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Attorneys for Plaintiff and the proposed class

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

REGINALD ANTONIO CHAVIS JR., an
individual, on behalf of himself and others
similarly situated,

PLAINTIFF,

v.

GROCERY OUTLET INC.; and DOES 1 thru
50, inclusive,

DEFENDANTS.

CASE NO. 34-2021-00309003

[Case Assigned for All Purposes to Dept. 28]

**DECLARATION OF KELSEY M.
SZAMET IN SUPPORT OF PLAINTIFF'S
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

*[Filed concurrently with Motion for
Preliminary Approval of Settlement and
[Proposed] Order Thereon]*

Date: February 17, 2023

Time: 9:00 a.m.

Dept.: 28

Reservation Number: 2702097

Complaint Filed: September 29, 2021

FAC Filed: December 7, 2021

Trial Date: None Set

1 **DECLARATION OF KELSEY M. SZAMET**

2 I, Kelsey M. Szamet, state and declare as follows:

3 1. I am an attorney admitted before all courts of the State of California and a partner
4 in the law firm of Kingsley & Kingsley, APC, counsel of record for Plaintiff in this action. I am
5 completely familiar with the present litigation, including the pleadings, discovery, and filings
6 submitted in this matter. I make this Declaration from my own personal knowledge, and, if called
7 upon, I could and would competently testify to the following.

8 2. I graduated cum laude from the University of California, San Diego in 2004 with a
9 degree in Human Development. I graduated from the University of California, Los Angeles
10 School of Law in 2008. I am admitted to practice before the following Courts: United States
11 Supreme Court; United States District Court, Northern, Eastern, Southern and Central of
12 California; all California State Courts.

13 3. I make this Declaration in support of Plaintiff's Motion for Preliminary Approval
14 of the Class Action Settlement in the above-captioned case.

15 **RELEVANT PROCEDURAL HISTORY**

16 4. On September 29, 2021, Plaintiff filed a class action complaint, individually and
17 on behalf of other similarly situated, in the Sacramento County Superior Court alleging claims of
18 failure to pay wages pursuant to Labor Code sections 510, 1194, and 1199, failure to provide rest
19 breaks pursuant to Labor Code section 226.7, violation of Labor Code section 226(a), and violation
20 of Business and Professions Code section 17200, against Defendant under Case No. 34-2021-
21 00309003 (the "Action"). On December 7, 2021, Plaintiff filed a First Amended Class Action and
22 Representative Action Complaint, which asserted the same claims as the Action and added a claim
23 for penalties for wage and hour violations under the California Private Attorneys' General Act
24 ("PAGA").

25 5. On December 20, 2022, Plaintiff filed a Second Amended Class Action and
26 Representative Action Complaint that: (1) defines the putative class as all persons currently and
27 formerly employed by Defendant as non-exempt employees at Defendant's Regional Fulfillment
28 Centers in California from September 29, 2017 to trial; (2) omits Plaintiff's cause originally pled

1 cause of action for failure to provide rest breaks pursuant to Labor Code section 226.7; (3) adds a
2 cause of action for failure to pay wages at termination in violation of Labor Code section 203; and
3 (4) includes all claims released by this Settlement.

4 **THE DISCOVERY PROCESS AND MEDIATION**

5 6. The Parties have yet to engage in formal discovery, instead focusing their efforts
6 on resolving this case through early mediation.

7 7. The Parties scheduled a private mediation with Russ J. Wunderli, Esq. on May 24,
8 2022. In preparation for mediation, Defendant informally produced multiple documents and
9 provided other information necessary to evaluate settlement.

10 8. This included Plaintiff's personnel file and time and pay records, sample wage
11 statements, and the total number of Class Members and relevant work weeks at issue.

12 9. The Parties engaged in extensive informal discovery to properly assess their
13 strength and weakness in this lawsuit.

14 10. After the substantial production, the Parties engaged in direct negotiations and,
15 ultimately, were able to arrive at the proposed settlement now presented to the Court for
16 preliminary approval.

17 11. Defendant denies any liability or wrongdoing of any kind associated with the claims
18 alleged in the Action, disputes the damages and penalties claimed by Plaintiff, and further contends
19 that, for any purpose other than settlement, Plaintiff's claims are not appropriate for class or
20 representative action treatment. Defendant contends, among other things, that, at all times, it has
21 complied with the California Labor Code, and the Industrial Wage Commission Orders.

22 12. Based on their own independent investigation and evaluation, Class Counsel is of
23 the opinion that the Stipulation of Settlement with Defendant is fair, reasonable and adequate, and
24 in the best interest of the settlement classes in light of all known facts and circumstances, including
25 the risk of significant delay, defenses asserted by Defendant, uncertainties regarding a class and
26 representative action trial on the merits, and numerous potential appellate issues. Although
27 Defendant denies any liability, Defendant is agreeing to this Stipulation of Settlement solely to
28 avoid the cost of litigation. Accordingly, the Parties and their counsel desire to fully, finally, and

1 forever settle, compromise and discharge all disputes and claims arising from or relating to the
2 Action on the terms set forth here.

3 **THE PROPOSED SETTLEMENT CLASS SHOULD BE CERTIFIED FOR**

4 **SETTLEMENT PURPOSES**

5 13. Plaintiff maintains that the proposed Settlement Class is ascertainable for several
6 reasons: First, Defendant has agreed in the Stipulation of Settlement to provide a class list to the
7 Settlement Administrator containing the name, last known mailing address, last known telephone
8 number, social security number, and hire and termination dates for all putative class members after
9 issuance of the preliminary approval order.

10 14. Class Member consist of Defendant's employees, and Defendant is required to keep
11 records of its employees' names, home addresses, and social security numbers.

12 15. Defendant informally produced Plaintiff's personnel file and sampling pay data and
13 wage statements for Class Members containing class member contact information, which confirms
14 that all Class Member may be readily identified based on Defendant's records.

15 16. The proposed Settlement Class contains, based upon information and belief,
16 approximately 489 employees in the State of California. Therefore, Plaintiff is confident he will
17 be able to establish that the proposed Settlement Class is ascertainable and sufficiently numerous.

18 17. Here, Plaintiff argues that there are questions of law and fact common to the
19 proposed Settlement Class that predominate over any questions affecting only individual Class
20 Members.

21 18. These common questions include:

- 22 1) Whether Defendant failed to pay all wages and/or overtime compensation;
23 2) Whether Defendant failed to provide accurate itemized wage statements;
24 3) Whether Defendant failed to pay compensation due and owing upon termination
25 of employment;
26 4) Whether Defendant engaged in unfair competition; and,
27 5) Whether Defendant violated § 2699, et seq. of the Labor Code by engaging in the
28 acts previously alleged.

1 19. Plaintiff's challenge to Defendant's uniform policies and practices involves
2 common factual and legal issues that are amenable to class treatment.

3 20. Plaintiff contends that the proposed Class Members suffered the same injuries, in
4 the same manner: (1) Class Members were not properly paid all wages/overtime; (2) Class
5 Members were not provided accurate itemized wage statements; and (3) Class Members were not
6 paid all wages owed upon termination/resignation.

7 21. Plaintiff contends that certification for settlement purposes is appropriate.

8 22. Plaintiff worked as an "hourly employee" for Defendant from approximately
9 February 2021 through April 2021.

10 23. Plaintiff alleges that he: (1) worked without being paid all wages and/or overtime;
11 (2) worked without being provided accurate itemized wage statements; and (3) worked without
12 being paid all wages due upon separation. He also alleges that he experienced derivative claims
13 for unfair business competition (B&P Code §17200) and Labor Code §2699, et seq.

14 24. Plaintiff also contends that his claims are typical of those of the Settlement Class.

15 25. Plaintiff believes that he is capable of fairly representing and adequately protecting
16 the interests of the proposed Class Members.

17 26. The members of the proposed Settlement Class all worked for Defendant during
18 the relevant time period and incurred the same type of alleged damages with regard to Defendant's
19 alleged violations of the law.

20 27. Plaintiff has agreed to serve as Plaintiff and has retained qualified Counsel who is
21 experienced in prosecuting wage and hour class actions.

22 28. This demonstrates his commitment to bringing about the best possible results for
23 the benefit of the proposed Settlement Class.

24 29. Plaintiff has provided his Counsel with all necessary and pertinent information.

25 30. He has been a very active participant in the litigation including having frequent
26 contact with Class Members, and working closely with Class Counsel to develop the theories of
27 liability.

28 31. Plaintiff has provided his Counsel with all necessary and pertinent information.

32. Plaintiff believes that he has and will continue to adequately represent the proposed Class Members.

33. Plaintiff has provided his Counsel with all necessary and pertinent information.

34. In this regard, the superiority of class treatment is evident here because individual pursuit of class members' claims may not be economically viable.

35. The only alternative to certification would be to force over 480 employees to join this action, file individual, uniform actions, or abandon their legal rights altogether.

36. Plaintiff maintains that this economic reality would result in a windfall for Defendant if this case were not certified.

THE PROPOSED SETTLEMENT

37. For purposes of Stipulation of Settlement, the settlement class is defined as: "all persons currently and formerly employed by Defendant as non-exempt employees at Defendant's Regional Fulfillment Centers in California from September 29, 2017 to December 31, 2022."

38. The Class Period is September 29, 2017 through December 31, 2022.

39. Based on documents and other information produced by Defendant, there are approximately 489 Class Members and 46,055 workweeks at issue.

40. As detailed fully in the Stipulation of Settlement, the Settlement provides for Defendant to pay a Maximum Settlement Amount of \$450,000.00, which includes the sum of the individual Settlement Awards, the Plaintiff service award, the Class Counsel Award, PAGA Payment, and the Settlement Administration Costs.

41. The Net Settlement Amount is the Maximum Settlement Amount, less all Class Counsel's attorneys' fees and litigation costs, the enhancement award to the class representative, the PAGA penalty payment to the LWDA as described further below, and settlement administration expenses. The Parties estimate the amount of the Net Settlement Amount as follows:

Maximum Settlement Amount:	\$	450,000.00
Less Plaintiff Enhancement:	\$	7,500.00
Less Class Counsel's Fees:	\$	150,000.00

Less Class Counsel's Costs:	\$	15,000.00
Less PAGA Payment:	\$	20,000.00
		<i>(\$15,000.00 to the LWDA and \$5,000.00 to remain in the Net Settlement Amount)</i>
<u>Less Settlement Administrator Costs:</u>	<u>\$</u>	<u>\$11,500.00</u>
Anticipated Net Settlement Amount	\$	251,000.00

KULLAR ANALYSIS

42. The extensive informal discovery conducted in this lawsuit permitted Class Counsel to fairly evaluate the strength of the case and the risks associated with ongoing litigation.

43. Class Counsel is experienced in handling wage and hour class actions and, after weighing all of the following factors, supports this Stipulation of Settlement.

44. Plaintiff maintains that he and other Class members earned premium pay at \$1 per hour during certain pay periods.

45. Plaintiff alleges that Defendant failed to include this premium pay in the regular rate calculation for Class Members in pay periods that they were paid premium pay and also paid overtime.

46. As a result of this alleged failure to properly blend, Plaintiff maintains that Defendant underpaid Plaintiff and Class Members whenever they worked overtime and earned premium pay in the same pay period.

47. Because this claim can be readily analyzed from Defendant's time and pay records, Plaintiff felt confident that this claim was certifiable and that he would likely prevail on the merits at trial. However, Defendant argued that Plaintiff did not work any daily or weekly overtime during his short period of employment, and therefore would argue that he was not owed any wages and could not be an adequate or typical class representative because he suffered no injury. This argument posed meaningful risk to recovery that Plaintiff had to acknowledge in reaching the resolution now presented to the Court.

48. Plaintiff maintains that Defendant issued wage statements that allegedly violate Labor Code §§ 226(a)(2) and (9).

1 49. Plaintiff alleges that he and Class Members are issued wage statements that do not
2 accurately show the applicable overtime rate and the number of hours *worked* at the corresponding
3 rate based on Defendant's alleged failure to blend discussed above.

4 50. Plaintiff has to recognize that this is a derivative claim.

5 51. Plaintiff does not argue that Defendant failed to show required information on the
6 paystubs it issued to Class Members, only that the paystubs do not accurately show the
7 information.

8 52. While plaintiff believes this claim is easily certifiable, Plaintiff has to acknowledge
9 that this is a more difficult argument to prevail on when it comes to assessing liability.

10 53. Plaintiff contends that Defendant failed to properly pay overtime for any work in
11 excess of eight (8) hours per day and/or any work in excess of forty (40) hours per week based on
12 the alleged failure to blend as discussed above.

13 54. As such, the risk analysis for the section 203 claim flows from the risk analysis for
14 the underlying wage claim discussed above.

15 55. If Defendant could prove, that class members were properly paid for all hours
16 worked at the appropriate overtime rate, there would be no recovery of wages and no waiting time
17 penalties that flow therefrom.

18 56. To establish liability for waiting time penalties, Plaintiff would have to establish
19 not only that the underlying violations occurred, but also that Defendant's conduct was "willful."
20 Labor Code § 203.

