excel’s DAYS360 or similar
2 function which returns the number of days between two dates) and dividing the result by 7 and then
3 rounding that number up to the nearest whole number.

4 **RECITALS**

5 42. On July 17, 2020, Plaintiff Milon filed a Class Action Complaint for
6 Damages, thereby commencing a putative class action entitled *Yuri Milon v. David & Esperanza*
7 *Chavez Family Limited Partnership DBA Chavez Supermarket* in the Superior Court of California
8 for the County of Santa Clara, Case No. 20CV368379 (i.e., the Milon Action) against Defendant.

9 43. On August 19, 2020, Plaintiff Pelayo, and later on October 3, 2022, Plaintiffs
10 Pelayo as well as Plaintiff Lopez provided notice by electronic upload to the Labor and Workforce
11 Development Agency and written notice by certified mail to Defendant of their intent to pursue
12 civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”) for alleged violations
13 of the California Labor Code (collectively, “PAGA Notices”).

14 44. On December 1, 2020, Plaintiff Pelayo filed a Class Action Complaint,
15 thereby commencing a putative class and representative PAGA action entitled *Olivia Meza Pelayo*
16 *v. David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket* in the
17 Superior Court of California for the County of Santa Clara, Case No. 20CV373672 (i.e., the Pelayo
18 Action). Plaintiff Pelayo filed a First Amended Class Action Complaint in the Pelayo Action on
19 April 19, 2021.

20 45. Defendant responded to the Class Action Complaint in the Milon Action in
21 December 18, 2020. Defendant responded to the First Amended Class Action Complaint in the
22 Pelayo Action on June 17, 2021. Defendant denies all material allegations set forth in the Actions,
23 and has asserted numerous affirmative defenses in the cases. Notwithstanding, in the interest of
24 avoiding further litigation, Defendant desires to fully and finally settle the Actions, the Settled
25 Class Claims, and the Settled PAGA Claims.

26 46. Class Counsel diligently investigated the claims against Defendant,
27 including any and all applicable defenses and the applicable law. The investigation included,
28

1 *inter alia*, the exchange of information, data, and documents, and review of Defendant's
2 employment and operations policies, practices, and procedures

3 47. On November 30, 2022, the Parties participated in mediation with Jeffrey A.
4 Ross, Esq. (the "Mediator"), a respected mediator of complex wage and hour actions, and although
5 the Parties did not resolve their claims at this mediation, with the assistance of the Mediator's
6 evaluations and continued settlement discussions, the Parties reached the settlement that is
7 memorialized herein. The Parties agree that the terms and conditions of this Agreement are the
8 result of lengthy, intensive arms-length negotiations, and the Settlement is the result of an
9 informed and detailed analysis of Defendant's potential liability and exposure in relation to the
10 costs and risks associated with continued litigation. Based on the documents produced, as well
11 as Class Counsel's own independent investigation and evaluation, Class Counsel believes that the
12 settlement with Defendant for the consideration and on the terms set forth in this Settlement
13 Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, the
14 State of California, and PAGA Members, in light of all known facts and circumstances, including
15 the risk of significant delay and uncertainty associated with litigation and various defenses
16 asserted by Defendant.

17 48. The Parties expressly acknowledge that this Settlement Agreement is
18 entered into solely for the purpose of compromising significantly disputed claims and that nothing
19 herein is an admission of liability or wrongdoing by Defendant. If for any reason the Settlement
20 Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to
21 their original respective positions.

22 **TERMS AND CONDITIONS OF SETTLEMENT**

23 NOW THEREFORE, in consideration of the recitals listed above and the promises and
24 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of
25 the consideration and undertakings set forth herein, Plaintiffs, individually on behalf of themselves
26 and on behalf of the Class Members and the State of California pursuant to PAGA, on the one hand,
27 and Defendant, on the other hand, agree that the Actions shall be, and are finally and fully
28 compromised and settled on the following terms and conditions.

1 49. First Amended Class Action Complaint; Dismissal of PAGA Action. To
2 facilitate this Settlement: (1) Plaintiff Milon, through all Class Counsel, will seek leave to file a
3 First Amended Class Action Complaint by February 9, 2024, adding Plaintiff Pelayo and Plaintiff
4 Lopez to the Milon Action and alleging the following causes of action: (1) failure to pay overtime
5 wages in violation of Labor Code §§ 510 and 1198; (2) failure to pay minimum wages in violation
6 of Labor Code §§ 1194, 1197 and 1197.1; (3) failure to provide meal periods in violation of Labor
7 Code §§ 226.7 and 512; (4) failure to provide rest periods in violation of Labor Code § 226.7; (5)
8 waiting time penalties in violation of Labor Code §§ 201-203; (6) failure to pay all wages due
9 during employment in violation of Labor Code § 204; (7) wage statement violations in violation of
10 Labor Code § 226; (8) failure to indemnify in violation of Labor Code §§ 2800 and 2802; (9) failure
11 to pay accrued, unused vacation in violation of Labor Code Labor Code § 227.3; (10) failure to
12 keep accurate records in violation of Labor Code Labor Code § 1174; (11) unfair competition in
13 violation of Business and Professions Code § 17200 *et seq.*; and (12) penalties under PAGA, Labor
14 Code § 2698, *et seq.* (in connection with the alleged underlying claims noted above pled by
15 Plaintiffs Pelayo and Lopez); and (2) Plaintiff Pelayo and Plaintiff Lopez will dismiss the Pelayo
16 Action without prejudice within two (2) business days upon the filing of the First Amended Class
17 Action Complaint with the Court.

18 50. Non-Admission of Liability. The Parties enter into this Agreement to
19 resolve the Actions and to avoid the burden, expense, and risk of continued litigation. In entering
20 into this Agreement, Defendant does not admit, and specifically denies, that Defendant has: violated
21 any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any
22 statute or any other applicable laws, regulations, or legal requirements; breached any contract; or
23 engaged in any other culpable, wrongful or unlawful conduct with respect to its employees or any
24 other person or entity. Neither this Agreement, nor any of its terms or provisions, nor any of the
25 negotiations connected with it or proceedings, payouts, or other events associated with it, shall be
26 construed as an admission or concession by Defendant of any such violation(s) or failure(s) to
27 comply with any applicable law by Defendant or any Released Parties. The Parties intend this
28 Settlement to be contingent upon the Court's granting preliminary and final approval of this

1 Agreement; and in the event final approval of this Agreement is not obtained, the Parties do not
2 waive, and instead expressly reserve, their respective rights to prosecute and defend the Actions as
3 if this Agreement never existed. In the event that final approval of this Agreement is denied by the
4 Court, fails to become effective, or is reversed, withdrawn, or modified by the Court or any other
5 court with jurisdiction over the Actions, the Agreement shall become null and void *ab initio* and
6 shall have no bearing on, and shall not be admissible in connection with, further proceedings in the
7 Actions. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement,
8 this Settlement Agreement and its terms and provisions shall not be offered as evidence in any
9 action or proceeding to establish any liability or admission on the part of Defendant or to establish
10 the existence of any condition constituting a violation of, or a non-compliance with state, federal,
11 local, or other applicable law

12 51. Stipulation for Class Certification. The Parties stipulate to the certification
13 of the Class for purposes of this Settlement only. If, however, the Settlement does not become final
14 for any reason, the Parties' Agreement shall become null and void *ab initio* and shall have no
15 bearing on, and shall not be admissible in connection with, whether class certification would be
16 appropriate in a non-settlement context.

17 a. Release of Settled Class Claims. As of the Effective Date and full
18 funding of the Gross Settlement Amount, Plaintiffs and all Class Members who do not submit a
19 timely and valid Opt Out Request (i.e., Settlement Class Members) shall be deemed to have fully,
20 finally, and forever released, settled, compromised, relinquished, and discharged any and all Settled
21 Class Claims against any and all Released Parties. The Settlement includes a release of all Settled
22 Class Claims during the Class Period by Settlement Class Members. Defendant shall be entitled to
23 a release of Settled Class Claims which occurred during the Class Period only during such time
24 that the Settlement Class Member was classified as non-exempt, and expressly excluding claims
25 outside of the Class Period and otherwise not waivable under the law. The Parties agree for
26 settlement purposes only that, because the Class Members are so numerous, it is impossible or
27 impracticable to have each Class Member execute this Agreement. Accordingly, the Class Notice
28 will advise all Class Members of the binding nature of the Class Settlement as to Settlement Class

1 Members and the binding nature of the PAGA Settlement as to the State of California and all PAGA
2 Members, and such notice shall have the same force and effect as if the Agreement were executed
3 by each Class Member.

