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**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]

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

Date: April 28, 2023

Time: 9:00 a.m.

Dept.: 28

Complaint Filed: September 29, 2021

FAC Filed: December 7, 2021

Trial Date: None Set

1                                   **SUPPLEMENTAL 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 supplemental Declaration from my own personal knowledge,  
7 and, if called 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 supplemental Declaration in support of Plaintiff's Motion for  
14 Preliminary Approval of the Class Action Settlement in the above-captioned case and in response  
15 to the Court's February 16, 2023 Tentative Ruling ("TR") ordering the Parties to address various  
16 issues.

17          4.       In response to the TR, the Parties have revised the agreement and now executed  
18 Amended Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and  
19 Defendant) (Hereafter "Amended Settlement Agreement").

20                           **SETTLEMENT AGREEMENT**

21           **A.       PAGA Release of Claims**

22          5.       A redlined version of the Amended Settlement Agreement is attached for ease of  
23 the Court's review as Exhibit "A".

24          6.       The Parties have included a separate PAGA release (see Ex. "A" at ¶24 and have  
25 defined the "Aggrieved Employees" who are subject to the PAGA release (Id. at ¶7.)

26          7.       The PAGA release explains that it is applied even if class members request  
27 exclusion from the class. (Ex. "A" at ¶24).

28       ///

1           **B.     Language Regarding Class Notice**

2           8.     The Parties have revised the Class Notice to remove the confusing language in  
3 response to the Court’s concern (see Ex. “A” at ¶19.b).

4           9.     The Spanish version of the Class Notice will also reflect these changes.

5           **C.     Class Release of Claims**

6           10.    The Parties have revised the language regarding the “Effective Date” (see Ex. “A”  
7 at ¶15.b) to be more specific. In short, it is the date on which the Court grants final approval,  
8 assuming no objections are filed.

9           11.    Defendant shall fund the Gross Settlement Amount within 30 days of the Effective  
10 Date as this is what the Parties agreed upon. Class Members will be mailed their checks within 35  
11 days of the Effective Date meaning within 5 days of Defendant funding the GSA.

12          12.    I believe that this is a typical schedule of dates in many class action settlement  
13 agreements, however, if the Court is concerned that there is a 30 day difference between the date  
14 on which the Release goes into effect (which is the Effective Date) and the date on which  
15 Defendant funds the GSA, the Court could provide in the preliminary approval order that the  
16 Release does not go into effect until the date on which Defendant funds the GSA.

17          **D.     Cy Pres Distribution**

18          13.    I believe Koinonia Family Services to be a qualified nonprofit organization to  
19 receive uncashed check funds pursuant to Code of Civil Procedure section 384.

20          14.    The relevant language of CCP 384 provides that “After the report is received, the  
21 court shall amend the judgment to direct the defendant to pay the sum of the unpaid residue or  
22 unclaimed or abandoned class member funds, plus any interest that has accrued thereon, to  
23 nonprofit organizations or foundations to support projects that will benefit the class or similarly  
24 situated persons, or that promote the law consistent with the objectives and purposes of the  
25 underlying cause of action, **to child advocacy programs**, or to nonprofit organizations providing  
26 civil legal services to the indigent.”

27          15.    Koinonia Family Services (<https://www.kfh.org/about/>) is a state-licensed, non-  
28 profit public service organization that offers a wide variety of services, including family

1 preservation, child advocacy, and outpatient services. Because is provides child advocacy  
2 programs, I believe it is an appropriate *cy pres* recipient within the meaning of statute.

3 16. In addition, my law firm nor any of its members have any relationship whatsoever  
4 with the organization.

5 **E. Class Counsel**

6 17. Pursuant to Cal. Rules of Court, rule 3.769, Class Counsel entered into a fee  
7 splitting agreement and Plaintiff provided written consent to this agreement. Attached hereto as  
8 Exhibit “C” is a true and correct copy of the fully-executed Statement and Disclosure of Agreement  
9 for Cost-Sharing and Division of Attorneys’ Fees.

10 **F. Mediation**

11 18. The Parties scheduled mediation, however, the Parties never participated in  
12 mediation as they were able to reach the Agreement on their own through direct negotiations. As  
13 a result, they canceled the formal mediation.

14 19. I believe that my partner, Eric Kingsley, and I received the data necessary to  
15 evaluate the claim, the potential maximum exposure, and to evaluate the risks as to the merits and  
16 potential recovery by the Class. We believe that the proposed settlement is fair and reasonable in  
17 light of the risks.

18 **CLASS NOTICE**

19 **G. Administration Costs**

20 20. The reference in the notice was a typo. The third-party settlement administration  
21 bid, attached hereto as Exhibit “D”, is for \$11,500.

22 21. Counsel for Defendant was provided a copy of this bid in advance of execution of  
23 the original Settlement Agreement.

24 **H. Miscellaneous**

25 22. The Court indicated that the Class Notice should indicate the difference between  
26 the class and PAGA releases described above and the fact that Class Members who are also  
27 aggrieved employees cannot opt out of the PAGA release as discussed above.

28 23. The Notice has been revised to reflect this change. A redlined notice is attached

1 for ease of the Court’s review as Exhibit “E”.

2 24. After meeting and conferring with Defendant’s Counsel, the Class Notice will need  
3 to be mailed to class members in both English and Spanish. The Settlement Administration, in the  
4 regular courts and scope of its duties, will translate the notice into Spanish. The Spanish Class  
5 Notice will be a translated version of the Court approved Notice

6 **LABOR AND WORKFORCE DEVELOPMENT AGENCY**

7 25. As indicated on the Proof of Service, this supplemental declaration, including all  
8 concurrently filed supporting documents, was uploaded to the Labor and Workforce Development  
9 Agency’s (“LWDA”) website on the date these supplemental documents were filed. Proof of  
10 submission of this supplemental declaration, all related documents, and copy of the email from the  
11 LWDA confirming receipt is attached hereto as Exhibit “G.”

12 **EXHIBITS**

13 1. Attached hereto as Exhibit “A” is a true and correct redlined copy of the fully-  
14 executed Amended Joint Stipulation of Class Action and PAGA Settlement and Release of Claims  
15 (“Amended Settlement Agreement”).

16 2. Attached hereto as Exhibit “B” is a true and correct clean copy of the fully-executed  
17 Amended Joint Stipulation of Class Action and PAGA Settlement and Release of Claims  
18 (“Amended Settlement Agreement”).

19 3. Attached hereto as Exhibit “C” is a true and correct copy of the fully-executed  
20 Statement and Disclosure of Agreement for Cost-Sharing and Division of Attorneys’ Fees.

21 4. Attached hereto as Exhibit “D” is a true and correct copy of the third-party  
22 administration bid.

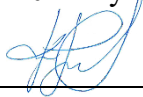
23 5. Attached hereto as Exhibit “E” is a true and correct redlined copy of the Class  
24 Notice.

25 6. Attached hereto as Exhibit “F” is a true and correct clean copy of the Class Notice.

26 7. Attached hereto as Exhibit “G” is a true and correct copy of the proof of submission  
27 of this supplemental declaration, all related and supporting documents, and copy of the email from  
28 the LWDA confirming receipt.

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

3 This Declaration was executed this 10th day of April, 2023, in Altadena, California.

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6 Kelsey M. Szamet  
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# **EXHIBIT "A"**

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and the Proposed Classes

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16 Attorneys for Defendant  
17 GROCERY OUTLET INC.

18 SUPERIOR COURT OF CALIFORNIA

19 COUNTY OF SACRAMENTO

20  
21 REGINALD ANTONIO CHAVIS JR.,  
22 an individual, on behalf of himself and  
others similarly situated,

23 PLAINTIFF,

24 v.