21 57. The Settlement Class is arguably compensated for these violations in the proposed
22 Stipulation of Settlement, and thus any PAGA recovery for these same violations would be
23 duplicative. As such, the Stipulation of Settlement's contemplated PAGA payment of \$20,000.00
24 is appropriate.

25 58. There is significant expense associated with the class certification process, which
26 the Parties can avoid by entering into the contemplated Stipulation of Settlement now.

27 59. If the Court did eventually certify class, trial of a case involving approximately 489
28 Class Members would require the retention of expensive expert witnesses, the accrual of extensive

1 litigation costs, and a significant time overlay by the parties.

2 60. Given the complexity and unsettled nature of the issues in this case it is likely that
3 any outcome at trial would have resulted in a lengthy and costly appeal. An appeal would result in
4 further delay for the Class Members who are waiting for a resolution in this matter.

5 61. This case has not been certified to be tried as a class action. While Plaintiff believes
6 there is strong evidence to support certification of several possible subclasses, certification is
7 always hard fought and subject to judicial discretion. Moreover, in class actions, decertification
8 is always a possibility. In attempting to certify a class, the parties would need to conduct multiple
9 depositions, including of the Plaintiff and of several person(s) most knowledgeable regarding
10 Defendant's wage policies. There is a risk for both sides as to what these depositions will reveal
11 and whether they will support class certification to the extent expected.

12 62. It was very difficult for the Parties to reach this Settlement of \$450,000.00.

13 63. This Settlement is the result of adversarial, non-collusive, and arms-length
14 negotiations. The Parties arrived at it after extensive investigation and discovery, careful
15 evaluation of the law, risks, and all information substantiating the amount of penalties reasonably
16 likely to be awarded to the class were the trier of fact to find Defendant liable, and the assistance
17 of an experienced mediator, Russ J. Wunderli, Esq.

18 64. Plaintiff assessed full value of the Minimum Wage/Overtime claim, without any
19 discount, at approximately \$54,000.

20 65. This calculation was based upon a 10% data sample and included all pay codes that
21 allegedly should have been blended into the regular rate to determine the correct overtime rate.

22 66. That analysis found that allegedly \$5,402.35 was underpaid as a result of the
23 allegations that Defendant failed to blend correctly and was then extrapolated to the entire Class
24 for the duration of the Class Period resulting in exposure of approximately \$54,000.

25 67. Plaintiff valued the Wage Statement Claim, without discount, at \$1,956,000.

26 68. Labor Code §226(e)(1) provides for a \$50 penalty for the initial wage statement
27 and \$100 thereafter for each wage statement but puts a \$4,000 cap on wage statement penalties per
28 employee.

69. Thus, assuming that each Class Member was entitled to penalties for each and every workweek during the Section 226(a) statutory period, which is likely very overstated due to employee turnover, the exposure maximum is \$1,956,000 (489 Class Members x \$4,000).

70. Plaintiff determined that a steep discount of this claim was fair for settlement purposes due to the risk that liability would not attach; as discussed in detail above, Plaintiff did not allege a standalone claim for Section 226(a) penalties, but only a derivative claim that because the overtime rates allegedly were not blended correctly, the paystubs were therefore not accurate. This can be a very difficult claim to prove because Plaintiff does not dispute that the paystubs show all the required information, just the information was not correct as a result of the alleged failure to blend.

71. Plaintiff valued the Waiting Time Claim, tied to the Wage/Overtime claim, at \$1,500,000.

72. Considering the derivate nature of Labor Code §203 and the dispute over whether class members were owed any wages as a result of the alleged failure to blend, Plaintiff determined that accepting a discount on this claim was appropriate.

73. Finally, Plaintiff calculated the maximum value of the PAGA claim at \$4,340,800 for Class Members (using \$100 per pay period x 43,408 pay periods). However, it must be noted this figure is arguably overstated as most employers pay bi-weekly, but Defendant pays weekly so there are far more pay periods as a result. If this number was cut in half, it would be reduced to \$2,170,400.

74. The main risk taken into account with PAGA is the discretionary nature of the penalty award.

75. A judge can award the statutory maximum of \$100 for the initial violation and \$200 thereafter or – in theory – one cent per wage statement.

76. While there is a dearth of available authority, in Plaintiff's view, there is significant risk that were he to succeed on any of the underlying Labor Code violations, it is not likely that a Judge would also award a large amount of civil penalties on top of any damages recovered.

77. Per Plaintiff's assessment, the maximum potential value of all of Plaintiff's and the

1 Class Members' claims was approximately \$5,680,400 based on the figures as set forth above.

2 78. However, Plaintiff has to acknowledge the vast majority of this amount is penalties
3 (Labor Code Sections 226(a), 203, and 2699.). Looking realistically at just the core alleged regular
4 rate liability of \$54,000 and when considered in context with the forgoing risks on the merits, Class
5 Counsel believes the Maximum Settlement Amount of \$450,000.00 is fair and reasonable.

6 **ATTORNEY COMPETENCE**

7 79. Kingsley & Kingsley is experienced in prosecuting employment litigation, and
8 since 2000 we have focused our practice on wage, hour, and working condition violations. My
9 firm is well versed in class action litigation and has diligently and aggressively pursued this action.
10 Kingsley & Kingsley currently serves as class counsel for several dozens of pending class action
11 lawsuits in Northern, Central, Eastern, and Southern California in both State and Federal Court.
12 Below is a small, but representative sampling of wage and hour cases handled by my firm:

- 13 a. *Goodman v. Crystal Ventures, Inc.* (No. BC245561, L.A. Super. Ct.) In January
14 2002, Hon. Anthony Mohr granted final approval of settlement in the gross amount
15 of \$255,000 and the court approved the attorneys' fee request of 33 1/3%.
- 16 b. *Johnston v. The Cheesecake Factory* (No. BC316180, L.A. Super. Ct.) In
17 December 2005, Honorable Rita Miller granted final approval of Settlement in the
18 gross amount of \$4,000,000 and the court granted attorneys' fees request of 30%.
- 19 c. *Tumino v. HOB Entertainment* (No. BC327962, L.A. Super. Ct.) In May 2006, the
20 Honorable Conrad R. Aragon granted final approval of Settlement in the gross
21 amount of \$1,000,000 and the court granted attorneys' fees request of 30%.
- 22 d. *Ryan v. Hilton Hotels Corporation*, (No. BC364260, L.A. Super. Ct.) In March
23 2008, the Honorable Mary Thornton House granted final approval of Settlement in
24 the gross amount of \$1,675,000.00 and the court granted attorneys' fees request of
25 33 1/3%.
- 26 e. *Gerritson v. Styles For Less, Inc.*, (No. BC402921, L.A. Super. Ct.) In September
27 2010, the Hon. Kenneth R. Freeman granted final approval of Settlement in the
28 gross amount of \$2,000,000.00, and the court granted attorneys' fees request of

33.3%.

- f. *Lewis v. Collabrus, Inc., et al.*, (No. 109CV-142927, Santa Clara Super. Ct.) In March 2012, the Honorable James P. Kleinberg granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.
- g. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (No. BC402739, L.A. Super. Ct.) In June 2013, the Honorable Lee Smally Edmund granted final approval of Settlement in the gross amount of \$4,700,000.00, and the court granted attorneys' fees request of 38%.
- h. *Anderson v. Total Renal Care, Inc.*, (No. BC388335, L.A. Super. Ct.) In January 2014, the Honorable William F. Highberger granted final approval of Settlement in the gross amount of \$1,500,000.00 and the court granted attorneys' fees request of 33.33%.
- i. *Rojas, et al. v. Sunview Vineyards of California, Inc.*, Eastern District (1:09-cv-00705 AWIJLT). This certified class action was approved for final settlement by the Honorable Anthony W. Ishii in October 2015, in the gross amount of \$4,550,000.00, with attorneys' fees approved in the amount of \$1,137,500.00.
- j. *Westbrook v. International Surfacing Systems*, (No. RG10510015, Alameda Super. Ct.) In August 2015, the Hon. Wynne Carvill granted final approval of Settlement in the gross amount of \$995,000.00, and the court granted attorney's fees request of 33.33%.
- k. *Kane et al. v. Valley Slurry Seal*, (No. CV08-2483, Yolo Super. Ct.) In March 2016 after a class trial with a verdict in the class's favor, the Honorable Daniel P. Maguire, awarded Kingsley & Kingsley and co-counsel \$996,232.72 in attorney's fees.
- l. *Aparacio v. Abercrombie & Fitch Stores, Inc.*, (No. BC499281, L.A. Super. Ct.) In June 2016, the Hon. Kenneth Freeman granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorney's fees request of

33.33%.

m. *Isaguirre v. Guess?, Inc., Los Angeles Superior Court (BC357631)*. The matter was proposed for final settlement by the Honorable Richard L. Fruin on February 19, 2016, in the gross amount of \$5,250,000.

n. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (BC402739). The matter was approved for final settlement by the Honorable Lee Smally Edmund in June 2013, in the gross amount of \$4,700,000.00, with attorney's fees request of 38%.

o. *Munoz, et al. v. Giumarra Vineyards Corporation*, United States District Court for the Eastern District of California (Case No.: 1:09-cv-00703 - AWI – JLT). The matter was approved for final settlement by the Honorable Anthony W. Ishii in November 2017, in the gross amount of \$6,100,000.00, plus interest, with attorney's fees benchmark award of \$1,525,000.

p. *Pineda, et al. v. Grimmway Enterprises, Inc.*, Kern County Superior Court (BCV-15-101333). The matter was approved for final settlement before the Hon. Stephen D. Schuett, Dept. 10, in January 2018, in the gross amount of \$9,000,000 with attorneys' fees request of 33.33%.

80. Kingsley & Kingsley, APC filed its first class certification motion in the year 2000 and since that time has been appointed class counsel on dozens of wage and hour class actions that have been approved for class certification. Since 2012, Kingsley & Kingsley, APC has moved for class certification in 15 matters and has successfully obtained class certification in 15 of those cases. A brief sampling of which includes:

- a. *Lewis v. Collabrus, Inc., Santa Clara County Superior Court (109CV-142927)*, approved for Class Certification in 2011.
- b. *Melendrez v. JK Communications*, No. BC497692, (L.A. Super. Ct., filed December 19, 2012) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).
- c. *Amaro, et al v. Gerawan Farming, Inc.*, No. 1:14-cv-00147-DAD-SAB (E.D. Cal.,

1 filed February 3, 2014) (court granted contested class certification and appointed
2 Kingsley & Kingsley as class counsel).

3 d. *Suarez v. Mazatlan, Inc.*, No. 37-2015-00002978-CU-OE-CTL (S.D. Super. Ct.,
4 filed January 27, 2015) (court granted contested class certification and appointed
5 Kingsley & Kingsley as class counsel).

6 e. *Ruiz v. Daniel C. Salas Harvesting, Inc.*, Kings County Superior Court (16 C 0214).
7 contested class certification granted in June 2020.

8 f. *Weldon v. Geo Corrections & Detentions, LLC*, Kern County Superior Court
9 (BCV-16-102833), contested class certification granted in 2018.

10 g. *Patton v. Skyler Electric*, Nevada County Superior Court, (CU17-082544),
11 contested class certification granted in June 2020.

12 h. *Hameister v. Jaco Oil Company*, Kern County Superior Court (BCV-17-102876),
13 contested class certification granted in August 2020.

14 81. Class Counsel is experienced in the handling of wage and hour class actions and
15 supports this Settlement. Based on its analysis, Class Counsel believes that this settlement is fair
16 and reasonable and in the best interest of the Class Members.

17 82. The proposed plan of allocation distributes Stipulation of Settlement funds
18 proportionally to each class member's potential damages and should therefore be approved as fair,
19 adequate, and reasonable.

20 **SERVICE AWARD TO THE NAMED PLAINTIFF**

21 83. Plaintiff is entitled to an enhancement for his valiant effort and time expended in
22 this matter. The time spent by REGINALD ANTONIO CHAVIS JR. is significant and includes
23 researching and retaining competent counsel; providing information to Class Counsel regarding
24 the nature of the work at Defendant; compiling relevant documents; working closely with Class
25 Counsel to develop the theories of liability and martial relevant evidence; regularly discussing the
26 status of the case with Class Counsel; discussing the case via telephone with many Class Members;
27 and responding promptly to Class Counsel's communications regarding settlement.

28 84. As set forth in the Stipulation of Settlement, Plaintiff will also be entering into a

1 general release of liability pursuant to Civil Code Section 1542.

2 85. Class Counsel considers this to be a fair and reasonable enhancement. The
3 enhancement takes into consideration the time, effort, and expense incurred by Plaintiff in coming
4 forward to litigate this matter on behalf of all Class Members. Plaintiff will provide a detailed
5 declaration with the Final Approval Motion detailing his participation and further justification for
6 the enhancement.