4 b. The Parties agree that this is a settlement of disputed claims not
5 involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

6 52. General Release of Claims for Plaintiffs. As of the Effective Date and
7 full funding of the Gross Settlement Amount, in addition to all other releases set forth in this
8 Agreement, and except as to claims specifically excluded, the Plaintiffs make the additional
9 following general release of all claims, known or unknown. The Plaintiffs release the Released
10 Parties from all claims, demands, rights, liabilities, and causes of action of every nature and
11 description whatsoever, known or unknown, asserted or that might have been asserted, whether in
12 tort, contract, or for violation of any state or federal statute, rule, or regulation arising out of, relating
13 to, or in connection with any act or omission by or on the part of any of the Released Parties
14 committed or omitted through the execution of this Agreement. The Plaintiffs also specifically
15 agree and acknowledge that they are waiving all claims under Title VII of the Civil Rights Act of
16 1964, the Equal Pay Act, the Americans with Disabilities Act, the California Fair Employment and
17 Housing Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act,
18 the California Labor Code, California Government Code, and California Business and Professions
19 Code. (The release set forth in this Paragraph shall be referred to as the “General Release”). The
20 Plaintiffs agree not to sue or otherwise make a claim against any of the Released Parties that is in
21 any way related to the General Release to the maximum extent permitted by law. The General
22 Release includes any unknown claims the Plaintiffs do not know or suspect to exist in their favor
23 at the time of the General Release, which, if known by either, might have affected his respective
24 settlement with, and release of, the Released Parties by the Plaintiffs or might have affected their
25 decisions not to object to this Settlement or the General Release. With respect to the General
26 Release, the Plaintiffs stipulate and agree that they shall be deemed to have, and by operation of
27 the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted
28

1 by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, which
2 states:

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

7 This General Release shall not affect or bar any claims that the Plaintiffs may have for
8 Unemployment Insurance, claims under the National Labor Relations Act, and the right to receive
9 benefits under any retirement plan or to elect COBRA continuation of health insurance benefits.
10 Nor shall the General Release preclude the Plaintiffs from filing a charge with any applicable
11 administrative agency. The Plaintiffs understand and agree, however, that by way of the General
12 Release, they individually release any right to recover monetary damages in an action brought by
13 an administrative agency.

14 However, the above General Release and all releases set forth in this Agreement, including
15 the 1542 waiver, specifically excludes Plaintiff Pelayo's claims in the lawsuit pending in Santa
16 Clara County Superior Court as case number 22CV393051, alleging claims for sexual harassment,
17 failure to prevent, remedy, and investigate sexual harassment, sex discrimination, intentional
18 infliction of emotional distress, negligent infliction of emotional distress, negligent hiring, retention
19 supervision, and training, retaliation, sexual battery, assault, wrongful termination, wrongful
20 termination in violation of public policy, and related claims.

21 53. Release of Settled PAGA Claims. As of the Effective Date and full funding
22 of the Gross Settlement Amount, Plaintiffs Pelayo and Lopez and the State of California, with
23 respect to PAGA Members, shall be deemed to have fully, finally, and forever released, settled,
24 compromised, relinquished, and discharged any and all of the Released Parties of and from any and
25 all Settled PAGA Claims. The Parties agree that it is their intent that the terms set forth in this
26 Agreement will release any further attempt, by lawsuit, administrative claim or action, arbitration,
27 demand, or other action of any kind, by each and every PAGA Member to obtain any recovery
28 based on the Settled PAGA Claims. pertaining to Plaintiffs Pelayo and Lopez. Defendant shall be

entitled to a release of Settled PAGA Claims which occurred during the PAGA Period only pertaining to PAGA Members for such time that PAGA Members were classified as non-exempt.

54. Calculation of Settlement Payments. The Gross Settlement Amount shall be apportioned as follows:

a. Attorneys' Fees. Class Counsel will apply to the Court for an award of attorneys' fees up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., up to \$1,225,000.00 if the Gross Settlement Amount is \$3,500,000.00) (i.e., Attorneys' Fees). The Attorneys' Fees shall be paid from and be deducted from the Gross Settlement Amount subject to Court approval, and Defendant will not oppose such application. In the event the Court approves an amount of attorneys' fees that is less than the amount provided herein, the unawarded amount shall become part of the Net Distribution Fund for distribution to Settlement Class Members. Any reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement by Plaintiffs, or grounds for an appeal of the Court's Order approving Attorneys' Fees.

b. Attorneys' Costs. Class Counsel shall request approval of an amount not to exceed Thirty-Two Thousand Dollars and Zero Cents (\$32,000) for reimbursement of litigation costs and expenses incurred in the Actions (i.e., Attorneys' Costs), which will be paid and deducted from the Gross Settlement Amount subject to Court approval. Defendant will not oppose such application. Any unawarded Attorneys' Costs shall become part of the Net Distribution Fund for distribution to Settlement Class Members. Any reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement by Plaintiffs, or grounds for an appeal of the Court's Order approving attorneys' costs. Attorneys' Fees as specified in the preceding paragraph and Attorneys' Costs as specified in this paragraph shall cover all claimed and unclaimed Attorneys' Fees, Attorneys' Costs, and other amounts payable or awardable against Defendant for Class Counsel's work, effort, or involvement in the Actions and in carrying out the Agreement and includes any and all work, effort, or involvement to carry out the terms of the Agreement and as may be potentially or actually necessary or advisable to defend the Agreement and/or Settlement through appeal, or collateral attack or in any other forum or proceeding. These specified Attorneys' Fees and Attorneys' Costs shall be the sole payment for attorneys' fees and costs and, otherwise,

1 the Parties and Class Members and their counsel shall bear their own fees and costs in connection
2 with the Actions.

3 c. Settlement Administration Costs. Class Counsel will also apply to
4 the Court for approval of costs of settlement administration in an amount currently estimated to be
5 up to Twenty Five Thousand Dollars and Zero Cents (\$25,000.00), which the Parties agree will be
6 paid and deducted from the Gross Settlement Amount (*i.e.*, Settlement Administration Costs)
7 subject to Court approval. These costs, which will be paid from the Gross Settlement Amount
8 subject to Court approval, will include, *inter alia*, translating the Class Notice to Spanish,
9 printing, distributing, and tracking Class Notices and other documents for the Settlement,
10 calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS
11 Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary
12 reports and declarations, and other duties and responsibilities set forth herein to process this
13 Settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs
14 are greater than the estimated amount stated herein, such excess amount will be deducted from the
15 Gross Settlement Amount, subject to approval by the Court. Any unawarded amount shall become
16 part of the Net Distribution Fund for distribution to Settlement Class Members. Class Counsel will
17 specify the amount sought for such costs in Plaintiffs' motion for final approval of the Settlement.
18 Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel shall not bear any responsibility
19 for errors or omissions in the calculation or distribution of payments or the development of the
20 list of recipients of payments provided for under the Settlement.

21 d. Plaintiffs' Service Payment. In recognition of their efforts and work
22 in prosecuting the Actions, Defendant agrees not to oppose or impede any application or motion
23 for Service Payment to Plaintiffs in an amount not to exceed Twelve Thousand Dollars and Zero
24 Cents (\$12,000.00) each— *i.e.*, a total amount of Thirty-Six Thousand Dollars and Zero Cents
25 (\$36,000.00)—to be paid and deducted from the Gross Settlement Amount, subject to Court
26 approval. The Settlement Administrator will issue an IRS Form 1099 to Plaintiffs for the Service
27 Payment, and Plaintiffs shall be solely and legally responsible for correctly characterizing this
28 compensation for tax purposes and for paying any taxes on the amounts received. Any unawarded

1 amount shall become part of the Net Distribution Fund for distribution to Settlement Class
2 Members. Any reduction by the Court shall not constitute grounds for revocation or cancellation
3 of this Agreement by Plaintiffs, or grounds for an appeal of the Court's Order approving Plaintiffs'
4 Service Payment.

5 e. PAGA Allocation and Payments. Pursuant to California Labor Code
6 Section 2698, *et seq.*, the Parties designate Three Hundred and Fifty Thousand Dollars and Zero
7 Cents (\$350,000.00) of the Gross Settlement Amount to resolve the Settled PAGA Claims (*i.e.*, the
8 PAGA Allocation). Pursuant to the California Labor Code, seventy-five percent (75%) of the
9 PAGA Allocation, which is Two Hundred and Sixty-Two Thousand Five Hundred Dollars and
10 Zero Cents (\$262,500.00), will be paid to the LWDA (*i.e.*, the LWDA Payment). The remaining
11 twenty-five percent (25%) of the PAGA Allocation, which is Eighty-Seven Thousand Five
12 Hundred Dollars and Zero Cents (\$87,500.00) ("Net PAGA Distribution Amount"), shall be paid
13 to PAGA Members on a *pro rata* basis based on the number of Workweeks worked by the PAGA
14 Member during the PAGA Period as follows:

15 i. The Settlement Administrator will use the number of
16 Workweeks worked by PAGA Members during the PAGA Period as reflected in the Class List to
17 be provided by Defendant to the Settlement Administrator;

18 ii. Each of the PAGA Members is eligible to receive a *pro rata*
19 share of the Net PAGA Distribution Amount based on his or her share of the total number of
20 Workweeks worked during the PAGA Period.