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

27 DEFENDANTS.  
28

Case No. 34-2021-00309003

**AMENDED 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 Amended Joint Stipulation of Class Action and PAGA Settlement and Release  
2 (hereinafter “Stipulation of Settlement”) is made and entered into by and between Plaintiff  
3 Reginald Antonio Chavis, Jr., as an individual and on behalf of all similarly situated and aggrieved  
4 employees (“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 6.7. For purposes of this Settlement, the “Aggrieved Employees” or “PAGA  
18 Members” shall consist of all persons currently and formerly employed by Defendant as non-  
19 exempt employees at Defendant’s Regional Fulfillment Centers in California from September 29,  
20 2020 to December 31, 2022. The Aggrieved Employees, however, shall not include any person  
21 who previously settled or released any of the claims covered by this Settlement or any person who  
22 previously was paid or received awards through civil or administrative actions for the claims  
23 covered by this Settlement. Aggrieved Employees shall not be able to “opt-out” or Request  
24 Exclusion, as described below, from the PAGA Release.

25 7.8. Solely for purpose of settling this case, the Parties stipulate and agree that the  
26 requisites for establishing class certification with respect to the Settlement Class have been met  
27 and are met. More specifically, the Parties stipulate and agree that:

28 a. The Settlement Class is ascertainable and so numerous as to make it

1 impracticable to join all Class Members.

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

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

7                   ii.       Whether Plaintiff and the Settlement Class are entitled to alleged  
8 unpaid wages, penalties, interest, and attorneys' fees and costs.

9           c.       Plaintiff believes that Plaintiff's claims are typical of the claims of the  
10 members of the Settlement Class.

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

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

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

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

27       10.      It is the desire of the Parties to fully, finally and forever settle, compromise and  
28 discharge all disputes and claims arising from the allegations and causes of action stated in the

1 Complaint. To achieve a full and complete release of Defendant, each Class Member  
2 acknowledges that this Stipulation of Settlement is intended to include in its effect all claims of  
3 any nature reasonably arising out of the allegations made in the Complaint.

4 11. It is the intention of the Parties that this Stipulation of Settlement shall constitute  
5 a full and complete settlement and release of all claims arising from the allegations in the  
6 Complaint against: (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 (collectively "Released Parties").

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

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

24 14. This Settlement provides that Defendant will pay Settlement Awards (defined  
25 below) according to a specified formula to each Settlement Class Member who does not request  
26 to be excluded from this Settlement. The total payment under the Settlement is \$450,000.00, which  
27 includes all payments to Class Members, Class Counsel's attorneys' fees, Class Counsel's  
28 litigation expenses and costs, the enhancement award to the class representative, PAGA penalties,

1 and settlement administration expenses. It is understood and agreed that Defendant shall have no  
2 obligation to pay any person, entity or organization more than the amount of its maximum total  
3 liability under the Settlement, except that Defendant will pay the employer payroll taxes for the  
4 wage portion of the Settlement Awards.

#### 5 TERMS OF SETTLEMENT

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

8 ///

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

13 b. Effective Date: The Settlement embodied in this Stipulation of Settlement  
14 shall become effective on the date on which the Court's order granting Final Approval of this Joint  
15 Stipulation becomes final. Such order becomes final upon the following events: (i) if no timely  
16 objections are filed, or are withdrawn prior to final approval, the date upon which the Court enters  
17 an order granting final approval of the Settlement; or (ii) if timely objections are filed and not  
18 withdrawn, the latest of the following events: (a) when the period for filing any appeal, writ or  
19 other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or other  
20 appellate proceeding having been filed; or any appeal, writ or other appellate proceeding opposing  
21 the Settlement has been dismissed finally and conclusively with no right to pursue further remedies  
22 or relief; or any appeal, writ or other appellate proceeding has upheld the Court's final order with  
23 no right to pursue further remedies or relief. In this regard, it is the intention of the parties that the  
24 Settlement shall not become effective until the Court's order approving the Settlement is  
25 completely final. For purposes of clarity, the Effective Date cannot occur, and Defendants will  
26 not be obligated to fund this Settlement or pay the Gross Settlement Amount, until and unless there  
27 is no possibility of an appeal or further proceeding that could potentially prevent this Settlement  
28 from becoming effective, final and binding.~~when all of the following events have occurred: (i) this~~

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

24 c. Maximum Settlement Amount, and Net Settlement Amount: To implement  
25 the terms of this Settlement, Defendant, on behalf of the Released Parties, agrees to pay a  
26 maximum of \$450,000.00 within thirty (30) calendar days of the Effective Date, which includes:  
27 all payments to Class Members; Class Counsel's attorneys' fees; Class Counsel's litigation  
28 expenses and costs; the enhancement award to the class representative; \$20,000.00 allocated to

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

20 i. Settlement Awards to Class Members: Payments to Class Members  
21 under the Settlement (“Settlement Awards”) will be determined based on the number of weeks  
22 worked by all Class Members during the Class Period based on information provided by  
23 Defendant. The workweeks will be calculated by the “Settlement Administrator,” as defined  
24 below, for Class Members by dividing the total days employed in California as a Class Member  
25 during the Class Period by seven (7). Partial workweeks will not be counted, meaning incomplete  
26 workweeks will be rounded down; however, if a Class Member worked only one (1) day as a Class  
27 Member, such Class Member will be credited with having worked one (1) workweek for purposes  
28 of the Settlement. Defendant’s workweek data will be presumed to be correct, unless a particular

1 Class Member proves otherwise to the Settlement Administrator by credible written evidence. All  
2 workweek disputes will be resolved and decided by the Settlement Administrator, and the  
3 Settlement Administrator's decision on all workweek disputes will be final and non-appealable.  
4 The amount to be paid per workweek to eligible Class Members will be calculated by the  
5 Settlement Administrator by dividing the Net Settlement Amount by the number of weeks worked  
6 by Class Members who do not opt out of the Settlement. No claim form shall be required for  
7 Settlement Class Members to receive their settlement awards.

8 ii. Private Attorneys General Act Allocation: Subject to Court  
9 approval, the Parties have agreed to allocate \$20,000.00 of the Maximum Settlement Amount to  
10 Plaintiff's claims under PAGA. Seventy-five percent (75%) of this amount, or in other words  
11 \$15,000.00, will be paid out of the Maximum Settlement Amount to the LWDA of the State of  
12 California, and the remaining twenty-five percent (25%), or in other words \$5,000.00, will ~~remain~~  
13 ~~included in the Net Settlement Amount~~ be paid to Aggrieved Employees, as defined above, pro rata  
14 based on the pay periods worked during the relevant time period.

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

21 iv. Settlement Awards Do Not Trigger Additional Benefits: All  
22 Settlement Awards to Class Members shall be deemed to be income to such Class Members solely  
23 in the year in which such awards actually are received by the Class Members. It is expressly  
24 understood and agreed that the receipt of such Settlement Awards will not entitle any Class  
25 Member to additional compensation or benefits under any company bonus, contest or other  
26 compensation or benefit plan or agreement in place during the period covered by the Settlement,  
27 nor will it entitle any Class Member to any increased retirement, 401(k) benefits or matching  
28 benefits, or deferred compensation benefits. It is the intent of this Settlement that the Settlement

1 Awards provided for in this Agreement are the sole payments to be made by Defendant to the  
2 Class Members in connection with this Settlement, and that the Class Members are not entitled to  
3 any new or additional compensation or benefits as a result of having received the Settlement  
4 Awards (notwithstanding any contrary language or agreement in any benefit or compensation plan  
5 document that might have been in effect during the period covered by this Settlement).

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

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

24 vii. Settlement Administrator: The Settlement Administrator will be  
25 mutually agreeable to the Parties, after review and approval by the Parties of a not-to-exceed quote  
26 for settlement administration expenses which Plaintiff's Counsel agrees to request and circulate to  
27 Defendant's Counsel. All settlement administration expenses shall be paid out of the Maximum  
28 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 rescind and void the Settlement, before final approval by the Court, by providing written notice to Class Counsel no later than ten (10) calendar days before the Final Approval hearing date. If Defendant exercises this option, Defendant shall pay any costs of settlement administration incurred up to that date, but not to include Class Counsel’s fees and costs.

