

1 Galen T. Shimoda (Cal. State Bar No. 226752)
2 Justin P. Rodriguez (Cal. State Bar No. 278275)
Renald Konini (Cal. State Bar No. 312080)
3 **Shimoda & Rodriguez Law, PC**
9401 East Stockton Blvd., Suite 120
4 Elk Grove, CA 95624
Telephone: (916) 525-0716
5 Facsimile: (916) 760-3733

6 Attorneys for Plaintiffs JESSE GIL
individually and on behalf of similarly situated employees

7 [additional counsel continued on next page]

8 William M. Woolman (State Bar No. 145124)
9 Charles P. Hamamjian (State Bar No. 298685)
Sagaser, Watkins & Wieland PC
10 5260 North Palm Avenue, Suite 400,
Fresno, California 93704
11 Telephone: 559-421-7000
Facsimile: 559-473-1483

12
13 Attorneys for OUTBACK, INC.

14 **SUPERIOR COURT OF CALIFORNIA**
15 **FOR THE COUNTY OF FRESNO**

16 JESSE GIL and DANIEL AYALA,
17 individually and on behalf of all other similarly
18 situated employees,

19 Plaintiffs,

20 vs.

21 OUTBACK, INC., a California Corporation;
and DOES 1 to 100, inclusive,

22 Defendant.
23
24
25
26
27
28

Case No.: 21CECG03273

**JOINT STIPULATION REGARDING CLASS
ACTION AND PAGA SETTLEMENT AND
RELEASE**

Filed: November 3, 2021
FAC Filed: January 24, 2024
SAC Filed: November 20, 2024
Trial Date: None Set

1 David Alami (State Bar No. 314628)
2 Daniel J. Hyun (State Bar No. 309184)
3 Shaheen A. Etemadi (State Bar No. 319138)

Torus LLP

4 2 Park Plaza, Suite 1260
5 Irvine, CA 92614
6 Telephone: (949) 590-4122
7 Facsimile: (949) 528-2596

8 Attorneys for Plaintiff DANIEL AYALA individually
9 and on behalf of similarly situated employee
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 This Joint Stipulation Regarding Class Action and PAGA Settlement and Release is made and
2 entered into between the Plaintiffs Jesse Gil and Daniel Ayala (“Plaintiffs”), on behalf of themselves, the
3 Labor and Workforce Development Agency, Class Members, and Aggrieved Employees, and Defendant
4 Outback, Inc. (“Defendant”). This Agreement is subject to the terms and conditions set forth below and the
5 approval of the Court.

6 **1. DEFINITIONS**

7 The following terms, when used in this Agreement, have the following meanings:

8 1.1 “Action” means the above entitled lawsuit, *Gil v. Outback, Inc.*, Fresno County Superior
9 Court Case No. 21CECG03273, filed on November 3, 2021, and includes the *Ayala Action*.

10 1.2 “Aggrieved Employee(s)” means all individuals who have, or continue to, perform work for
11 Defendant in California as hourly, non-exempt employees at any time from October 21, 2020, up to either
12 (1) the Preliminary Approval Date, or (2) December 10, 2024, whichever is earlier.

13 1.3 “Agreement” or “Settlement” or “Settlement Agreement” means this Joint Stipulation
14 Regarding Class Action and PAGA Settlement and Release.

15 1.4 “*Ayala Action*” means the lawsuit *Ayala v. Outback, Inc.*, Fresno County Superior Court
16 Case No. 23CECG04940, filed on November 29, 2023.

17 1.5 “Class Counsel” means Galen T. Shimoda, Justin P. Rodriguez, and Renald Konini of
18 Shimoda & Rodriguez Law, PC, and David Alami, Daniel J. Hyun, and Shaheen A. Etemadi of Torus LLP.

19 1.6 “Class Member(s)” means all individuals who have, or continue to, perform work for
20 Defendant in California as hourly, non-exempt employees from November 3, 2017, up to either (1) the
21 Preliminary Approval Date, or (2) December 10, 2024, whichever is earlier.

22 1.7 “Class Period” means from November 3, 2017, up to either (1) the Preliminary Approval
23 Date, or (2) December 10, 2024, whichever is earlier.

24 1.8 “Class Representatives” means Plaintiffs Jesse Gil and Daniel Ayala.

25 1.9 “Complaint” means the operative Complaint on file in the Action with the Court.

26 1.10 “Court” means the Fresno County Superior Court.

27 1.11 “Defendant” means Outback, Inc.

28 1.12 “Defendants’ Counsel” means Sagaser, Watkins & Wieland PC.

1 1.13 “Enhancement Payment” means the amount approved by the Court to be paid to the Class
2 Representatives in recognition of the time and effort expended on behalf of Class Members for the benefit
3 of Class Members, which is in addition to any Individual Settlement Amount paid to the Class
4 Representatives as a Participating Class Member.

5 1.14 “Effective Date” means the Final Approval Date unless there is a timely objection lodged
6 that has not later been withdrawn, in which case the Effective Date will be either (a) the 60th calendar day
7 after a signed order approving this settlement has been filed provided no appellate proceeding having been
8 filed; or (b) seventh (7th) calendar day after any appellate proceeding opposing the settlement has been
9 finally dismissed with no material change to the terms of this settlement and there is no right to pursue
10 further remedies or relief, whichever is later.