21 iii. The value of a single Workweek during the PAGA Period
22 shall be determined by dividing the Net PAGA Distribution Amount by the total number of
23 Workweeks during the PAGA Period by all PAGA Members. Each PAGA Member shall receive
24 an Individual PAGA Payment equal to his or her individual Workweeks during the PAGA period
25 multiplied by the value of a single Workweek during the PAGA Period. PAGA Members shall
26 receive their respective PAGA Payments regardless of whether they opt out of the Class Settlement.

1 f. Net Distribution Fund and Individual Settlement Shares to
2 Settlement Class Members. Individual Settlement Shares to the Settlement Class Members will be
3 calculated as follows:

4 i. The Settlement Administrator will use the number of
5 Workweeks worked by Class Members during the Class Period as reflected in the Class List to be
6 provided by Defendant to the Settlement Administrator;

7 ii. Each of the Class Members is eligible to receive a *pro rata*
8 share of the Net Distribution Fund based on his or her share of the total number of Workweeks
9 during the Class Period worked.

10 iii. The value of a single Workweek during the Class Period shall
11 be determined by dividing the Net Distribution Fund by the total number of Workweeks during the
12 Class Period worked by all Settlement Class Members. Each Settlement Class Member shall
13 receive a gross Individual Settlement Share equal to his or her individual Workweeks during the
14 Class Period multiplied by the value of a single Workweek during the Class Period.

15 g. The Parties agree that under no circumstances shall Defendant be
16 obligated to pay any amounts under this Agreement to any Class Member other than the Individual
17 Settlement Payment to Settlement Class Members and Individual PAGA Payment to PAGA
18 Members that is provided for under this Agreement.

19 h. The Parties acknowledge and agree that the formulas used to
20 calculate Individual Settlement Payments and Individual PAGA Payments do not imply that all of
21 the elements of damages covered by the release are not being taken into account.

22 55. Pro Rata Adjustment to Gross Settlement Amount Based on Workweeks.
23 Defendant estimates that, during the period from July 17, 2016 through July 25, 2023, the Class
24 Members worked, collectively, approximately 216,080 Workweeks. If it is determined that the
25 total number of Workweeks during the Class Period exceed 216,080 by more than five percent
26 (5%) (i.e., exceeds 226,884), then, either (a) the Gross Settlement Amount will increase by the
27 same number of percentage points above 5% by which the actual number of Workweeks exceeds
28 216,080 (e.g., if the actual number of Workweeks is 7% higher than 216,080, the Gross Settlement

Amount will be increased by 2%) or, at Defendant's option, or (b) at Defendant's option, the Class Period and PAGA Period will end as of the date the five percent (5%) threshold was reached (and such date shall be referred to as the "Alternate End Date").

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

57. Taxation of Settlement Proceeds.

a. The Parties agree that the Individual Settlement Shares shall be allocated as follows: twenty percent (20%) of each Settlement Class Member's Individual Settlement Share will be allocated to settlement of wage claims (the "Wage Portions"), and eighty percent (80%) allocated to penalties and interest. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payment (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The portion allocated to penalties and interest (i.e., Non-Wage Portions) are not subject to wage withholdings and will be reported on IRS 1099 Forms (if required). Settlement Class Members assume full responsibility and liability for any employee taxes owed on their Individual Settlement Share. The employer taxes will be paid separately and in addition to the Gross Settlement Amount.

b. The Individual PAGA Payments to PAGA Members will be designated one hundred percent (100%) as penalties and will be reported on an IRS Form 1099 (if required).

c. The Settlement Administrator shall calculate, withhold from the Individual Settlement Shares, and remit to applicable governmental agencies sufficient amounts, if

1 any, as may be owed by Settlement Class Members for applicable employee taxes. The Settlement
2 Administrator will issue appropriate tax forms, as required, to each such Settlement Class Member
3 and PAGA Member consistent with the above allocations.

4 d. All Parties represent that they have not received, and shall not rely
5 on, advice or representations from other Parties or their agents regarding the tax treatment of
6 payments under federal, state, or local law. In this regard, Defendant makes no representations
7 regarding the taxability of the Individual Settlement Payments, Individual PAGA Payments, or any
8 other payments made under this Agreement.

9 e. Class Counsel will be issued an IRS Form 1099 for the Attorneys'
10 Fees and Attorneys' Costs awarded by the Court.

11 f. Plaintiffs will be issued an IRS Form 1099 for any Service Payment
12 approved by the Court. The Service Payment payable to Plaintiffs shall be in addition to the
13 Individual Settlement Payment and, if applicable, Individual PAGA Payment that he will receive.

14 58. Preliminary Approval of Settlement. Upon execution of this Settlement
15 Agreement, Plaintiffs shall promptly obtain a hearing date for Plaintiffs' motion for preliminary
16 approval of the Settlement in the Milon Action, and submit this Settlement Agreement to the
17 Court in support of said motion. Defendant agrees not to oppose the motion for preliminary
18 approval of the Settlement consistent with this Settlement Agreement. Said motion shall apply
19 to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually
20 agreed upon by the Parties, seeking the following:

- 21 a. Conditionally certifying the Class for settlement purposes only;
- 22 b. Preliminarily approving the Settlement;
- 23 c. Preliminarily approving the appointment of Plaintiffs as
24 representatives of the Class for settlement purposes;
- 25 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 26 e. Appointing and approving the Settlement Administrator, to comply
27 with the duties and obligations as required by this Agreement;
- 28

1 f. Approving the form and content of the Class Notice mutually agreed
2 upon by the Parties and directing its mailing to the Class by U.S. Mail;

3 g. Scheduling the Final Approval Hearing for consideration of whether
4 the Settlement should be finally approved as fair, reasonable, and adequate; and

5 h. Approving the manner and method for Class Members to request
6 exclusion from or object to the Class Settlement as contained herein and within the Class Notice;

7 Class Counsel shall provide Defendant with at least four (4) calendar days to review
8 and provide comments on the motions for preliminary and final approval of the Settlement before
9 the motions and supporting papers are filed with the Court. A request by the Court for supplemental
10 briefing, or a preliminary denial pending additional briefing, shall not be deemed a denial of
11 preliminary approval or final approval. To the extent the Court requests further or supplemental
12 briefing, the Parties will work in good faith to address the Court's concerns and questions.

13 59. Notice Procedure.

14 a. *Class List.* Within twenty-one (21) calendar days after notice of
15 entry of the Preliminary Approval Order, Defendant shall provide the Settlement with the Class
16 List. The Settlement Administrator will keep the Class List confidential and shall not provide it to
17 anyone, including Class Counsel, absent express written approval from Defendant, and shall use it
18 only for the purposes described herein, take adequate safeguards to protect confidential or private
19 information, and return or certify the destruction of the information upon completion of the
20 Settlement Administration process.

21 b. *Settlement Administrator Duties.* Prior to mailing the Class Notice,
22 the Settlement Administrator will update the addresses for the Class Members and PAGA Members
23 using skip trace. To the extent this process yields a different address from the one supplied by
24 Defendant, that updated address shall replace the address supplied by Defendant and be treated as
25 the new mailing address for purposes of this Agreement and for subsequent mailings in particular.

26 c. *Notice Process.* Within fourteen (14) calendar days following
27 receipt of the Class List, the Settlement Administrator shall prepare and mail the approved Class
28

1 Notice. The Settlement Administrator shall deliver the Class Notice by First-Class U.S. Mail to
2 each Class Member and PAGA Member's last known mailing address.

3 d. *Opt Out Request.* Any Class Member may exclude himself or
4 herself from the Class Settlement. Any such Opt Out Request must be submitted to the Settlement
5 Administrator in writing on or before the Response Deadline. Opt Out Requests do not apply to
6 the PAGA Settlement; PAGA Members will be bound to the PAGA Settlement (*i.e.*, the settlement
7 and release of Settled PAGA Claims) irrespective of whether they exclude themselves from the
8 Class Settlement.