#### SETTLEMENT ADMINISTRATION

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

22                           ATTORNEYS' FEES AND LITIGATION COSTS

23           17.     In consideration for settling this Action, in exchange for the release of claims by  
24 the Settlement Class, and subject to final approval or modification by the Court, Defendant agrees  
25 to pay, from the Maximum Settlement Amount, Class Counsel attorneys' fees not to exceed thirty-  
26 three and one-third percent (33 1/3%) of the Maximum Settlement Amount, or in other words up  
27 to \$150,000.00, and attorneys' costs not to exceed \$15,000.00 from the Maximum Settlement  
28 Amount. Defendant will not object to Class Counsel's application for attorneys' fees and litigation

1 costs up to these amounts. The amounts set forth above will cover all work performed and all fees  
2 and costs incurred to date, and all work to be performed and all fees and costs to be incurred in  
3 connection with the approval by the Court of this Stipulation of Settlement, the administration of  
4 the Settlement, and obtaining the final judgment. Should Class Counsel request lesser amounts,  
5 or should the Court approve lesser amounts for attorneys' fees and litigation costs, the difference  
6 between the lesser amounts and the Maximum Settlement Amount shall be added to the Net  
7 Settlement Amount.

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

#### 11 NOTICE TO THE PLAINTIFF CLASS

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

15 a. Within thirty (30) calendar days after preliminary approval of this  
16 Settlement by the Court, Defendant shall provide to the Settlement Administrator the Class  
17 Members' names, last known addresses, last known telephone numbers, Social Security Numbers,  
18 and hire and termination dates during the Class Period. The Parties agree the Social Security  
19 Numbers will be used only by the Settlement Administrator for the sole purpose of effectuating  
20 the Settlement and will not be provided to Class Counsel at any time or in any form.  
21 Notwithstanding anything herein to the contrary, the Settlement Administrator will not be entitled  
22 to receive confidential information of Defendant (including non-public personal information of its  
23 employees) unless and until the Settlement Administrator signs and delivers to Defendant a  
24 confidentiality agreement and data processing agreement compliant with the California Consumer  
25 Privacy Act and the California Privacy Act. To the extent Class Counsel possesses or comes to  
26 possess the Class Members' contact information and/or Social Security Numbers from the  
27 Settlement Administrator, Class Counsel shall return all such information (including copies and  
28 data or information derived therefrom) within five (5) calendar days from the date the Court finally

1 approves the Settlement, shall destroy all copies in any form of such information, and shall not  
2 maintain or use such information for any purpose. The information provided for above shall be  
3 based on Defendant's payroll and other business records and in a format acceptable to the  
4 Settlement Administrator. Defendant agrees to consult with the Settlement Administrator prior to  
5 the production date to ensure that the format will be acceptable to the Settlement Administrator.  
6 The information will need to be provided to the Settlement Administrator by reasonable security  
7 measures and reasonably secure technology. The Settlement Administrator will run a check of the  
8 Class Members' addresses against those on file with the U.S. Postal Service's National Change of  
9 Address List. Within forty-five (45) calendar days of preliminary approval of this Settlement, the  
10 Settlement Administrator will mail the Class Notice to Class Members.

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

24  
25           c.       The Class Notice shall also identify the procedures for opting out of or  
26 objecting to the Settlement.

27           d.       Class Counsel shall provide to the Court, at least sixteen (16) court days  
28 before the Final Fairness hearing, an initial declaration by the Settlement Administrator of due

1 diligence and proof of mailing with regard to the mailing of the Class Notice.

2 ADMINISTRATION PROCESS

3 20. The Class Members will have sixty (60) calendar days from the date of mailing in  
4 which to submit requests for exclusion (“opt out”).

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

1 effective as defined in Paragraph 15.b. The Settlement Administrator will be responsible for  
2 making appropriate deductions, calculating and reporting the employer payroll taxes on the  
3 Settlement Awards, paying to Class Counsel any Court-approved attorneys' fees and litigation  
4 costs, paying to the Class Representative any Court-approved Enhancement Award, paying the  
5 LWDA seventy-five percent (75%) of the amount allocated for PAGA penalties above, paying the  
6 settlement administration expenses, meeting tax reporting obligations, and for issuing the  
7 individual Settlement Awards to Class Members. Proof of compliance with the Court's final  
8 approval order will be provided to counsel for the Parties by the Settlement Administrator within  
9 twenty-one (21) days after all payment obligations, the check cashing deadline for Class Members,  
10 and payment to the *cy pres* beneficiaries have passed.

#### 11 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

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

25 23. Objecting to the Settlement. Any individual who does not exclude himself/herself  
26 from the Settlement can object to the terms of the Settlement in writing before the deadline to  
27 object to the Settlement. To object, the individual must file a written objection and a notice of  
28 intention to appear at the Final Approval hearing with the Clerk of the Sacramento County Superior

1 Court of the State of California and send copies to the Settlement Administrator, Class Counsel,  
2 and counsel for Defendant. Any written objection must state each specific reason in support of  
3 the objection and any legal support for each objection. The individual must state his/her full name,  
4 address, date of birth, and dates he/she worked as a Class Member in California for Defendant. To  
5 be valid and effective, any written objections to approval of the Settlement must be filed with the  
6 Clerk of the Court and delivered to the Settlement Administrator, Class Counsel, and counsel for  
7 Defendant no later than sixty (60) calendar days after the Settlement Administrator mails the Class  
8 Notice to the Class Members. However, a Class Member may appear at the Final Approval  
9 hearing, either in person or through his/her own counsel, and object to the Settlement Agreement  
10 and any of its terms without submitting a prior objection in the manner and by the deadline  
11 specified above. If the Court rejects the objection, the individual will be bound by the terms of the  
12 Settlement.

#### 13 RELEASE BY THE CLASS

14 24. Effective upon the date of final approval by the Court of this Stipulation of  
15 Settlement, and except as to such rights or claims as may be created by this Stipulation of  
16 Settlement, the Settlement Class and each member of the Class who has not submitted a valid  
17 Request for Exclusion fully release and discharge the Released Parties from all claims under state,  
18 federal and local law alleged in the Action and that reasonably could have been alleged in the  
19 Action based on the factual allegations contained in the operative Complaint in the Action and any  
20 amendments thereto, as to the Class Members, including but not limited to California Labor Code  
21 sections 200, 201, 202, 203, 226, 226.2, 226.3, 226.6, 510, 558, 558.1, 1194, 1199, 2698, *et seq.*,  
22 California Business and Professions Code section 17200, *et seq.*, class and representative claims,  
23 the applicable Wage Order(s), and all claims for or related to alleged unpaid wages, overtime or  
24 double time wages, regular rate of pay, timely payment of wages at separation, itemized wage  
25 statements, unfair competition, unfair business practices, unlawful business practices, fraudulent  
26 business practices, injunctive relief, declaratory relief, accounting, liquidated damages, penalties  
27 of any nature (including but not limited to civil penalties, waiting-time penalties, and PAGA  
28 penalties), interest, fees, costs, as well as all other claims, allegations, and damages alleged in the

1 Action, from September 29, 2017 through December 31, 2022 (collectively “Released Claims”).  
2 Expressly excluded from the release are claims for retaliation, discrimination, unemployment  
3 insurance, disability, workers’ compensation, and claims outside the Released Claims.

4 Effective upon the date of final approval by the Court of this Stipulation of Settlement, and  
5 except as to such rights or claims as may be created by this Stipulation of Settlement, PAGA  
6 Members shall release all PAGA Claims. “Released PAGA Claims” means any and all claims for  
7 civil penalties pursuant to PAGA that are reasonably related to or arising out of the factual  
8 allegations in the operative pleading in the Lawsuit and/or Plaintiff’s September 29, 2021 PAGA  
9 notice to the LWDA which occurred during the PAGA Period (collectively, the “Released PAGA  
10 Claims”). Plaintiff and PAGA Members will release Defendants and the Released Parties from all  
11 remedies that could be claimed in connection with the Released PAGA Claims including but not  
12 limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive  
13 damages, interest, attorneys’ fees, litigation costs, restitution, and equitable relief.