7 **SUBMISSION TO THE LABOR WORKFORCE DEVELOPMENT AGENCY**

8 86. As indicated on the Proof of Service, Plaintiff's Motion for Approval of Class
9 Action Settlement ("Motion") will be concurrently uploaded to the Labor and Workforce
10 Development Agency's ("LWDA") website on the date this Motion is filed as required by statute.
11 Proof of submission of Plaintiff's Motion, all related documents, and copy of the email from the
12 LWDA confirming receipt is attached hereto as Exhibit "B."

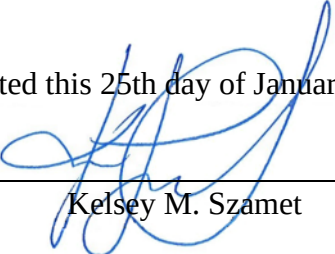
13 **EXHIBITS**

14 87. Attached hereto as Exhibit "A" is a true and correct copy of the fully-executed Joint
15 Stipulation of Class Action and PAGA Settlement and Release ("Settlement" or "Stipulation of
16 Settlement").

17 88. Attached hereto as Exhibit "B" is a true and correct copy of the proof of submission
18 of Plaintiff's Motion, all related documents, and copy of the email from the LWDA confirming
19 receipt.

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

22 This Declaration was executed this 25th day of January, 2023, in Encino, California.

23
24 

Kelsey M. Szamet

EXHIBIT "A"

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Attorneys for Defendant
 GROCERY OUTLET INC.

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SACRAMENTO

REGINALD ANTONIO CHAVIS JR.,
 an individual, on behalf of himself and
 others similarly situated,

PLAINTIFF,

v.

GROCERY OUTLET INC.; and
 DOES 1 thru 50, inclusive,

DEFENDANTS.

Case No. 34-2021-00309003

**JOINT STIPULATION OF CLASS
 ACTION AND PAGA SETTLEMENT
 AND RELEASE BETWEEN PLAINTIFF
 AND DEFENDANT**

Complaint Filed: 9/29/2021

FAC Filed: 12/7/21

SAC Filed: 12/20/22

Trial Date: Not Set

1 This Joint Stipulation of Class Action and PAGA Settlement and Release (hereinafter
2 “Stipulation of Settlement”) is made and entered into by and between Plaintiff Reginald Antonio
3 Chavis, Jr., as an individual and on behalf of all similarly situated and aggrieved employees
4 (“Plaintiff”), and Grocery Outlet Inc. (“Defendant”).

5 This Stipulation of Settlement shall be binding on Plaintiff and those persons Plaintiff seeks
6 to represent, and on (i) Defendant; (ii) each of Defendant’s past, present and future direct and
7 indirect parent companies; (iii) the respective past, present and future direct and indirect
8 subsidiaries and affiliates of any of the foregoing; (iv) the past, present and future shareholders,
9 directors, officers, agents, employees, clients, attorneys, insurers, predecessors, successors and
10 assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with
11 any of the foregoing. The Settlement contemplated by this Stipulation of Settlement may
12 hereinafter be referred to as the “Settlement.”

13 THE PARTIES STIPULATE AND AGREE as follows:

14 1. Plaintiff and Defendant are collectively referred to herein as “the Parties.”

15 2. On September 29, 2021, Plaintiff filed a class action complaint, individually and
16 on behalf of other similarly situated, in the Sacramento County Superior Court alleging claims of
17 failure to pay wages pursuant to Labor Code sections 510, 1194, and 1199, failure to provide rest
18 breaks pursuant to Labor Code section 226.7, violation of Labor Code section 226(a), and violation
19 of Business and Professions Code section 17200, against Defendant under Case No. 34-2021-
20 00309003 (the “Action”).

21 3. On December 7, 2021, Plaintiff filed a First Amended Class Action and
22 Representative Action Complaint, which asserted the same claims as the Action and added a claim
23 for penalties for wage and hour violations under the California Private Attorneys’ General Act
24 (“PAGA”).

25 4. On December 20, 2022, Plaintiff filed a Second Amended Class Action and
26 Representative Action Complaint that: (1) defines the putative class as all persons currently and
27 formerly employed by Defendant as non-exempt employees at Defendant’s Regional Fulfillment
28 Centers in California from September 29, 2017 to trial; (2) omits Plaintiff’s cause of action for

1 failure to provide rest breaks pursuant to Labor Code section 226.7; (3) adds a cause of action for
2 failure to pay wages at termination in violation of Labor Code section 203; and (4) includes all
3 claims released by this Settlement. The term “Action” means this putative class and representative
4 action pending in Sacramento County Superior Court. The “Class Period” is from September 29,
5 2017 to December 31, 2022.

6 5. This Action has been actively litigated. There have been on-going investigations,
7 there has been an exchange of extensive documentation and information, and the Parties have
8 participated in extensive private settlement negotiations. Plaintiff has not filed a motion for class
9 certification in this Action, nor has a date been set by the Court for the filing of such a motion.

10 6. For purposes of this Settlement, the “Settlement Class” or “Class Members” shall
11 consist of all persons currently and formerly employed by Defendant as non-exempt employees at
12 Defendant’s Regional Fulfillment Centers in California from September 29, 2017 to December 31,
13 2022. The Settlement Class, however, shall not include any person who previously settled or
14 released any of the claims covered by this Settlement, any person who previously was paid or
15 received awards through civil or administrative actions for the claims covered by this Settlement,
16 or any person who submits a timely and valid Request for Exclusion as provided in this Settlement.

17 7. Solely for purpose of settling this case, the Parties stipulate and agree that the
18 requisites for establishing class certification with respect to the Settlement Class have been met
19 and are met. More specifically, the Parties stipulate and agree that:

20 a. The Settlement Class is ascertainable and so numerous as to make it
21 impracticable to join all Class Members.

22 b. There are common questions of law and fact, including but not limited to
23 the following:

24 i. Whether Defendant complied with applicable laws affecting
25 Plaintiff and the Settlement Class under the California Labor Code and the Wage Orders of the
26 California Industrial Welfare Commission; and

27 ii. Whether Plaintiff and the Settlement Class are entitled to alleged
28 unpaid wages, penalties, interest, and attorneys’ fees and costs.

1 c. Plaintiff believes that Plaintiff's claims are typical of the claims of the
2 members of the Settlement Class.

3 d. Plaintiff believes that Plaintiff will fairly and adequately protect the
4 interests of the Settlement Class, and that Eric B. Kingsley and Kelsey M. Szamet of Kingsley &
5 Kingsley, APC, and Emil Davtyan of Davtyan Law Firm, Inc., should be "Class Counsel" and will
6 fairly and adequately protect the interests of the Settlement Class.

7 e. The prosecution of separate actions by individual members of the
8 Settlement Class would create the risk of inconsistent or varying adjudications, which would
9 establish incompatible standards of conduct.

10 f. With respect to the Settlement Class, Plaintiff believes that questions of law
11 and fact common to the members of the Settlement Class predominate over any questions affecting
12 any individual member in such Class, and a class action is superior to other available means for
13 the fair and efficient adjudication of the controversy.

14 9. Defendant denies any liability or wrongdoing of any kind whatsoever associated
15 with the claims alleged in the Complaint, and further denies that, for any purpose other than settling
16 this Action, this Action is appropriate for class or representative treatment. With respect to
17 Plaintiff's claims, Defendant contends, among other things, that it has complied with all applicable
18 state, federal and local laws affecting Plaintiff and the Settlement Class.

19 10. It is the desire of the Parties to fully, finally and forever settle, compromise and
20 discharge all disputes and claims arising from the allegations and causes of action stated in the
21 Complaint. To achieve a full and complete release of Defendant, each Class Member
22 acknowledges that this Stipulation of Settlement is intended to include in its effect all claims of
23 any nature reasonably arising out of the allegations made in the Complaint.

24 11. It is the intention of the Parties that this Stipulation of Settlement shall constitute
25 a full and complete settlement and release of all claims arising from the allegations in the
26 Complaint against: (i) Defendant; (ii) each of Defendant's past, present and future direct and
27 indirect parent companies; (iii) the respective past, present and future direct and indirect
28 subsidiaries and affiliates of any of the foregoing; (iv) the past, present and future shareholders,

1 directors, officers, agents, employees, clients, attorneys, insurers, predecessors, successors and
2 assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with
3 any of the foregoing (collectively "Released Parties").

4 12. Counsel for the Settlement Class have conducted a thorough investigation into the
5 facts of this Action, and have diligently pursued an investigation of Class Members' claims against
6 Defendant. Based on their own independent investigation and evaluation, Class Counsel are of
7 the opinion that the Settlement with Defendant for the consideration and on the terms set forth in
8 this Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the
9 Settlement Class in light of all known facts and circumstances, including the risk of significant
10 delay, the risk the Settlement Class will not be certified by the Court, defenses asserted by
11 Defendant, and numerous potential appellate issues. Defendant and Defendant's Counsel also
12 agree that the Settlement is fair and in the best interest of the Parties.

13 13. The Parties agree to cooperate and take all steps necessary and appropriate to
14 consummate this Settlement and for entry of judgment in accordance with this Stipulation of
15 Settlement.

16 14. This Settlement provides that Defendant will pay Settlement Awards (defined
17 below) according to a specified formula to each Settlement Class Member who does not request
18 to be excluded from this Settlement. The total payment under the Settlement is \$450,000.00, which
19 includes all payments to Class Members, Class Counsel's attorneys' fees, Class Counsel's
20 litigation expenses and costs, the enhancement award to the class representative, PAGA penalties,
21 and settlement administration expenses. It is understood and agreed that Defendant shall have no
22 obligation to pay any person, entity or organization more than the amount of its maximum total
23 liability under the Settlement, except that Defendant will pay the employer payroll taxes for the
24 wage portion of the Settlement Awards.

25 TERMS OF SETTLEMENT

26 15. NOW THEREFORE, in consideration of the mutual covenants, promises and
27 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

28 ///

1 a. It is agreed by and among Plaintiff and Defendant that this Action and any
2 claims, damages or causes of action arising out of the Complaint which are the subject of this
3 Action, be settled and compromised as between the Settlement Class and Defendant, subject to the
4 terms and conditions set forth in this Stipulation of Settlement and the approval of the Court.

5 b. Effective Date: The Settlement embodied in this Stipulation of Settlement
6 shall become effective when all of the following events have occurred: (i) this Stipulation of
7 Settlement has been executed by all Parties and by counsel for Plaintiff and Defendant; (ii) the
8 Court has given preliminary approval to the Settlement; (iii) the class settlement notice has been
9 given to the Settlement Class, providing them with an opportunity to opt out of or to object to the
10 Settlement; (iv) the Court has held a formal Final Fairness hearing and entered a final order and
11 judgment certifying the Settlement Class and finally approving this Stipulation of Settlement,
12 without objection by the California Labor and Workforce Development Agency ("LWDA"); and
13 (v) in the event there are objections to the Settlement which are not later withdrawn, the later of
14 the following events: when the period for filing any appeal, writ or other appellate proceeding
15 opposing the Settlement has elapsed without any appeal, writ or other appellate proceeding having
16 been filed; or any appeal, writ or other appellate proceeding opposing the Settlement has been
17 dismissed finally and conclusively with no right to pursue further remedies or relief; or any appeal,
18 writ or other appellate proceeding has upheld the Court's final order with no right to pursue further
19 remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not
20 become effective until the Court's order approving the Settlement is completely final, and there is
21 no further recourse by an appellant or objector who seeks to contest the Settlement. It is further
22 agreed by the Parties that this Settlement will not become effective if Defendant, contrary to
23 Paragraph 14 above, is required by the Court to pay more than the total amount of its maximum
24 total liability under the Settlement as set forth in Paragraph 14 under any circumstances. It is
25 further agreed by and between the Parties that this Settlement shall not become effective, and
26 Defendant shall not have any obligation (monetary or otherwise) under the terms of this
27 Settlement, unless and until any objections, writs and/or appeals, and any rights of appeal with
28 respect to any objections or the judgment, have been finally exhausted and resolved upholding the

1 terms of this Settlement.

2 c. Maximum Settlement Amount, and Net Settlement Amount: To implement
3 the terms of this Settlement, Defendant, on behalf of the Released Parties, agrees to pay a
4 maximum of \$450,000.00, which includes: all payments to Class Members; Class Counsel's
5 attorneys' fees; Class Counsel's litigation expenses and costs; the enhancement award to the class
6 representative; \$20,000.00 allocated to penalties under the PAGA with seventy-five percent (75%)
7 of that amount, or in other words \$15,000.00, paid to the LWDA and twenty-five percent (25%)
8 of that amount, or in other words \$5,000.00, paid to the Settlement Class as described below; and
9 settlement administration expenses ("Maximum Settlement Amount"). The Parties agree the
10 Maximum Settlement Amount will be fully paid out, with no residue returning to Defendant. At
11 no time shall the Released Parties have the obligation to segregate the funds comprising the
12 Maximum Settlement Amount, and Defendant shall retain exclusive authority over, and the
13 responsibility for, those funds. All payments to Class Members, Class Counsel's attorneys' fees,
14 Class Counsel's litigation expenses and costs, the enhancement award, and settlement
15 administration expenses will be paid out of the Maximum Settlement Amount. Under no condition
16 will the Released Parties' aggregate liability exceed the Maximum Settlement Amount, except that
17 Defendant will pay the employer payroll taxes for the wage portion of the settlement awards in
18 addition to the Maximum Settlement Amount. The "Net Settlement Amount", the amount
19 available for potential distribution to Class Members, shall be calculated by deducting from the
20 Maximum Settlement Amount: (i) all Class Counsel's attorneys' fees and litigation costs; (ii) the
21 enhancement award to the class representative; (iii) the PAGA penalty payment to the LWDA as
22 described further below; and (iv) settlement administration expenses. Settlement Awards to the
23 Class Members will be calculated by the settlement Administrator and paid out of the
24 Net Settlement Amount as set forth below. The entire Net Settlement Amount will be paid out pro
25 rata to Class Members who do not opt out.