9 e. *Objections.* Any Class Member who has not submitted an Opt Out
10 Request from the Class Settlement (*i.e.*, Settlement Class Member) may object to the Class
11 Settlement by submitting an Objection to the Settlement Administrator or may also present their
12 objection orally at the Final Approval Hearing, irrespective of whether they submit an Objection.
13 The Parties shall be permitted to file responses to any Objections prior to the Final Approval
14 Hearing and/or to respond to or address the Objection at the Final Approval Hearing. At no time
15 shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class
16 Members to submit any Objections to the Settlement or appeal from the Final Approval Order and
17 Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any
18 such Objections. Within two (2) business days after receipt of an Objection, the Settlement
19 Administrator shall serve the Objection on the Parties, and at least sixteen (16) court days before
20 the Final Approval Hearing, the Settlement Administrator shall submit all Objections received by
21 the Settlement Administrator to the Court. The Court may consider any Opt Outs, and/or Objections
22 submitted at or before the hearing on Final Approval.

23 f. *Workweeks Disputes.* Class Members and/or PAGA Members will
24 have the right to challenge the number of Workweeks allocated to them. Class Members shall have
25 until the Response Deadline to submit to the Settlement Administrator their dispute in writing
26 ("Workweek Dispute") at the address indicated on the Class Notice. Each Workweeks Dispute
27 must: (1) contain the name and case number of the Milon Action; (2) contain the full name, address,
28 and telephone number of the Class Member and/or PAGA Member; (3) be signed by the Class

1 Member and/or PAGA Member; (4) clearly state that the Class Member and/or PAGA Member
2 disputes of the number of Workweeks credited to him or her and what he or she contends is the
3 correct number to be credited to him or her; (5) attach any documentation that he or she has to
4 support the dispute; and (6) be postmarked or fax stamped on or before the Response Deadline and
5 returned to the Settlement Administrator at the specified address or fax number. The Settlement
6 Administrator will inform Class Counsel and Defendant's Counsel in writing of any timely
7 submitted Workweeks Disputes. Defendant shall have the right to respond to any Workweek
8 Dispute submitted by any Class Members within seven (7) calendar days of being informed of a
9 timely submitted Workweek Dispute, and shall cooperate in providing the Settlement
10 Administrator with information to determine all such Workweek Disputes. The Settlement
11 Administrator will determine all such Workweek Disputes following Defendant's opportunity to
12 respond. Subject to Court approval, Workweek Disputes will be resolved without hearing by the
13 Settlement Administrator, who will make a decision based on Defendant's records and any
14 documents or other information presented by the Class Member and/or PAGA Member making the
15 Workweek Dispute, Class Counsel, or Defendant.

16 g. *Settlement Administrator Follow-up Efforts.* If a Class Notice is
17 returned by the Post Office as undeliverable, but with a forwarding address, on or before the
18 Response Deadline, then, the Settlement Administrator shall re-mail it by First-Class U.S. mail. If
19 a Class Member personally provides an updated address to the Settlement Administrator on or
20 before the Response Deadline, then, the Settlement Administrator shall re-mail said Class
21 Member's Class Notice by First-Class U.S. mail to the updated address provided by the Class
22 Member. If a Class Notice is returned by the Post Office as undeliverable, without a forwarding
23 address, on or before the Response Deadline, then, the Settlement Administrator shall conduct a
24 search of the National Change of Address database and, if an alternate address that is likely to be
25 more current is located, proceed to re-mail the Class Notice by First-Class U.S. mail to the alternate
26 address.

1 h. *Documenting Communications.* The Settlement Administrator shall
2 date stamp documents it receives, including Opt Out Requests, Objections, Workweek Disputes,
3 and any correspondences and documents from Class Members and PAGA Members.

4 i. *Settlement Administrator Declaration.* At least sixteen (16) court
5 days before the Final Approval Hearing, the Settlement Administrator shall prepare, subject to the
6 Parties' input and approval, a declaration setting forth the due diligence and proof of mailing of the
7 Class Notice, the results of the Settlement Administrator's mailings, including tracing and re-
8 mailing efforts, and the Class Members' and PAGA Members' responses to those mailing, and
9 provide additional information deemed necessary to approve the settlement.

10 j. *Settlement Administrator Written Reports.* Each week after initially
11 mailing the Class Notices and prior to the Response Deadline, the Settlement Administrator shall
12 provide the Parties with a report listing the number of Class Members that submitted Opt Out
13 Requests, Objections, and/or Workweek Disputes. Within seven (7) calendar days after the
14 Response Deadline, the Settlement Administrator will provide a final report listing the number of
15 Class Members who submitted Opt Out Requests, Objections, and/or Workweeks Disputes.

16 k. *Settlement Administrator Calculations of Individual Settlement*
17 *Payments.* Within seven (7) calendar days after resolving all Workweek Disputes made by
18 Settlement Class Members, and following entry of the Final Approval Order and Judgment, the
19 Settlement Administrator shall provide to the Parties a report showing its calculation of all amounts
20 that must be funded by Defendant under the Settlement, including and not limited to, calculations
21 of the Individual Settlement Payments to be made to Settlement Class Members and Individual
22 PAGA Payments to be made to PAGA Members. After receiving the Settlement Administrator's
23 report, Class Counsel and Defendant's Counsel shall review the same to determine if the calculation
24 of payments is consistent with this Agreement and the Court's orders, and shall notify the
25 Settlement Administrator if either counsel does not believe the calculation is consistent with the
26 Agreement and/or the Court's orders. After receipt of comments from counsel, the Settlement
27 Administrator shall finalize its calculations of payments, at least five (5) calendar days prior to the
28 distribution of such payments, and shall provide Class Counsel and Defendant's Counsel with a

1 final report listing the amount of all payments to be made to each Settlement Class Member from
2 the Net Distribution Fund and listing the amount of all payments to be made to each PAGA Member
3 from the Net PAGA Distribution Amount. The Settlement Administrator will also provide
4 information that is requested and approved by both Parties regarding its duties and other aspects of
5 the Settlement, and that is necessary to carry out the terms of the Settlement.

6 60. Requirements for Recovery of Individual Settlement Payment.

7 a. *Class Members.* No claim form is necessary to participate in the
8 Class Settlement. Unless a Class Member submits a valid and timely Opt Out Request, that Class
9 Member will be a Settlement Class Member, bound by the Final Approval Order and Judgment and
10 Class Settlement, and will receive a payment from the Net Distribution Fund (*i.e.*, an Individual
11 Settlement Share).

12 b. *PAGA Members.* All PAGA Members shall be bound by the PAGA
13 Settlement and will be issued payment from the Net PAGA Distribution Amount (*i.e.*, an Individual
14 PAGA Payment).

15 c. *Late Submissions.* The Settlement Administrator shall not accept as
16 timely any Opt Out Request, Objection, or Workweek Dispute postmarked after the Response
17 Deadline. It shall be presumed that, if an Opt Out Request, Objection, or Workweek Dispute is not
18 postmarked or fax stamped on or before the Response Deadline, the Class Member did not return
19 the Opt Out Request, Objection, or Workweek Dispute in a timely manner. However, the Court
20 may consider any Opt Outs, and/or Objections submitted at or before the Final Approval Hearing.

21 d. *Opt-Out Procedure.* A Class Member will not be entitled to opt out
22 of the Class Settlement established by this Agreement unless he or she submits to the Settlement
23 Administrator a timely and valid Opt Out Request.

24 i. The Settlement Administrator shall not have the authority to
25 extend the deadline for Class Members to submit an Opt Out Request absent agreement by both
26 Parties.

ii. Class Members shall be permitted to rescind in writing their Opt Out Request by submitting a written rescission statement to the Settlement Administrator no later than the day before the Final Approval Hearing.

iii. If more than ten percent (10%) of the Class Members timely opt out of the Class Settlement, Defendant shall have the sole and absolute discretion to withdraw from this Agreement within seven (7) calendar days after the Response Deadline and written notice from the Settlement Administrator of the final opt out rate. Defendant shall provide written notice of such withdrawal to Class Counsel. In the event that Defendant elects to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of Settlement, and the Agreement shall become null and void and have no further force or effect, and Defendant will be responsible for any and all Settlement Administration Costs incurred thus far.

