

1 Kane Moon (SBN 249834)
kmoon@moonlawgroup.com
2 Allen Feghali (SBN 301080)
afeghali@moonlawgroup.com
3 Charlotte Mikat-Stevens (SBN 327047)
cmikat-stevens@moonlawgroup.com
4 **MOON LAW GROUP, PC**
1055 West Seventh Street, Suite 1880
5 Los Angeles, California 90017
Telephone: (213) 232-3128
6 Facsimile: (213) 232-3125

7 Attorneys for Plaintiff PETER FERRY

8 Ian B. Wieland (Cal. SBN 285721)
ian@sw2law.com
9 Paul M. Parvanian (Cal. SBN 247284)
paulp@sw2law.com
10 **SAGASER, WATKINS & WIELAND, PC**
5260 North Palm Avenue, Suite 400
11 Fresno, California 93704
Telephone: (559) 421-7000
12 Facsimile: (559) 473-1483

13 Attorneys for Defendants CENCAL WINGS II,
INC., CENCAL WINGS III, INC., CENCAL
14 WINGS IV, INC., CENCAL WINGS V, INC.,
and CENCAL WINGS VI, INC.
15

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

17 **FOR THE COUNTY OF FRESNO - B.F. SISK COURTHOUSE**

18 PETER FERRY, individually, and on behalf of all
others similarly situated,

19 Plaintiff,

20 v.

21 CENCAL WINGS II, INC., a California
22 corporation; CENCAL WINGS III, INC., a
California corporation; CENCAL WINGS IV,
23 INC., a California corporation; CENCAL WINGS
V, INC., a California corporation; CENCAL
24 WINGS VI, INC., a California corporation; and
DOES 1 through 10, inclusive,

25 Defendants.
26
27
28

Case No. 21CECG03205

*Assigned for all purposes to the Honorable Jeffrey
Y. Hamilton, Department 503*

**STIPULATION OF CLASS AND
REPRESENTATIVE ACTION SETTLEMENT**

PAGA Notice Case No.
LWDA-CM-849650-21:
Action Filed:
Answer Filed:
FAC Filed:
Trial Date:

October 22, 2021
October 28, 2021
January 18, 2022
January 24, 2022
None Set

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1 **CLASS AND REPRESENTATIVE ACTION SETTLEMENT**

2 **I. INTRODUCTION AND MUTUAL INTENT TO SETTLE**

3 1. Stipulating Parties and the Action. This Stipulation of Class and Representative Action
4 Settlement (“Settlement” or “Settlement Agreement”) is made by and between Plaintiff Peter Ferry
5 (“Plaintiff”) and Defendants Cencal Wings II, Inc., Cencal Wings III, Inc., Cencal Wings IV, Inc., Cencal
6 Wings V, Inc., and Cencal Wings VI, Inc. (“Defendants”) (jointly, the “Parties”) in *Ferry v. Cencal Wings*
7 *II, Inc., et al.*, Fresno County Superior Court, Case No. 21CECG03205 (the “Action”).

8 2. Stipulating Parties’ Joint Statement of Purpose and Intent to Settle. The Parties intend this
9 Settlement Agreement, subject to Court approval, shall fully, finally, forever resolve, discharge, and settle
10 this Action and have agreed to work diligently and cooperatively to present this Settlement Agreement to
11 the Court so that it is finally approved and that the Action is finally adjudged.

12 **II. DEFINITIONS**

13 3. Action. “Action” means the putative class and representative action entitled *Ferry v.*
14 *Cencal Wings II, Inc., et al.*, Fresno County Superior Court, Case No. 21CECG03205, filed October 28,
15 2021, including any complaints and amended complaints filed in the referenced case.

16 4. Class. “Class” means all non-exempt employees who work or worked for Defendants in
17 California as a non-exempt employee at any time during the Class Period.

18 5. Class Counsel. “Class Counsel” means Moon Law Group, PC including Kane Moon, Allen
19 Feghali, and Charlotte Mikat-Stevens.

20 6. Class Counsel Cost Award. “Class Counsel Cost Award” means the amount not exceeding
21 twenty thousand dollars and zero cents (\$20,000.00), payable from the Gross Settlement Amount and due
22 to Class Counsel for reimbursement of Class Counsel’s reasonable litigation expenses incurred in
23 litigating and resolving the Action; if the Court finally approves a lesser amount or if there are any unused
24 funds from this amount, then the difference shall remain part of the Net Settlement Amount.

25 7. Class Counsel Fee Award. “Class Counsel Fee Award” means the amount of no less than
26 two hundred ten thousand dollars and zero cents (\$210,000.00) or one-third (1/3) of the Gross Settlement
27 Amount, whichever is greater, payable from the Gross Settlement Amount and due to Class Counsel as
28

1 reasonable attorneys' fees for litigating and resolving the Action; if the Court finally approves a lesser
2 amount, then the difference shall remain part of the Net Settlement Amount.

3 8. Class List. "Class List" means a Microsoft Excel (or similar electronically manipulable)
4 spreadsheet containing the following information regarding each Class Member: (1) full name; (2) last
5 known address; (3) last known telephone number; (4) social security number or taxpayer identification
6 number; (5) start and end dates of employment as a non-exempt employee of Defendants in the State of
7 California; (6) total workweeks worked during the Class Period; (7) total PAGA Pay Periods worked
8 during the PAGA Period; and (8) any other information the Settlement Administrator reasonably requires
9 to carry out its settlement administration duties.

10 9. Class Member. "Class Member" means a non-exempt employee who works or worked for
11 Defendants in California as a non-exempt employee at any time during the Class Period.

12 10. Class Notice. "Class Notice" means the Notice of Class and Representative Action
13 Settlement, substantially in the form attached as **Exhibit 1**, summarizing this Settlement Agreement
14 including its key terms, its binding nature, procedures for opting out of the Settlement and release of
15 Released Claims and the procedures for objecting to the Settlement.

16 11. Class Period. "Class Period" means the period commencing on October 28, 2017 and
17 ending on the date the Court preliminarily approves this Settlement or to an earlier date if Defendants
18 choose an earlier date.

19 12. Class Representative Service Award. "Class Representative Service Award" means the
20 amount not exceeding five thousand dollars and zero cents (\$5,000.00), payable from the Gross Settlement
21 Amount and due to Plaintiff, separate from any Individual Settlement Payment and Individual PAGA
22 Payment, for Plaintiff's efforts and risks in bringing and resolving the Action; if the Court finally approves
23 a lesser amount, then the difference shall remain part of the Net Settlement Amount.

24 13. Court. "Court" means the Superior Court of California for the County of Fresno County
25 and the judicial officer presiding over this Action.

26 14. Cy Pres Recipient. "Cy Pres Recipient" means the Valley Children's Hospital, whom the
27 Parties have agreed to request the Court appoint as the designated *cy pres* recipient of uncashed funds
28

pursuant to this Settlement Agreement.

15. Defendants. “Defendants” means Defendant Cencal Wings II, Inc., a California corporation; Defendant Cencal Wings III, Inc., a California corporation; Defendant Cencal Wings IV, Inc., a California corporation; Defendant Cencal Wings V, Inc., a California corporation; and Defendant Cencal Wings VI, Inc., a California corporation.

16. Defendants’ Counsel. “Defendants’ Counsel” means Sagaser, Watkins & Wieland, PC including Ian B. Wieland and Paul M. Parvanian.

17. Effective Date. “Effective Date” means the later of the following dates: (i) sixty-five (65) days after the Court enters Final Judgment and no appeal, writ or other challenge to the finality of the judgment has been filed; or (ii) five (5) days after the day when all appeals, writs or other challenges to the Final Judgment have been resolved in a manner that affirms the finality of the judgment and the time for the filing of any further appeals, writs or other challenges has lapsed.

18. Employer’s Share of Payroll Taxes. “Employer’s Share of Payroll Taxes” means the amount of Defendants’ employer payroll tax obligations on the wage portion of Individual Settlement Payments including withholdings and contributions for federal, state, local taxes and any similar tax or charge, payable from Defendants’ own accounts, separate from the Gross Settlement Amount.

19. Exhibit. “Exhibit” mean the one (1) exhibit attached to this Settlement Agreement including **Exhibit 1** (proposed Class Notice).

20. Final Approval Hearing. “Final Approval Hearing” means the hearing the Court sets wherein Plaintiff shall move the Court to find that the Settlement is fair, reasonable, and adequate and to enter a Final Approval Order and Final Judgment.

21. Final Approval Order. “Final Approval Order” means the Court’s order, which shall, among other things, finally approve the fairness, reasonableness, and adequacy of this Settlement Agreement.

22. Final Judgment. “Final Judgment” means the Court’s judgment, which shall, among other things, finally adjudge this Action.

23. Gross Settlement Amount. “Gross Settlement Amount” means the non-reversionary

1 amount of no less than six hundred thirty thousand dollars and zero cents (\$630,000.00) that Defendants
2 shall pay as monetary consideration in exchange for releases of the Released Claims including released
3 PAGA Claims and which amount shall be used to establish a common settlement fund for: (1) Individual
4 Settlement Payments; (2) Settlement Administration Costs; (3) the PAGA Payment to the LWDA; (4) the
5 PAGA Payment to PAGA Members; (5) the Class Representative Service Award; (6) the Class Counsel
6 Fee Award; and (7) the Class Counsel Cost Award payable under this Settlement.

7 24. Gross Settlement Amount Escalation Option. “Gross Settlement Amount Escalation
8 Option” means the provision that provides that if the actual number of Workweeks worked by Class
9 Members exceeds 24,224 by fifteen percent (15%), meaning that the actual workweeks worked by Class
10 Members are more than 27,858 workweeks, then Defendants shall have the option to either (i) establish
11 the end date of the Class Period up to the twenty-seven thousand, eight hundred fifty-eighth (27,858th)
12 Workweek worked, which shall end the Class Period and the PAGA Period, or (ii) pay additional money
13 for the additional release period commensurate with the number of workweeks that exceed 27,858
14 workweeks at twenty-six dollars and zero cents (\$26.00) per additional workweek.

15 25. Individual PAGA Payment. “Individual PAGA Payment” means a PAGA Member’s pro
16 rata share of the PAGA Payment to PAGA Members that is payable to PAGA Members from the Gross
17 Settlement Amount, which shall be determined by dividing the PAGA Payment to PAGA Members by
18 the aggregate number of PAGA Pay Period credits assigned to all PAGA Members, resulting in a PAGA
19 Pay Period Dollar Value, and then by multiplying the PAGA Pay Period Dollar Value by the number of
20 PAGA Pay Period credits assigned to each PAGA Member.

21 26. Individual Settlement Payment. “Individual Settlement Payment” means a Participating
22 Class Member’s pro rata share of the Net Settlement Amount that is payable to Participating Class
23 Members from the Gross Settlement Amount, which shall be determined by dividing the Net Settlement
24 Amount by the aggregate number of Workweek credits assigned to all Participating Class Members,
25 resulting in the Workweek Dollar Value, and then by multiplying the Workweek Dollar Value by the
26 number of Workweek credits assigned to each Participating Class Member.

27 27. LWDA. “LWDA” means the California Labor and Workforce Development Agency.
28

1 28. Net Settlement Amount. “Net Settlement Amount” means the aggregate amount payable
2 to Participating Class Members, which shall be determined by subtracting the PAGA Payment, Settlement
3 Administration Costs, Class Representative Service Award, Class Counsel Fee Award and Class Counsel
4 Cost Award from the Gross Settlement Amount.

5 29. Objection. “Objection” means a Participating Class Member’s timely and valid written
6 objection to the terms and conditions of this Settlement Agreement.

7 30. Opt-Out Request. “Opt-Out Request” means a Class Member’s timely and valid written
8 request to be excluded from the Settlement that does not arise under PAGA.

9 31. PAGA. “PAGA” means the California Labor Code Private Attorneys General Act of 2004
10 (Cal. Lab. Code §§ 2698, *et seq.*).

11 32. PAGA Claims. “PAGA Claims” means the Ninth Cause of Action (and any other claims
12 and corresponding requests for relief) asserted by Plaintiff on behalf of Plaintiff and the alleged aggrieved
13 employees in the Action, namely all claims, rights, demands, liabilities, allegations, and causes of action
14 arising from PAGA that were pled, alleged, or reasonably could have been alleged based on the facts
15 asserted in the operative complaint in the Action and based on Plaintiff’s October 22, 2021 PAGA Notice
16 in Case No. LWDA-CM-849650-21.

17 33. PAGA Member. “PAGA Member” means a non-exempt employee who works or worked
18 for Defendants in California as a non-exempt employee at any time during the PAGA Period.

19 34. PAGA Pay Period. “PAGA Pay Period” means any 14-day period starting on Sunday,
20 October 18, 2020 (two days prior to the start of the PAGA Period) and ending on the second Saturday
21 thereafter, and so on, during which a PAGA Member worked at least one (1) day or is otherwise
22 identifiable as Defendants’ employee in the state of California in Defendants’ records during the PAGA
23 Period, which the Settlement Administrator preliminarily and finally assigns as credits to individual
24 PAGA Members when calculating Individual PAGA Payments.