26 i. Settlement Awards to Class Members: Payments to Class Members
27 under the Settlement ("Settlement Awards") will be determined based on the number of weeks
28 worked by all Class Members during the Class Period based on information provided by

1 Defendant. The workweeks will be calculated by the "Settlement Administrator," as defined
2 below, for Class Members by dividing the total days employed in California as a Class Member
3 during the Class Period by seven (7). Partial workweeks will not be counted, meaning incomplete
4 workweeks will be rounded down; however, if a Class Member worked only one (1) day as a Class
5 Member, such Class Member will be credited with having worked one (1) workweek for purposes
6 of the Settlement. Defendant's workweek data will be presumed to be correct, unless a particular
7 Class Member proves otherwise to the Settlement Administrator by credible written evidence. All
8 workweek disputes will be resolved and decided by the Settlement Administrator, and the
9 Settlement Administrator's decision on all workweek disputes will be final and non-appealable.
10 The amount to be paid per workweek to eligible Class Members will be calculated by the
11 Settlement Administrator by dividing the Net Settlement Amount by the number of weeks worked
12 by Class Members who do not opt out of the Settlement. No claim form shall be required for
13 Settlement Class Members to receive their settlement awards.

14 ii. Private Attorneys General Act Allocation: Subject to Court
15 approval, the Parties have agreed to allocate \$20,000.00 of the Maximum Settlement Amount to
16 Plaintiff's claims under PAGA. Seventy-five percent (75%) of this amount, or in other words
17 \$15,000.00, will be paid out of the Maximum Settlement Amount to the LWDA of the State of
18 California, and the remaining twenty-five percent (25%), or in other words \$5,000.00, will remain
19 included in the Net Settlement Amount.

20 iii. Allocation of Settlement Awards: The Parties have agreed, based
21 on the allegations in the Action, that individual Settlement Awards payable to eligible Class
22 Members will be allocated from the Net Settlement Amount and paid as follows: one-third (1/3)
23 will be allocated to alleged unpaid wages for which IRS Forms W-2 will issue; one-third (1/3) will
24 be allocated to alleged unpaid penalties for which IRS Forms 1099-MISC will issue; and one-third
25 (1/3) will be allocated to alleged unpaid interest for which IRS Forms 1099-MISC will issue.

26 iv. Settlement Awards Do Not Trigger Additional Benefits: All
27 Settlement Awards to Class Members shall be deemed to be income to such Class Members solely
28 in the year in which such awards actually are received by the Class Members. It is expressly

1 understood and agreed that the receipt of such Settlement Awards will not entitle any Class
2 Member to additional compensation or benefits under any company bonus, contest or other
3 compensation or benefit plan or agreement in place during the period covered by the Settlement,
4 nor will it entitle any Class Member to any increased retirement, 401(k) benefits or matching
5 benefits, or deferred compensation benefits. It is the intent of this Settlement that the Settlement
6 Awards provided for in this Agreement are the sole payments to be made by Defendant to the
7 Class Members in connection with this Settlement, and that the Class Members are not entitled to
8 any new or additional compensation or benefits as a result of having received the Settlement
9 Awards (notwithstanding any contrary language or agreement in any benefit or compensation plan
10 document that might have been in effect during the period covered by this Settlement).

11 v. Attorneys' Fees and Litigation Costs: Subject to Court approval or
12 modification, Defendant agrees to a payment, from the Maximum Settlement Amount, Class
13 Counsel's attorneys' fees and litigation costs as set forth in Paragraph 17 below.

14 vi. Class Representative: The Parties agree to the designation of
15 Plaintiff Reginald Antonio Chavis, Jr. as "Class Representative." Subject to Court approval, and
16 subject to Plaintiff's execution of a general release of all claims under California Code of Civil
17 Procedure section 1542, Defendant agrees to a payment to Plaintiff, from the Maximum Settlement
18 Amount, an award at no additional cost to the Released Parties, ("Enhancement Award"). The
19 Enhancement Award paid to the Class Representative cannot exceed \$7,500.00, is subject to Court
20 approval, and is in addition to any claimed individual Settlement Award to which the Class
21 Representative is entitled under this Stipulation of Settlement. The Enhancement Award is to be
22 part of, and to be deducted from, the Maximum Settlement Amount. The Settlement Administrator
23 will issue an IRS Form 1099-MISC for the Enhancement Award to Plaintiff for Plaintiff's service
24 as a Class Representative, and Plaintiff will be responsible for correctly characterizing this
25 compensation for tax purposes and for paying any taxes on the amount received. Should the Court
26 approve an Enhancement Award to the Class Representative in an amount less than that set forth
27 above, the difference between the lesser amount approved by the Court and the Enhancement
28 Award set forth above shall be added to the Net Settlement Amount.

vii. Settlement Administrator: The Settlement Administrator will be mutually agreeable to the Parties, after review and approval by the Parties of a not-to-exceed quote for settlement administration expenses which Plaintiff's Counsel agrees to request and circulate to Defendant's Counsel. All settlement administration expenses shall be paid out of the Maximum Settlement Amount.

viii. Mailing of Settlement Awards: The Settlement Administrator will cause the Settlement Awards to be mailed to the Class Members who have not opted out of the Settlement and have not previously released their claims as to Defendant, within thirty-five (35) calendar days after the Settlement becomes effective as defined in Paragraph 15.b.

ix. Potential Escalator Clause or Alternative Class Period End Date: For Settlement purposes and based on Class Member data presently available at the time of Settlement, Defendant represents that the number of weeks worked by Class Members extrapolated from September 29, 2017 to December 31, 2022 (i.e., "the Class Period") is estimated to be approximately 46,055 workweeks. The Parties further agree that if the final number of workweeks from September 29, 2017 to December 31, 2022, which formed the basis of the Settlement, increases by more than five (5) percent above 46,055 workweeks (e.g., to greater than 48,358 workweeks), Defendant at its sole discretions shall either: (1) increase the Gross Settlement amount by the proportional amount for the percentage of workweeks above five (5) percent (i.e., by the percentage of workweeks above 48,358 workweeks); or (2) end the Class Period at the point in time where workweeks equal 48,358 workweeks.

d. Enhancement Award to Plaintiff for Service as Class Representative: The Settlement Administrator will pay the Enhancement Award approved by the Court to Plaintiff within thirty-five (35) calendar days after the Settlement becomes effective as defined in Paragraph 15.b.

e. Right to Rescission: If more than five percent (5%) of the Settlement Class opts out of the Settlement by submitting valid and timely Requests for Exclusion as set forth in the Notice of Proposed Class Action Settlement and Hearing Date for Final Court Approval of Settlement ("Class Notice"), Defendant shall have the right (but need not) in its sole discretion to

1 rescind and void the Settlement, before final approval by the Court, by providing written notice to
2 Class Counsel no later than ten (10) calendar days before the Final Approval hearing date. If
3 Defendant exercises this option, Defendant shall pay any costs of settlement administration
4 incurred up to that date, but not to include Class Counsel's fees and costs.

5 SETTLEMENT ADMINISTRATION

6 16. The Settlement Administrator shall be mutually agreed upon by the Parties to
7 perform the customary duties of Settlement Administrator, subject to Court approval. The
8 Settlement Administrator will mail the Class Notice to all Class Members. The Settlement
9 Administrator will independently review Defendant's data, based on Defendant's records, as to
10 the number of weeks worked during the Class Period, and will calculate the amounts due to Class
11 Members in accordance with this Stipulation of Settlement. The Settlement Administrator shall
12 report, in summary or narrative form, the substance of its findings. The Settlement Administrator
13 shall be granted reasonable access to Defendant's records to perform its duties. At the request of
14 Defendant, and upon receipt of funds from Defendant, the Settlement Administrator will issue and
15 send out Settlement Award checks to Class Members. Defendant shall be able to review proposed
16 distributions and class workweek data to ensure correct and accurate distributions and
17 representations to the Class Members through the Class Notice are accurate. Tax treatment of the
18 Settlement Awards will be as set forth herein and in accordance with state and federal tax laws.
19 All disputes relating to the Settlement Administrator's performance of its duties shall be referred
20 to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions
21 of this Stipulation of Settlement until all payments and obligations contemplated by this Stipulation
22 of Settlement have been fully carried out. The Settlement Administrator shall create and maintain
23 a webpage, which will include links to the Settlement Agreement, Class Notice, Motions for
24 Preliminary and Final Approval, and Motion for Attorneys' Fees as they become available, until
25 the Effective Date. The website shall also include links to any other documents or information the
26 Settlement Administrator deems necessary to perform its duties.

27 ATTORNEYS' FEES AND LITIGATION COSTS

28 17. In consideration for settling this Action, in exchange for the release of claims by

1 the Settlement Class, and subject to final approval or modification by the Court, Defendant agrees
2 to pay, from the Maximum Settlement Amount, Class Counsel attorneys' fees not to exceed thirty-
3 three and one-third percent (33 1/3%) of the Maximum Settlement Amount, or in other words up
4 to \$150,000.00, and attorneys' costs not to exceed \$15,000.00 from the Maximum Settlement
5 Amount. Defendant will not object to Class Counsel's application for attorneys' fees and litigation
6 costs up to these amounts. The amounts set forth above will cover all work performed and all fees
7 and costs incurred to date, and all work to be performed and all fees and costs to be incurred in
8 connection with the approval by the Court of this Stipulation of Settlement, the administration of
9 the Settlement, and obtaining the final judgment. Should Class Counsel request lesser amounts,
10 or should the Court approve lesser amounts for attorneys' fees and litigation costs, the difference
11 between the lesser amounts and the Maximum Settlement Amount shall be added to the Net
12 Settlement Amount.

13 18. The attorneys' fees and litigation costs approved by the Court shall be paid to Class
14 Counsel within thirty-five (35) calendar days after the Settlement becomes effective as defined in
15 Paragraph 15.b.

16 NOTICE TO THE PLAINTIFF CLASS

17 19. The Class Notice shall be jointly drafted by the Parties, and as approved by the
18 Court, shall be sent by the Settlement Administrator to the Class Members by first-class mail. The
19 Class Notice shall be substantially in the form identified as **Exhibit 1** to this Settlement.

20 a. Within thirty (30) calendar days after preliminary approval of this
21 Settlement by the Court, Defendant shall provide to the Settlement Administrator the Class
22 Members' names, last known addresses, last known telephone numbers, Social Security Numbers,
23 and hire and termination dates during the Class Period. The Parties agree the Social Security
24 Numbers will be used only by the Settlement Administrator for the sole purpose of effectuating
25 the Settlement and will not be provided to Class Counsel at any time or in any form.
26 Notwithstanding anything herein to the contrary, the Settlement Administrator will not be entitled
27 to receive confidential information of Defendant (including non-public personal information of its
28 employees) unless and until the Settlement Administrator signs and delivers to Defendant a

1 confidentiality agreement and data processing agreement compliant with the California Consumer
2 Privacy Act and the California Privacy Act. To the extent Class Counsel possesses or comes to
3 possess the Class Members' contact information and/or Social Security Numbers from the
4 Settlement Administrator, Class Counsel shall return all such information (including copies and
5 data or information derived therefrom) within five (5) calendar days from the date the Court finally
6 approves the Settlement, shall destroy all copies in any form of such information, and shall not
7 maintain or use such information for any purpose. The information provided for above shall be
8 based on Defendant's payroll and other business records and in a format acceptable to the
9 Settlement Administrator. Defendant agrees to consult with the Settlement Administrator prior to
10 the production date to ensure that the format will be acceptable to the Settlement Administrator.
11 The information will need to be provided to the Settlement Administrator by reasonable security
12 measures and reasonably secure technology. The Settlement Administrator will run a check of the
13 Class Members' addresses against those on file with the U.S. Postal Service's National Change of
14 Address List. Within forty-five (45) calendar days of preliminary approval of this Settlement, the
15 Settlement Administrator will mail the Class Notice to Class Members.