61. Final Approval Hearing and Final Approval Order and Judgment.

a. *Entry of Final Judgment.* At the Final Approval Hearing, Plaintiffs will request, and Defendant will concur in said request, that the Court enter a jointly-agreed upon Final Approval Order and Judgment.

b. *Motion.* After the Response Deadline, Plaintiffs will draft and file a motion for final approval in conformity with any requirements from the Court and will take any other actions necessary to request the entry of a Final Approval Order and Judgment in accordance with this Agreement. In conjunction with the motion for final approval and requesting an award of Attorneys' Fees, Attorneys' Costs, and Service Payment, Class Counsel shall file a declaration from the Settlement Administrator confirming that the Class Notice was mailed to all Class Members as required by this Agreement, as well as any additional information Class Counsel, with the input and approval of Defendant, deems appropriate to provide to the Court.

c. *Order.* The Parties shall take all reasonable efforts to secure entry of the Final Approval Order and Judgment. A request by the Court for supplemental briefing, or a preliminary denial pending additional briefing, shall not be deemed a denial of final approval of the Settlement. To the extent the Court requests further or supplemental briefing, the Parties will

1 work in good faith to address the Court’s concerns and questions. Said Final Approval Order and
2 Judgment will provide for, in substantial part, the following :

3 i. Approval of the Settlement as fair, reasonable, and
4 adequate, and directing consummation of its terms and provisions;

5 ii. Certification of the Class;

6 iii. Approval of the application for Attorneys’ Fees and Costs to
7 Class Counsel;

8 iv. Approval of the application for Service Payments to
9 Plaintiffs;

10 v. Directing Defendant to fund all amounts due under the
11 Settlement Agreement and ordered by the Court; and

12 vi. Entering judgment in this Action, while maintaining
13 continuing jurisdiction to implement the Settlement, in conformity with California Rules of Court
14 3.769 and the Settlement Agreement.

15 62. Notice to the Labor and Workforce Development Agency. Class Counsel is
16 responsible for complying with all requirements of the PAGA governing notice to the LWDA of
17 settlement and/or judgment. Specifically, Class Counsel will provide a copy of this Agreement to
18 the LWDA at the same time that it is submitted to the Court and will further provide a copy of the
19 Court’s Preliminary Approval Order and Final Approval Order and Judgment to the LWDA within
20 ten (10) calendar days after entry of said judgment or order as required by Labor Code sections
21 2699(1)(2)-(3).

22 63. Payment of Settlement. Defendant will deposit the Gross Settlement
23 Amount into an account established by the Settlement Administrator within thirty (30) days of the
24 Effective Date.

25 a. The Parties agree that the Gross Settlement Amount will qualify as a
26 settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of
27 1986, as amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the
28 Settlement Administrator is hereby designated as the “administrator” of the qualified settlement

1 funds for purposes of Section 1.468B-2(k) of the income tax regulations. As such, all employee
2 taxes imposed on the gross income of that settlement fund and any tax-related expenses arising
3 from any income tax returns or other reporting documents that may be required by the Internal
4 Revenue Service or any state or local taxing body will be paid from the Net Distribution Fund by
5 the Settlement Administrator.

6 b. The Settlement Administrator shall be deemed to have timely
7 distributed Individual Settlement Payments and Individual PAGA Payments if it places said
8 payments in the mail (First-Class U.S.) within fourteen (14) days of Defendant funding the Gross
9 Settlement Amount. If the Settlement Administrator receives notice from Settlement Class
10 Members or PAGA Members that they have not received their settlement check due to changes of
11 address or other circumstances, the Settlement Administrator shall make reasonable efforts to
12 ensure the initial payment is cancelled and re-issue the payment to the Settlement Class Member
13 or PAGA Member. The Settlement Administrator shall only undertake one re-issuance of a
14 payment upon request of a Settlement Class Member.

15 c. The distribution of Attorneys' Fees, Attorneys' Costs, LWDA
16 Payment, and the Service Payment shall occur no later than fourteen (14) days after the Gross
17 Settlement Amount has been deposited by Defendant. Under no circumstances shall the foregoing
18 payments be made prior to the distribution of payments to Settlement Class Members and PAGA
19 Members.

20 64. Individual Settlement Payment and Individual PAGA Payment checks will
21 be valid for one hundred eighty (180) days after mailing by the Settlement Administrator.

22 65. After the one hundred eighty (180) day check validity period, settlement
23 checks will become cancelled and funds associated with the cancelled checks will be transmitted
24 to the Controller of the State of California to be held pursuant to the Unclaimed Property Law,
25 California Civil Code section 1500 *et seq.*, in the names of and for the benefit of those Settlement
26 Class Members and/or PAGA Members who did not cash, deposit, or otherwise negotiate their
27 checks until such time that they claim their property. Settlement Class Members whose Individual
28 Settlement Payment checks are canceled shall, nevertheless, be bound by this Settlement

1 Agreement and the Final Approval Order and Judgment will have claim preclusive impact with
2 respect to them and all Settlement Class Members with respect to the Class Settlement. The Final
3 Approval Order and Judgment will have claim preclusive impact on the PAGA Members with
4 respect to the PAGA Settlement irrespective of whether their Individual PAGA Payment checks
5 are canceled. The Parties agree that this disposition results in no “unpaid residue” under
6 California Civil Procedure Code section 384, as the entire Net Distribution Fund will be paid out
7 to Settlement Class Members, whether or not they all cash, deposit, or negotiate the payment
8 checks originally issued to them.

9 66. Upon completion of administration of the Settlement, the Settlement
10 Administrator shall provide written certification of such completion to the Court, Class Counsel,
11 and Defendant’s Counsel.

12 67. Binding Effect of Agreement on Settlement Class Members and PAGA
13 Members. Subject to final Court approval, all Settlement Class Members, the State of California,
14 and PAGA Members shall be bound by this Agreement and Final Approval Order and Judgment
15 shall be entered in the Milon Action.

16 68. Automatic Voiding of Agreement if Settlement Not Finalized. If for any
17 reason the Effective Date does not occur, the Settlement shall be null and void and the orders and
18 judgment to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned
19 to the status quo prior to entering this Agreement with respect to the Actions, as if the Parties had
20 never entered into this Agreement. In addition, in such event, the Agreement and all negotiations,
21 court orders and proceedings relating thereto shall be without prejudice to the rights of any and all
22 Parties hereto, and evidence relating to the Agreement and all negotiations shall not be admissible
23 or discoverable in the Actions or otherwise in any other proceeding.

24 69. Publicity, Confidentiality and Non-Disparagement.

25 a. No public comment, communications to media, or any form of
26 advertising or public announcement (including social media) regarding the Actions shall be made
27 by Plaintiffs or Class Counsel at any time.
28

1 b. Class Counsel agrees not to solicit any Class Members to exclude
2 themselves from the Class Settlement, and further agrees not to initiate, contact, or have any
3 communications with Class Members during the settlement approval process. Nothing will prevent
4 Class Counsel from responding to inquiries from Class Members. Defendant agrees that it shall
5 not discourage any Class Members from participating in the Settlement and shall refer any
6 questions to the Settlement Administrator.

7 c. Prior to the motion for preliminary approval and submission of this
8 Agreement to the Court, Class Counsel shall not discuss the terms of the Agreement with any person
9 other than Plaintiffs, Defendant's Counsel, and the Settlement Administrator, and that they will not
10 discuss the negotiations leading to Agreement with any person other than Plaintiffs and Defendant's
11 Counsel. Class Counsel will, however, undertake any and all submissions of information and/or
12 materials relating to the Actions and this Settlement to the LWDA to the extent required under the
13 PAGA statute (e.g., submitting this Agreement to the LWDA at the same time as submitting it to
14 the Court for preliminary approval).

15 d. Plaintiffs acknowledge that they have not, and will not, discuss the
16 terms of the Settlement with any persons other than Class Counsel, their spouse(s), if any, their tax
17 preparer/accountant, and any other legal representative of Plaintiffs, prior to filing the motion for
18 preliminary approval and submission of this Agreement to the Court. Plaintiffs further
19 acknowledge that at no time will they disclose details of the negotiations leading to this Settlement,
20 including information learned during or after mediation.

21 e. To the extent permitted by applicable law and in order to implement
22 the Settlement, Plaintiffs agree that they will not make any defamatory or disparaging statements
23 about Defendant or any Released Party. However, Plaintiffs are not precluded from submitting
24 declarations in support of certification of the Class for purposes of this Settlement and to support
25 their receipt of a Service Payment.

26 f. To the extent documents produced, formally or informally, by
27 Defendant during the course of the Actions are confidential or otherwise subject to confidentiality,
28 Plaintiffs and Class Counsel agree to maintain the confidentiality of such materials.

1 g. Nothing in this provision will prohibit Class Counsel or Plaintiffs
2 from seeking preliminary approval or final approval of the Settlement, or from making any
3 disclosures as required by law.

4 70. Modification in Writing. Prior to the Court granting preliminary approval
5 of this Agreement, this Agreement may be altered, amended, modified or waived, in whole or in
6 part, only in a writing signed by counsel for the Parties; after the Court has granted preliminary
7 approval of this Agreement, it may be altered, amended, modified or waived, in whole or in part,
8 only in a writing signed by counsel for the Parties, subject to approval by the Court. Any waiver
9 of any provision of this Agreement shall not constitute a waiver of any other provision of this
10 Agreement unless expressly so indicated.