14 Effective upon the date of final approval by the Court of this Stipulation of Settlement, all  
15 Non-Participating Class Members who are Aggrieved Employees release the Released Parties  
16 from the Released PAGA Claims for the PAGA Period.

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

23 A general release does not extend to claims that the creditor or  
24 releasing party does not know or suspect to exist in his or her favor  
25 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.

26 Plaintiff expressly waives the protection of Section 1542. Plaintiff understands and agrees  
27 that claims or facts in addition to or different from those which are now known or believed by him  
28 to exist may hereafter be discovered. It is Plaintiff’s intention to settle fully and release all of the

1 claims, except for workers' compensation claims, Plaintiff now has against the Released Parties,  
2 whether known or unknown, suspected or unsuspected.

3 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

4 26. To effectuate the terms of the Settlement, the Parties agree all formal and informal  
5 discovery shall be stayed pending Court approval of the Settlement. Class Counsel agree to notify  
6 the Court of the Settlement through a Notice of Proposed Class Action Settlement, and to request  
7 that all current Court deadlines be continued pending Court approval of the Settlement. Class  
8 Counsel agree to cease all affirmative communication (oral and written) with the putative class  
9 members, other than through Court-approved notices; this provision does not prevent Class  
10 Counsel from communicating with any Class Members who may contact Class Counsel. Plaintiff  
11 shall promptly submit this Stipulation of Settlement to the Sacramento County Superior Court in  
12 support of Plaintiff's Motion for Preliminary Approval and determination by the Court as to its  
13 fairness, adequacy and reasonableness. Plaintiff agrees to provide Defendant the opportunity to  
14 review, and to approve before filing, Plaintiff's Motion for Preliminary Approval. At the same  
15 time Plaintiff submits this Stipulation of Settlement to the Sacramento County Superior Court,  
16 Plaintiff agrees to submit a copy of the Stipulation of Settlement to the LWDA. Promptly upon  
17 execution of this Stipulation of Settlement, Plaintiff shall apply to the Court for the entry of an  
18 order preliminarily approving the Settlement in a form that is mutually agreeable between the  
19 Parties and also provides for the following:

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

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

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

28 d. Approving the manner and method for Class Members to request exclusion

1 from the Settlement as contained herein and within the Class Notice;

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

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

6 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any  
7 other cases, claims, suits or administrative proceedings (including filing claims with the Division  
8 of Labor Standards Enforcement of the California Department of Industrial Relations) regarding  
9 the Released Claims unless and until such Class Members have filed valid Requests for Exclusion  
10 with the Settlement Administrator and the time for filing Requests for Exclusion with the  
11 Settlement Administrator has elapsed.

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

14 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

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

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

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

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

26 d. Entering judgment in accordance with California Rules of Court,  
27 rule 3.769(h), and permanently barring and enjoining all members of the Settlement Class from  
28 prosecuting against Defendant; each of Defendant's respective past, present and future parents,

1 subsidiaries and affiliates; past, present and future partners, shareholders, officers,  
2 agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the  
3 foregoing; and any individual or entity which could be jointly liable with any of the foregoing.

4 PARTIES' AUTHORITY

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

7 MUTUAL FULL COOPERATION

8 29. The Parties agree to fully cooperate with each other to accomplish the terms of this  
9 Stipulation of Settlement, including but not limited to execution of such documents and taking  
10 such other action as reasonably may be necessary to implement the terms of this Stipulation of  
11 Settlement. The Parties shall use their best efforts, including all efforts contemplated by this  
12 Stipulation of Settlement and any other efforts that may become necessary by order of the Court,  
13 or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon  
14 as practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the  
15 assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the  
16 Court's final approval of this Stipulation of Settlement.

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

19 NO PRIOR ASSIGNMENTS

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

24 NO ADMISSION

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

1 and expenses.

2 ENFORCEMENT ACTIONS

3 33. The Parties agree that the Sacramento County Superior Court shall retain  
4 jurisdiction to enforce the terms of this Settlement pursuant to California Code of Civil Procedure  
5 section 664.6. In the event one or more of the Parties to this Stipulation of Settlement institutes  
6 any legal action or other proceeding against any other Party or Parties to enforce the provisions of  
7 this Stipulation of Settlement or to declare rights or obligations under this Stipulation of  
8 Settlement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party  
9 or Parties' reasonable attorneys' fees and litigation costs, including expert witness fees, incurred  
10 in connection with any enforcement actions.

11 NOTICES

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

16 To Plaintiff and the Settlement Class

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

20 Emil Davtyan  
21 DAVTYAN LAW FIRM, INC.  
880 E. Broadway  
Glendale, CA 91205

22 To Defendant

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

26 NO PUBLIC COMMENT

27 35. The Class Representative and Class Counsel will not make any public disclosure of  
28 the Settlement, except through Court filings to preliminary and finally approve the Settlement.

1 Class Counsel will take all steps necessary to ensure that the Class Representative is aware of, and  
2 will ensure that the Class Representative adheres to, the restriction against any public disclosure  
3 of the Settlement. Following preliminary Court approval of the Settlement, the Class  
4 Representative and Class Counsel will not initiate any communications (directly or indirectly) with  
5 the media regarding the Action. Notwithstanding the foregoing, the Class Representative and  
6 Class Counsel may, in response to a communication initiated by the media, direct the inquiring  
7 media member to the public records of the Action on file with the Court. Class Counsel will take  
8 all steps reasonably necessary to ensure that the Class Representative is aware of, and will ensure  
9 that he will adhere to, the restriction against any media comment on the Settlement and its terms.

#### 10 CONSTRUCTION

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

#### 16 CAPTIONS AND INTERPRETATIONS

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

#### 21 MODIFICATION

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

#### 26 INTEGRATION CLAUSE

27 39. This Stipulation of Settlement and the Confidential Memorandum of  
28 Understanding contain the entire agreement between the Parties relating to the Settlement and

1 transaction contemplated hereby, and all prior or contemporaneous agreements, understandings,  
2 representations and statements, whether oral or written and whether by a Party or such Party's  
3 legal counsel, are merged herein. No rights hereunder may be waived except in writing.

4 BINDING ON ASSIGNS

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

8 ///

9 ///

10 CLASS MEMBER SIGNATORIES

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

16 COUNTERPARTS

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

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

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26 **Plaintiff and Class Representative**

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28 Dated: \_\_\_\_\_

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REGINALD ANTONIO CHAVIS, JR.

**Defendant**

GROCERY OUTLET INC.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer or Agent

1 APPROVED AS TO FORM:

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KINGSLEY & KINGSLEY, APC

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4 Dated: \_\_\_\_\_

By: \_\_\_\_\_

5

Eric B. Kingsley

6

Kelsey M. Szamet

7

Attorneys for Plaintiff and Class and PAGA  
Members

8

DAVTYAN LAW FIRM, INC.

9

Dated: \_\_\_\_\_

By: \_\_\_\_\_

10

Emil Davtyan

11

Attorneys for Plaintiff and Class and PAGA  
Members

12

JACKSON LEWIS P.C.

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Dated: \_\_\_\_\_

By: \_\_\_\_\_

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Cary G. Palmer

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Erika M. Barbara

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Attorneys for Defendant Grocery Outlet Inc.