16 b. Class Notices returned to the Settlement Administrator as non-delivered
17 shall be resent to the forwarding address, if any, on the returned envelope. If there is no forwarding
18 address, the Settlement Administrator will do an NCOA check and will skip-trace return mail and
19 re-mail within five (5) calendar days of receipt using the Class Member's Social Security Number;
20 this search will be performed only once per Class Member by the Settlement Administrator. Class
21 Members will have a maximum of fifteen (15) calendar days from the date of the re-mailing due
22 to an undeliverable notice to cure the deficiency, or until the end of the opt out deadline, whichever
23 is later. Upon completion of these steps by the Settlement Administrator, Defendant and the
24 Settlement Administrator shall be deemed to have satisfied their obligations to provide the Class
25 Notice to the affected member of the Settlement Class. The affected member of the Settlement
26 Class shall remain a member of the Settlement Class and shall be bound by all the terms of the
27 Stipulation of Settlement and the Court's Order and Final Judgment.

1 c. The Class Notice shall also identify the procedures for opting out of or
2 objecting to the Settlement.

3 d. Class Counsel shall provide to the Court, at least sixteen (16) court days
4 before the Final Fairness hearing, an initial declaration by the Settlement Administrator of due
5 diligence and proof of mailing with regard to the mailing of the Class Notice.

6 ADMINISTRATION PROCESS

7 20. The Class Members will have sixty (60) calendar days from the date of mailing in
8 which to submit requests for exclusion ("opt out").

9 21. Settlement Awards to Class Members will be mailed by the Settlement
10 Administrator within thirty-five (35) calendar days after the Settlement becomes effective as
11 defined in Paragraph 15.b. Settlement Award checks shall remain valid and negotiable for one
12 hundred eighty (180) calendar days from the date of their issuance; the Parties agree the Settlement
13 Administrator will send one (1) reminder notice to all Class Members who have not cashed the
14 Settlement Award check thirty (30) calendar days prior to the deadline; upon the deadline to cash
15 the Settlement Award checks, the checks will automatically be cancelled by the Settlement
16 Administrator if not cashed by the Class Member within that time, at which point the Class
17 Member's claim will be deemed void and of no further force or effect, and the Class Member's
18 claims will remain released by the Settlement. The checks provided to Class Members shall
19 prominently state the expiration date or a statement that the checks will expire in one hundred
20 eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the
21 check. Expired Settlement Award checks will not be reissued, except for good cause and as
22 mutually agreed by the Parties in writing. Any residue from uncashed Settlement Award checks
23 after the expiration date will be paid within fourteen (14) calendar days after the one hundred
24 eighty (180)-day check cashing period expires pursuant to California Code of Civil Procedure
25 section 384(b)(3) to Koinonia Family Services, a non-profit 501(c)(3) organization with child
26 advocacy programs in the State of California, as the *cy pres* recipient, subject to Court approval.
27 Any residue received by Koinonia shall be ordered by the Court to be used solely for child
28 advocacy programs within the State of California pursuant to California Code of Civil Procedure

1 section 384(b). Upon completion of its calculation of payments, the Settlement Administrator
2 shall provide Defendant with a report listing the amount of all payments to be made to each Class
3 Member. Defendant, on behalf of the Released Parties, will pay to the Settlement Administrator
4 the Maximum Settlement Amount within thirty (30) calendar days after the Settlement becomes
5 effective as defined in Paragraph 15.b. The Settlement Administrator will be responsible for
6 making appropriate deductions, calculating and reporting the employer payroll taxes on the
7 Settlement Awards, paying to Class Counsel any Court-approved attorneys' fees and litigation
8 costs, paying to the Class Representative any Court-approved Enhancement Award, paying the
9 LWDA seventy-five percent (75%) of the amount allocated for PAGA penalties above, paying the
10 settlement administration expenses, meeting tax reporting obligations, and for issuing the
11 individual Settlement Awards to Class Members. Proof of compliance with the Court's final
12 approval order will be provided to counsel for the Parties by the Settlement Administrator within
13 twenty-one (21) days after all payment obligations, the check cashing deadline for Class Members,
14 and payment to the *cy pres* beneficiaries have passed.

15 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

16 22. Opting Out of the Settlement. For those Class Members who do not wish to
17 participate in the Settlement, such Class Members may exclude themselves by submitting a timely
18 written request to the Settlement Administrator. The written request ("Request for Exclusion")
19 should state that he/she has received the "Notice of Proposed Class Action Settlement and Hearing
20 Date for Final Court Approval of Settlement", he/she has decided not to participate in the
21 Settlement, and words to the effect that he/she desires to be excluded from the Settlement. The
22 Request for Exclusion must also state the individual's full name, address, date of birth, and dates
23 he/she worked as a Class Member for Defendant in California. The Request for Exclusion must
24 be signed, dated and mailed by First-Class U.S. Mail, or the equivalent, to the Settlement
25 Administrator. All Requests for Exclusion must be postmarked and mailed to the Settlement
26 Administrator no later than sixty (60) calendar days after the Settlement Administrator mails the
27 Class Notice to the Class Members. Any individual who submits a Request for Exclusion will not
28 be allowed to object to the terms of the Settlement.

23. Objecting to the Settlement. Any individual who does not exclude himself/herself from the Settlement can object to the terms of the Settlement in writing before the deadline to object to the Settlement. To object, the individual must file a written objection and a notice of intention to appear at the Final Approval hearing with the Clerk of the Sacramento County Superior Court of the State of California and send copies to the Settlement Administrator, Class Counsel, and counsel for Defendant. Any written objection must state each specific reason in support of the objection and any legal support for each objection. The individual must state his/her full name, address, date of birth, and dates he/she worked as a Class Member in California for Defendant. To be valid and effective, any written objections to approval of the Settlement must be filed with the Clerk of the Court and delivered to the Settlement Administrator, Class Counsel, and counsel for Defendant no later than sixty (60) calendar days after the Settlement Administrator mails the Class Notice to the Class Members. However, a Class Member may appear at the Final Approval hearing, either in person or through his/her own counsel, and object to the Settlement Agreement and any of its terms without submitting a prior objection in the manner and by the deadline specified above. If the Court rejects the objection, the individual will be bound by the terms of the Settlement.

RELEASE BY THE CLASS

24. Effective upon the date of final approval by the Court of this Stipulation of Settlement, and except as to such rights or claims as may be created by this Stipulation of Settlement, the Settlement Class and each member of the Class who has not submitted a valid Request for Exclusion fully release and discharge the Released Parties from all claims under state, federal and local law alleged in the Action and that reasonably could have been alleged in the Action based on the factual allegations contained in the operative Complaint in the Action and any amendments thereto, as to the Class Members, including but not limited to California Labor Code sections 200, 201, 202, 203, 226, 226.2, 226.3, 226.6, 510, 558, 558.1, 1194, 1199, 2698, *et seq.*, California Business and Professions Code section 17200, *et seq.*, class and representative claims, the applicable Wage Order(s), and all claims for or related to alleged unpaid wages, overtime or double time wages, regular rate of pay, timely payment of wages at separation, itemized wage

1 statements, unfair competition, unfair business practices, unlawful business practices, fraudulent
2 business practices, injunctive relief, declaratory relief, accounting, liquidated damages, penalties
3 of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA
4 penalties), interest, fees, costs, as well as all other claims, allegations, and damages alleged in the
5 Action, from September 29, 2017 through December 31, 2022 (collectively “Released Claims”).
6 Expressly excluded from the release are claims for retaliation, discrimination, unemployment
7 insurance, disability, workers’ compensation, and claims outside the Released Claims.

8 25. In addition to the Released Claims identified in Paragraph 24, Plaintiff Reginald
9 Antonio Chavis, Jr. agrees to generally release the Released Parties from any and all claims,
10 whether known or unknown, under all federal, state and local statutes, and federal and state
11 common law (including but not limited to those for contract, tort and equity), except for workers’
12 compensation claims. Plaintiff acknowledges the language of Section 1542 of the California Civil
13 Code, which provides:

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

17 Plaintiff expressly waives the protection of Section 1542. Plaintiff understands and agrees
18 that claims or facts in addition to or different from those which are now known or believed by him
19 to exist may hereafter be discovered. It is Plaintiff’s intention to settle fully and release all of the
20 claims, except for workers’ compensation claims, Plaintiff now has against the Released Parties,
21 whether known or unknown, suspected or unsuspected.

22 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

23 26. To effectuate the terms of the Settlement, the Parties agree all formal and informal
24 discovery shall be stayed pending Court approval of the Settlement. Class Counsel agree to notify
25 the Court of the Settlement through a Notice of Proposed Class Action Settlement, and to request
26 that all current Court deadlines be continued pending Court approval of the Settlement. Class
27 Counsel agree to cease all affirmative communication (oral and written) with the putative class
28 members, other than through Court-approved notices; this provision does not prevent Class

1 Counsel from communicating with any Class Members who may contact Class Counsel. Plaintiff
2 shall promptly submit this Stipulation of Settlement to the Sacramento County Superior Court in
3 support of Plaintiff's Motion for Preliminary Approval and determination by the Court as to its
4 fairness, adequacy and reasonableness. Plaintiff agrees to provide Defendant the opportunity to
5 review, and to approve before filing, Plaintiff's Motion for Preliminary Approval. At the same
6 time Plaintiff submits this Stipulation of Settlement to the Sacramento County Superior Court,
7 Plaintiff agrees to submit a copy of the Stipulation of Settlement to the LWDA. Promptly upon
8 execution of this Stipulation of Settlement, Plaintiff shall apply to the Court for the entry of an
9 order preliminarily approving the Settlement in a form that is mutually agreeable between the
10 Parties and also provides for the following:

11 a. Scheduling a Final Fairness hearing on the question of whether the proposed
12 Settlement, including payment of attorneys' fees and litigation costs, costs of administration and
13 the Class Representative's Enhancement Award should be finally approved as fair, reasonable and
14 adequate as to the members of the Settlement Class;

15 b. Certifying a Settlement Class, Plaintiff Reginald Antonio Chavis, Jr. as
16 Class Representative, and Eric B. Kingsley and Kelsey M. Szamet of Kingsley & Kingsley, APC,
17 and Emil Davtyan of Davtyan Law Firm, Inc., as Class Counsel;

18 c. Approving as to form and content the proposed Class Notice;

19 d. Approving the manner and method for Class Members to request exclusion
20 from the Settlement as contained herein and within the Class Notice;

21 e. Directing the mailing of the Class Notice by first-class mail to the Class
22 Members;

23 f. Preliminarily approving the Settlement subject only to the objections of
24 Class Members and final review by the Court; and

25 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any
26 other cases, claims, suits or administrative proceedings (including filing claims with the Division
27 of Labor Standards Enforcement of the California Department of Industrial Relations) regarding
28 the Released Claims unless and until such Class Members have filed valid Requests for Exclusion

1 with the Settlement Administrator and the time for filing Requests for Exclusion with the
2 Settlement Administrator has elapsed.

3 The Preliminary Approval Order shall be substantially in the form identified as **Exhibit 2**
4 to this Settlement.

5 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

6 27. Class Counsel agreed to return all confidential documents, lists and data in all forms
7 and formats (originals and copies) within seven (7) calendar days from final Court approval of the
8 Settlement. Plaintiff agrees to provide Defendant the opportunity to review, and to approve before
9 filing, Plaintiff's Motion for Final Approval of Class Action and PAGA Settlement. Class Counsel
10 agrees to submit a proposed final order and judgment mutually agreeable between the Parties, and
11 substantially in the form identified as Exhibit 3 to this Settlement, and provides for the following:

12 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable
13 and adequate, and directing consummation of its terms and provisions;

14 b. Approving Class Counsel's application for an award of attorneys' fees and
15 litigation costs;

16 c. Approving the Enhancement Award to the Class Representative; and

17 d. Entering judgment in accordance with California Rules of Court,
18 rule 3.769(h), and permanently barring and enjoining all members of the Settlement Class from
19 prosecuting against Defendant; each of Defendant's respective past, present and future parents,
20 subsidiaries and affiliates; past, present and future partners, shareholders, directors, officers,
21 agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the
22 foregoing; and any individual or entity which could be jointly liable with any of the foregoing.

23 PARTIES' AUTHORITY

24 28. The signatories hereto hereby represent that they are fully authorized to enter into
25 this Stipulation of Settlement and bind the Parties hereto to the terms and conditions thereof.

26 MUTUAL FULL COOPERATION

27 29. The Parties agree to fully cooperate with each other to accomplish the terms of this
28 Stipulation of Settlement, including but not limited to execution of such documents and taking

1 such other action as reasonably may be necessary to implement the terms of this Stipulation of
2 Settlement. The Parties shall use their best efforts, including all efforts contemplated by this
3 Stipulation of Settlement and any other efforts that may become necessary by order of the Court,
4 or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon
5 as practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the
6 assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the
7 Court's final approval of this Stipulation of Settlement.

8 30. The Parties and their respective counsel agree that they will not attempt to
9 encourage or discourage Class Members from filing Requests for Exclusion.