11 71. Ongoing Cooperation. Plaintiffs and Defendant, and each of their respective
12 counsel, shall cooperate in good faith to execute all documents and perform all acts necessary and
13 proper to effectuate and implement the terms of this Agreement, including but not limited to
14 drafting and submitting the motions for preliminary and final approval, and defending the
15 Agreement and final judgment against objections and appeals. The Parties to this Agreement shall
16 use their best efforts, including all efforts contemplated by this Agreement and any other efforts
17 that may become necessary by order of the Court or otherwise, to effectuate this Agreement and
18 the terms set forth herein.

19 72. Parties' Authority. The signatories hereby represent that they are fully
20 authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions
21 hereof.

22 73. No Prior Assignments. The Parties and their counsel represent, covenant,
23 and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or
24 purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim,
25 demand, action, cause of action, or rights herein released and discharged or herein establish and/or
26 created, except as set forth herein.

1 74. Binding on Successors. This Agreement shall be binding and shall inure to
2 the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs
3 and legal representatives, including the Released Parties.

4 75. Integration/Entire Agreement. The Parties warrant that no promise or
5 inducement has been offered or made to any of the Parties except as set forth herein. This
6 Agreement constitutes the full, complete and entire understanding, agreement and arrangement
7 between Plaintiffs on behalf of themselves, Class Members, PAGA Members, and the State of
8 California pursuant to PAGA, on the one hand, and Defendant and Released Parties on the other
9 hand, with respect to the Settlement of the Actions and the Settled Class Claims and Settled PAGA
10 Claims against the Released Parties. This Agreement supersedes any and all prior oral or written
11 understandings, agreements and arrangements, express or implied, between the Parties with respect
12 to the Settlement of the Actions and the Settled Class Claims and Settled PAGA Claims against the
13 Released Parties. The Parties explicitly recognize California Civil Code Section 1625 and
14 California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to
15 be construed according to its terms, and may not be varied or contradicted by extrinsic evidence,
16 and agree that no such extrinsic oral or written representations or terms shall modify, vary, or
17 contradict the terms of this Agreement.

18 76. Execution in Counterparts. This Agreement may be signed in one or more
19 counterparts. A photographic, scanned, electronic, or facsimile copy of signatures shall be treated
20 as an original signature for all purposes. All executed copies of this Agreement, and photocopies
21 thereof (including facsimile or email copies of the signature pages), shall have the same force and
22 effect and shall be as legally binding and enforceable as the original.

23 77. Captions. The captions and section numbers in this Agreement are inserted
24 for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent
25 of the provisions of this Agreement.

26 78. Governing Law. This Agreement shall be interpreted, construed, enforced,
27 and administered in accordance with the laws of the State of California, without regard to otherwise
28 applicable principles of conflicts of laws.

1 79. Mutual Preparation. The Parties have had a full opportunity to negotiate
2 the terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed
3 more strictly against one Party than another merely by virtue of the fact that it may have been
4 prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
5 negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

6 80. Resolution of Disputes. The Parties agree to refer any disputes related to
7 the drafting of the Agreement and attached documents to the Mediator.

8 81. Representation by Counsel. The Parties acknowledge that they have been
9 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
10 and that this Agreement has been executed with the consent and advice of counsel.

11 **IT IS SO AGREED:**

12
13 Dated: 02/10/2024, 2024

12 **PLAINTIFF YURI MILON**
13 _____
14 Yuri Milon, Plaintiff
15 **PLAINTIFF OLIMPIA MEZA PELAYO**
16 _____
17 Olimpia Meza Pelayo, Plaintiff
18 **PLAINTIFF EMILIO LOPEZ**
19 _____
20 Emilio Lopez, Plaintiff
21 _____
22 ///
23 ///
24 ///
25 ///
26 ///
27 ///
28 ///
29 - 33 -
30 CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

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5 negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

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9 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
10 and that this Agreement has been executed with the consent and advice of counsel.

11 **IT IS SO AGREED:**

12 **PLAINTIFF YURI MILON**

13 Dated: _____, 2024

14 _____
Yuri Milon, Plaintiff

15 **PLAINTIFF OLIMPIA MEZA PELAYO**

16 Dated: 02/20
17 _____, 2024

18 *Olimpia Pelayo*
19 Olimpia Pelayo (Feb 20, 2024 23:07 PST)
20 _____
Olimpia Meza Pelayo, Plaintiff

21 **PLAINTIFF EMILIO LOPEZ**

22 Dated: 02/20
23 _____, 2024

24 *Emilio Lopez*
25 Emilio Lopez (Feb 20, 2024 22:48 PST)
26 _____
Emilio Lopez, Plaintiff

27 ///

28 ///

///

///

///

///

///

**DEFENDANT DAVID & ESPERANZA
CHAVEZ FAMILY LIMITED PARTNERSHIP
DBA CHAVEZ SUPERMARKET**

Dated: February 8, 2024



Full Name: David Chavez

Title: President

On behalf of Defendant David & Esperanza Chavez
Family Limited Partnership DBA Chavez
Supermarket

APPROVED AS TO FORM:

LAWYERS for JUSTICE, PC

Dated: _____, 2024

Arby Aiwarzian
Joanna Ghosh
Yasmin Hosseini
Attorneys for Plaintiffs Milon, Pelayo and Lopez and
Proposed Class Counsel

BIBIYAN LAW GROUP, P.C.

Dated: _____, 2024

David D. Bibyan
Vedang J. Patel
Attorneys for Plaintiffs Milon, Pelayo and Lopez and
Proposed Class Counsel

HOPKINS & CARLEY, ALC

Dated: February 14, 2024



Ernest M. Malaspina
Jennifer S. Coleman
Elaisha Nandrajog
Attorneys for Defendant David & Esperanza Chavez
Family Limited Partnership DBA Chavez
Supermarket

**DEFENDANT DAVID & ESPERANZA
CHAVEZ FAMILY LIMITED PARTNERSHIP
DBA CHAVEZ SUPERMARKET**

Dated: _____, 2024

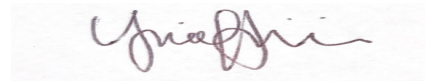
Full Name: _____

Title: _____

On behalf of Defendant David & Esperanza Chavez
Family Limited Partnership DBA Chavez
Supermarket

APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC



Dated: February 12, 2024

Arby Aiwanian

Joanna Ghosh

Yasmin Hosseini

Attorneys for Plaintiffs Milon, Pelayo and Lopez and
Proposed Class Counsel

BIBIYAN LAW GROUP, P.C.

Dated: _____, 2024

David D. Bibyan

Vedang J. Patel

Attorneys for Plaintiffs Milon, Pelayo and Lopez and
Proposed Class Counsel

HOPKINS & CARLEY, ALC

Dated: _____, 2024

Ernest M. Malaspina

Jennifer S. Coleman

Elaisha Nandrajog

Attorneys for Defendant David & Esperanza Chavez
Family Limited Partnership DBA Chavez
Supermarket

**DEFENDANT DAVID & ESPERANZA
CHAVEZ FAMILY LIMITED PARTNERSHIP
DBA CHAVEZ SUPERMARKET**

Dated: _____, 2024

Full Name: _____

Title: _____

On behalf of Defendant David & Esperanza Chavez
Family Limited Partnership DBA Chavez
Supermarket

APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC

Dated: _____, 2024

Arby Aiwazian
Joanna Ghosh
Yasmin Hosseini
Attorneys for Plaintiffs Milon, Pelayo and Lopez and
Proposed Class Counsel

BIBIYAN LAW GROUP, P.C.

Dated: 2/21 _____, 2024

Vedang J. Patel

David D. Bibyan
Vedang J. Patel
Attorneys for Plaintiffs Milon, Pelayo and Lopez and
Proposed Class Counsel

HOPKINS & CARLEY, ALC

Dated: _____, 2024

Ernest M. Malaspina
Jennifer S. Coleman
Elaisha Nandrajog
Attorneys for Defendant David & Esperanza Chavez
Family Limited Partnership DBA Chavez
Supermarket

EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Yuri Milon, et al. v. David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket Superior Court of California for the County of Santa Clara, Case No. 20CV368379

PLEASE READ THIS NOTICE

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

The Court has preliminarily approved the settlement in a class and representative action under the Private Attorneys General Act, California Labor Code sections 2698, *et seq.* (“PAGA”), against Defendant David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket (“Defendant”). In the lawsuit, Plaintiffs Yuri Milon, Olimpia Meza Pelayo and Emilio Lopez (together, “Plaintiffs”) alleged that Defendant failed to properly compensate Class Members for all hours worked, failed to provide compliant meal periods and/or rest breaks or compensation in lieu thereof, failed to provide accurate wage statements, failed to timely pay all wages owed during employment and upon termination, failed to pay employees accrued, unused vacation at termination, failed to keep accurate records required under California law, failed to reimburse Class Members for necessary business expenses, and violated section 17200, *et seq.* of California’s Business and Professions Code. Defendant denies Plaintiffs’ allegations and contends that it complies with applicable law.