25 35. PAGA Pay Period Dollar Value. “PAGA Pay Period Dollar Value” means the dollar value
26 for each PAGA Pay Period credit assigned to PAGA Members, which shall be determined by dividing the
27 PAGA Payment to PAGA Members by the aggregate number of all PAGA Pay Periods assigned to all
28

1 PAGA Members.

2 36. PAGA Payment. “PAGA Payment” means the aggregate amount of fifty thousand dollars
3 and zero cents (\$50,000.00), payable from the Gross Settlement Amount and due, in a seventy-five percent
4 (75%) share, to the LWDA as the PAGA Payment to the LWDA, and, in a twenty-five percent (25%)
5 share, to PAGA Members as the PAGA Payment to PAGA Members; if the Court finally approves a lesser
6 amount, then the difference shall remain part of the Net Settlement Amount.

7 37. PAGA Payment to PAGA Members. “PAGA Payment to PAGA Members” means the
8 amount of twelve thousand, five hundred dollars, and zero cents (\$12,500.00), payable from the Gross
9 Settlement Amount to PAGA Members as their aggregate twenty-five percent (25%) share of the PAGA
10 Payment.

11 38. PAGA Payment to the LWDA. “PAGA Payment to the LWDA” means the amount of
12 thirty-seven thousand, five hundred dollars, and zero cents (\$37,500.00), payable from the Gross
13 Settlement Amount and due to the LWDA as its seventy-five percent (75%) share of the PAGA Payment.

14 39. PAGA Period. “PAGA Period” means the period commencing on October 22, 2020 and
15 ending on the date the Court preliminarily approves this Settlement or to an earlier date if Defendants
16 choose an earlier date.

17 40. PAGA Settlement. “PAGA Settlement” means the settlement and release of the PAGA
18 Claims that arise under PAGA, which Plaintiff brought against Defendants, as a deputized PAGA
19 representative of the State of California, which shall bind the State of California, and which PAGA
20 Members shall not be entitled to opt out of.

21 41. Participating Class Members. “Participating Class Members” means Plaintiff and all Class
22 Members who do not submit a timely and valid Opt-Out Request.

23 42. Parties’ Counsel. “Parties’ Counsel” means the attorneys of record for Plaintiff and
24 Defendants.

25 43. Plaintiff. “Plaintiff” means Plaintiff Peter Ferry.

26 44. Plaintiff’s Further Released Claims. “Plaintiff’s Further Released Claims” means the
27 claims and causes of action that Plaintiff, individually, and in addition to Plaintiff’s release of the Released
28

1 Claims, expressly and further releases against the Released Parties including by waiver of all rights,
2 protections, and benefits under California Civil Code section 1542, which includes claims related to
3 Plaintiff's employment with Defendants, claims alleged in the Action, and all claims known and unknown,
4 which may have existed at the time the Plaintiff signs this Settlement Agreement. Plaintiff's Further
5 Released Claims excludes claims that cannot be released by law, claims for unemployment insurance,
6 disability, social security, workers' compensation (except for claims pursuant to California Labor Code
7 sections 132a and 4553), and any claims or causes of action arising out of any event or controversy
8 occurring after the time Plaintiff signs this Settlement Agreement including for any obligation arising out
9 of this Settlement Agreement.

10 45. Preliminary Approval Order. "Preliminary Approval Order" means the Court's order,
11 which shall, among other things, preliminarily approve the fairness, reasonableness, and adequacy of this
12 Settlement Agreement.

13 46. Released Claims. "Released Claims" means the First through Eighth Causes of Action (and
14 any other claims and corresponding requests for relief) asserted by Plaintiff on behalf of Plaintiff and the Class
15 in the Action, which include without limitation (1) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 204,
16 1194, 1194.2, and 1197); (2) Failure to Pay Overtime Compensation (Cal. Lab. Code §§ 510, 1194 and 1198);
17 (3) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512); (4) Failure to Authorize and Permit Rest
18 Breaks (Cal. Lab. Code §§ 226.7); (5) Failure to Indemnify Necessary Business Expenses (Cal. Lab. Code §
19 2802); (6) Failure to Timely Pay Final Wages at Termination – Waiting Time Penalties (Cal. Lab. Code §§
20 201-203); (7) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); and (8) Unfair
21 Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) and shall also include all claims alleged by
22 Plaintiff in the operative complaint(s) and Action, or which could have been alleged by Plaintiff in the
23 operative complaint(s) and Action, by reason of or in connection with any matter or fact set forth or
24 referred to in operative complaint(s) and Action, including any and all claims, debts, liabilities, demands,
25 actions, or causes of action for unpaid wages, including but not limited to failure to pay minimum wages,
26 straight time compensation, overtime compensation, and interest; failure to timely pay regular and
27 preliminary wages; failure to provide compliant meal, rest, and/or recovery periods; failure to pay
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1 premiums at all or at the correct rate for any violation of meal, rest, and recovery period obligations;
2 compensation due by reason of a split shift; reporting time pay; claims arising from invalid meal period
3 waivers and on-duty meal period waivers; payment for all hours worked; wage statements and paystubs,
4 including wage statements and paystubs furnished or available in physical, electronic, or other forms;
5 failure to keep accurate records; making unlawful deductions; failing to reimburse business expenses;
6 unfair business practices; any and all related penalties, including recordkeeping penalties, wage statement
7 penalties, minimum wage penalties, and waiting time penalties; and statutory penalties and/or civil
8 penalties associated with any of the foregoing; such released claims shall include, but are not limited to
9 those claims arising under California Labor Code sections 201-204, 204b, 206, 210, 218, 218.5, 218.6,
10 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7, 233, 234, 246, 246.5, 247, 247.5, 248, 248.1,
11 248.2, 248.3, 248.5, 248.6, 248.7, 400-410, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2,
12 1197, 1197.1, 1198, 1199, 2800, 2802, 2698, *et seq.*, and 2699, *et seq.*, and/or those arising under the
13 applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4,
14 5, 7, 8, 9, 11, 12, 13, 18, and 20 of the applicable Wage Order(s), including the provisions of the California
15 Code of Regulations codifying the applicable Wage Order(s), which may include but are not limited to
16 Wage Orders 1-2001, 7-2001, and/or 9-2001); California Code of Regulations, title 8, section 3395;
17 California Business and Professions Code section 17200 (including, without limitation, California
18 Business and Professions Code §§ 17200 through 17208); the California Civil Code sections 3287, 3289,
19 and 3294; California Code of Civil Procedure section 1021.5; and any related claims under the Fair Labor
20 Standards Act ("FLSA") (29 U.S.C. §§ 201, *et seq.*). The Plaintiff and Class Members intend that this
21 release be construed as broadly as possible to encompass all claims alleged by Plaintiff and Class
22 Members, or those which could have been alleged by Plaintiff and Class Members based on the factual
23 allegations in the operative complaint(s) and in the Action. The release excludes the release of claims not
24 permitted by law. The Plaintiff and Class Members warrant and represent that this release resolves,
25 pursuant to Labor Code sections 206 and 206.5, and applicable case law (including but not limited to
26 *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796) a good faith dispute regarding any and all
27 wages, if any, owed to Plaintiff and Class Members through their last day of employment with Defendants
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1 within the Class Period.

2 47. Released Parties. “Released Parties” means Defendants CENCAL WINGS II, INC., a
3 California corporation; CENCAL WINGS III, INC., a California corporation; CENCAL WINGS IV,
4 INC., a California corporation; CENCAL WINGS V, INC., a California corporation; and CENCAL
5 WINGS VI, INC., a California corporation, together with their present and former parents, subsidiaries,
6 affiliated and related entities, present and former owners, boards, officers, directors, trustees, shareholders,
7 members, partners, employees, agents, insurers, attorneys, representatives, heirs, executors,
8 administrators, successors and assigns.

9 48. Response Deadline. “Response Deadline” means the date forty-five (45) days after the
10 postmarked date on Class Notices the Settlement Administrator initially mails to Class Members in bulk,
11 which shall be extended an additional fifteen (15) days for affected Class Members to whom the
12 Settlement Administrator re-mails or reissues previously undelivered, misrouted, or misplaced Class
13 Notices.

14 49. Settlement Administration Costs. “Settlement Administration Costs” means the amount
15 not exceeding fifteen thousand dollars and zero cents (\$15,000.00), payable from the Gross Settlement
16 Amount and due to the Settlement Administrator for the Settlement Administrator’s administration of the
17 notice and distribution process pursuant to this Settlement Agreement and the Court’s orders; if the Court
18 finally approves a lesser amount or if there are any unused funds from this amount, then the difference
19 shall remain a part of the Net Settlement Amount.

20 50. Settlement Administrator. “Settlement Administrator” means ILYM Group, Inc. whom the
21 Parties have agreed to request the Court appoint as the third-party settlement administrator to perform
22 notice and settlement administration duties pursuant to this Settlement Agreement.

23 51. Workweek. “Workweek” means any calendar week starting on the first day of the Class
24 Period up to the first Sunday of the Class Period and ending on the Saturday thereafter, and so on, during
25 which a Class Member worked at least one (1) day or is otherwise identifiable as Defendants’ employee
26 in the state of California in Defendants’ records during the Class Period, which the Settlement
27 Administrator preliminarily and finally assigns as credits to individual Participating Class Members when
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calculating Individual Settlement Payments.

52. Workweek/PAGA Pay Period Dispute. “Workweek/PAGA Pay Period Dispute” means a Class Member’s timely and valid written dispute about the number of Workweeks and/or PAGA Pay Periods that the Settlement Administrator preliminarily credits to the affected Class Member.

53. Workweek Dollar Value. “Workweek Dollar Value” means the dollar value for each Workweek credit assigned to Participating Class Members, which shall be determined by dividing the Net Settlement Amount by the aggregate number of all Workweek credits assigned to all Participating Class Members.

III. RELEVANT PROCEDURAL HISTORY

54. Plaintiff’s PAGA Notice. On October 22, 2021, Plaintiff sent a PAGA notice to the LWDA and Defendants, in LWDA Case No. LWDA-CM-849650-21, alleging Defendants violated various provisions of the California Labor Code and other laws along with the facts and theories supporting the alleged violations including those alleged in the operative complaint in the Action.

55. Plaintiff’s Complaint. On October 28, 2021, Plaintiff filed a putative class action complaint alleging Defendants’ (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide required meal periods; (4) failure to provide required rest periods; (5) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (6) failure to furnish accurate itemized wage statements; (7) failure to pay timely and all wages due to discharged and quitting employees; and (8) unfair and unlawful business practices.

56. Plaintiff’s First Amended and Operative Complaint. On January 24, 2022, Plaintiff filed a First Amended Complaint, the operative complaint in this Action, which added a ninth cause of action, resulting in the operative complaint alleging Defendants’ (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide required meal periods; (4) failure to provide required rest periods; (5) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (6) failure to furnish accurate itemized wage statements; (7) failure to pay timely and all wages due to discharged and quitting employees; (8) unfair and unlawful business practices; and (9) conduct giving rise to PAGA civil penalties.

1 57. Plaintiff's Discovery and Investigation. Prior to the filing of this Action, Plaintiff and
2 Plaintiff's counsel, engaged in substantial investigation about the Defendants' business practices in
3 California. After the Action was filed and prior to mediation, the Parties engaged in extensive informal
4 exchange of information. Plaintiff obtained documents, data and information from Defendants and other
5 sources including, but not limited to, a sampling of Class Member time and pay records consisting of a
6 large volume of data and indicative of Defendants' timekeeping, recordkeeping and wage payment
7 policies and practices.

8 58. Mediation and Agreement to Settle the Action. On February 21, 2023, the Parties
9 participated in a private mediation session with an experienced wage and hour class action mediator,
10 Frances "Tripper" Ortman, III, which led to the Parties' February 21, 2023 agreement (titled a
11 "Memorandum of Understanding") about the material terms of a class and representative settlement,
12 which formed the basis of this Settlement Agreement.

13 **IV. RECITALS AND REPRESENTATIONS**

14 59. This Settlement is Fair, Adequate, and Reasonable. The Parties represent this Settlement
15 Agreement is a fair, adequate, and reasonable settlement of the Action and that the Parties have arrived at
16 this Settlement Agreement after extensive arm's-length negotiations while accounting for materially
17 relevant factors, present and potential. The Parties further agree that the consideration described herein
18 constitutes adequate consideration for the Settlement and releases described herein.

19 59.a. Numerosity of Potential Class Members. For purposes of settlement only, the
20 Parties agree that because the potential Class is so numerous, it is impossible or impractical to have each
21 Class Member execute this Settlement Agreement.

22 59.b. Notice and Opportunity to Respond Comporting with Due Process. For purposes
23 of settlement only, the Parties agree that because of the numerosity of the potential Class, the notice and
24 response procedure outlined in this Settlement Agreement provides the best and most practical notice to
25 Class Members and fully complies with due process.

26 59.c. Benefits of Settlement to Plaintiff and Class Members. Plaintiff recognizes
27 continued litigation in the Action through trial, appeals and final judgment would be time consuming,
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1 uncertain, risky, and expensive. Plaintiff recognizes these uncertainties and risks include Plaintiff's ability
2 to obtain class certification of claims, as well as to meet the burdens of proof necessary to establish
3 liability, damages, penalties, and other relief sought for the causes of action asserted in the Action,
4 generally and in response to Defendants' defenses thereto. Plaintiff also recognizes Defendants'
5 agreement to enter into a settlement may result in substantial benefits for Class Members because it is a
6 good faith compromise of highly disputed claims. Accordingly, Plaintiff, under Class Counsel's guidance,
7 has determined the Settlement is fair, adequate, and reasonable and that it is in the best interests of the
8 Class.