10 NO PRIOR ASSIGNMENTS

11 31. The Parties and their counsel represent, covenant and warrant that they have not,
12 directly or indirectly, assigned, transferred or encumbered, or purported to assign, transfer or
13 encumber, to any person or entity any portion of any liability, claim, demand, action, cause of
14 action or right herein released and discharged except as set forth herein.

15 NO ADMISSION

16 32. Nothing contained herein, nor the consummation of this Stipulation of Settlement,
17 is to be construed or deemed an admission of liability, culpability, negligence or wrongdoing on
18 the part of Defendant. Each of the Parties hereto has entered into this Stipulation of Settlement
19 solely with the intention to avoid further disputes and litigation with the attendant inconvenience
20 and expenses.

21 ENFORCEMENT ACTIONS

22 33. The Parties agree that the Sacramento County Superior Court shall retain
23 jurisdiction to enforce the terms of this Settlement pursuant to California Code of Civil Procedure
24 section 664.6. In the event one or more of the Parties to this Stipulation of Settlement institutes
25 any legal action or other proceeding against any other Party or Parties to enforce the provisions of
26 this Stipulation of Settlement or to declare rights or obligations under this Stipulation of
27 Settlement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party
28 or Parties' reasonable attorneys' fees and litigation costs, including expert witness fees, incurred

1 in connection with any enforcement actions.

2 NOTICES

3 34. Unless otherwise specifically provided herein, all notices, demands or other
4 communications given hereunder shall be in writing and shall be deemed to have been duly given
5 as of the third (3rd) business day after mailing by United States registered or certified mail, return
6 receipt requested, addressed as follows:

7 **To Plaintiff and the Settlement Class**

8 Eric B. Kingsley
9 Kelsey M. Szamet
10 KINGSLEY & KINGSLEY, APC
11 16133 Ventura Blvd., Suite 1200
12 Encino, CA 91436

13 Emil Davtyan
14 DAVTYAN LAW FIRM, INC.
15 880 E. Broadway
16 Glendale, CA 91205

17 **To Defendant**

18 Cary G. Palmer
19 Erika M. Barbara
20 JACKSON LEWIS P.C.
21 400 Capitol Mall, Suite 1600
22 Sacramento, CA 95814

23 NO PUBLIC COMMENT

24 35. The Class Representative and Class Counsel will not make any public disclosure of
25 the Settlement, except through Court filings to preliminary and finally approve the Settlement.
26 Class Counsel will take all steps necessary to ensure that the Class Representative is aware of, and
27 will ensure that the Class Representative adheres to, the restriction against any public disclosure
28 of the Settlement. Following preliminary Court approval of the Settlement, the Class
Representative and Class Counsel will not initiate any communications (directly or indirectly) with
the media regarding the Action. Notwithstanding the foregoing, the Class Representative and
Class Counsel may, in response to a communication initiated by the media, direct the inquiring
media member to the public records of the Action on file with the Court. Class Counsel will take
all steps reasonably necessary to ensure that the Class Representative is aware of, and will ensure
that he will adhere to, the restriction against any media comment on the Settlement and its terms.

36. The Parties hereto agree that the terms and conditions of this Stipulation of Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and this Stipulation of Settlement shall not be construed in favor of or against any party by reason of the extent to which any party or his, her or its counsel participated in the drafting of this Stipulation of Settlement.

37. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Stipulation of Settlement or any provision of it. Each term of this Stipulation of Settlement is contractual and not merely a recital.

38. This Stipulation of Settlement may not be changed, altered or modified, except in writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

39. This Stipulation of Settlement and the Confidential Memorandum of Understanding contain the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

40. This Stipulation of Settlement shall be binding upon and inure to the benefit of the Parties and the Released Parties hereto, and their respective heirs, trustees, executors, administrators, successors and assigns.

///

CLASS MEMBER SIGNATORIES

41. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each member of the Class execute this Stipulation of Settlement. The Class Notice will advise all Class Members of the binding nature of the release, and the release shall have the same force and effect as if this Stipulation of Settlement were executed by each member of the Class.

COUNTERPARTS

42. This Stipulation of Settlement may be executed in counterparts and by facsimile signatures, and when each Party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken together with other signed counterparts, shall constitute one Stipulation of Settlement binding upon and effective as to all Parties.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant as of the date(s) set forth below:

Plaintiff and Class Representative

Dated: January 23, 2023

DocuSigned by:



REGINALD ANTONIO CHAVIS, JR.

Defendant

GROCERY OUTLET INC.

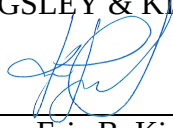
Dated: _____

By: _____
Authorized Officer or Agent

1 APPROVED AS TO FORM:

2 KINGSLEY & KINGSLEY, APC

3 Dated: January 24, 2023

4 By: 

Eric B. Kingsley

Kelsey M. Szamet

Attorneys for Plaintiff and Class and PAGA
Members

6 DAVTYAN LAW FIRM, INC.

7
8 Dated: 1/25/2023

9 By: 

Emil Davtyan

Attorneys for Plaintiff and Class and PAGA
Members

11 JACKSON LEWIS P.C.

12
13 Dated: _____

14 By: _____

Cary G. Palmer

Erika M. Barbara

Attorneys for Defendant Grocery Outlet Inc.

EXHIBIT "1"

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

REGINALD ANTONIO CHAVIS JR.,
an individual, on behalf of himself and
others similarly situated,

PLAINTIFF,

v.

GROCERY OUTLET INC.; and
DOES 1 thru 50, inclusive,

DEFENDANTS.

Case No. 34-2021-00309003

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

ATTENTION: ALL PERSONS EMPLOYED BY GROCERY OUTLET INC. AS NON-EXEMPT EMPLOYEES AT DEFENDANT'S REGIONAL FULFILLMENT CENTERS IN CALIFORNIA FROM SEPTEMBER 29, 2017 THROUGH DECEMBER 31, 2022:

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO RECEIVE PAYMENT OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

IF YOU DO NOT WISH TO RECEIVE PAYMENT UNDER THE SETTLEMENT OR PARTICIPATE IN THE SETTLEMENT, YOU MUST REQUEST TO BE EXCLUDED FROM THE SETTLEMENT CLASS ON OR BEFORE

Pursuant to the Order Granting Preliminary Approval of Class Action and PAGA Settlement of the Superior Court of the State of California in and for Sacramento County entered [REDACTED], YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class action settlement has been reached between the Parties in the above-captioned lawsuit pending in the Superior Court of the State of California for the County of Sacramento on behalf of all persons currently and formerly employed by Grocery Outlet, Inc. ("Defendant") as non-exempt employees at Defendant's Regional Fulfillment Centers in California from September 29, 2017 to December 31, 2022 (the "Settlement Class" or "Class Members"); the Settlement Class does not include persons who submit valid Requests for Exclusion (as explained below), or who previously settled, released or received awards for claims covered by the Settlement.

The "Released Parties" in the Action include: (i) Defendant; (ii) each of Defendant's past, present and future direct and indirect parent companies; (iii) the respective past, present and future direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present and future shareholders, directors, officers, agents, employees, clients, attorneys, insurers, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing

You have received this notice because records indicate you worked for Defendant as a non-exempt employee in California at Defendant's Regional Fulfillment Centers during the Class Period (defined below). This notice is to advise you of how you can either participate in the Settlement or be excluded from the Settlement.

I. BACKGROUND OF THE CASE

On September 29, 2021, Plaintiff Reginald Antonio Chavis, Jr. filed a complaint against Defendant in the Sacramento County Superior Court on behalf of himself and other non-exempt employees who worked for Defendant in California for unpaid wages and penalties for alleged wage and hour violations of the California Labor Code, and claims under the California Business and Professions Code section 17200, *et seq.* On December 7, 2021, Plaintiff filed a First Amended Class Action and Representative Action Complaint, which asserted the same claims as the Action and added a claim for penalties for wage and hour violations under the California Private Attorneys' General Act ("PAGA"). On December 20, 2022, Plaintiff filed a Second Amended Class Action and Representative Action Complaint that defines the putative class as all persons currently and formerly employed by Defendant as non-exempt employees at Defendant's Regional Fulfillment Centers in California from September 29, 2017 to trial, and alleges claims for unpaid wages, penalties for alleged wage and hour violations of the California Labor Code and PAGA, and claims under the California Business and Professions Code section 17200, *et seq.* ("Complaint"). The term "Action" means this putative class and representative action pending in Sacramento

County Superior Court, Case No. 34-2021-00309003. The class period is from September 29, 2017 to December 31, 2022 (the “Class Period”).

Plaintiff’s Complaint alleges a failure to pay overtime wages and minimum wages, failure to timely pay final wages, failure to provide accurate wage statements, unfair competition, and a PAGA cause of action, on behalf of all persons currently and formerly employed by Defendant as non-exempt employees at Defendant’s Regional Fulfillment Centers in California from September 29, 2017 to the present. Plaintiff’s Complaint seeks recovery of compensatory damages, penalties, interest, and attorneys’ fees and costs. Defendant denies all claims, and denies that Plaintiff and the Class Members are entitled to any recovery.

The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in extensive private settlement negotiations. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions including the complete defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation, the Parties reached a class wide and PAGA Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims, and entering into the Settlement is not an admission of wrongdoing or liability.

The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant, which has been preliminarily approved by the Court.

If you are part of the Settlement Class, you have the opportunity to participate in the Settlement, or to exclude yourself (“opt out”) from the Settlement.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Settlement, Defendant agrees to pay a Gross Settlement Amount of \$450,000 for all claims, attorneys’ fees and costs, enhancement award, penalties, and settlement administration expenses (“Maximum Settlement Amount”). Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys’ fees not to exceed thirty-three and one-third percent (33 1/3%) of the Maximum Settlement Amount which equals \$150,000, attorneys’ costs not to exceed \$15,000, an Enhancement Award to the Class Representative not to exceed \$7,500, the fees and expenses of the settlement administrator estimated not to exceed \$2,500, and \$15,000 payable to the California Labor and Workforce Development Agency (“LWDA”) for alleged PAGA penalties, which will result in a “Net Settlement Amount” for distribution to all Class Members. As explained further below, the amount of each Class Member’s Settlement Award will depend on the number of weeks worked by participating Class Members during the Class Period.

This notice will list for each Class Member the number of weeks each Class Member worked during the Class Period and his/her estimated Settlement Award.

B. Settlement Formula, and Settlement Awards

Defendant will pay Settlement Awards through a Settlement Administrator, as described below, to each Class Member who has not submitted a Request for Exclusion from the Settlement. All Settlement Awards will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action, that all Settlement Awards payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as one-third (1/3) alleged unpaid wages for which IRS Forms W-2 will issue and two-thirds (2/3) for alleged unpaid penalties and interest for which IRS Forms 1099-MISC will issue.

Settlement Awards to Class Members will be based on the number of weeks worked by individual Class Members during the Class Period. The number of workweeks will be determined by reference to Defendant’s records. The Settlement Administrator or Defendant, based on Defendant’s records, will calculate the number of workweeks for each Class Member during the Class Period. The number of weeks worked will be calculated by dividing by seven (7) the total number of days worked by the Class Member for Defendant in California during the Class Period. Partial workweeks will not be counted, meaning incomplete workweeks will be rounded down; however, if a Class Member worked only one (1) day as a Class Member, such Class Member will be credited with having worked one (1) workweek for purposes of the Settlement.

Receipt of the Settlement Awards will not entitle any Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement.

C. Calculations to Be Based on Defendant's Records

For each Class Member, the amount payable to the Class Member will be calculated by the Settlement Administrator from Defendant's records. Defendant's records will be presumed correct, unless evidence to the contrary is provided to the Settlement Administrator. Defendant's records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member to the Settlement Administrator. The dispute will be resolved by the Settlement Administrator as described in Section E below.

D. Release of Claims

The Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant contains a release which releases Defendant and the Released Parties from all claims under state, federal and local law alleged in the Action and that reasonably could have been alleged in the Action based on the factual allegations contained in the operative Complaint in the Action and any amendments thereto, as to the Class Members, including but not limited to California Labor Code sections 200, 201, 202, 203, 226, 226.2, 226.3, 226.6, 510, 558, 558.1, 1194, 1199, 2698, *et seq.*, California Business and Professions Code section 17200, *et seq.*, class and representative claims, the applicable Wage Order(s), and all claims for or related to alleged unpaid wages, overtime or double time wages, regular rate of pay, timely payment of wages at separation, itemized wage statements, unfair competition, unfair business practices, unlawful business practices, fraudulent business practices, injunctive relief, declaratory relief, accounting, liquidated damages, penalties of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA penalties), interest, fees, costs, as well as all other claims, allegations, and damages alleged in the Action, from September 29, 2017 through December 31, 2022 (collectively "Released Claims"). Expressly excluded from the release are claims for retaliation, discrimination, unemployment insurance, disability, workers' compensation, and claims outside the Released Claims.

E. Resolution of Workweek Disputes

If a Class Member disputes the accuracy of Defendant's records as to the number of workweeks worked, any documentation supporting such dispute must be submitted to the Settlement Administrator. All workweek disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all disputes will be final and binding.