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4862-6953-7611, v. 1

# **EXHIBIT "B"**

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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

**AMENDED 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 Amended Joint Stipulation of Class Action and PAGA Settlement and Release  
2 (hereinafter "Stipulation of Settlement") is made and entered into by and between Plaintiff  
3 Reginald Antonio Chavis, Jr., as an individual and on behalf of all similarly situated and  
4 aggrieved employees ("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. For purposes of this Settlement, the “Aggrieved Employees” or “PAGA  
18 Members” shall consist of all persons currently and formerly employed by Defendant as non-  
19 exempt employees at Defendant’s Regional Fulfillment Centers in California from September 29,  
20 2020 to December 31, 2022. The Aggrieved Employees, however, shall not include any person  
21 who previously settled or released any of the claims covered by this Settlement or any person who  
22 previously was paid or received awards through civil or administrative actions for the claims  
23 covered by this Settlement. Aggrieved Employees shall not be able to “opt-out” or Request  
24 Exclusion, as described below, from the PAGA Release.

25 8. Solely for purpose of settling this case, the Parties stipulate and agree that the  
26 requisites for establishing class certification with respect to the Settlement Class have been met  
27 and are met. More specifically, the Parties stipulate and agree that:

28 a. The Settlement Class is ascertainable and so numerous as to make it

1 impracticable to join all Class Members.

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

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

7                   ii.      Whether Plaintiff and the Settlement Class are entitled to alleged  
8 unpaid wages, penalties, interest, and attorneys' fees and costs.

9           c.       Plaintiff believes that Plaintiff's claims are typical of the claims of the  
10 members of the Settlement Class.

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

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

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

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

27       10.      It is the desire of the Parties to fully, finally and forever settle, compromise and  
28 discharge all disputes and claims arising from the allegations and causes of action stated in the

1 Complaint. To achieve a full and complete release of Defendant, each Class Member  
2 acknowledges that this Stipulation of Settlement is intended to include in its effect all claims of  
3 any nature reasonably arising out of the allegations made in the Complaint.

4 11. It is the intention of the Parties that this Stipulation of Settlement shall constitute  
5 a full and complete settlement and release of all claims arising from the allegations in the  
6 Complaint against: (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 (collectively "Released Parties").

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

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

24 14. This Settlement provides that Defendant will pay Settlement Awards (defined  
25 below) according to a specified formula to each Settlement Class Member who does not request  
26 to be excluded from this Settlement. The total payment under the Settlement is \$450,000.00, which  
27 includes all payments to Class Members, Class Counsel's attorneys' fees, Class Counsel's  
28 litigation expenses and costs, the enhancement award to the class representative, PAGA penalties,

1 and settlement administration expenses. It is understood and agreed that Defendant shall have no  
2 obligation to pay any person, entity or organization more than the amount of its maximum total  
3 liability under the Settlement, except that Defendant will pay the employer payroll taxes for the  
4 wage portion of the Settlement Awards.

5 TERMS OF SETTLEMENT

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

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

12 b. Effective Date: The Settlement embodied in this Stipulation of Settlement  
13 shall become effective on the date on which the Court's order granting Final Approval of this Joint  
14 Stipulation becomes final. Such order becomes final upon the following events: (i) if no timely  
15 objections are filed, or are withdrawn prior to final approval, the date upon which the Court enters  
16 an order granting final approval of the Settlement; or (ii) if timely objections are filed and not  
17 withdrawn, the latest of the following events: (a) when the period for filing any appeal, writ or  
18 other appellate proceeding opposing the Settlement has elapsed without any appeal, writ or other  
19 appellate proceeding having been filed; or any appeal, writ or other appellate proceeding opposing  
20 the Settlement has been dismissed finally and conclusively with no right to pursue further remedies  
21 or relief; or any appeal, writ or other appellate proceeding has upheld the Court's final order with  
22 no right to pursue further remedies or relief. In this regard, it is the intention of the parties that the  
23 Settlement shall not become effective until the Court's order approving the Settlement is  
24 completely final. For purposes of clarity, the Effective Date cannot occur, and Defendants will  
25 not be obligated to fund this Settlement or pay the Gross Settlement Amount, until and unless there  
26 is no possibility of an appeal or further proceeding that could potentially prevent this Settlement  
27 from becoming effective, final and binding..

28 c. Maximum Settlement Amount, and Net Settlement Amount: To implement

1 the terms of this Settlement, Defendant, on behalf of the Released Parties, agrees to pay a  
2 maximum of \$450,000.00 within thirty (30) calendar days of the Effective Date, which includes:  
3 all payments to Class Members; Class Counsel's attorneys' fees; Class Counsel's litigation  
4 expenses and costs; the enhancement award to the class representative; \$20,000.00 allocated to  
5 penalties under the PAGA with seventy-five percent (75%) of that amount, or in other words  
6 \$15,000.00, paid to the LWDA and twenty-five percent (25%) of that amount, or in other words  
7 \$5,000.00, paid to the Settlement Class as described below; and settlement administration expenses  
8 ("Maximum Settlement Amount"). The Parties agree the Maximum Settlement Amount will be  
9 fully paid out, with no residue returning to Defendant. At no time shall the Released Parties have  
10 the obligation to segregate the funds comprising the Maximum Settlement Amount, and Defendant  
11 shall retain exclusive authority over, and the responsibility for, those funds. All payments to Class  
12 Members, Class Counsel's attorneys' fees, Class Counsel's litigation expenses and costs, the  
13 enhancement award, and settlement administration expenses will be paid out of the Maximum  
14 Settlement Amount. Under no condition will the Released Parties' aggregate liability exceed the  
15 Maximum Settlement Amount, except that Defendant will pay the employer payroll taxes for the  
16 wage portion of the settlement awards in addition to the Maximum Settlement Amount. The "Net  
17 Settlement Amount", the amount available for potential distribution to Class Members, shall be  
18 calculated by deducting from the Maximum Settlement Amount: (i) all Class Counsel's attorneys'  
19 fees and litigation costs; (ii) the enhancement award to the class representative; (iii) the PAGA  
20 penalty payment to the LWDA as described further below; and (iv) settlement administration  
21 expenses. Settlement Awards to the Class Members will be calculated by the settlement  
22 Administrator and paid out of the Net Settlement Amount as set forth below. The entire Net  
23 Settlement Amount will be paid out pro rata to Class Members who do not opt out.

24 i. Settlement Awards to Class Members: Payments to Class Members  
25 under the Settlement ("Settlement Awards") will be determined based on the number of weeks  
26 worked by all Class Members during the Class Period based on information provided by  
27 Defendant. The workweeks will be calculated by the "Settlement Administrator," as defined  
28 below, for Class Members by dividing the total days employed in California as a Class Member

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

12 ii. Private Attorneys General Act Allocation: Subject to Court  
13 approval, the Parties have agreed to allocate \$20,000.00 of the Maximum Settlement Amount to  
14 Plaintiff's claims under PAGA. Seventy-five percent (75%) of this amount, or in other words  
15 \$15,000.00, will be paid out of the Maximum Settlement Amount to the LWDA of the State of  
16 California, and the remaining twenty-five percent (25%), or in other words \$5,000.00, will be paid  
17 to Aggrieved Employees, as defined above, pro rata based on the pay periods worked during the  
18 relevant time period.

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

25 iv. Settlement Awards Do Not Trigger Additional Benefits: All  
26 Settlement Awards to Class Members shall be deemed to be income to such Class Members solely  
27 in the year in which such awards actually are received by the Class Members. It is expressly  
28 understood and agreed that the receipt of such Settlement Awards will not entitle any Class

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

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

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

28 vii. Settlement Administrator: The Settlement Administrator will be

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

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

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

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

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

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

#### 4 SETTLEMENT ADMINISTRATION

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

#### 26 ATTORNEYS' FEES AND LITIGATION COSTS

27 17. In consideration for settling this Action, in exchange for the release of claims by  
28 the Settlement Class, and subject to final approval or modification by the Court, Defendant agrees

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

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

15 NOTICE TO THE PLAINTIFF CLASS

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

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

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

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

27  
28           c. The Class Notice shall also identify the procedures for opting out of or

1 objecting to the Settlement.