9 59.d. Defendants' Reasons for Settlement. While Defendants assert and are confident
10 that they have done no wrong, continued litigation in the Action through trial, appeals and final judgment
11 would be time consuming, uncertain, risky, and expensive. Defendants continue to assert Plaintiff's
12 allegations have no merit and do not give rise to Defendants' liability for damages, restitution, penalties,
13 payments, or other amounts and that this Settlement is a compromise of disputed claims. Defendants have
14 agreed to settle in the manner and upon the terms set forth in this Settlement Agreement to put the claims
15 alleged in the Action to rest.

16 59.e. No Admissions by Defendants or Plaintiff. Defendants deny all claims alleged in
17 the Action and deny all wrongdoing. Defendants contend they have complied with all applicable state,
18 federal and local laws and reserve their right to assert all available defenses to Plaintiff's claims in the
19 Action. Nothing contained in this Settlement Agreement, nor any documents referred to herein and no
20 action that the Parties have undertaken to effectuate this Settlement Agreement should be construed or
21 used as an admission by or against any of the Parties as to suitability of class or representative adjudication
22 or about the merits of the claims asserted in the Action. The Parties maintain that neither this Settlement
23 Agreement, nor any of its terms and conditions, nor any of the negotiations connected with it, is a
24 concession, admission, or inference regarding wrongdoing or that class certification is proper under the
25 standard applied to contested certification motions.

26 59.f. Certification for Settlement Purposes Only. The Parties agree to the certification of
27 the proposed class for settlement purposes only.

1 59.g. No Conflicts of Interest with Relevant Third-Parties. The Parties represent they do
2 not have any financial interest in the Settlement Administrator, the *Cy Pres* Recipient or otherwise have a
3 relationship with the Settlement Administrator, the *Cy Pres* Recipient or any third party that could create
4 an appearance of a conflict of interest.

5 60. No Tax Advice & Circular 230 Disclaimer. The Parties represent that no provision of this
6 Settlement Agreement or other communications or disclosures is, or was intended, to constitute tax advice
7 within the meaning of United States Treasury Department Circular 230 (31 C.F.R., Subtitle A, Part 10, as
8 amended). The Parties further represent they: (i) shall be solely responsible for reporting and paying any
9 applicable federal, state and/or local income tax, employment tax or any other withholding on all taxable
10 income or other benefit they individually receive as consideration exchanged pursuant to this Settlement
11 Agreement; (ii) have relied exclusively upon their own, independent legal and tax advisors for tax advice
12 in connection with this Settlement Agreement; and (iii) in keeping with their individual rights to due
13 process, shall not be entitled to rely upon any communication or disclosure by Plaintiff, Defendants or
14 Parties' Counsel to avoid the payment of any assessment, penalty, tax, attorneys' fees, or other amounts
15 based on the taxability of any consideration provided or exchanged pursuant to this Settlement Agreement.

16 **V. SETTLEMENT CONSIDERATION AND RELEASED CLAIMS, AND GROSS**
17 **SETTLEMENT AMOUNT PAYMENT**

18 61. Non-Reversionary Nature of Settlement Agreement. No portion of the Gross Settlement
19 Amount shall revert to Defendants.

20 62. No Claim-Submission Process. There shall be no claim or claim form submission process
21 or requirement and, as such, Class Members shall not receive, nor shall they be required to submit, a claim
22 form to be entitled to an Individual Settlement Payment or Individual PAGA Payment.

23 63. Releases of Claims Against Released Parties. In exchange for Defendants' performance of
24 their obligations during Settlement Administration, culminating in Defendants remitting the entire Gross
25 Settlement Amount to the Settlement Administrator, the Released Claims, Plaintiff's Further Released
26 Claims, and PAGA Claims shall be released as follows.

27 63.a. Participating Class Members' Release of Released Claims. If Defendants remit the
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1 Gross Settlement Amount in full to the Settlement Administrator, then Plaintiff and all other Participating
2 Class Members shall be deemed to have settled and released all Released Claims against the Released
3 Parties that do not arise under PAGA.

4 63.b. Plaintiff's Release of Plaintiff's Further Released Claims. If Defendants remit the
5 Gross Settlement Amount in full to the Settlement Administrator, then Plaintiff, in addition to Plaintiff's
6 release of the Released Claims, shall be deemed to have released Plaintiff's Further Released Claims and
7 shall be deemed to have waived all rights, protections, and benefits of California Civil Code section 1542,
8 which provides:

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

12 Plaintiff's Further Released Claims, hence, includes, without limitation, a release and waiver of all claims
13 known and unknown, without exception, except claims that cannot be released by law, up to the time the
14 Plaintiff signs this Settlement Agreement.

15 63.c. California's and PAGA Members' Release of PAGA Claims. If Defendants remit
16 the Gross Settlement Amount in full to the Settlement Administrator, then the State of California, by and
17 through Plaintiff, its deputized PAGA representative, and all PAGA Members shall be deemed to have
18 settled and released all PAGA Claims against the Released Parties.

19 **VI. SETTLEMENT ADMINISTRATOR AND GENERAL SETTLEMENT**
20 **ADMINISTRATION DUTIES**

21 64. Appointment of Settlement Administrator. The Parties have agreed to request that the Court
22 appoint ILYM Group, Inc. as the third-party settlement administrator to perform settlement administration
23 duties pursuant to this Settlement Agreement. The Parties and Parties' Counsel represent they have no
24 financial interest in, or relationship with, the Settlement Administrator that could create an appearance of
25 a conflict of interest.

26 65. Settlement Administrator's Duties During Settlement Administration. The Settlement
27 Administrator shall perform the express and implied settlement administration tasks in this Settlement
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1 Agreement including: (i) translating into Spanish the Class Notice and printing and mailing Class Notices
2 in English and Spanish; (ii) collecting, validating and attempting to resolve Workweek/PAGA Pay Period
3 Disputes; (iii) collecting and validating Opt-Out Requests and Objections; (iv) establishing a qualified
4 settlement fund; (v) preparing and mailing tax forms to Class Members and others; (vi) computing and
5 distributing all payments made under the Settlement; (vii) calculating and remitting all employee and
6 employer payroll and other tax obligations to the appropriate government agencies; and (viii) transferring
7 uncashed Individual Settlement Payments and Individual PAGA Payments to the *Cy Pres* Recipient; and
8 (ix) all other duties as listed below.

9 65.a. Settlement Administrator's Secure Recordkeeping and File Maintenance. The
10 Settlement Administrator shall secure and protect Class Member information from unauthorized access,
11 use, deletion and modification including all information in the Class List. The Settlement Administrator
12 (along with any of its agents, employees and representatives) shall represent, warrant and agree that it
13 will: (1) provide reasonable and appropriate administrative, physical and technical safeguards, including
14 a reasonable security protocol, for any personally identifiable information of any Class Member and of
15 any PAGA Member, including without limitation the information contained in the Class List which it
16 receives from Defendants (collectively referred to as the "PII"); (2) not disclose the PII to third parties,
17 Plaintiff, or Class Counsel, including without limitation their agents or subcontractors, without
18 Defendants' written consent; (3) not disclose or otherwise use the PII other than to carry out its duties as
19 set forth herein; and (4) promptly provide Defendants and Defendants' Counsel with notice if PII is subject
20 to unauthorized access, use, disclosure, modification, or destruction. The Settlement Administrator may
21 provide notice to all Parties if the PII is subject to unauthorized access, use, disclosure, modification or
22 destruction; however, all additional communications from the Settlement Administrator regarding the
23 scope, circumstances, and substance shall be communicated solely to Defendants and Defendants'
24 Counsel. The PII will otherwise remain confidential, and will not be disclosed to anyone, except as
25 required to applicable taxing authorities or in order to carry out the reasonable efforts to administer this
26 Settlement, pursuant to Defendants' express written authorization, or by order of the Court. The
27 Settlement Administrator shall maintain all records related to the settlement administration tasks it
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performs for at least four (4) years after settlement administration has been completed.

65.b. Records of Communication with Class Members and Class List Maintenance. The Settlement Administrator shall create and maintain records of all communications with Class Members or other persons affected by this Settlement Agreement including by maintaining documents it sends to and receives from Class Members and the Settlement Administrator's own notes describing oral or written communications with Class Members. The Settlement Administrator shall also promptly and continuously update the Class List with all material notes and information to ensure it possesses the most accurate information about Class Members throughout settlement administration.

65.c. Communications with Class Members in English and Spanish. If a Class Member indicates Spanish is their language of preference, then the Settlement Administrator shall undertake reasonable efforts to communicate in Spanish with Class Members.

VII. CONTENTS OF CLASS NOTICE

66. Class Notice Generally. The Parties have agreed to request that the Court approve a class notice, substantially in the form attached as Exhibit 1, which shall provide, among other things: (1) a brief explanation of the case, including the basic contentions or denials of the Parties; (2) a statement that the Court will exclude a member from the Class if the Class Member so requests by the Response Deadline; (3) a procedure for the Class Member to follow in requesting exclusion from the Class; (4) a statement that a judgment, whether favorable or not, will bind all Class Members who do not request exclusion; and (5) a statement that any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through counsel.

66.a. Notice and Binding Nature of Settlement Agreement. The Class Notice shall indicate the potentially binding nature of this Settlement Agreement on all Class Members.

66.b. Settlement Administration Disputes Prior to the Final Approval Hearing Subject to Court Review. The Class Notice shall indicate the Settlement Administrator, who the Court has appointed as a third-party to execute settlement administration duties, shall attempt to resolve all disputes including all Workweek/PAGA Pay Period Disputes, Opt-Out Request disputes, and Objection disputes, prior to the Final Approval Hearing and that the Settlement Administrator's determinations or decisions regarding the

1 timeliness and validity of any dispute regarding this Settlement Agreement, shall be subject to Court
2 review.

3 66.c. Individualized Class Notices and Response Deadline. The Settlement
4 Administrator shall print Class Notices addressed to Class Members whose names appear on the Class
5 List along with information specifically applicable to Class Members including the number of Workweek
6 credits and PAGA Pay Period credits the Settlement Administrator intends on assigning Class Members
7 and shall expressly identify the Response Deadline, by providing a date certain, which shall occur forty-
8 five (45) days after the Settlement Administrator's initial bulk mailing of Class Notices.

9 67. Gross Settlement Amount. The Class Notice shall indicate that the non-reversionary Gross
10 Settlement Amount shall be no less than six hundred thirty thousand dollars and zero cents (\$630,000.00),
11 which Defendants shall pay as monetary consideration for the release of Released Claims as well as other
12 releases and terms provided herein, and which amount shall be used to establish a common settlement
13 fund comprising: (1) Individual Settlement Payments; (2) Settlement Administration Costs; (3) the PAGA
14 Payment to the LWDA; (4) the PAGA Payment to PAGA Members; (5) the Class Representative Service
15 Award; (6) the Class Counsel Fee Award; and (7) the Class Counsel Cost Award payable under this
16 Settlement.

17 67.a. Gross Settlement Amount Escalation Option. The Class Notice shall indicate that
18 if the actual number of Workweeks worked by Class Members exceeds twenty-four thousand, two hundred
19 twenty-four (24,224) Workweeks by fifteen percent (15%), meaning that the actual workweeks worked
20 by Class Members are more than 27,858 workweeks, then Defendants shall have the option to either (i)
21 establish the end date of the Class Period up to the 27,858th Workweek worked, which shall end the Class
22 Period and the PAGA Period, or (ii) pay additional money for the additional release period commensurate
23 with the number of workweeks that exceed 27,858 workweeks at twenty-six dollars and zero cents
24 (\$26.00) per additional workweek.

25 68. Net Settlement Amount. The Class Notice shall indicate the Net Settlement Amount,
26 which, subject to a final accounting, is estimated to be no less than three hundred thirty thousand dollars
27 and zero cents (\$330,000.00), shall be the aggregate amount payable to Participating Class Members,
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1 which shall be determined by subtracting the PAGA Payment, Settlement Administration Costs, Class
2 Representative Service Award, Class Counsel Fee Award, and the Class Counsel Cost Award from the
3 Gross Settlement Amount.

4 68.a. Settlement Administration Costs. The Class Notice shall indicate an amount not
5 exceeding fifteen thousand dollars and zero cents (\$15,000.00), which Defendants have agreed not to
6 oppose, shall be payable from the Gross Settlement Amount and due to the Settlement Administrator for
7 the Settlement Administrator's administration of the notice and distribution process pursuant to this
8 Settlement Agreement and that if the Court finally approves a lesser amount or if there are any unused
9 funds from this amount, then the difference shall remain a part of the Net Settlement Amount.

10 68.b. Class Representative Service Award. The Class Notice shall indicate an amount not
11 exceeding five thousand dollars and zero cents (\$5,000.00), payable from the Gross Settlement Amount
12 and due to Plaintiff, which Defendants have agreed not to oppose, that shall be payable from the Gross
13 Settlement Amount and due to Plaintiff, separate from any Individual Settlement Payment and Individual
14 PAGA Payment, for Plaintiff's efforts and risks in bringing and resolving the Action, and that if the Court
15 finally approves a lesser amount, then the difference shall remain part of the Net Settlement Amount.

16 68.c. Class Counsel Fee Award. The Class Notice shall indicate an amount of no less
17 than two hundred ten thousand dollars and zero cents (\$210,000.00) or one-third (1/3) of the Gross
18 Settlement Amount, whichever is greater, which Defendants have agreed not to oppose, shall be payable
19 from the Gross Settlement Amount and due to Class Counsel as reasonable attorneys' fees for litigating
20 and resolving the Action and that if the Court finally approves a lesser amount, then the difference shall
21 remain part of the Net Settlement Amount.