F. Enhancement Award for the Class Representative

Subject to approval by the Court, the Class Representative will receive an Enhancement Award up to \$7,500. This payment will be made for his service as a Class Representative, including active participation in prosecution of the Action, as well as willingness to accept the risk of incurring Class Counsel's costs or paying Defendant's attorneys' fees and costs for an unsuccessful outcome in the Action. The Class Representative also signed a general release of all claims, which is broader than the release applicable to all other Class Members, to be eligible for the Enhancement Award.

G. Attorneys' Fees and Costs

As consideration for the Settlement and in exchange for the release by the Settlement Class, Defendant agrees to pay Class Counsel's attorneys' fees and costs to be set by the Court, up to a maximum of thirty-three and one-third percent (33 1/3%) of the Maximum Settlement Amount which equals \$150,000, and attorneys' costs not to exceed \$15,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Maximum Settlement Amount.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Excluding Yourself from the Settlement

If you do not wish to participate in the Settlement, you may be excluded (*i.e.*, "opt out") by submitting a timely written request to the Settlement Administrator stating you have received notice of the Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement, or words to that effect ("Request for Exclusion"). Your Request for Exclusion must also state your full name, address, date of birth, and dates you were employed by Defendant as a non-exempt employee in California. The Request for Exclusion must be signed, dated and mailed by First-Class U.S. Mail, or the equivalent, to:

Telephone: _____

The Request for Exclusion must be postmarked no later than [REDACTED]. If you submit a Request for Exclusion which is not postmarked by [REDACTED], your Request for Exclusion will be rejected, and you will be bound by the Release and all other Settlement terms. If the Request for Exclusion is sent from within the United States, it must be sent through the United States Postal Service by First-Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your Request for Exclusion. Please note you may only exclude yourself from the class action settlement and not from the PAGA Settlement.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt by the Claims Administrator, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, shall not be entitled to object to the Settlement, shall receive no benefits from the Settlement, shall not be deemed to have relinquished the Released Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties.

B. Objection to Settlement

If you do not exclude yourself from the Settlement, you can object to the terms of the Settlement before Final Approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you may file a written objection and a notice of intention to appear at the Final Approval hearing currently set for [REDACTED], 2023 in Department [REDACTED]. You must file the written objection and notice of intention to appear at the Final Approval Hearing with the Office of the Clerk of the Sacramento County Superior Court, 720 Ninth Street, Sacramento, California 95814, and send copies to the Claims Administrator, and Counsel as follows:

CLASS COUNSEL

Eric B. Kingsley, Esq.
Kelsey M. Szamet, Esq.
KINGSLEY & KINGSLEY, APC
16133 Ventura Blvd., Suite 1200
Encino, CA 91436

DEFENDANT'S COUNSEL

Cary G. Palmer, Esq.
Erika M. Barbara, Esq.
JACKSON LEWIS P.C.
400 Capitol Mall, Suite 1600
Sacramento, CA 95814

Any written objection must state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, date of birth, and dates you were employed as a non-exempt employee in California by Defendant. To be valid and effective, any objections to approval of the Settlement must be filed with the Clerk of the Court, Sacramento County Superior Court, 720 Ninth Street, Sacramento, California 95814, and delivered to the Settlement Administrator and each of the above-listed attorneys no later than sixty (60) calendar days after the Settlement Administrator mails this Class Notice to the Class Members. **DO NOT TELEPHONE THE COURT.**

However, a Class Member may appear at the Final Approval Hearing, either in person or through their own counsel, and object to the Settlement Agreement and any of its terms without submitting a prior objection in the manner and by the deadline specified above. If you choose to file an objection to the terms of this Settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself) or through your own attorney at your own expense. To do so, you must file an Entry of Appearance with the Clerk of the Sacramento County Superior Court, and deliver copies to the Settlement Administrator and each of the attorneys listed above. Such Entry of Appearance must be filed with the Court and delivered to the above attorneys no later than sixty (60) days after the Settlement Administrator mails this Class Notice to Class Members. You will then continue as a Settlement Class Member either *in propria persona* or with representation by your own attorney, and you will be solely responsible for the fees and costs of your own attorney. The final fairness hearing at which the Court will be asked to approve the Settlement will be at [REDACTED] a.m./p.m. (Pacific Time) on [REDACTED], in Department [REDACTED], Superior Court of the State of California for the County of Sacramento, or such other later date as the Court may authorize.

You may also learn more about making a remote appearance in this matter by reviewing the webpage located at <https://www.saccourt.ca.gov/general/coronavirus.aspx>

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member, who does not opt out of the Settlement, will release Defendant and the Released Parties from the Released Claims as described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into this release and to have released the above-described Released Claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the Released Claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department [REDACTED] of the Superior Court of the State of California in and for the County of Sacramento on [REDACTED], at [REDACTED] a.m./p.m. (Pacific Time), to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the costs of administration, and the Enhancement Award to be paid to the Class Representative. Class Counsel's application for attorneys' fees and litigation costs will be on file with the Court no later than [REDACTED] and will be available for review after that date. Class Counsel are seeking approval of a total of not more than thirty-three and one-third percent (33 1/3%) of the Settlement for attorneys' fees, which equals \$150,000, and not more than \$15,000 for attorneys' costs.

The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendant ("Settlement Agreement") which is on file with the Clerk of the Court. The pleadings and other records in this Action, including the Settlement Agreement, may be examined at any time during regular business hours at the Office of the Clerk of the Sacramento County Superior Court, at 720 Ninth Street, Sacramento, California 95814. You may also visit [www.\[REDACTED\]](http://www.[REDACTED]), which will include links to the Settlement Agreement, Class Notice, Motions for Preliminary and Final Approval, and Motion for Attorneys' Fees as they become available.

If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel:

Eric B. Kingsley, Esq.
Kelsey M. Szamet, Esq.
KINGSLEY & KINGSLEY, APC
16133 Ventura Blvd., Suite 1200
Encino, CA 91436

Telephone: (818) 990-8300
Facsimile: (818) 990-2903
E-mail: eric@kingsleykingsley.com
E-mail: kelsey@kingsleykingsley.com

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

BY ORDER OF THE SUPERIOR COURT

EXHIBIT "2"

1 KINGSLEY & KINGSLEY, APC
2 ERIC B. KINGSLEY, Esq. (SBN 185123)
3 *eric@kingsleykingsley.com*
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12 Attorneys for Plaintiff
13 REGINALD ANTONIO CHAVIS JR.
14 and the Proposed Classes

15 SUPERIOR COURT OF CALIFORNIA
16 COUNTY OF SACRAMENTO

15 REGINALD ANTONIO CHAVIS JR.,
16 an individual, on behalf of himself and
17 others similarly situated,

18 PLAINTIFF,

19 v.

20 GROCERY OUTLET INC.; and
21 DOES 1 thru 50, inclusive,

22 DEFENDANTS.

Case No. 34-2021-00309003

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

Date:
Time:
Dept.:
Judge:

Complaint Filed: 9/29/2021
FAC Filed: 12/7/21
SAC Filed: 12/20/22
Trial Date: Not Set

23 Plaintiff Reginald Antonio Chavis, Jr.'s Motion for Preliminary Approval of Class Action
24 and PAGA Settlement ("Motion") came before this Court on [REDACTED], in Department
25 [REDACTED] before the Honorable [REDACTED], presiding. The Court having considered the papers
26 submitted in support of the Motion and good cause appearing therefor,

27 IT IS HEREBY ORDERED:
28

1
2 1. The Court grants preliminary approval of the Settlement and the Settlement Class
3 based upon the terms set forth in the Joint Stipulation of Class Action and PAGA Settlement and
4 Release Between Plaintiff and Defendant (“Stipulation of Settlement”) filed with the Motion. All
5 terms used herein shall have the same meaning as defined in the Stipulation of Settlement.

6 2. The settlement set forth in the Stipulation of Settlement appears to be fair, adequate
7 and reasonable to the Class. The Settlement falls within the range of reasonableness and appears
8 to be presumptively valid, subject only to any objections that may be raised at the final fairness
9 hearing and final approval by this Court.

10 3. A final fairness hearing on the question of whether the proposed Settlement,
11 attorneys’ fees to Class Counsel, costs of administration, and Class Representative’s Enhancement
12 Award should be finally approved as fair, reasonable and adequate as to the members of the Class
13 is scheduled in Department on the date and time set forth in the Implementation Schedule in
14 Paragraph 10 below.

15 4. This Court approves, as to form and content, the Notice of Proposed Class Action
16 Settlement and Hearing Date for Final Court Approval of Settlement (“Class Notice”) (Exhibit 1).
17 The Court approves the procedure for Class Members to opt out of and to object to the Settlement
18 as set forth in the Stipulation of Settlement and Class Notice.

19 5. The Court directs the mailing of the Class Notice by first-class mail to the Class
20 Members in accordance with the Implementation Schedule set forth in Paragraph 10 below. The
21 Court finds the dates selected for the mailing and distribution of the Class Notice, as set forth in the
22 Implementation Schedule, meet the requirements of due process and provide the best notice
23 practicable under the circumstances and shall constitute due and sufficient notice to all persons
24 entitled thereto.

25 6. It is ordered that the Settlement Class is preliminarily certified for settlement
26 purposes only.
27
28

7. The Court confirms Plaintiff Reginald Antonio Chavis, Jr. as Class Representative, and Eric B. Kingsley and Kelsey M. Szamet of Kingsley & Kingsley, APC, and Emil Davtyan of Davtyan Law Firm, Inc. as Class Counsel.

8. The Court confirms the appointment of XPand Legal as the Settlement Administrator.

9. To facilitate administration of the Settlement pending final approval, the Court hereby enjoins Plaintiff and all Class Members from filing or prosecuting any claims, suits or administrative proceedings (including filing claims with the Division of Labor Standards Enforcement of the California Department of Industrial Relations) regarding claims released by the Settlement, unless and until such Class Members have filed valid Requests for Exclusion with the Settlement Administrator and the time for opting out of the class has elapsed.

10. The Court orders the following Implementation Schedule for further proceedings:

a.	Deadline for Defendant to Submit Class Member Information to Settlement Administrator	30 calendar days after Order Granting Preliminary Approval
b.	Deadline for Settlement Administrator to Mail Class Notice to Class Members	45 calendar days after Order Granting Preliminary Approval
c.	Deadline for Class Members to Postmark Requests for Exclusion	60 calendar days after mailing of Class Notice
d.	Deadline for Receipt by Court, Settlement Administrator, and Counsel of any Objections to Settlement	60 calendar days after mailing of Class Notice
e.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Attorneys' Fees and Costs, and Enhancement Awards	16 Court days before Final Approval Hearing
f.	Deadline for Settlement Administrator to file Declaration of Due Diligence and Proof of Mailing	16 Court days before Final Approval Hearing
g.	Deadline for Defendant to provide written Notice of Rescission of Settlement to Class Counsel (if applicable)	10 calendar days before Final Approval Hearing

h.	Final Fairness Hearing and Final Approval	Date: _____, 2022 Time: _____ Department: _____
i.	Deadline for Defendant to fund settlement	30 calendar days after Effective Date
j.	Deadline for Settlement Administrator to mail Settlement Awards and Enhancement Award, and to wire transfer Attorneys' Fees and Costs (if Settlement is Effective)	35 calendar days after Effective Date
k.	Deadline for Class Members to cash Settlement checks (if Settlement is Effective)	180 calendar days after Settlement Administrator mails Settlement Awards and Enhancement Awards
l.	Deadline for Settlement Administrator to distribute uncashed Settlement checks amount to <i>cy pres</i> beneficiary (if Settlement is Effective)	Within 14 calendar days after deadline for class members to cash Settlement checks
m.	Settlement Administrator to File Proof of Payment of Settlement Awards, Enhancement Award, Attorneys' Fees and Costs, <i>cy pres</i> payment, and payment to LWDA (if Settlement is Effective)	Within 21 calendar days after deadline for Settlement Administrator to pay any unclaimed residue from uncashed Settlement checks to <i>cy pres</i> beneficiary

IT IS HEREBY ORDERED.

Dated: _____

Judge of the Superior Court

EXHIBIT "3"

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15 SUPERIOR COURT OF CALIFORNIA
16 COUNTY OF SACRAMENTO

17 REGINALD ANTONIO CHAVIS JR.,
18 an individual, on behalf of himself and
19 others similarly situated,

20 PLAINTIFF,

21 v.