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

5 ADMINISTRATION PROCESS

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

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

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

#### 13 OPTING OUT OF / OBJECTING TO THE SETTLEMENT

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

27 23. Objecting to the Settlement. Any individual who does not exclude himself/herself  
28 from the Settlement can object to the terms of the Settlement in writing before the deadline to

1 object to the Settlement. To object, the individual must file a written objection and a notice of  
2 intention to appear at the Final Approval hearing with the Clerk of the Sacramento County Superior  
3 Court of the State of California and send copies to the Settlement Administrator, Class Counsel,  
4 and counsel for Defendant. Any written objection must state each specific reason in support of  
5 the objection and any legal support for each objection. The individual must state his/her full name,  
6 address, date of birth, and dates he/she worked as a Class Member in California for Defendant. To  
7 be valid and effective, any written objections to approval of the Settlement must be filed with the  
8 Clerk of the Court and delivered to the Settlement Administrator, Class Counsel, and counsel for  
9 Defendant no later than sixty (60) calendar days after the Settlement Administrator mails the Class  
10 Notice to the Class Members. However, a Class Member may appear at the Final Approval  
11 hearing, either in person or through his/her own counsel, and object to the Settlement Agreement  
12 and any of its terms without submitting a prior objection in the manner and by the deadline  
13 specified above. If the Court rejects the objection, the individual will be bound by the terms of the  
14 Settlement.

15 RELEASE BY THE CLASS

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

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

6 Effective upon the date of final approval by the Court of this Stipulation of Settlement, and  
7 except as to such rights or claims as may be created by this Stipulation of Settlement, PAGA  
8 Members shall release all PAGA Claims. “Released PAGA Claims” means any and all claims for  
9 civil penalties pursuant to PAGA that are reasonably related to or arising out of the factual  
10 allegations in the operative pleading in the Lawsuit and/or Plaintiff’s September 29, 2021 PAGA  
11 notice to the LWDA which occurred during the PAGA Period (collectively, the “Released PAGA  
12 Claims”). Plaintiff and PAGA Members will release Defendants and the Released Parties from all  
13 remedies that could be claimed in connection with the Released PAGA Claims including but not  
14 limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive  
15 damages, interest, attorneys’ fees, litigation costs, restitution, and equitable relief.

16 Effective upon the date of final approval by the Court of this Stipulation of Settlement, all  
17 Non-Participating Class Members who are Aggrieved Employees release the Released Parties  
18 from the Released PAGA Claims for the PAGA Period.

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

25 A general release does not extend to claims that the creditor or  
26 releasing party does not know or suspect to exist in his or her favor  
27 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.

28 Plaintiff expressly waives the protection of Section 1542. Plaintiff understands and agrees

1 that claims or facts in addition to or different from those which are now known or believed by him  
2 to exist may hereafter be discovered. It is Plaintiff's intention to settle fully and release all of the  
3 claims, except for workers' compensation claims, Plaintiff now has against the Released Parties,  
4 whether known or unknown, suspected or unsuspected.

5 DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

6 26. To effectuate the terms of the Settlement, the Parties agree all formal and informal  
7 discovery shall be stayed pending Court approval of the Settlement. Class Counsel agree to notify  
8 the Court of the Settlement through a Notice of Proposed Class Action Settlement, and to request  
9 that all current Court deadlines be continued pending Court approval of the Settlement. Class  
10 Counsel agree to cease all affirmative communication (oral and written) with the putative class  
11 members, other than through Court-approved notices; this provision does not prevent Class  
12 Counsel from communicating with any Class Members who may contact Class Counsel. Plaintiff  
13 shall promptly submit this Stipulation of Settlement to the Sacramento County Superior Court in  
14 support of Plaintiff's Motion for Preliminary Approval and determination by the Court as to its  
15 fairness, adequacy and reasonableness. Plaintiff agrees to provide Defendant the opportunity to  
16 review, and to approve before filing, Plaintiff's Motion for Preliminary Approval. At the same  
17 time Plaintiff submits this Stipulation of Settlement to the Sacramento County Superior Court,  
18 Plaintiff agrees to submit a copy of the Stipulation of Settlement to the LWDA. Promptly upon  
19 execution of this Stipulation of Settlement, Plaintiff shall apply to the Court for the entry of an  
20 order preliminarily approving the Settlement in a form that is mutually agreeable between the  
21 Parties and also provides for the following:

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

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

- 1 c. Approving as to form and content the proposed Class Notice;
- 2 d. Approving the manner and method for Class Members to request exclusion
- 3 from the Settlement as contained herein and within the Class Notice;
- 4 e. Directing the mailing of the Class Notice by first-class mail to the Class
- 5 Members;
- 6 f. Preliminarily approving the Settlement subject only to the objections of
- 7 Class Members and final review by the Court; and
- 8 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any
- 9 other cases, claims, suits or administrative proceedings (including filing claims with the Division
- 10 of Labor Standards Enforcement of the California Department of Industrial Relations) regarding
- 11 the Released Claims unless and until such Class Members have filed valid Requests for Exclusion
- 12 with the Settlement Administrator and the time for filing Requests for Exclusion with the
- 13 Settlement Administrator has elapsed.

14 The Preliminary Approval Order shall be substantially in the form identified as **Exhibit 2**

15 to this Settlement.

16 DUTIES OF THE PARTIES FOR FINAL COURT APPROVAL

17 27. Class Counsel agreed to return all confidential documents, lists and data in all forms

18 and formats (originals and copies) within seven (7) calendar days from final Court approval of the

19 Settlement. Plaintiff agrees to provide Defendant the opportunity to review, and to approve before

20 filing, Plaintiff's Motion for Final Approval of Class Action and PAGA Settlement. Class Counsel

21 agrees to submit a proposed final order and judgment mutually agreeable between the Parties, and

22 substantially in the form identified as Exhibit 3 to this Settlement, and provides for the following:

- 23 a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable
- 24 and adequate, and directing consummation of its terms and provisions;
- 25 b. Approving Class Counsel's application for an award of attorneys' fees and
- 26 litigation costs;
- 27 c. Approving the Enhancement Award to the Class Representative; and
- 28 d. Entering judgment in accordance with California Rules of Court,

1 rule 3.769(h), and permanently barring and enjoining all members of the Settlement Class from  
2 prosecuting against Defendant; each of Defendant's respective past, present and future parents,  
3 subsidiaries and affiliates; past, present and future partners, shareholders, directors, officers,  
4 agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the  
5 foregoing; and any individual or entity which could be jointly liable with any of the foregoing.

6 PARTIES' AUTHORITY

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

9 MUTUAL FULL COOPERATION

10 29. The Parties agree to fully cooperate with each other to accomplish the terms of this  
11 Stipulation of Settlement, including but not limited to execution of such documents and taking  
12 such other action as reasonably may be necessary to implement the terms of this Stipulation of  
13 Settlement. The Parties shall use their best efforts, including all efforts contemplated by this  
14 Stipulation of Settlement and any other efforts that may become necessary by order of the Court,  
15 or otherwise, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon  
16 as practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the  
17 assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the  
18 Court's final approval of this Stipulation of Settlement.

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

21 NO PRIOR ASSIGNMENTS

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

26 NO ADMISSION

27 32. Nothing contained herein, nor the consummation of this Stipulation of Settlement,  
28 is to be construed or deemed an admission of liability, culpability, negligence or wrongdoing on

1 the part of Defendant. Each of the Parties hereto has entered into this Stipulation of Settlement  
2 solely with the intention to avoid further disputes and litigation with the attendant inconvenience  
3 and expenses.

#### 4 ENFORCEMENT ACTIONS

5 33. The Parties agree that the Sacramento County Superior Court shall retain  
6 jurisdiction to enforce the terms of this Settlement pursuant to California Code of Civil Procedure  
7 section 664.6. In the event one or more of the Parties to this Stipulation of Settlement institutes  
8 any legal action or other proceeding against any other Party or Parties to enforce the provisions of  
9 this Stipulation of Settlement or to declare rights or obligations under this Stipulation of  
10 Settlement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party  
11 or Parties' reasonable attorneys' fees and litigation costs, including expert witness fees, incurred  
12 in connection with any enforcement actions.