22 68.d. Class Counsel Cost Award. The Class Notice shall indicate an amount not
23 exceeding twenty thousand dollars and zero cents (\$20,000.00), which Defendants have agreed not to
24 oppose, shall be payable from the Gross Settlement Amount and due to Class Counsel for reimbursement
25 of Class Counsel's reasonable litigation expenses incurred in litigating and resolving the Action and that
26 if the Court finally approves a lesser amount or if there are any unused funds from this amount, then the
27 difference shall remain part of the Net Settlement Amount.

1 68.e. PAGA Payment to the LWDA. The Class Notice shall indicate that thirty-seven
2 thousand, five hundred dollars, and zero cents (\$37,500.00), which Defendants have agreed not to oppose,
3 shall be payable from the Gross Settlement Amount and due to the LWDA as its seventy-five percent
4 (75%) share of the PAGA Payment and that if the Court finally approves a lesser amount, then the
5 difference shall remain a part of the Net Settlement Amount.

6 68.f. Individual PAGA Payments Reported on IRS Form 1099-MISC. The Class Notice
7 shall indicate that twelve thousand, five hundred dollars, and zero cents (\$12,500.00) shall be payable
8 from the Gross Settlement Amount to PAGA Members as their aggregate twenty-five percent (25%) share
9 of the PAGA Payment, which the Settlement Administrator shall report as non-wage income on IRS Form
10 1099-MISC, and that if the Court finally approves a lesser amount, then the difference shall remain a part
11 of the Net Settlement Amount.

12 68.f.1. Individual PAGA Payment Calculations Based on PAGA Pay Period
13 Credits. The Class Notice shall indicate that Individual PAGA Payments due to PAGA Members shall be
14 based on their respective pro rata shares of the PAGA Payment to PAGA Members, which shall be
15 determined by the following three-step process: (i) the Settlement Administrator shall credit each PAGA
16 Member with PAGA Pay Period credits based on the data in the Class List, which shall be presumed
17 accurate, subject to the Workweek/PAGA Pay Period Dispute process; (ii) the Settlement Administrator
18 shall determine the PAGA Pay Period Dollar Value by dividing the PAGA Payment to PAGA Members
19 by the number of PAGA Pay Periods credited to all PAGA Members; and (iii) the Settlement
20 Administrator shall determine the Individual PAGA Payment due to each PAGA Member by multiplying
21 the number of PAGA Pay Periods credited to each PAGA Member by the PAGA Pay Period Dollar Value.

22 68.f.2. Individualized PAGA Payment Amount Estimates. The Class Notice shall
23 indicate the estimated Individual PAGA Payment due to each PAGA Member based on the PAGA Pay
24 Period credits that the Settlement Administrator intends on assigning to each PAGA Member, subject to
25 the Workweek/PAGA Pay Period Dispute process.

26 68.g. Individual Settlement Payments Reported on Ten Percent (10%) Wages on IRS
27 Form W-2 and Eighty Percent (80%) Penalties and Interest and Ten Percent (10%) Reimbursements on
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1 IRS Form 1099-MISC. The Class Notice shall indicate the Net Settlement Amount, which, subject to a
2 final accounting, is estimated to be no less than three hundred thirty thousand dollars and zero cents
3 (\$330,000.00), shall be the aggregate amount payable to Participating Class Members, which the
4 Settlement Administrator shall report as ten percent (10%) wages, subject to reduction for applicable
5 employee payroll taxes and customary withholdings, on IRS Form W-2, and eighty percent (80%) as
6 penalties and interest and ten percent (10%) reimbursements on IRS Form 1099-MISC.

7 68.g.1. Individual Settlement Payments Based on Workweek Credits. The Class
8 Notice shall indicate that Individual Settlement Payments due to Participating Class Members shall be
9 based on their respective pro rata shares of the Net Settlement Amount, which shall be determined by the
10 following three-step process: (i) the Settlement Administrator shall credit each Participating Class
11 Member with Workweek credits based on the data in the Class List, which shall be presumed accurate,
12 subject to the Workweek/PAGA Pay Period Dispute process; (ii) the Settlement Administrator shall
13 determine the Workweek Dollar Value by dividing the Net Settlement Amount by the number of
14 Workweeks credited to all Participating Class Members; and (iii) the Settlement Administrator shall
15 determine the Individual Settlement Payment due to each Participating Class Member by multiplying the
16 number of Workweeks credited to each Participating Class Member by the Workweek Dollar Value.

17 68.g.2. Individualized Settlement Payment Amount Estimates. The Class Notice
18 shall indicate the estimated Individual Settlement Payment due to each Class Member based on the
19 Workweek credits that the Settlement Administrator intends on assigning to each Class Member, subject
20 to the Workweek/PAGA Pay Period Dispute process.

21 69. Individual Settlement Payment and Individual PAGA Payment Checks Void After 180
22 Days. The Class Notice shall indicate that all Individual Settlement Payment and Individual PAGA
23 Payment checks shall be valid for one hundred eighty (180) days after the Settlement Administrator's bulk
24 mailing of the Individual Settlement Payment or Individual PAGA Payment checks and that if any such
25 check has not been cashed or deposited by that time, then they shall become void.

26 69.a. Void Individual Settlement Payment and Individual PAGA Payment Checks Still
27 Binding. The Class Notice shall indicate that if any Participating Class Members or PAGA Members do
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not cash, deposit or receive Individual Settlement Payment or Individual PAGA Payment checks after the Settlement Administrator's bulk mailing and before the date they become void, then all affected Participating Class Members and PAGA Members shall, nevertheless, be bound to the Settlement to the fullest extent under the law.

69.b. Transfer of Void Individual Settlement Payment and Individual PAGA Payment Amounts to the *Cy Pres* Recipient. The Class Notice shall indicate that the Settlement Administrator shall, after the date that Individual Settlement Payment and Individual PAGA Payment checks become void, transfer all amounts associated with the voided checks via secure wire transfer to the Valley Children's Hospital, with whom the Parties have no connection or affiliation that could create an appearance of a conflict of interest.

70. No Tax Advice in Class Notice. The Class Notice shall indicate the Parties make no representations concerning the taxability, tax treatment, or legal effect of any tax laws on any consideration provided or exchanged pursuant to the Settlement Agreement including any Individual Settlement Payments or any Individual PAGA Payments and that Class Members should consult their own tax advisors concerning the tax consequences of any payment under the Settlement Agreement.

71. Workweek/PAGA Pay Period Disputes. The Class Notice shall indicate that if a Class Member wishes to dispute the number of Workweeks or PAGA Pay Periods credited to the affected Class Member in the Class Notice, then the affected Class Member must submit a timely and valid written Workweek/PAGA Pay Period Dispute to the Settlement Administrator by United States Mail, facsimile and/or in other written form by no later than the Response Deadline.

71.a. Timeliness of Workweek/PAGA Pay Period Disputes. The Class Notice shall indicate that the Settlement Administrator shall determine whether a Workweek/PAGA Pay Period Dispute is timely based on the postmarked date on the mailing envelope, or by other indicia of timeliness.

71.b. Validity of Workweek/PAGA Pay Period Disputes. The Class Notice shall indicate that the Settlement Administrator shall determine whether a Workweek/PAGA Pay Period Dispute is valid based on whether it is in writing and includes the following five (5) enumerated items: (1) the Class Member's full name; (2) the Class Member's dates of employment; (3) the Class Member's current contact

information (e.g., a current mailing address and telephone number); (4) a statement indicating the number of Workweeks and/or PAGA Pay Periods that the affected Class Member contends should be credited along with documentary evidence to support the affected Class Member's contentions, if any; and (5) the Class Member or Class Member's legal representative's signature.

71.c. Untimely or Invalid Workweek/PAGA Pay Period Disputes. The Class Notice shall indicate that if a Workweek/PAGA Pay Period Dispute is not submitted in a timely and valid manner, then it may result in an affected Class Member being credited with fewer Workweeks or PAGA Pay Periods than the affected Class Member may be entitled to.

72. Opt-Out Requests. The Class Notice shall indicate that if a Class Member wishes to be excluded from the Settlement and release of Released Claims (that do not arise under PAGA), then the affected Class Member must submit a timely and valid written Opt-Out Request to the Settlement Administrator by United States Mail, facsimile and/or in other written form by no later than the Response Deadline. The Class Notice shall also indicate that if a Class Member submits a timely and valid Opt-Out Request, then the Class Member shall not be entitled to any benefits under the Settlement, other than an entitlement to an Individual PAGA Payment (if the Class Member qualifies as a PAGA Member) and the Class Member shall have no right to object to the Settlement Agreement or appeal the Final Judgment.

72.a. Timeliness of Opt-Out Requests. The Class Notice shall indicate that the Settlement Administrator shall determine whether an Opt-Out Request is timely based on the postmarked date on the mailing envelope, or by other indicia of timeliness.

72.b. Validity of Opt-Out Requests. The Class Notice shall indicate that the Settlement Administrator shall determine whether an Opt-Out Request is valid based on whether it is in writing and includes the following five (5) enumerated items: (1) the Class Member's full name; (2) the Class Member's dates of employment; (3) the Class Member's contact information (e.g., current mailing address and telephone number); (4) the Class Member's statement in no exact words but, nevertheless, substantially in a form and substance indicating a desire to be excluded from the Settlement Agreement (e.g., "I wish to be excluded from the settlement."; "I opt out from the settlement."; or "I do not want to be part of the settlement."); and (5) the Class Member or Class Member's legal representative's signature.

1 72.c. Untimely or Invalid Opt-Out Requests. The Class Notice shall indicate that if an
2 Opt-Out Request is not submitted in a timely and valid manner, then it may result in an affected Class
3 Member being deemed a Participating Class Member who is bound by the Settlement and release of
4 Released Claims.

5 73. Objections. The Class Notice shall indicate that if a Class Member wishes to object to the
6 Settlement Agreement, then the Class Member must submit a timely and valid written Objection to the
7 Settlement Administrator by United States Mail, facsimile and/or in other written form by no later than
8 the Response Deadline and that any Class Member may hire an attorney at his or her own expense as a
9 representative, who may assist the Class Member in submitting or raising an objection. The Class Notice
10 shall also indicate that if a Class Member submits a timely and valid Objection, then the Class Member
11 may still be bound by the terms of the Settlement, the release of Released Claims and the Final Judgment
12 as a Participating Class Member.

13 73.a. Timeliness of Objections. The Class Notice shall indicate that the Settlement
14 Administrator shall determine whether an Objection is timely based on the postmarked date on the mailing
15 envelope, or by other indicia of timeliness.

16 73.b. Validity of Objections. The Class Notice shall indicate that the Settlement
17 Administrator shall determine whether an Objection is valid based on whether it is in writing and includes
18 the following five (5) enumerated items: (1) the Class Member's full name; (2) the Class Member's dates
19 of employment; (3) the Class Member's current contact information (e.g., a current mailing address and
20 telephone number); (4) the Class Member's statement indicating the grounds for the objection; and (5) the
21 Class Member or Class Member's legal representative's signature.

22 73.c. Untimely or Invalid Objections. The Class Notice shall indicate that if an Objection
23 is not submitted in a timely and valid manner, then it may result in an affected Class Member's objection
24 not being considered by the Court and that the affected Class Member may be deemed to have waived any
25 right to object to the Settlement and prohibited from raising an objection to the Settlement at any hearing.

26 **VIII. PRELIMINARY APPROVAL AND CLASS NOTICE ADMINISTRATION AFTER**
27 **PRELIMINARY APPROVAL ORDER**

1 74. Motion for Preliminary Approval of Settlement. No later than sixteen (16) court days
2 before the Preliminary Approval Hearing, Plaintiff shall file a motion for preliminary approval, seeking,
3 among other things, entry of a Preliminary Approval Order, conditionally certifying the Class for
4 settlement purposes only, appointing Plaintiff as a representative of the Class, appointing Class Counsel
5 as counsel for the Class, appointing the Settlement Administrator, setting a Final Approval Hearing date
6 and ordering the Settlement Administrator to mail the Class Notice to Class Members.

7 74.a. Defendants' Provision of Updated Number of Class Members, Workweeks, PAGA
8 Members and PAGA Pay Periods. No later than 30 days prior to Plaintiff's deadline to file a motion for
9 preliminary approval, Defendants shall provide Class Counsel the updated number of Class Members,
10 Workweeks worked by Class Members, PAGA Members and PAGA Pay Periods worked by PAGA
11 Members that will be subject to this Settlement Agreement so that Plaintiff may determine whether the
12 Gross Settlement Amount Escalation Option may be triggered, whether the dates the Class Period and
13 PAGA Periods end can be determined, and so that Plaintiff may provide the Court with more precise
14 information about the scope of the Settlement in advance of Plaintiff's filing of a motion for preliminary
15 approval.

16 74.b. Defendants' Provision of the Class List to the Settlement Administrator. No later
17 than seven (7) business days after the Court's entry of a Preliminary Approval Order, Defendants shall
18 provide the Settlement Administrator with the Class List.

19 75. Mailing of Class Notice by Bulk First Class U.S. Mail. No later than fifteen (15) days after
20 receiving the Class List, the Settlement Administrator shall mail copies of the Class Notice in English and
21 Spanish to all Class Members via bulk First Class United States Mail, forwarding service requested.

22 75.a. Verification of Class Member Current Addresses and Presumption of Accuracy.
23 Prior to mailing Class Notices to Class Members, the Settlement Administrator shall search the National
24 Change of Address Database maintained by the United States Postal Service and perform skip tracing or
25 other verification procedures to verify Class Members' current addresses. The addresses the Settlement
26 Administrator determines as Class Members' current mailing addresses shall be presumed accurate.