“Class Member(s)” means all current and former non-exempt employees of Defendant employed in California during the Class Period.

“Class Period” means the time period from July 17, 2016 through July 25, 2023, or, if applicable, an Alternate End Date (which may be triggered if the Workweeks agreed upon between Defendant and Plaintiffs exceed 216,080 Workweeks by 5%).

“Class Settlement” means the settlement and resolution of the Settled Class Claims.

“PAGA Member(s)” means all current and former non-exempt employees of Defendant employed in the State of California during the PAGA Period.

“PAGA Period” means the time period from August 19, 2019 through July 25, 2023, or, if applicable, the Alternate End Date.

“PAGA Settlement” means to the settlement and resolution of the Settled PAGA Claims.

You have been identified by Defendant’s records as a Class Member and/or PAGA Member in the above-entitled action, and as such, you are subject to the terms of the Class Action and PAGA Settlement Agreement (“Settlement,” “Agreement,” or “Settlement Agreement”) preliminarily approved by the Court. Please read this notice carefully. It may affect your legal rights.

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO SETTLEMENT	
PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u>	If you want to remain in the Class, be bound by the Settlement and receive your Individual Settlement Payment, and if eligible, PAGA Payment , then you need not do anything.
OBJECT TO THE CLASS SETTLEMENT	If you want to object to the Class Settlement, you must follow the instructions in Section 7 . If you object, you will still be bound by the terms of the Settlement, if approved by the Court.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to be bound by the Class Settlement, you must follow the instructions in Section 6 to exclude yourself from the Class Settlement. If you exclude yourself from the Class Settlement, you will not be issued an Individual Settlement Payment, and you will not release the Settled Class Claims against Released Parties defined in Section 4 . If the Settlement is approved by the Court, and you are a PAGA Member, you will release the Settled PAGA Claims and be issued an Individual PAGA Payment even if you exclude yourself from the Class Settlement.
PARTICIPATE IN THE PAGA SETTLEMENT	If you are a PAGA Member (defined below), you will automatically be bound to the PAGA Settlement and be issued an Individual PAGA Payment. PAGA Members cannot opt-out or exclude themselves from the PAGA Settlement or the release of Settled PAGA Claims, and will be issued an Individual PAGA Payment even if they opt-out of the Class Settlement.

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

BASIC INFORMATION

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendant's records reflect that you are a Class Member and/or PAGA Member, as defined above. This Notice provides you with information about (1) the terms of the Settlement, including the claims that are being released, (2) the total monetary amount of the Settlement, (3) your estimated Individual Settlement Share provided you remain a

Settlement Class Member and/or Individual PAGA Payment as a PAGA Member, and (4) where to find additional information regarding the case and the Settlement.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT:

If you do nothing, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

2. WHAT IS THIS LAWSUIT ABOUT?

In the First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq., filed with the Court on [date], Plaintiffs allege that Defendant: (1) failed to pay all minimum wages; (2) fail to pay all overtime wages; (3) failed to provide meal periods; (4) failed to permit rest breaks; (5) failed to pay all wages during employment; (6) failed to pay all wages due upon separation of employment; (7) failed to pay accrued and unused vacation upon separation; (8) failed to keep accurate records; (9) failed to provide accurate itemized wage statements; (10) failed to reimburse necessary business expenses; (11) violated Business and Professions Code §§ 17200, *et seq.*; and (12) violated California's Private Attorneys General Act (Labor Code § 2698, *et. seq.* (PAGA).)

Defendant denies any liability or wrongdoing of any kind. Defendant contends, among other things, that it complied at all times with the California Labor Code and the Business and Professions Code, and that employees were correctly and timely paid all wages, and that meal periods and rest breaks are provided as required by applicable law.

The Court has not ruled on the merits of Plaintiffs' claims. By preliminarily approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case on the merits. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable and any final determination of those issues will be made at the final approval hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations and to contest whether the lawsuit should proceed as a class or representative action.

3. THE SETTLEMENT TERMS AND CALCULATION OF INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating the lawsuit, Defendant has agreed to pay a **Gross Settlement Amount of Three Million Five Hundred Thousand Dollars and Zero Cents (\$3,500,000.00)** to settle the lawsuit.

The following amounts will be paid from the Gross Settlement Amount, subject to Court approval:

- Payments to the Plaintiffs for their service as Class Representatives in the amount of Twelve Thousand Dollars and Zero Cents (\$12,000.00) to each, for a total of Thirty-Six Thousand Dollars and Zero Cents (\$36,000.00) ("Service Payments");

- Attorneys' fees not to exceed One Million Two Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$1,225,000.00), if the Gross Settlement Amount remains \$3,500,000.00, to Class Counsel ("Attorneys' Fees");
- Reimbursement of litigation costs and expenses in an amount up to Thirty-Two Thousand Dollars and Zero Cents (\$32,000.00) to Class Counsel ("Attorneys' Costs");
- The amount of Three Hundred and Fifty Thousand Dollars and Zero Cents (\$350,000.00) allocated to the payment of civil penalties under PAGA (the "PAGA Allocation"), of which seventy-five percent (75%) (i.e., \$262,500.00) will be paid to the Labor and Workforce Development Agency ("LWDA Payment") and the remaining twenty-five percent (25%) (i.e., \$87,500.00) shall be paid to PAGA Members ("Net PAGA Distribution Amount"); and
- The costs associated with administration of the Settlement, estimated to be Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) ("Settlement Administration Costs").

Defendant shall pay any and all employer side taxes outside of and in addition to the Gross Settlement Amount.

The amount remaining from the Gross Settlement Amount after deducting the PAGA Allocation; Attorneys' Fees; Attorneys' Costs; Settlement Administration Costs; Service Payment; is called the "Net Distribution Fund."

The **Net Distribution Fund** will be allocated to all Class Members who do not submit a timely and valid Opt Out Request from the Class Settlement ("**Settlement Class Member(s)**") on a *pro rata* basis, based on the number of Workweeks worked by each Class Member during the **Class Period** (i.e., July 17, 2016 through July 25, 2023). The Settlement Administrator will determine the value of a single Workweek worked by each Class Member during the Class Period by dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members. Each Settlement Class Member is eligible to receive a *pro rata* share of the Net Settlement Amount ("**Individual Settlement Share**") equal to his or her individual Workweeks worked during the Class Period multiplied by the value of a single Workweek in the Class Period. Following this, each Class Members "**Individual Settlement Payment**" will be calculated, which is the net payment of each Class Member's Individual Settlement Share, after reduction for the employee's share of taxes and withholdings.

The **Net PAGA Distribution Amount** will be allocated to PAGA Members on a *pro rata* basis, based on their number of Workweeks worked by PAGA Members during the **PAGA Period** (i.e., August 19, 2019 through July 25, 2023). The Settlement Administrator will determine the value of a single Workweek worked by each PAGA Member during the PAGA period by dividing the Net PAGA Distribution Amount by the total number of Workweeks worked by all PAGA Members during the PAGA Period. Each PAGA Member shall receive a *pro rata* share of the Net PAGA Distribution Amount ("**Individual PAGA Payment**") equal to his or her individual Workweeks worked during the PAGA Period multiplied by the value of a single Workweek in the PAGA Period.

You have been credited with Workweeks during the Class Period. Based on these Workweeks, your Individual Settlement Share, prior to any applicable withholdings, is

estimated to be \$ [REDACTED].

You [are / are not] considered to be a PAGA Member, and have been credited with [REDACTED] Workweeks during the PAGA Period. Based on these Workweeks, the Individual PAGA Payment you will receive under the Settlement is estimated to be \$ [REDACTED].

You may submit a written dispute to the number of Workweeks allocated to you (“Workweeks Dispute”) to the Settlement Administrator. Your Workweeks Dispute must: (1) contain the case name and number of the Milon Action (i.e., *Yuri Milon v. David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket* Superior Court of California for the County of Santa Clara, Case No. 20CV368379); (2) contain your full name, address, and telephone number; (3) be signed by you; (4) clearly state that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (5) attach any documentation that he or she has to support the dispute; and (6) be postmarked or fax stamped on or before [Response Deadline] and returned to the Settlement Administrator at the address or fax number listed below.