22 GROCERY OUTLET INC.; and
23 DOES 1 thru 50, inclusive,

24 DEFENDANTS.

Case No. 34-2021-00309003

**[PROPOSED] FINAL APPROVAL
ORDER AND JUDGEMENT OF CLASS
ACTION AND PAGA SETTLEMENT**

Date:
Time:
Dept.:
Judge:

Complaint Filed: 9/29/2021
FAC Filed: 12/7/21
SAC Filed: 12/20/22
Trial Date: Not Set

25 The above-referenced Class and Representative PAGA action ("Action") having come
26 before the Court on [REDACTED], in Department [REDACTED] before the Honorable [REDACTED],
27 presiding for a hearing and Order Granting Final Approval of Class Action and PAGA Settlement
28 and Judgment ("Final Order"), consistent with the Court's Preliminary Approval Order
("Preliminary Approval Order"), filed and entered [REDACTED], and as set forth in the Joint

1 Stipulation of Class Action and PAGA Settlement and Release Between Plaintiff and Defendant
2 (“Stipulation of Settlement”) in this Action, and due and adequate notice having been given to all
3 Class Members as required in the Preliminary Approval Order, and the Court having considered all
4 papers filed and proceedings had herein and otherwise being fully informed, and good cause
5 appearing therefor,

6 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

7 1. All terms used herein shall have the same meaning as defined in the Stipulation of
8 Settlement.

9 2. Consistent with the definitions provided in the Stipulation of Settlement, the terms
10 “Settlement Class” and “Class Members” shall mean the following: all persons currently and
11 formerly employed by Defendant as non-exempt employees at Defendant’s Regional Fulfillment
12 Centers in California from September 29, 2017 to December 31, 2022. The Settlement Class,
13 however, shall not include any person who previously settled or released the claims covered by this
14 Settlement, or any person who previously was paid or received awards through civil or
15 administrative actions for the claims covered by this Settlement, or any person who submitted a
16 timely and valid Request for Exclusion as provided in this Settlement. The “Class Period” shall be
17 September 29, 2017 to December 31, 2022. For purposes of the Settlement and this Final Order,
18 “Released Parties” as referenced herein and as released in the Settlement shall collectively mean:
19 (i) Defendant Grocery Outlet, Inc. (“Defendant”); (ii) each of Defendant’s past, present and future
20 direct and indirect parent companies; (iii) the respective past, present and future direct and indirect
21 subsidiaries and affiliates of any of the foregoing; (iv) the past, present and future shareholders,
22 directors, officers, agents, employees, clients, attorneys, insurers, predecessors, successors and
23 assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with
24 any of the foregoing.

25 3. This Court has jurisdiction over the subject matter of this Action and over all Parties
26 to this Action, including all Class Members.

27 4. Distribution of the Class Notice directed to the Class Members as set forth in the
28 Stipulation of Settlement and the other matters set forth therein has been completed in conformity

1 with the Preliminary Approval Order, including notice to all Class Members who could be
2 identified through reasonable effort, and is the best notice practicable under the circumstances. The
3 Class Notice provided due and adequate notice of the proceedings and of the matters set forth
4 therein, including the proposed Settlement set forth in the Stipulation of Settlement, to all persons
5 entitled to such Class Notice, and the Class Notice fully satisfied the requirements of due process.
6 All Class Members and all Released Claims are covered by and included within the Settlement and
7 this Final Order.

8 5. The Court hereby finds the Settlement was entered into in good faith pursuant to and
9 within the meaning of California Code of Civil Procedure section 877.6. The Court further finds
10 that the Settlement is fair, adequate and reasonable and that Plaintiff has satisfied the standards and
11 applicable requirements for final approval of this class action Settlement under California
12 law, including the provisions of California Code of Civil Procedure section 382 and Federal Rule
13 of Civil Procedure 23, approved for use by the California state courts in *Vasquez v. Superior Court*
14 (1971) 4 Cal.3d 800, 821.

15 6. The Court hereby approves the Settlement set forth in the Stipulation of Settlement
16 and finds that the Settlement is, in all respects, fair, adequate and reasonable, and directs the Parties
17 to effectuate the Settlement according to its terms. The Court finds that the Settlement has been
18 reached as a result of intensive, serious and non-collusive arms-length negotiations. The Court
19 further finds that the Parties have conducted extensive investigation and research, and counsel for
20 the Parties are able to reasonably evaluate their respective positions. The Court also finds that
21 Settlement at this time will avoid additional substantial costs, as well as avoid the delay and risks
22 that would be presented by the further prosecution of the Action. The Court has reviewed the
23 benefits that are being granted as part of the Settlement and recognizes the significant value to the
24 Class Members. The Court also finds that the Class is properly certified as a class for settlement
25 purposes only.

26 7. As of the date of entry of this Final Order, each and every Released Claim
27 (as defined in the Stipulation of Settlement and set forth below) of each and every Class Member
28 is and shall be deemed to be conclusively released as against the Released Parties. As of the date

1 of this Final Order, the Class Representative and each and every Class Member who have not
2 submitted a valid Request for Exclusion are hereby released and forever barred and enjoined from
3 prosecuting the Released Claims, except as to such rights or claims as may be created by the
4 Settlement, against Defendant and the Released Parties from any and all claims under state, federal
5 and local law ultimately alleged in this Action and that reasonably could have been alleged in this
6 Action based on the factual allegations contained in the operative Complaint in this Action and any
7 amendments thereto, as to the Class Members, including but not limited to: California Labor Code
8 sections 200, 201, 202, 203, 226, 226.2, 226.3, 226.6, 510, 558, 558.1, 1194, 1199, 2698, *et seq.*,
9 California Business and Professions Code section 17200, *et seq.*, class and representative claims,
10 the applicable Wage Order(s), and all claims for or related to alleged unpaid wages, overtime or
11 double time wages, regular rate of pay, timely payment of wages at separation, itemized wage
12 statements, unfair competition, unfair business practices, unlawful business practices, fraudulent
13 business practices, injunctive relief, declaratory relief, accounting, liquidated damages, penalties of
14 any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA
15 penalties), interest, fees, costs, as well as all other claims, allegations, and damages alleged in the
16 Action, from September 29, 2017 through December 31, 2022 (collectively “Released Claims”).
17 Expressly excluded from the release are claims for retaliation, discrimination, unemployment
18 insurance, disability, workers’ compensation, and claims outside the Released Claims. The release
19 of claims shall not include any claims that cannot be released as a matter of law. In addition, as of
20 the date of this Final Order, the Class Representative and the Settlement Class, and each member
21 of the Class who has not submitted a valid Request for Exclusion, are forever barred and enjoined
22 from instituting or accepting damages or obtaining relief against the Released Parties for any period
23 from September 29, 2017 to December 31, 2022, relating to the Released Claims.

24 8. Neither the Settlement nor any of the terms set forth in the Stipulation of Settlement
25 is an admission by Defendant, or any of the other Released Parties, nor is this Final Order a finding
26 of the validity of any claims in this Action, or of any wrongdoing by Defendant or any of the other
27 Released Parties. Neither this Final Order, the Stipulation of Settlement, nor any document referred
28 to herein, nor any action taken to carry out the Stipulation of Settlement, may be construed as, or

1 may be used as, an admission by or against Defendant, or any of the other Released Parties, of any
2 fault, wrongdoing or liability whatsoever. The entering into or carrying out of the Stipulation of
3 Settlement, and any negotiations or proceedings related thereto, shall not in any event be construed
4 as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses
5 by Defendant, or any of the other Released Parties, and shall not be offered in evidence in any
6 action or proceeding in any court, administrative agency or other tribunal for any purpose
7 whatsoever other than to enforce the provisions of this Final Order, the Stipulation of Settlement,
8 the Released Claims, or any related agreement or release. Notwithstanding these restrictions, any
9 of the Released Parties may file in this Action, or submit in any other proceeding, the Final Order,
10 the Stipulation of Settlement, and any other papers and records on file in this Action as evidence of
11 the Settlement to support a defense of *res judicata*, *collateral estoppel*, release, or other theory of
12 claim or issue preclusion or similar defense as to the Released Claims.

13 9. The Court hereby enters judgment in the entire Action as of the filing date of this
14 Final Order, pursuant to the terms set forth in the Stipulation of Settlement. Without affecting the
15 finality of this Final Order in any way, the Court hereby retains continuing jurisdiction over the
16 interpretation, implementation and enforcement of the Settlement and all orders entered in
17 connection therewith pursuant to California Code of Civil Procedure section 664.6.

18 10. The Court finds the settlement payments provided for under the Settlement to be fair
19 and reasonable in light of all of the circumstances. The Court orders the calculations and the
20 payments to be made and administered in accordance with the terms of the Settlement.

21 11. The Court hereby confirms Eric B. Kingsley and Kelsey M. Szamet of Kingsley &
22 Kingsley, APC, and Emil Davtyan of Davtyan Law Firm, Inc. as Class Counsel in this Action.

23 12. The Court further finds that the common fund doctrine is applicable to this Action
24 because there is a sufficiently identifiable class of beneficiaries (the Class), the benefits can be
25 accurately traced to the Settlement that Plaintiff and Class Counsel negotiated on behalf of the
26 Class, and the fee can be shifted with exactitude to those benefiting as the fee request is a specific,
27 lump-sum percentage of the common fund. *See Serrano v. Priest* (1977) 20 Cal.3d 25, 34-35. The
28 Court finds the attorneys' fees request of thirty-three and one-third percent (33 1/3%) of the

1 common fund to be appropriate compensation for Class Counsel. The attorneys' fees request is
2 within the range that has been approved by other courts in similar cases and reasonable in light of
3 the circumstances of this Action, the substantial and beneficial results obtained on behalf of the
4 Class, and the contingent nature of the recovery over the course of this Action, which included
5 potential loss at summary judgment, certification and/or trial proceedings. Pursuant to the terms of
6 the Settlement, and the authorities, evidence and argument submitted by Class Counsel, the Court
7 hereby awards Class Counsel attorneys' fees in the amount of \$150,000.00 and attorneys' costs in
8 the amount of \$15,000, from the Gross Settlement Amount as final payment for and complete
9 satisfaction of any and all attorneys' fees and costs incurred by and/or owed to Class Counsel and
10 any other person or entity related to this Action. The Court further orders that the award of
11 attorneys' fees and costs set forth in this Paragraph shall be administered pursuant to the terms of
12 the Stipulation of Settlement and made payable to and deposited into the bank account of "Kingsley
13 & Kingsley, APC" as Class Counsel in this Action.

14 13. The Court also hereby approves and orders payment of an Enhancement Award to
15 Plaintiff and Class Representative Reginald Antonio Chavis, Jr. in the amount of \$7,500.00 from
16 the Gross Settlement Amount.

17 14. The Court also hereby approves and orders payment in the amount of \$15,000.00
18 from the Gross Settlement Amount for PAGA penalties, payable to the California Labor and
19 Workforce Development Agency.

20 15. The Court also hereby approves and orders payment from the Gross Settlement
21 Amount for actual claims administration expenses incurred by the Claims Administrator, XPand
22 Legal, in the amount of \$11,500.

23 16. The Court also hereby approves and orders that any residue from uncashed
24 settlement award checks after the expiration date will be paid out to Koinonia Family Services, a
25 non-profit 501(c)(3) organization with child advocacy programs within the State of California, as
26 the *cy pres* recipient pursuant to California Code of Civil Procedure section 384(b); any residue
27 received by Koinonia Family Services shall be used solely for child advocacy programs within the
28 State of California pursuant to Code of Civil Procedure section 384(b).

1
2 17. The Court also hereby finds and orders that the Stipulation of Settlement is and
3 constitutes a fair, adequate and reasonable compromise of the Released Claims against Defendant
4 and the Released Parties.

5 18. Provided the Settlement becomes effective under the terms of the Stipulation of
6 Settlement, the Court also hereby orders that the deadline for mailing the Court-approved
7 Settlement Awards, attorneys' fees and costs, and Enhancement Award is as set forth in the
8 Implementation Schedule within the Preliminary Approval Order.

9 19. The Court also hereby finds that there were no objections to the Settlement raised
10 by any person on the record at the hearing on the Final Approval Order.

11 **IT IS SO ORDERED. LET JUDGMENT BE ENTERED ACCORDINGLY.**

12
13 Dated: _____

Judge of the Superior Court

EXHIBIT "B"
(PROOF OF SUBMISSION TO THE LWDA)

(PROOF OF SERVICE)
[CCP 1013(a)(3)]

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action. My business address is 16133 Ventura Boulevard, Suite 1200, Encino, California 91436.

On January 25, 2023, I served all interested parties in this action the following documents described as: **DECLARATION OF KELSEY M. SZAMET IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

JACKSON LEWIS P.C.

Cary G. Palmer

cary.palmer@jacksonlewis.com

Erika M. Barbara

erika.barbara@jacksonlewis.com

400 Capitol Mall, Suite 1600

Sacramento, CA 95814

DAVTYAN LAW FIRM, INC.

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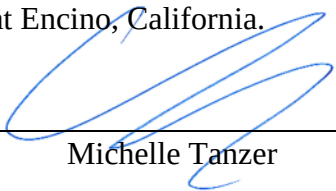
Glendale, CA 91203

[] (BY MAIL): I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage fully prepaid at Encino, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

[XX] (BY ELECTRONIC MAIL TRANSMISSION): I caused the document to be send to the persons at the e-mail address(es) listed on the attached service list. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. A pdf copy of which was sent via email to the above email address(es).

[XX] (STATE): I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on January 25, 2023, at Encino, California.



Michelle Tanzer