27 75.b. IRS Form W-9 and Additional Withholdings for Unverified Social Security or
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1 Taxpayer Identification Numbers. Prior to mailing Class Notices to Class Members, the Settlement
2 Administrator shall use verification procedures to verify Class Member social security numbers and/or
3 taxpayer identification numbers and shall update the Class List accordingly. If the Settlement
4 Administrator is unable to verify a Class Member's social security number and/or taxpayer identification
5 number prior to its initial bulking mailing of Class Notices, then the Settlement Administrator shall enclose
6 an IRS Form W-9 along with each affected Class Member's Class Notice and a writing informing the
7 affected Class Member that the Settlement Administrator was unable to verify the affected Class
8 Member's social security number and/or taxpayer identification number and that the affected Class
9 Member must submit a completed and executed IRS Form W-9 to the Settlement Administrator on or
10 before the Response Deadline to avoid additional withholdings and potential delays in distribution of any
11 payments the affected Class Member may be entitled to under the Settlement.

12 75.c. Re-Mailing of Undelivered Class Notices. No later than three (3) business days
13 after receiving a Class Notice returned as undelivered, Settlement Administrator shall attempt to determine
14 another mailing address for the affected Class Member by use of skip tracing or other verification or search
15 procedures using the name, address, telephone number, social security number and/or taxpayer
16 identification number of the affected Class Member. If the Settlement Administrator identifies another
17 mailing address for the affected Class Member, then it shall re-mail the Class Notice to the affected Class
18 Member on the same day. If the Settlement Administrator does not identify another mailing address for
19 the affected Class Member, then the Settlement Administrator shall be deemed to have satisfied its
20 obligations to attempt to re-mail the undelivered Class Notice to that affected Class Member. The
21 Settlement Administrator shall maintain records of the dates it receives undelivered Class Notices and re-
22 mails Class Notices.

23 76. Settlement Administrator's Weekly Reports Regarding Class Notice Mailings,
24 Workweek/PAGA Pay Period Disputes, Opt-Out Requests and Objections. After its initial bulk mailing
25 of Class Notices, the Settlement Administrator shall provide the Parties a weekly report, which shall
26 include information about the number of Class Notices mailed, Class Notices returned as undelivered,
27 Class Notices re-mailed, Workweek/PAGA Pay Period Disputes received, Opt-Out Requests received,
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1 and Objections received. The Settlement Administrator shall and continuously provide the Parties such
2 weekly reports until at least ten (10) days after the Response Deadline.

3 77. Determination of Timeliness and Validity of Workweek/PAGA Pay Period Disputes.

4 Subject to Parties' Counsel and Court review, the Settlement Administrator shall determine whether the
5 submission of a Workweek/PAGA Pay Period Dispute is timely and valid.

6 77.a. Workweek/PAGA Pay Period Dispute Timeliness. The Settlement Administrator
7 shall determine whether a Workweek/PAGA Pay Period Dispute is timely based on the postmarked date
8 on the mailing envelope, or by other indicia of timeliness. If the postmarked date or other indicia shows
9 the dispute was submitted after the Response Deadline, then the Settlement Administrator shall conclude
10 that the submission was untimely, which may render the submission null, void, and ineffective.

11 77.b. Workweek/PAGA Pay Period Dispute Validity. The Settlement Administrator shall
12 determine whether a Workweek/PAGA Pay Period Dispute is valid based on whether it is in writing and
13 includes the following five (5) enumerated items required for validity: (1) the Class Member's full name;
14 (2) the Class Member's dates of employment; (3) the Class Member's current contact information (e.g., a
15 current mailing address and telephone number); (4) a statement indicating the number of Workweeks
16 and/or PAGA Pay Periods that the affected Class Member contends should be credited along with
17 documentary evidence to support the affected Class Member's contentions, if any; and (5) the Class
18 Member or Class Member's legal representative's signature. If the dispute is submitted orally or a written
19 submission is ambiguous or lacks any of the five (5) enumerated items required for validity, then the
20 Settlement Administrator shall conclude that the submission is invalid, which may render the submission
21 null, void, and ineffective.

22 77.c. Workweek/PAGA Pay Period Dispute Cure Notices and Notice to the Court. No
23 later than three (3) business days after the Settlement Administrator concludes that a Workweek/PAGA
24 Pay Period Dispute is untimely or invalid prior to the Final Approval Hearing, the Settlement
25 Administrator shall attempt to communicate with the affected Class Member to request that the affected
26 Class Member cure any deficiencies in writing. Regardless of the timeliness or validity of any
27 Workweek/PAGA Pay Period Dispute, the Parties shall ensure that all Workweek/PAGA Pay Period
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1 Disputes or any other written statements arguably constituting a timely and valid Workweek/PAGA Pay
2 Period Dispute are brought to the Court's attention in advance of the Final Approval Hearing.

3 78. Workweek/PAGA Pay Period Dispute Notice, Investigation and Resolution. If the
4 Settlement Administrator receives a Workweek/PAGA Pay Period Dispute prior to the Final Approval
5 Hearing, then the Settlement Administrator shall promptly investigate and attempt to resolve the dispute.

6 78.a. Workweek/PAGA Pay Period Dispute Notice to the Parties. No later than three (3)
7 business days after receiving a Workweek/PAGA Pay Period Dispute, the Settlement Administrator shall
8 notify the Defendants of its receipt of the Workweek/PAGA Pay Period Dispute via electronic mail or
9 facsimile, which shall include the identity and contact information of the affected Class Member and any
10 evidence submitted by the affected Class Member.

11 78.b. The Parties' Submission and Evaluation of Further of Evidence. No later than seven
12 (7) days after receiving the Settlement Administrator's notice of a Workweek/PAGA Pay Period Dispute
13 Defendants shall provide the Settlement Administrator all relevant information they possess about the
14 affected Class Member's contentions. The Settlement Administrator shall evaluate all relevant evidence
15 and, in consultation with Defendants' Counsel, shall render a final decision regarding the
16 Workweek/PAGA Pay Period Dispute.

17 78.c. Notice to Affected Class Members Regarding Workweek/PAGA Pay Period
18 Dispute Investigation and Resolution. No later than three (3) business days of rendering its final decision
19 regarding a Workweek/PAGA Pay Period Dispute, the Settlement Administrator shall send the affected
20 Class Member written notice of its decision via United States Mail, facsimile and/or electronic mail, which
21 shall: (a) indicate whether the Settlement Administrator found the Workweek/PAGA Pay Period Dispute
22 wholly or partly meritorious, unmeritorious, or that it was unable to make a merits determination and the
23 reasons why it made such a finding; (b) indicate the number of Workweeks and/or PAGA Pay Periods
24 that the Settlement Administrator presently intends to credit the affected Class Member including the
25 number of additional Workweeks or PAGA Pay Periods, if any, and any corresponding changes to the
26 estimated Individual Settlement Payment or Individual PAGA Payment that the affected Class Member
27 may receive; and (c) indicate that the Settlement Administrator's final decision is subject to Court review
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1 and that the Final Approval Hearing may be the best and final opportunity for the affected Class Member
2 to seek the Court's review or intervention.

3 79. Determination of Timeliness and Validity of Opt-Out Requests. Subject to Parties' Counsel
4 and Court review, the Settlement Administrator shall determine whether the submission of an Opt-Out
5 Request is timely and valid.

6 79.a. Opt-Out Request Timeliness. The Settlement Administrator shall determine
7 whether an Opt-Out Request is timely based on the postmarked date on the mailing envelope, or by other
8 indicia of timeliness. If the postmarked date or other indicia shows the request was submitted after the
9 Response Deadline, then the Settlement Administrator shall conclude that the submission was untimely,
10 which may render the submission null, void, and ineffective.

11 79.b. Opt-Out Request Validity. The Settlement Administrator shall determine whether
12 an Opt-Out Request is valid based on whether it is in writing and includes the five (5) enumerated items
13 required for validity: (1) the Class Member's full name; (2) the Class Member's dates of employment; (3)
14 the Class Member's contact information (e.g., current mailing address and telephone number); (4) the
15 Class Member's statement in no exact words but, nevertheless, substantially in a form and substance
16 indicating a desire to be excluded from the Settlement Agreement (e.g., "I wish to be excluded from the
17 settlement."; "I opt out from the settlement."; or "I do not want to be part of the settlement."); and (5) the
18 Class Member or Class Member's legal representative's signature. If the request is submitted orally or a
19 written submission is ambiguous or lacks any of the five (5) enumerated items required for validity, then
20 the Settlement Administrator shall conclude that the submission is invalid, which may render the
21 submission null, void, and ineffective.

22 79.c. Opt-Out Request Cure Notices and Notice to the Court. No later than three (3)
23 business days after the Settlement Administrator concludes that an Opt-Out Request is untimely or invalid
24 prior to the Final Approval Hearing, the Settlement Administrator shall attempt to communicate with the
25 affected Class Member to request that the affected Class Member cure any deficiencies in writing.
26 Regardless of the timeliness or validity of any Opt-Out Request, the Parties shall ensure that all Opt-Out
27 Requests or any other written statements arguably constituting a timely and valid Opt-Out Request are
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brought to the Court's attention in advance of the Final Approval Hearing.

80. Determination of Timeliness and Validity of Objections. Subject to Parties' Counsel and Court review, the Settlement Administrator shall determine whether the submission of an Objection is timely and valid.

80.a. Objection Timeliness. The Settlement Administrator shall determine whether an Objection is timely based on the postmarked date on the mailing envelope, or by other indicia of timeliness. If the postmarked date or other indicia shows the objection was submitted after the Response Deadline, then the Settlement Administrator shall conclude that the submission was untimely, which may render the submission null, void, and ineffective.

80.b. Objection Validity. The Settlement Administrator shall determine whether an Objection is valid based on whether it is in writing and includes the following five (5) enumerated items required for validity: (1) the Class Member's full name; (2) the Class Member's dates of employment; (3) the Class Member's current contact information (e.g., a current mailing address and telephone number); (4) the Class Member's statement indicating the grounds for the objection; and (5) the Class Member or Class Member's legal representative's signature. If the request is submitted orally or a written submission is ambiguous or lacks any of the five (5) enumerated items required for validity, then the Settlement Administrator shall conclude that the submission is invalid, which may render the submission null, void, and ineffective.

80.c. Objection Cure Notices and Notice to the Court. No later than three (3) business days after the Settlement Administrator concludes that an Objection is untimely or invalid prior to the Final Approval Hearing, the Settlement Administrator shall attempt to communicate with the affected Class Member to request that the affected Class Member cure any deficiencies in writing. Regardless of the timeliness or validity of any Objection, the Parties shall ensure that all Objections or any other written statements arguably constituting a timely and valid Objection are brought to the Court's attention in advance of the Final Approval Hearing.

IX. FINAL APPROVAL AND FINAL JUDGMENT AND FINAL JUDGMENT

81. Motion for Final Approval of Settlement. No later than sixteen (16) court days before the

1 Final Approval Hearing, Plaintiff shall file a motion for final approval, seeking, among other things, entry
2 of a Final Approval Order, finally certifying the Class for settlement purposes only, ordering Defendants
3 to remit the Gross Settlement Amount to the Settlement Administrator, approving and ordering the
4 Settlement Administrator to distribute the amounts payable pursuant to the Settlement and setting a date
5 for the Court's review of the Settlement fund distribution.

6 82. Final Judgment. At the time Plaintiff moves for final approval of the Settlement, Plaintiff
7 shall also move the Court to enter a Final Judgment, which shall, among other things, finally adjudge this
8 Action and include a provision for the retention of the Court's jurisdiction over the Parties including the
9 Class to enforce the terms of the judgment.

10 82.a. Settlement Administrator's Report in Advance of Final Approval Hearing. The
11 Settlement Administrator shall, prior to the Final Approval Hearing and at the Parties' request, provide
12 written reports or declarations to the Parties describing, among other things, the process and results of the
13 settlement administration process, the number of Opt-Out Requests received (both timely and valid or
14 otherwise), Objections received (both timely and valid or otherwise), Workweeks/Pay Periods Disputes
15 received (both timely and valid or otherwise), and the actual or projected Settlement Administration Costs
16 to date, which reports or declarations Plaintiff may file with the Court prior to the Final Approval Hearing.

17 82.b. Notice of Final Approval Order and Final Judgment. If the Court enters the Final
18 Judgment, then the Settlement Administrator shall post copies of the Final Approval Order and Final
19 Judgment for two hundred forty (240) days on its website and Plaintiff shall cause copies of the Final
20 Approval Order and Final Judgment to be submitted to the LWDA. No individualized notice regarding
21 the entry of the Final Approval Order and Final Judgment shall be required to be provided to the Class.

22 **X. SETTLEMENT ADMINISTRATION AFTER FINAL APPROVAL AND THE**
23 **EFFECTIVE DATE**

24 83. Establishment of a Qualified Settlement Fund After Final Approval. No later than seven
25 (7) days after the Court enters a Final Approval Order, the Settlement Administrator shall establish a
26 qualified settlement fund, account, or trust pursuant to applicable state and federal rules and regulations
27 to hold the Gross Settlement Amount and distribute payments therefrom.

1 83.a. Defendants' Payment of the Gross Settlement After Final Approval. No later than
2 thirty (30) days after the Effective Date, Defendants shall remit the Gross Settlement Amount in its entirety
3 to the Settlement Administrator via secure wire transfer or by other secure means and the Settlement
4 Administrator shall report to the Parties whether it received the entire Gross Settlement Amount in a timely
5 manner within three (3) business days.