ILYM Group, Inc.

[mailing address]

[fax number]

Twenty percent (20%) of each Individual Settlement Share will be allocated to wages (“wage portions”) and subject to all applicable employee state and federal tax withholdings, and the remaining eighty percent (80%) will be allocated as non-wages (e.g. penalties, restitution and interest) (“non-wage portions”). The wage portions will be reported on an IRS form W-2, and the non-wage portions will be reported on an IRS form 1099 (if required).

One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties and be reported on an IRS form 1099 (if required).

Class Members are responsible for accurate payment of taxes on any amounts received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one hundred eighty (180) calendar days; after that, checks will be cancelled and the funds associated with cancelled checks will be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, for the benefit of those Class Members who did not cash, deposit, or otherwise negotiate their checks until such time that they claim their property.

Settlement Class Members and PAGA Members who fail to deposit or negotiate their check(s) in a timely fashion shall, nevertheless, remain subject to the terms of the Agreement and the Final Approval Order and Judgment.

4. WHAT AM I RELEASING UNDER THE CLASS SETTLEMENT?

As of the Effective Date and full funding of the Gross Settlement Amount, all Class Members who

do not submit a timely and valid Opt Out Request from the Class Settlement (i.e., Settlement Class Member(s)) shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all Settled Class Claims against any and all Released Parties.

“Released Parties” means Defendant David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket and each of its officers, directors, members, partners, owners, shareholders, employees, former employees, agents, servants, attorneys, assigns, affiliates, predecessors, successors, parent companies and organizations, insurers, and any and all other persons, firms and corporations in which Defendant may have an interest.

“Settled Class Claims” means all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities that arise during the Class Period that each Settlement Class Member had, now has, or may hereafter claim to have against the Released Parties and that were asserted in the Complaint, or that could have been asserted in the Complaint based on any of the facts or allegations in the Complaint, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. The Settled Class Claims specifically include, but are not limited to, claims for violations of the California Labor Code (including but not limited to §§ 200, 201, 202, 203, 204, 226, 226.3, 226.7, 227.3, 246, 432, 510, 512, 516, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, 2810.3, 2810.5) and applicable Industrial Welfare Commission Wage Orders for failure to pay all and overtime wages due; failure to provide compliant meal periods and associated premiums; failure to provide compliant rest periods and associated premiums; failure to pay all minimum wages due; failure to pay all wages timely during employment; failure to pay all wages timely at the time of termination; failure to provide complete, accurate, or properly formatted wage statements; failure to provide and/or pay vested vacation and/or sick pay; failure to maintain requisite time records, payroll records, personnel records, and documents signed to obtain or hold employment; failure to provide written notice of rates of pay and overtime rates of pay applicable to employment, allowances claimed as part of the minimum wage, the regular payday designated by employer, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by an employer under California Labor Code section 2810.5; failure to reimburse business expenses; and unfair business practices.

5. WHAT AM I RELEASING UNDER THE PAGA SETTLEMENT?

As of the Effective Date and full funding of the Gross Settlement Amount, the State of California, with respect to employment of Plaintiffs and all PAGA Members, shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all Settled PAGA Claims. The Settlement will release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and every PAGA Member to obtain any recovery based on the Settled PAGA Claims.

“Settled PAGA Claims” means all claims for civil penalties that were asserted, or could have been asserted, or that arise during the PAGA Period, based for any of the alleged violations of the

California Labor Code and/or Industrial Welfare Commission Wage Orders that were asserted, or could have been asserted, within the Complaint and PAGA Notice based on any facts or allegations therein, including, but not limited to, violations of the California Labor Code (§§ 200, 201, 202, 203, 204, 226, 226.3, 226.7, 227.3, 246, 432, 510, 512, 516, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2800, 2802, 2810.3, 2810.5) and applicable Industrial Welfare Commission Wage Orders, for failure to pay all and overtime wages due; failure to provide compliant meal periods and associated premiums; failure to provide compliant rest periods and associated premiums; failure to pay all minimum wages due; failure to pay all wages timely during employment; failure to pay all wages timely at the time of termination; failure to provide complete, accurate, or properly formatted wage statements; failure to provide and/or pay vested vacation and/or sick pay; failure to maintain requisite time records, payroll records, personnel records, and documents signed to obtain or hold employment; failure to provide written notice of rates of pay and overtime rates of pay applicable to employment, allowances claimed as part of the minimum wage, the regular payday designated by employer, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by an employer under California Labor Code section 2810.5; and failure to reimburse business expenses.

Released Parties is defined in Section 4 of this Notice, above.

PAGA MEMBERS CANNOT OPT-OUT OR EXCLUDE THEMSELVES FROM THE PAGA SETTLEMENT OR THE RELEASE OF SETTLED PAGA CLAIMS, AND WILL BE ISSUED AN INDIVIDUAL PAGA PAYMENT EVEN IF THEY OPT-OUT OF THE CLASS SETTLEMENT.

6. WHAT IF I DON’T WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

As a Class Member, you have the right to request exclusion from the settlement and resolution of the Settled Class Claims (i.e., Class Settlement), but, if you are a PAGA Member, you are not able to exclude yourself from the settlement and resolution of the Settled PAGA Claims (i.e., PAGA Settlement).

To exclude yourself from the Class Settlement, you must submit a written request for exclusion to the Settlement Administrator (“Opt Out Request”) at the address or fax number listed in Section 3 of this Notice, above.

A valid and complete Opt Out Request must: (1) contain the case name and number of the Milon Action (i.e., *Yuri Milon v. David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket* Superior Court of California for the County of Santa Clara, Case No. 20CV368379); (2) contain your full name, address, and telephone number; (3) be signed by you; (4) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement; and (5) be postmarked or fax stamped on or before **[Response Deadline]** and returned to the Settlement Administrator at the specified address or fax number listed in Section 3 of this Notice, above.

It is your responsibility to ensure that the Settlement Administrator timely receives your Opt Out Request. Unless you timely request to be excluded from the Class Settlement, you will be bound by the judgment and Class Settlement upon final approval of the Settlement.

Class Members who request to be excluded from the Class Settlement will NOT be issued an Individual Settlement Payment, and will not release any of the Settled Class Claims. However, Class Members who are also PAGA Members will be issued their Individual PAGA Payment and bound to the PAGA Settlement regardless of whether they submit an Opt Out Request.

7. WHAT IF I WANT TO OBJECT TO THE CLASS SETTLEMENT?

Any Class Member who does not opt out of the Class Settlement may object to the Class Settlement. If the Court denies approval of the Settlement, no payments will be sent out and the Action will continue to be litigated in Court.

If you wish to object, you must submit your objection in writing to the Settlement Administrator (“Objection”). A valid and complete Objection must: (1) contain the case name and number of the Milon Action (i.e., *Yuri Milon v. David & Esperanza Chavez Family Limited Partnership DBA Chavez Supermarket* Superior Court of California for the County of Santa Clara, Case No. 20CV368379); (2) contain your full name, address, and telephone number; (3) be signed by you; (4) contain a written statement of all grounds for the Objection accompanied by any legal support for such Objection; (5) contain copies of any papers, briefs, or other documents upon which the Objection is based; and (6) be postmarked or fax stamped on or before [Response Deadline] and returned to the Settlement Administrator at the specified address or fax number listed in Section 3 of this Notice, above.

Submitting an objection will **not** exclude you from the Class Settlement. If the Court grants final approval of the Settlement, you will still be issued an Individual Settlement Payment and will be barred from pursuing the Settled Class Claims. **Do not submit both an Objection and Opt Out Request.** If you submit both an Objection and an Opt Out Request, you will be excluded from the Class Settlement and the Objection will not be considered.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on _____, at _____ a.m. in Department _____ of the Superior Court of the State of California, County of Santa Clara, located at 1095 Homestead Road Santa Clara, California 95050. The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to (please visit the Court’s website for more information regarding how you can appear).

9. WHO ARE THE ATTORNEYS?

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The Court has decided that the attorneys for Plaintiffs and the Class are qualified to represent the Class ("Class Counsel"). Class Counsel has been prosecuting the Action on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one. If you retain the services of your own attorney in connection with the lawsuit, you will be responsible for paying for those services and related expenses.

11. FURTHER INFORMATION

The foregoing is only a summary of the Settlement. For the precise terms and conditions of the Settlement, please see the settlement agreement available at https://www.scscourt.org/online_services/case_info.shtml, by contacting Class Counsel at the address or telephone number provided in Section 9 above, or by visiting the office of the Clerk of the Superior Court for the State of California County of Santa Clara, located at 1095 Homestead Road Santa Clara, California 95050.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.