#### 13 NOTICES

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

#### 18 To Plaintiff and the Settlement Class

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

22 Emil Davtyan  
23 DAVTYAN LAW FIRM, INC.  
880 E. Broadway  
Glendale, CA 91205

#### 24 To Defendant

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

1 NO PUBLIC COMMENT

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

13 CONSTRUCTION

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

19 CAPTIONS AND INTERPRETATIONS

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

24 MODIFICATION

25 38. This Stipulation of Settlement may not be changed, altered or modified, except in  
26 writing and signed by the Parties hereto and approved by the Court. This Stipulation of Settlement  
27 may not be discharged except by performance in accordance with its terms or by a writing signed  
28 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.

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.

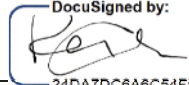
42. This Stipulation of Settlement may be executed in counterparts and by facsimile signatures, and when each Party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, shall be deemed an original and, when taken together with other signed counterparts, 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: April 4, 2023

DocuSigned by:  
  
24DA7DC6A6C54F5...  
REGINALD ANTONIO CHAVIS, JR.

**Defendant**

GROCERY OUTLET INC.

Dated: 4/11/2023

By:   
Alisha Barbeau  
Authorized Officer or Agent

APPROVED AS TO FORM:

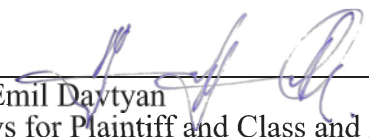
KINGSLEY & KINGSLEY, APC

Dated: April 5, 2023

By:   
Eric B. Kingsley  
Kelsey M. Szamet  
Attorneys for Plaintiff and Class and PAGA Members

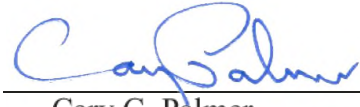
DAVTYAN LAW FIRM, INC.

Dated: 4/10/2023

By:   
Emil Davtyan  
Attorneys for Plaintiff and Class and PAGA Members

JACKSON LEWIS P.C.

Dated: 4/11/2023

By:   
Cary G. Palmer  
Erika M. Barbara  
Attorneys for Defendant Grocery Outlet Inc.

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4894-7074-1339, v. 1

# **EXHIBIT "C"**

## **STATEMENT AND DISCLOSURE OF AGREEMENT FOR COST-SHARING AND DIVISION OF ATTORNEYS' FEES**

This written "Statement and Disclosure of Agreement for Cost-Sharing and Division of Attorneys' Fees" ("Agreement") is by and between Kingsley & Kingsley ("K&K") on the one hand and DAVTYAN LAW FIRM ("DLF"), on the other hand. It is made pursuant to California Rules of Professional Conduct, Rule 2-200, in the matter of the class action lawsuit involving *Grocery Outlet Inc. and/or related entities*, to designate cost expenditure obligations and any attorneys' fees recovered from the settlement or trial or other disposition of the Class Action.

### **A. Costs**

1. K&K will advance all costs of this litigation.
2. If any money is recovered in the Class Action, such funds shall first be applied to repay K&K for all of their costs advanced.

### **B. Attorneys' Fees**

3. After full repayment to K&K for costs incurred, the remaining amount of money generated shall be divided as follows:
  - a. K&K is to receive 2/3 of the fee; and
  - b. DLF is to receive 1/3 of the fee.

### **C. Miscellaneous**

4. The total amount of attorneys' fees recovered, if any, shall not be increased by reason of this Agreement.

5. In the event of a dispute between the law firms to this Agreement, they agree to first mediate their differences with the assistance of a neutral mediator, and if unsuccessful, submit the dispute to a mutually agreeable arbitrator in binding arbitration.

6. Any modifications to this Agreement shall be in writing. A signature by facsimile and/or a copy of a signature is deemed valid, binding, and enforceable.

**ACCEPTED AND AGREED**

**DATED:** 9/8/2021

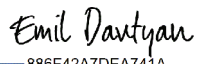
**KINGSLEY & KINGSLEY**

By:   
**ERIC B. KINGSLEY**

**ACCEPTED AND AGREED**

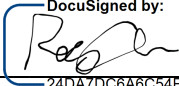
**DATED:** 9/8/2021

**DAVTYAN LAW FIRM**

DocuSigned by:  
  
By: 886F42A7DEA741A...  
**EMIL DAVTYAN**

**CLIENT CONSENT**

**DATED:** 9/8/2021

DocuSigned by:  
  
24DA7DC8A6C54F5...  
**REGINALD CHAVIS**

# **EXHIBIT "D"**

# XPAND

## Case Name:

## Grocery Outlet

Date:

January 17, 2023

Client Name:

Kelsey Szamet

Client Email:

[Kelsey@kingsleykingsley.com](mailto:Kelsey@kingsleykingsley.com)

Xpand Contact:

Jonathan Paul

Xpand Contact Email Address:

[jonathan@xpandlegal.com](mailto:jonathan@xpandlegal.com)

Xpand Contact Phone Number:

310.948.7117

*\*Cost Estimate for Legal Administration Services*

*\*Pricing Good for 90 Days*

*\*Assumes Scope Within - Additional Services Priced Accordingly*

### Key Assumptions Used for Pricing

|                                    |         |
|------------------------------------|---------|
| Class Size                         | 600     |
| Undeliverable Mail (estimated %)   | 10%     |
| Forwarded Mail (estimated %)       | 5%      |
| Toll Free Telephone Support        | Yes     |
| Website                            | Yes     |
| Spanish Translation                | Yes     |
| National Change of Address (NCOA)  | Yes     |
| Wage Tax Reporting                 | Yes     |
| Number of States for Tax Reporting | 1       |
| Number of Payment Distributions    | 1       |
| Tax Reporting Years                | 1       |
| Remaining Funds After Distribution | Cy Pres |

### Case Setup

| Service                                                          | Type     | Cost Per Piece | Volume | Total    |
|------------------------------------------------------------------|----------|----------------|--------|----------|
| Project Manager - Case Setup, Document Review & Timeline         | Hourly   | \$125.00       | 3      | \$375.00 |
| Data Analyst - Data Analysis, Formatting, Uploading to Database* | Hourly   | \$124.00       | 3      | \$372.00 |
| NCOA (Includes CASS & LACS)                                      | Flat Fee | \$250.00       | 1      | \$250.00 |
| Spanish Translation                                              | Flat Fee | \$656.00       | 1      | \$656.00 |
| Toll Free Telephone Support                                      | Flat Fee | \$500.00       | 1      | \$500.00 |
| Static Website                                                   | Flat Fee | \$250.00       | 1      | \$250.00 |

*\*Xpand assumes mailing data will be provided in Microsoft Excel or other usable format and will not require substantial manipulation. Additional formatting and manipulation will be billed at \$125/hour.*