6 83.b. Distribution Process and Court Intervention if Gross Settlement Amount is
7 Untimely or Incomplete. If Defendants fail to remit the entire Gross Settlement Amount to the Settlement
8 Administrator in full on the date it is due or within a reasonable time thereafter, then the Settlement
9 Administrator shall refrain from distributing any part of the Gross Settlement Amount until the Parties
10 provide the Settlement Administrator further instruction including by way of the Court's intervention or
11 further orders.

12 84. Settlement Fund Distribution After Payment of the Gross Settlement. No later than seven
13 (7) days after receiving the Gross Settlement Amount in full, the Settlement Administrator shall distribute
14 all payments from the Settlement fund.

15 84.a. Settlement Administration Costs Distribution. The Settlement Administrator shall
16 distribute Settlement Administration Costs to itself for the Settlement Administrator's execution of
17 settlement administration duties.

18 84.b. Class Representative Service Award Distribution. The Settlement Administrator
19 shall distribute the Class Representative Service Award to Plaintiff via a check in Plaintiff's name, but
20 mailed to Class Counsel, separate from any Individual Settlement Payment and Individual PAGA
21 Payment, for Plaintiff's efforts and risks in bringing and resolving the Action, which the Settlement
22 Administrator shall report as non-wage income on IRS Form 1099-MISC.

23 84.c. Class Counsel Fee Award Distribution. The Settlement Administrator shall
24 distribute the Class Counsel Fee Award to Class Counsel via secure wire transfer as reasonable attorneys'
25 fees for litigating and resolving the Action, which the Settlement Administrator shall report as non-wage
26 income on IRS Form 1099-MISC.

27 84.d. Class Counsel Cost Award Distribution. The Settlement Administrator shall
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1 distribute the Class Counsel Cost Award to Class Counsel via secure wire transfer for reimbursement of
2 Class Counsel's reasonable litigation expenses incurred in litigating and resolving the Action, which the
3 Settlement Administrator shall report as non-wage income on IRS Form 1099-MISC.

4 84.e. PAGA Payment to the LWDA Distribution. The Settlement Administrator shall
5 distribute the PAGA Payment to the LWDA via secure wire transfer or by other secure means to the
6 LWDA as its seventy-five percent (75%) share of the PAGA Payment.

7 84.f. Individual PAGA Payment Distribution. The Settlement Administrator shall
8 distribute Individual PAGA Payment checks to all PAGA Members via bulk First Class United States
9 Mail addressed to each PAGA Members' last known mailing address based on data in the Class List
10 including all updated data resulting from Class Members' timely and valid Opt-Out Requests and the
11 resolution of Workweek/PAGA Pay Period Disputes, which the Settlement Administrator shall report as
12 non-wage income on IRS Form 1099-MISC.

13 84.g. Individual Settlement Payment Distribution. The Settlement Administrator shall
14 distribute Individual Settlement Payment checks to all Participating Class Members via bulk First Class
15 United States Mail addressed to each Participating Class Members' last known mailing address based on
16 data in the Class List including all updated data resulting from Class Members' timely and valid Opt-Out
17 Requests and the resolution of Workweek/PAGA Pay Period Disputes, which the Settlement
18 Administrator shall report as ten percent (10%) wages, subject to reduction for applicable employee
19 payroll taxes and customary withholdings, on IRS Form W-2s, and eighty percent (80%) as penalties and
20 interest, and ten percent (10%) as reimbursements on IRS Form 1099-MISC.

21 85. 120-Day Reminder Postcard for Uncashed Individual Settlement Payment and Individual
22 PAGA Payment Checks Void. No later than one hundred and twenty (120) days of mailing Individual
23 Settlement Payment and Individual PAGA Payment checks in bulk, the Settlement Administrator shall
24 mail a reminder postcard to all Participating Class Members and PAGA Members, who have not cashed
25 or deposited their Individual Settlement Payment or Individual PAGA Payment checks, that indicates their
26 Individual Settlement Payment or Individual PAGA Payment checks shall become void if they are not
27 cashed or deposited by a date certain.

1 85.a. Check Reissuance and Re-Mailing Prior to Void Date. The Settlement
2 Administrator shall, prior to the date that all Individual Settlement Payment or Individual PAGA Payment
3 checks become void, reissue any misrouted, misplaced, lost, or stolen Individual Settlement Payment or
4 Individual PAGA Payment checks to an affected Participating Class Member or PAGA Member, so long
5 as the affected Participating Class Member or PAGA Member's original Individual Settlement Payment
6 or Individual PAGA Payment check has not been cashed or deposited.

7 85.b. Transfer of Void Individual Settlement Payment and Individual PAGA Payment
8 Amounts to the Cy Pres Recipient. No later than fourteen (14) days after Individual Settlement Payment
9 and Individual PAGA Payment checks become void, the Settlement Administrator shall transfer all
10 amounts associated with the voided checks via secure wire transfer to Valley Children's Hospital, with
11 whom the Parties have no connection or affiliation that could create an appearance of a conflict of interest.

12 86. Settlement Administrator's Report Following Settlement Fund Distribution. After
13 settlement fund distribution, and at the Parties' and Parties' Counsel's joint or independent requests, the
14 Settlement Administrator shall provide written reports or declarations to the Parties and Parties' Counsel
15 describing, among other things, the results of the settlement fund distribution process, including an
16 accounting of: (1) Individual Settlement Payments; (2) Settlement Administration Costs; (3) the PAGA
17 Payment to the LWDA; (4) Individual PAGA Payments; (5) the Class Representative Service Award; (6)
18 the Class Counsel Fee Award; and (7) the Class Counsel Cost Award payable under this Settlement as
19 well as the transfer of all amounts associated with any voided checks to the Cy Pres Recipient, which
20 report or declarations Plaintiff may file with the Court.

21 **XI. ADDITIONAL SETTLEMENT PROVISIONS**

22 87. Authorization to Enter into Settlement Agreement. The natural person signing this
23 Settlement Agreement on behalf of Defendants represents and warrants that he or she is authorized to sign
24 this Settlement Agreement on behalf of Defendants.

25 88. Intent to be Binding and Enforceability. The Parties intend this Settlement Agreement to
26 be fully binding on each other and that the Court shall have jurisdiction to enforce the terms and conditions
27 of the Settlement Agreement pursuant to Code of Civil Procedure section 664.6 (or the federal equivalent)
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1 upon noticed motion. If any of the Parties breach any terms of this Settlement Agreement and an action is
2 brought to enforce its terms, then the prevailing party in any enforcement action shall be entitled to recover
3 reasonable attorneys' fees and costs.

4 89. Continuing Jurisdiction of the Court. If the Court enters the Final Judgment, then the Court
5 shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms
6 of this Settlement Agreement and all orders and directives entered in connection therewith. The Parties
7 shall submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing this
8 Settlement Agreement and all orders and directives entered in connection therewith.

9 89.a. Effect of Settlement Not Being Final. If this Settlement Agreement does not
10 become final by way of entry of a Final Judgment or by a denial of a preliminary approval or a final
11 approval with prejudice that binds the Parties from exercising their rights to renegotiate a settlement over
12 the same or similar subject matter, then it shall be rendered null and void ab initio. If this Settlement
13 Agreement is rendered null and void ab initio, then no Class Member or person shall use this Settlement
14 Agreement to support any claim or request for class certification in the Action or in any other civil
15 proceeding against Defendants. The Parties shall, accordingly, proceed in all respects as if this Settlement
16 Agreement had not been executed, except that Plaintiff, on the one hand, and Defendants, on the other
17 hand, shall pay the Settlement Administration Costs, if any, incurred to date to the Settlement
18 Administrator in fifty percent (50%) shares.

19 89.b. Agreement to Cooperate if Court Does Not Approve Settlement. If the Court does
20 not finally approve this Settlement for any reason and in a manner that does not bind the Parties from
21 exercising their rights to renegotiate a settlement over the same or similar subject matter, then the Parties
22 agree to cooperate to attempt to reach a settlement that may be approved by the Court.

23 89.c. Best Efforts and Cooperation. The Parties pledge their good faith and fair dealing
24 in supporting the approval of this Settlement Agreement by the Court including, but not limited to, fully
25 documenting the settlement, timely delivering documents and information to each other, completing, or
26 filing any other required documents or pleadings, and arguing that the terms and conditions agreed upon
27 should be enforced fully. Defendants agree they shall not oppose Plaintiff's motion for preliminary
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1 approval or motion for final approval nor any motions or requests for fees, costs, or awards so long as
2 Plaintiff's motions and requests are consistent with the terms and provisions of this Settlement Agreement.

3 89.d. Further Confirmatory Discovery to Support Fairness, Reasonableness, and
4 Adequacy of Settlement. Defendants shall not object to Plaintiff's revelation of information that
5 Defendants may have marked as confidential under the mediation privilege including the data, documents,
6 and sampling exchanged for mediation purposes. If the Court fails to approve this Settlement for any
7 reason, then the Parties agree to meet and confer and attend mediation, as necessary, to attempt to reach a
8 settlement that the Court may approve. If the Court denies entry of an order granting preliminary approval
9 or final approval for want of additional information about the fairness, reasonableness or adequacy of the
10 Settlement, then Defendants, at Defendants' sole discretion, shall provide Plaintiff informal confirmatory
11 discovery, as reasonably necessary, to secure preliminary or final approval of the Settlement including
12 additional data, documents, and time and pay record samples and a "*Kullar*" declaration under penalty of
13 perjury to support approval.

14 89.e. Resolution of Disputes. If the Court fails to approve this Settlement for any reason,
15 or if the Parties are unable to reach agreement on the form or content of any document needed to implement
16 the Settlement, or on any supplemental provision that may become necessary to effectuate the terms of
17 this Settlement Agreement, then the Parties agree to meet and confer and attend mediation with Frances
18 "Tripper" Ortman, III to attempt to reach a settlement that the Court may approve or to attempt to resolve
19 such disagreement, as necessary.

20 89.f. No Discouragement of Class Member Participation or Obstruction of Settlement.
21 The Parties agree not to encourage Class Members to file Opt-Out Requests, Objections, oppositions, or
22 other motions that oppose the entry of a Preliminary Approval Order or a Final Approval Order that
23 approves this Settlement Agreement

24 89.g. Confidentiality; Limitation on Public Statements About Settlement. Plaintiff and
25 Class Counsel will keep this Settlement confidential through the date of filing the preliminary approval
26 motion. Thereafter, Plaintiff and Class Counsel will further agree to keep this Settlement confidential,
27 including no disclosures to the media, or on any websites, blogs, social media, and/or online platforms.

1 Exceptions to the obligation of confidentiality in this section are: (i) disclosures necessary to comply with
2 the law, judicial process, or for financial planning or tax preparation purposes; (ii) to obtain and seek
3 approval of this Settlement in court and as is necessary to provide settlement information to Class
4 Members and PAGA Members, and (iii) if any party seeks to enforce any term or condition of this
5 Agreement against any other party. Other than to present this Settlement to the Court for preliminary and
6 final approval, the Plaintiff and Class Counsel agree to limit public comment on this Settlement, the
7 Action, and the claims to stating that the matter has been resolved to the satisfaction of the Parties.

8 89.h. Neutral Employment Reference. If Defendants receive any oral and/or written
9 requests from prospective employers about Plaintiff's employment with Defendants, then Defendants
10 shall only provide the start date and end date of Plaintiff's period(s) of employment, Plaintiff's job title(s)
11 while employed, and Plaintiff's current or final pay rate.

12 89.i. California Law Governs. All terms of this Settlement Agreement and the Exhibit
13 attached hereto shall be governed by and interpreted according to the laws of the State of California.
14 However, if any material inconsistencies or ambiguities arise during the construction and interpretation of
15 the terms and provisions of the Exhibit as compared to the terms and provisions in this Settlement
16 Agreement, then the terms and provisions in this Settlement Agreement shall control.

17 89.j. Method of Signature and Counterparts. This Settlement Agreement may be
18 executed by facsimile and/or copy of an original signature, which shall be considered valid as an original
19 for purposes of this Settlement Agreement. This Settlement Agreement may be executed in counterparts,
20 and all copies so executed shall be binding upon the Parties, notwithstanding that the signatures of the
21 Parties do not appear on the same page.

22 89.k. Amendment or Modification. This Settlement Agreement shall not be amended or
23 modified in any material respect unless by a written instrument signed by the Parties.

24 89.l. Binding on Successors and Assigns. This Settlement Agreement shall be binding
25 upon and inure to the benefit of the Parties' successors and assigns.

26 89.m. Headings. The descriptive headings of any paragraphs or sections of this Settlement
27 Agreement including the capitalized terms therein are inserted for convenience only.

1 89.n. Construction. The Parties have drafted this Settlement Agreement together. Hence,
2 in any construction of this Settlement Agreement, the same shall not be construed against any of the Parties
3 by reason of any claim that one of the Parties drafted the Settlement Agreement.

4 89.o. Waivers. The waiver of any breach of this Settlement Agreement shall not be
5 deemed or construed as a waiver of any other breach of this Settlement Agreement, whether prior,
6 subsequent, contemporaneous, or continuing.

7 90. Severability. If one or more of the provisions contained in this Settlement Agreement is
8 deemed or held invalid, illegal, or unenforceable in any respect, then the invalid, illegal, or unenforceable
9 provisions shall be deemed stricken and the remaining provisions shall remain valid.

10 91. Entire Agreement. This Settlement Agreement and the attached Exhibit constitute the
11 entire agreement between the Parties. The Exhibit to this Settlement Agreement is an integral part of the
12 Settlement. No oral or written representations, warranties, or inducements have been made to Plaintiff or
13 Defendants concerning this Settlement Agreement other than the representations, warranties and
14 covenants contained and memorialized in this Settlement Agreement. No other prior or contemporaneous
15 written or oral agreements regarding the subject matter herein shall be deemed binding on the Parties.

16 92. Non-Disparagement. The Plaintiff agrees that Plaintiff will not disparage or criticize
17 Defendants or their owners, shareholders, officers, directors, employees, agents, members, managers,
18 and/or representatives.

19 93. Indemnification. Plaintiff and Class Counsel acknowledge and agree that they are and will
20 be responsible for the payment of any and all Federal, State, and Local taxes or penalties associated with
21 their respective allocated portions of the payments described herein, and agree to indemnify, defend, and
22 hold the Released Parties harmless from any and all claims by any Federal, State, or Local taxing authority
23 that Plaintiff or Class Counsel failed to pay or underpaid his/her/their taxes associated with the payments
24 set forth in this Settlement.

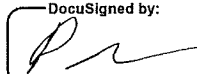
25 94. Prior Memorandum of Understanding. The Parties agree that upon full execution of this
26 Settlement Agreement, the document entitled “Memorandum of Understanding (“MOU”) Re Class Action
27 and PAGA Settlement” that the Parties signed on or about February 21, 2023 with respect to the Action
28

1 shall be replaced and superseded in full by this Settlement Agreement, and the document entitled
2 "Memorandum of Understanding ("MOU") Re Class Action and PAGA Settlement" shall be of no further
3 force or effect upon full execution of this Settlement Agreement.

4
5 **IT IS SO STIPULATED.**

6 DATED: 12/14/2023 _____

PLAINTIFF PETER FERRY

DocuSigned by:
By:  _____
A39A77C84F1B413
PETER FERRY

9
10 DATED: _____

DEFENDANT CENCAL WINGS II, INC.

11 By: _____
12 Its: _____

13 DATED: _____

DEFENDANT CENCAL WINGS III, INC.

15 By: _____
16 Its: _____

17 DATED: _____

DEFENDANT CENCAL WINGS IV, INC.

19 By: _____
20 Its: _____

21 DATED: _____

DEFENDANT CENCAL WINGS V, INC.

23 By: _____
24 Its: _____

25 DATED: _____

DEFENDANT CENCAL WINGS VI, INC.

27 By: _____
28 Its: _____

1 shall be replaced and superseded in full by this Settlement Agreement, and the document entitled
2 "Memorandum of Understanding ("MOU") Re Class Action and PAGA Settlement" shall be of no further
3 force or effect upon full execution of this Settlement Agreement.

4
5 **IT IS SO STIPULATED.**

6 DATED: _____

PLAINTIFF PETER FERRY

7
8 By: _____
PETER FERRY

9
10 DATED: 12-6-23

DEFENDANT CENCAL WINGS II, INC.

11 By: GURMINDER BANNING
12 Its: SECRETARY

13 DATED: 12-6-23

DEFENDANT CENCAL WINGS III, INC.

14 By: GURMINDER BANNING
15 Its: SECRETARY

16
17 DATED: 12-6-23

DEFENDANT CENCAL WINGS IV, INC.

18 By: GURMINDER BANNING
19 Its: SECRETARY

20 DATED: 12-6-23

DEFENDANT CENCAL WINGS V, INC.

21 By: GURMINDER BANNING
22 Its: SECRETARY

23 DATED: 12-6-23

DEFENDANT CENCAL WINGS VI, INC.

24 By: GURMINDER BANNING
25 Its: SECRETARY
26
27
28

1 **APPROVED AS TO FORM:**

2 DATED: 12/14/2023

MOON LAW GROUP, PC

By: 

KANE MOON
ALLEN FEGHALI

Attorneys for Plaintiff PETER FERRY

SAGASER, WATKINS & WIELAND, PC

6 DATED: 12/20/2023

By: 

IAN B. WIELAND
PAUL M. PARVANIAN

Attorneys for Defendants CENCAL WINGS II,
INC., CENCAL WINGS III, INC., CENCAL
WINGS IV, INC., CENCAL WINGS V, INC., and
CENCAL WINGS VI, INC.

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EXHIBIT 1

(Draft Class Notice)

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

Ferry v. Cencal Wings II, Inc., et al.
Fresno County Superior Court, Case No. 21CECG03205

**A COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION BY A LAWYER.
YOU ARE NOT BEING SUED.**

IF YOU ARE OR WERE EMPLOYED BY CENCAL WINGS II, INC., CENCAL WINGS III, INC., CENCAL WINGS IV, INC., CENCAL WINGS V, INC., and CENCAL WINGS VI, INC., AS A NON-EXEMPT EMPLOYEE IN CALIFORNIA AT ANY TIME BETWEEN OCTOBER 28, 2017 AND [DATE], THEN THIS CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the "Settlement" or "proposed Settlement") has been reached in class and representative action entitled *Ferry v. Cencal Wings II, Inc., et al.*, Fresno County Superior Court, Case No. 21CECG03205 (the "Action"). The purpose of this Notice of Class and Representative Action Settlement ("Class Notice") is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action. A formal Settlement Agreement is filed with the Court, which you may request a copy of, as described below. If there are any material inconsistencies between this notice and the Settlement Agreement, then subject to Court review, the provisions in the Settlement Agreement shall control.

The Court has preliminarily approved the Settlement's payment provisions and other terms and conditions described in this notice. The Honorable Jeffrey Y. Hamilton will determine whether the Settlement is fair, adequate, and reasonable and whether a Final Approval Order and a Final Judgment should be entered during a Final Approval Hearing at [FINAL APPROVAL HEARING DATE & TIME] in Department 503 of the Fresno County Superior Court, located at 1130 "O" Street, Fresno, California 93724. Because the date and time of the Final Approval Hearing may change without further notice, you should contact the Settlement Administrator or Class Counsel for further updates.

IF YOU DO NOT REQUEST TO BE EXCLUDED OR "OPT-OUT" OF THE SETTLEMENT ON TIME AND THE COURT ENTERS A FINAL APPROVAL ORDER AND A FINAL JUDGMENT, THEN YOU MAY BE ENTITLED TO AN INDIVIDUAL SETTLEMENT PAYMENT AND MAY BE BOUND BY THE RELEASE OF THE "RELEASED CLAIMS" DESCRIBED IN THIS NOTICE.

YOUR RIGHTS AND OPTIONS IN THIS SETTLEMENT

Do nothing	If you do nothing, then you will be considered part of the Class and will receive settlement benefits as explained more fully below. You will also give up various rights to pursue a separate legal action against Defendants Cencal Wings II, Inc., Cencal Wings III, Inc., Cencal Wings IV, Inc., Cencal Wings V, Inc., and Cencal Wings VI, Inc., a California corporation ("Defendants") and any Released Parties based on any of the Released Claims.
Request to exclude yourself from or "Opt-Out" of the Settlement	If you do not want to participate in this Settlement, then you must exclude yourself from or "Opt-Out" of the Settlement, by writing to the Settlement Administrator by [RESPONSE DEADLINE]. If you choose to Opt-Out, then you will not receive any benefits under the Settlement nor will you release any claims against Defendants. If you qualify as a PAGA Member, however, then you will still receive an Individual PAGA Payment even if you choose to Opt-Out.
Object to the Settlement	If you wish to object to the Settlement, then you must write to the Settlement Administrator by [RESPONSE DEADLINE], about why you object to the Settlement. This option is available only if you do not Opt-Out of the Settlement.
Contest or dispute your Workweek or PAGA Pay Period credits	If you wish to contest or dispute the number of Workweek or PAGA Pay Period credits the Settlement Administrator intends on assigning to you for the purpose of calculating your share of the Settlement funds, then you must write to the Settlement Administrator by [RESPONSE DEADLINE], about why you dispute the credits and provide supporting documentation that you possess to support your dispute.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class of persons (the "Class"):

All non-exempt employees who worked for Defendants in California as a non-exempt employee at any time from October 28, 2017 to [DATE] ("Class Period").

According to Defendants' records, you are a member of the Class ("Class Member").

What is this Action about?

Plaintiff Peter Ferry ("Plaintiff"), individually, and on behalf of the Class, alleges Defendants: (1) failed to pay minimum wages; (2) failed to pay overtime wages; (3) failed to provide required meal periods; (4) failed to provide required rest periods; (5) failed to indemnify employees for necessary expenditures; (6) failed to furnish accurate itemized wage statements; (7) failed to pay timely and all wages due to discharged and quitting employees; (8) engaged in unfair and unlawful business practices under California Business and Professions Code; (9) and engaged in conduct giving rise to civil penalties pursuant to the California Labor Code Private Attorneys General Act ("PAGA").

Plaintiff believes this Settlement is in the best interests of all Class Members. Defendants deny all liability and are confident they have strong legal and factual defenses to these claims, but they recognize the risks, distractions and costs associated with continued litigation. Defendants contend that their conduct is and has been lawful at all relevant times, that Plaintiff's claims do not have merit and do not meet the requirements for class certification. This Settlement is a compromise reached after good faith, arm's-length negotiations between Plaintiff and Defendants (the "Parties"). Considering the risks and expenses associated with continued litigation, the Parties agree this Settlement is fair, adequate, and reasonable.

The Court has not ruled on the merits of Plaintiff's claims or Defendants' defenses.

Who are the attorneys representing the Class?

The attorneys representing the Class in the Action ("Class Counsel") are: Kane Moon, Allen Feghali, and Charlotte Mikat-Stevens, MOON LAW GROUP, PC, 1055 West Seventh Street, Suite 1880, Los Angeles, California 90017; Telephone: (213) 232-3128; Facsimile: (213) 232-3125.

What are the Settlement payment terms?

Gross Settlement Amount. The "Gross Settlement Amount" of \$630,000.00 includes: (1) the amount of all Individual Settlement Payments to Class Members who do not Opt-out ("Participating Class Members"); (2) Settlement Administration Costs to the Settlement Administrator; (3) the PAGA Payment to the California Labor and Workforce Development Agency ("LWDA"); (4) Individual PAGA Payments to PAGA Members; (5) the Class Representative Service Award to Plaintiff; (6) the Class Counsel Fee Award to Class Counsel; and (7) the Class Counsel Cost Award to Class Counsel.

Net Settlement Amount. The "Net Settlement Amount" is currently estimated to be \$330,000.00. The Net Settlement Amount is subject to a final accounting and court approval and will be the amount remaining for disbursement to Participating Class Members after the following amounts are deducted from Gross Settlement Amount: (1) Settlement Administration Costs estimated not to exceed \$15,000.00; (2) the \$37,500.00 PAGA Payment to the LWDA for PAGA penalties; (3) the \$12,500.00 aggregate PAGA Payment to PAGA Members; (4) the \$5,000.00 Class Representative Service Award to Plaintiff; (5) the greater of \$210,000.00 or one-third (1/3) of the Gross Settlement Amount as a Class Counsel Fee Award to Class Counsel; and (6) and a Class Counsel Cost Award not to exceed \$20,000.00.

Individual Settlement Payments to Participating Class Members. The Settlement Administrator shall disburse Individual Settlement Payments from the estimated \$330,000.00 Net Settlement Amount to Participating Class Members based on the Workweek credits assigned to them. Individual Settlement Payments shall be characterized as Ten Percent (10%) wages, subject to IRS Form W-2 reporting, and Eighty Percent (80%) penalties and interest, and Ten Percent (10%) reimbursements, subject to IRS Form 1099 reporting. The Settlement Administrator shall deduct applicable local, state and federal taxes from the wage portion of the Individual Settlement Payments only.

Individual PAGA Payments to PAGA Members. If you worked as a non-exempt employee for Defendants in California at any time from October 22, 2020 to [DATE] ("PAGA Period"), then you may also be a PAGA Member. The Settlement Administrator shall disburse Individual PAGA Payments from the \$12,500.00 aggregate PAGA Payment to PAGA Members based on the Pay Period credits assigned to them. Individual PAGA Payments shall be characterized as 100% non-wages, subject to IRS Form 1099 reporting.

PAGA Members Cannot opt-out of the "PAGA Component" of the Settlement. If you are a PAGA Member and the Settlement becomes final, then you will be entitled to an Individual PAGA Payment even if you choose to Opt-out of the Class component of the Settlement.

Checks Void at 180 Days & Transfer to Valley Children's Hospital. If the Court grants Final Approval of the Settlement, then the Settlement Administrator shall mail Individual Settlement Payment and Individual PAGA Payment checks no sooner than 102 days thereafter. If any Individual Settlement Payment or Individual PAGA Payment checks remain uncashed 180 days after the Settlement Administrator's initial bulk mailing, then the uncashed checks will become void and transferred to Valley Children's Hospital, and affected Participating Class Members shall remain bound by the Settlement.

No Tax Advice. Parties and their attorneys make no representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning any tax consequences of payments to any Class Member.

How much money should you expect as an Individual Settlement Payment and an Individual PAGA Payment?

Individual Settlement Payment Calculations. The Settlement Administrator shall determine Individual Settlement Payment amounts by (1) dividing the Net Settlement Amount by the aggregate number of Workweek credits assigned to all Participating Class Members, resulting in the "Workweek Dollar Value" amount; and (2) multiplying the Workweek Dollar Value with the number of Workweek credits assigned to each Participating Class Member.