**Total \$2,403.00**

| Notification                                           |           |                |        |                   |
|--------------------------------------------------------|-----------|----------------|--------|-------------------|
| Service                                                | Type      | Cost Per Piece | Volume | Total             |
| Print & Mail Notice Package                            | Per Piece | \$1.60         | 600    | \$960.00          |
| USPS First Class Mail - 1oz                            | Per Piece | \$0.61         | 600    | \$366.00          |
| Submission Processing (Opt Outs, Disputes, Objections) | Hourly    | \$75.00        | 5      | \$375.00          |
| Undeliverable Mail Processing                          | Per Piece | \$5.00         | 60     | \$300.00          |
| Address Trace Undeliverable Mail                       | Per Piece | \$5.00         | 60     | \$300.00          |
| Remail Notice Package (Undeliverable & Forwards)       | Per Piece | \$5.00         | 78     | \$390.00          |
| <b>Total</b>                                           |           |                |        | <b>\$2,691.00</b> |

| Project Management                                                 |        |                |        |                   |
|--------------------------------------------------------------------|--------|----------------|--------|-------------------|
| Service                                                            | Type   | Cost Per Piece | Volume | Total             |
| Project Manager - Client Inquiries, General Oversight & Management | Hourly | \$125.00       | 10     | \$1,250.00        |
| Status Reporting (Ongoing & Final)                                 | Hourly | \$75.00        | 5      | \$375.00          |
| Declaration (Final Approval & Payment)                             | Hourly | \$125.00       | 3      | \$375.00          |
| Executive Oversight                                                | Hourly | \$200.00       | 1      | \$200.00          |
| <b>Total</b>                                                       |        |                |        | <b>\$2,200.00</b> |

| Distribution                                            |           |                |        |                   |
|---------------------------------------------------------|-----------|----------------|--------|-------------------|
| Service                                                 | Type      | Cost Per Piece | Volume | Total             |
| Project Manager - Setup & Preparation                   | Hourly    | \$125.00       | 2      | \$250.00          |
| Data Analyst - Payment File Production & Quality Review | Hourly    | \$125.00       | 2      | \$250.00          |
| Print & Mail Payments                                   | Per Piece | \$1.35         | 600    | \$810.00          |
| USPS First Class Mail - 1oz                             | Per Piece | \$0.61         | 600    | \$366.00          |
| Undeliverable Payment Processing                        | Per Piece | \$4.00         | 60     | \$240.00          |
| Remail Payments (Undeliverable & Forwards)              | Per Piece | \$5.00         | 78     | \$390.00          |
| Tax ID Setup & Shutdown                                 | Flat Fee  | \$500.00       | 1      | \$500.00          |
| Qualified Settlement Fund (QSF) Creation & Closure      | Flat Fee  | \$750.00       | 1      | \$750.00          |
| QSF Monthly Fees & Account Reconciliation               | Per Piece | \$100.00       | 5      | \$500.00          |
| Process Remaining Funds to Cy Pres                      | Flat Fee  | \$150.00       | 1      | \$150.00          |
| <b>Total</b>                                            |           |                |        | <b>\$4,206.00</b> |

|                                    |  |  |  |                    |
|------------------------------------|--|--|--|--------------------|
|                                    |  |  |  |                    |
| <b>Total Case Cost - Flat Fee:</b> |  |  |  | <b>\$11,500.00</b> |

All services to be provided by Xpand Legal (hereinafter, "Xpand") to Client shall be subject to the following terms and conditions:

- **Services:** Subject to the terms hereof, Xpand agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are referenced. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not include any services not referenced in the request for proposal. These services do not constitute legal services or advice. Xpand is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.
- **Charges for Services:** Charges to the Client for services shall be on a time and materials basis at our prevailing rates and are subject to change. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to Xpand. Actual fees charged by Xpand to Client may be greater or less than the estimate, and Client shall be responsible for the payment of all charges and expenses in accordance with Section 5 below. Charges incurred related to corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. Xpand may derive financial benefits from financial institutions in connection with the deposit and investment of funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.
- **Payment of Charges:** Xpand agrees to defer payment of fees for up to 48 months or until settlement is reached, whichever is earlier. Xpand invoices are due upon receipt unless otherwise negotiated and agreed to with the Client. The entire remaining balance is due and payable at the time the Account is funded by. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement or case status, do not affect the Client's liability to Xpand for payment of services. Services are not provided on a contingency fee basis.
- **Indemnification:** Client will indemnify and hold Xpand (and the officers, employees, affiliates and agents harmless against any Losses incurred by Xpand, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any aspect of the project by Xpand in accordance with Client's instructions.
- **Confidentiality:** Xpand maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to Xpand by Client. Should Xpand ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, Xpand will notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse Xpand for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If Xpand is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, Xpand will not be liable for breach of said obligation.
- **Data Rights:** Xpand does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by Xpand in the ordinary course of business in the performance of this Agreement.
- **Document Retention:** Unless directed otherwise in writing by Client, Xpand will maintain documents and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.
- **Limitation of damages:** Xpand is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of Xpand to the Client shall not exceed the total amount billed to the Client for the services that give rise to any loss.
- **Termination:** The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to Xpand. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. Xpand may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.
- **Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of Xpand or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.
- **Force Majeure:** To the extent performance by Xpand of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond Xpand's reasonable control, then such performance shall be excused and this Agreement, at Xpand's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.
- **Waiver of Rights:** No failure or delay on the part of either party in exercising any right will operate as a waiver of, or impair, any right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in writing.
- **Jurisdiction:** The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.
- **Entire Agreement:** These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

# **EXHIBIT "E"**

**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 \$211,500, 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.

The Release of Claims also covers PAGA Members. PAGA Members" means all persons currently and formerly employed by Defendant as non-exempt employees at Defendant's Regional Fulfillment Centers in California from September 29, 2020 to December 31, 2022. "Released PAGA Claims" means any and all claims for civil penalties pursuant to PAGA that are reasonably related to or arising out of the factual allegations in the operative pleading in the Lawsuit and/or Plaintiff's September 29, 2021 PAGA notice to the LWDA which occurred during the PAGA Period (collectively, the "Released PAGA Claims"). Plaintiff and PAGA Members will release Defendants and the Released Parties from all remedies that could be claimed in connection with the Released PAGA Claims including but not limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief. Even if you choose not participate as a Class Member, if you are a PAGA Member, as defined above, you will still -release the Released Parties from the Released PAGA Claims for the PAGA Period.

**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: [REDACTED]

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](mailto:eric@kingsleykingsley.com)  
E-mail: [kelsey@kingsleykingsley.com](mailto: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 "F"**

**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 \$11,500, 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.

The Release of Claims also covers PAGA Members. PAGA Members" means all persons currently and formerly employed by Defendant as non-exempt employees at Defendant's Regional Fulfillment Centers in California from September 29, 2020 to December 31, 2022. "Released PAGA Claims" means any and all claims for civil penalties pursuant to PAGA that are reasonably related to or arising out of the factual allegations in the operative pleading in the Lawsuit and/or Plaintiff's September 29, 2021 PAGA notice to the LWDA which occurred during the PAGA Period (collectively, the "Released PAGA Claims"). Plaintiff and PAGA Members will release Defendants and the Released Parties from all remedies that could be claimed in connection with the Released PAGA Claims including but not limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief. Even if you choose not participate as a Class Member, if you are a PAGA Member, as defined above, you will still release the Released Parties from the Released PAGA Claims for the PAGA Period.

**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: [REDACTED]

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](mailto:eric@kingsleykingsley.com)  
E-mail: [kelsey@kingsleykingsley.com](mailto: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 "G"**

**(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 April 11, 2023, I served all interested parties in this action the following documents described as: **SUPPLEMENTAL 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:

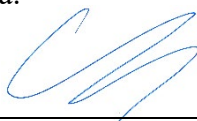
|                                                                                                                                                                                                                             |                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p style="text-align: center;">JACKSON LEWIS P.C.<br/>Cary G. Palmer<br/>cary.palmer@jacksonlewis.com<br/>Erika M. Barbara<br/>erika.barbara@jacksonlewis.com<br/>400 Capitol Mall, Suite 1600<br/>Sacramento, CA 95814</p> | <p style="text-align: center;">DAVTYAN LAW FIRM, INC.<br/>Emil Davtyan<br/>emil@davtyanlaw.com<br/>400 N. Brand Blvd., Suite 700<br/>Glendale, CA 91203</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|

**[XX] BY ELECTRONIC SERVICE:** I caused a true and correct copy thereof to be electronically filed using the Labor and Workforce Development Agency Electronic Filing ("EF") System (<https://dir.tfaforms.net/315>) and service was completed by electronic means by transmittal of the documents referenced herein on the EF System.

**[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 below 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 April 11, 2023, at Encino, California.

  
\_\_\_\_\_  
Michelle Tanzer