Workweek Credits. The Settlement Administrator shall credit each individual Participating Class Member with a single Workweek credit for every calendar week that the individual Participating Class Member worked at least one day or is otherwise identifiable, in Defendants' personnel records, as Defendants' employee in the state of California during the Class Period.

Individual PAGA Payment Calculations. The Settlement Administrator shall determine Individual PAGA Payment amounts by (1) dividing the PAGA Payment to PAGA Members by the aggregate number of PAGA Pay Period credits assigned to all PAGA Members, resulting in the "PAGA Pay Period Dollar Value" amount; and (2) multiplying the PAGA Pay Period Dollar Value with the number of PAGA Pay Period credits assigned to each PAGA Member.

PAGA Pay Period Credits. The Settlement Administrator shall credit each individual PAGA Member with a single PAGA Pay Period credit for every two calendar weeks that the individual PAGA Member worked at least one day or is otherwise identifiable, in Defendants' personnel records, as Defendants' employee in the State of California during the PAGA Period.

Your Preliminarily Assigned Workweeks and PAGA Pay Periods and Estimated Individual Settlement Payment and Individual PAGA Payment: Defendants have provided the Settlement Administrator with the Workweeks and the PAGA Pay Periods all Class Members and PAGA Members worked during the Class Period and PAGA Period. Based on Defendants' records, the Settlement Administrator intends to credit you with the following Workweek and PAGA Pay Period credits:

<<Total Workweeks>> Workweek Credits

<<Total Workweeks>> PAGA Pay Period Credits

Based on the estimated Workweek Dollar Value of <<\$X.XX.00>> and the estimated PAGA Pay Period Dollar Value of <<\$X.XX.00>>, **your estimated Individual Settlement Payment and estimated Individual PAGA Payment are:**

<<EstSettPayment>> Individual Settlement Payment

<<EstPAGAPayment>> Individual PAGA Payment

Please note that the foregoing amounts are only estimates before a final accounting is conducted and before all required legal deductions; your actual payment may be greater or smaller than the amount reported above.

Who are the Released Parties and what claims will be released by the proposed Settlement's Released Claims?

The Effective Date of the Settlement. The "Effective Date" is the date that the Class is served notice of the Court's entry of a Final Judgment in the manner specified by the Court and (i) sixty-five (65) days after the Court enters Final Judgment and no appeal, writ or other challenge to the finality of the judgment has been filed; or (ii) five (5) days after the day when all appeals, writs or other challenges to the Final Judgment have been resolved in a manner that affirms the finality of the judgment and the time for the filing of any further appeals, writs or other challenges has lapsed, whichever date is later.

Participating Class Members' Release of Released Claims Against Released Parties. If the Effective Date occurs and Defendants remit the Gross Settlement Amount in full to the Settlement Administrator, then Plaintiff and each Participating Class Member shall be deemed to have settled and released the "Released Parties" of all "Released Claims" as follows:

- "Released Parties" means Defendants, together with their present and former parents, subsidiaries, affiliated and related entities, present and former owners, boards, officers, directors, trustees, shareholders, members, partners, employees, agents, insurers, attorneys, representatives, heirs, executors, administrators, successors and assigns.
- "Released Claims" means the means the First through Eighth Causes of Action (and any other claims and corresponding requests for relief) asserted by Plaintiff on behalf of Plaintiff and the Class in the Action, which include without limitation (1) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) Failure to Pay Overtime Compensation (Cal. Lab. Code §§ 510, 1194 and 1198); (3) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512); (4) Failure to Authorize and Permit Rest Breaks (Cal. Lab. Code §§ 226.7); (5) Failure to Indemnify Necessary Business Expenses (Cal. Lab. Code § 2802); (6) Failure to Timely Pay Final Wages at Termination – Waiting Time Penalties (Cal. Lab. Code §§ 201-203); (7) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); and (8) Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*) and shall also include all claims alleged by Plaintiff in the operative complaint(s) and Action, or which could have been alleged by Plaintiff in the operative complaint(s) and Action by reason of or in connection with any matter or fact set forth or referred to in operative complaint(s) and Action, including any and all claims, debts, liabilities, demands, actions, or causes of action for unpaid wages, including but not limited to failure to pay minimum wages, straight time compensation, overtime compensation, and interest; failure to timely pay regular and preliminary wages; failure

to provide compliant meal, rest, and/or recovery periods; failure to pay premiums at all or at the correct rate for any violation of meal, rest, and recovery period obligations; compensation due by reason of a split shift; reporting time pay; claims arising from invalid meal period waivers and on-duty meal period waivers; payment for all hours worked; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; making unlawful deductions; failing to reimburse business expenses; unfair business practices; any and all related penalties, including recordkeeping penalties, wage statement penalties, minimum wage penalties, and waiting time penalties; and statutory penalties and/or civil penalties associated with any of the foregoing; such released claims shall include, but are not limited to those claims arising under California Labor Code sections 201-204, 204b, 206, 210, 218, 218.5, 218.6, 221, 222, 222.5, 223, 224, 225, 225.5, 226, 226.3, 226.7, 233, 234, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 400-410, 510, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2698, *et seq.*, and 2699, *et seq.*, and/or those arising under the applicable Industrial Welfare Commission Wage Order(s) (including but not limited to subsections 3, 4, 5, 7, 8, 9, 11, 12, 13, 18, and 20 of the applicable Wage Order(s), including the provisions of the California Code of Regulations codifying the applicable Wage Order(s), which may include but are not limited to Wage Orders 1-2001, 7-2001, and/or 9-2001); California Code of Regulations, title 8, section 3395; California Business and Professions Code section 17200 (including, without limitation, California Business and Professions Code §§ 17200 through 17208); the California Civil Code sections 3287, 3289, and 3294; California Code of Civil Procedure section 1021.5; and any related claims under the claims under the Fair Labor Standards Act (“FLSA”) (29 U.S.C. §§ 201, *et seq.*). The Plaintiff and Participating Class Members intend that this release be construed as broadly as possible to encompass all claims alleged by Plaintiff and Participating Class Members, or those which could have been alleged by Plaintiff and Participating Class Members based on the factual allegations in the operative complaint(s) and in the Action. The release excludes the release of claims not permitted by law. The Plaintiff and Participating Class Members warrant and represent that this release resolves, pursuant to Labor Code sections 206 and 206.5, and applicable case law (including but not limited to *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796) a good faith dispute regarding any and all wages, if any, owed to Plaintiff and Participating Class Members within the Class Period.

Release of PAGA Claims Against Released Parties. If the Effective Date occurs and Defendants remit the Gross Settlement Amount in full to the Settlement Administrator, then the State of California, by and through Plaintiff, its deputized PAGA representative, and the PAGA Members shall be deemed to have settled and released the Released Parties of all “PAGA Claims” as follows:

- “PAGA Claims” means the Ninth Cause of Action (and any other claims and corresponding requests for relief) asserted by Plaintiff on behalf of himself and the alleged aggrieved employees in the Action, namely all claims, rights, demands, liabilities, allegations and causes of action arising from PAGA (Labor Code §§ 2698, *et seq.*) that were pled, alleged, or reasonably could have been alleged based on the facts asserted in the operative complaint in the Action and based on Plaintiff’s October 22, 2021 PAGA Notice in Case No. LWDA-CM-849650-21.

What are my options in this matter?

Class Members’ Four Options and Communications with the Settlement Administrator & Class Counsel. You have four (4) options under this Settlement. You may: (A) do nothing and remain in the Class and receive an Individual Settlement Payment; (B) request to exclude yourself from or “Opt-Out” of the Settlement; (C) object to the Settlement; and (D) contest or dispute your Workweek or PAGA Pay Period credits. All Opt-Out Requests, Objections and Workweek/PAGA Pay Period Disputes must be submitted to the Settlement Administrator at: Settlement Administrator for *Ferry v. Cencal Wings II, Inc., et al.*, P.O. Box [REDACTED], [City], [State] [Zip] by United States Mail, facsimile and/or in other written form by no later than [RESPONSE DEADLINE DATE]. The Settlement Administrator is authorized to communicate with you if you exercise any of these options under this Settlement.

OPTION A. (Do Nothing). If you wish to remain in the Class and be eligible to receive an Individual Settlement Payment under the proposed Settlement, then **you do not need to take any action and you do not need to submit a claim form.** If you do nothing (for example, if you do not submit timely and valid Opt-Out Request), then you will remain in the Class, Class Counsel will represent you for the purposes of this Settlement at no direct cost and you will be deemed to have consented to release the Released Claims described above.

OPTION B. (Request to Exclude Yourself from or “Opt-Out” of the Settlement). If you do not want to be part of the proposed Settlement, then you must submit a timely and valid written Opt-Out Request to the Settlement Administrator by [RESPONSE DEADLINE DATE] with the following information: (1) your full name; (2) your dates of employment; (3) your contact information (e.g., current mailing address and telephone number); (4) **your statement in no exact words but, nevertheless, substantially in a form and substance indicating a desire to be excluded from the Settlement Agreement (e.g., “I wish to be excluded from the settlement.”; “I opt out from the settlement.”);** and (5) your or your legal representative’s signature. If you submit a timely and valid written Opt-Out Request, then you will have no further role in the Action, you will not be entitled to any benefit (except for being entitled to an Individual PAGA Payment, if you qualify) under the proposed Settlement and you may not be entitled or permitted to assert or raise an objection to the Settlement.

If you do not submit an Opt-Out Request in the manner described above in time, then the Court may determine that you have not opted out, you may be deemed a Participating Class Member and you may be bound by the release of Released Claims as described above and all other terms of the Settlement. Subject to review by Class Counsel, Defendants' Counsel, and the Court, the Settlement Administrator shall determine whether an Opt-Out Request is in writing and whether the writing lacks any of the foregoing five (5) enumerated items, which may render the request null and void.

OPTION C. (Object to the Settlement). If you wish to object to the settlement, then you may object to it by submitting a timely and written Objection to the Settlement Administrator by [RESPONSE DEADLINE DATE] with the following information: (1) your full name; (2) your dates of employment; (3) your current contact information (e.g., a current mailing address and telephone number); (4) your statement indicating the grounds for the objection; and (5) your or your legal representative's signature. Class Counsel will not assist or represent you for the purposes of objecting to the Settlement. However, you may hire an attorney at your own expense to represent you in your objection. **If Court finally approves the Settlement despite any Objections, then you may and will likely be bound by the terms of the Settlement including the release of Released Claims as set forth above.**

If you do not submit an Objection in the manner described above in time, then the Court may determine that you have waived any objections and may not allow you to make any objection (whether by appeal or otherwise) to the proposed Settlement. Subject to review by Class Counsel, Defendants' Counsel, and the Court, the Settlement Administrator shall determine whether an objection is in writing and whether the writing lacks any of the foregoing five (5) enumerated items, which may render the objection null and void.

OPTION D. (Contest or Dispute Your Workweek or PAGA Pay Period Credits). If you disagree with the number of Workweek or PAGA Pay Period credits you have been preliminarily assigned above, then you must submit a timely and valid written Workweek/PAGA Pay Period Dispute to the Settlement Administrator by [RESPONSE DEADLINE DATE] with the following information: (1) your full name; (2) your dates of employment; (3) your current contact information (e.g., a current mailing address and telephone number); (4) **a statement indicating the number of Workweeks and/or PAGA Pay Periods that you contend should be credited along with documentary evidence to support your contentions, if any;** and (5) your or your legal representative's signature.

If you do not submit a Workweek/PAGA Pay Period Dispute in the manner described above in time, then the Court may determine that you have waived any challenge to the Workweek or PAGA Pay Period credits you have been assigned. Subject to review by Class Counsel, Defendants' Counsel, and the Court, the Settlement Administrator shall determine whether a Workweek/PAGA Pay Period dispute is in writing and whether the writing lacks any of the foregoing five (5) enumerated items, which may render the Workweek/PAGA Pay Period dispute null and void.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing [FINAL APPROVAL HEARING DATE & TIME] in Department 503 of the Fresno County Superior Court, located at 1130 "O" Street, Fresno, California 93724 regarding the fairness, reasonableness, and adequacy of the proposed Settlement. The Final Approval Hearing may be rescheduled without further notice to Class Members. **You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment.**

If the Court grants final approval of the Settlement, then notice of the Final Judgment may be provided by electronic posting on the Settlement Administrator's website (www.) within seven (7) days after entry of the Final Judgment or in another manner other than direct mailing or notice to you.

How can I get additional information?

This Class Notice summarizes the Action and the basic terms of the Settlement. More details are in the Stipulation of Class and Representative Action Settlement, which, along with other records in the Action, may be available for inspection and/or copying during regular business hours at the Court Clerk's Office or by visiting the Court's case "Smart Search" website or webpage at: <https://publicportal.fresno.courts.ca.gov/FRESNOPORTAL/>. Please visit the Court's website for more information about accessing case related documents. You may also request a copy of the Settlement Agreement from Class Counsel, or contact Class Counsel with any questions, at the addresses and telephone numbers listed above.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

[FURTHER WITHHOLDINGS NOTICE]

The Settlement Administrator has identified you as a Class Member but has been unable to verify your social security number or tax identification number. If you do not complete the IRS Form W-9 enclosed with this Notice and return it to the Settlement Administrator, the Settlement Administrator may deduct additional withholdings from your Individual Settlement Payment. If you have any questions or concerns about completing and returning the enclosed IRS Form W-9, you may contact the Settlement Administrator to discuss other available options to verify your social security number or tax identification number.

[NEXT PAGE – IRS FORM W-9]