11 1.15 “Final Approval Date” means the date a signed order granting final approval of this
12 Agreement is filed with the Court.

13 1.16 “Gross Settlement Amount” is the sum of Three Hundred Sixty Seven Thousand Five
14 Hundred Dollars (\$367,500).

15 1.17 “Individual Settlement Amount” means an individual Class Member’s and Aggrieved
16 Employee’s allocation of the Net Settlement Amount and PAGA Payment respectively, as defined in
17 Sections 1.19, 1.23, 5.5, and 5.8.

18 1.18 “LWDA” means the California Labor and Workforce Development Agency.

19 1.19 “Net Settlement Amount” is the portion of the Gross Settlement Amount available for
20 distribution to Class Members, as described in this Agreement, after deduction of Class Counsel’s
21 attorneys’ fees and litigation costs, Settlement Administrator Costs, the PAGA Payment, and Enhancement
22 Payment to the Class Representatives.

23 1.20 “Notice of Settlement” means the document substantially in the form attached hereto as
24 Exhibit 1.

25 1.21 “Notice Period” means sixty (60) calendar days from the initial mailing of the Notice of
26 Settlement to Class Members and Aggrieved Employees.

27 1.22 “PAGA” means Private Attorneys General Act.
28

1 1.23 “PAGA Payment” means the amount allocated from the Gross Settlement Amount towards
2 resolving claims under the Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.*

3 1.24 “PAGA Claim Period” means October 21, 2020, up to either (1) the Preliminary Approval
4 Date, or (2) December 10, 2024, whichever is earlier.

5 1.25 “Parties” mean Defendant and Plaintiffs.

6 1.26 “Participating Class Member” means any and all Class Members who have not made any
7 timely request to opt-out of the Agreement.

8 1.27 “Preliminary Approval Date” means the date a signed order granting preliminary approval
9 of this Agreement is filed with the Court.

10 1.28 “QSF” means a Qualified Settlement Fund set up by the Settlement Administrator for the
11 benefit of the Participating Class Members and/or Aggrieved Employees and from which the payments
12 under this Agreement shall be made. Any amounts Defendants have agreed to pay under this Agreement
13 shall remain the property of Defendant until the payments required under the Agreement are made.

14 1.29 “Qualifying Workweeks” are weeks worked by Class Members and/or Aggrieved
15 Employees during the Class Period and/or PAGA Claim Period, respectively, in California. For Class
16 Members, workweeks shall be defined as the total length of service (in days) in California during the Class
17 Period divided by seven. For Aggrieved Employees workweeks shall be defined as the total length of
18 service (in days) in California during the PAGA Claim Period divided by seven. The calculation of a Class
19 Member’s and/or Aggrieved Employee’s workweeks and a determination as to whether a Class Member
20 and/or Aggrieved Employee was actively employed in California in a particular workweek shall be
21 construed from Defendants’ records.

22 1.30 “Released Class Claims” means any and all class claims that are alleged in the Complaint,
23 and any additional wage and hour claims that could have been brought based on the facts alleged in the
24 operative Complaint, through the Class Period. This release excludes the release of claims not permitted
25 by law. This release will cover all Class Members who do not opt out.

26 1.31 “Released PAGA Claims” means any and all claims that were brought under the Private
27 Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in Plaintiffs’ notice letters to the LWDA
28 and any additional wage and hour PAGA claims that could have been brought based on the facts alleged

1 in Plaintiffs' notice letter to the LWDA during the PAGA Claim Period. Aggrieved Employees cannot opt
2 out of this waiver of claims.

3 1.32 "Released Parties" means Defendant, as well as Defendant's officers, shareholders,
4 directors, agents, employees, attorneys, and insurers.

5 1.33 "Settlement Administrator" means and refers to ILYM Group, Inc., the third-party entity
6 that will administer the Agreement as outlined in Sections 4 and 7, or any other third-party administrator
7 agreed to by the Parties and approved by the Court for the purposes of administering this Agreement. The
8 Parties each represent that they do not have any financial interest in the Settlement Administrator.

9 1.34 "Settlement Administrator Costs" means the fees and expenses reasonably incurred by the
10 Settlement Administrator as a result of the procedures and processes expressly required by this Agreement,
11 and shall include all costs of administering the Agreement, including, but not limited to, all tax document
12 preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees
13 associated with preparing, issuing and mailing any and all notices and other correspondence to Class
14 Members and/or Aggrieved Employees; all costs and fees associated with communicating with Class
15 Members and/or Aggrieved Employees, Class Counsel, and Defendants' Counsel; all costs and fees
16 associated with computing, processing, reviewing, and paying the Individual Settlement Amounts, and
17 resolving disputes; all costs and fees associated with calculating tax withholdings and payroll taxes, if any,
18 making related payment to federal and state tax authorities, if any, and issuing tax forms relating to
19 payments made under the Agreement; all costs and fees associated with preparing any tax returns and any
20 other filings required by any governmental taxing authority or agency; all costs and fees associated with
21 preparing any other notices, reports, or filings to be prepared in the course of administering Individual
22 Settlement Amounts; and any other costs and fees incurred and/or charged by the Settlement Administrator
23 in connection with the execution of its duties under this Agreement.

24 **2. DESCRIPTION OF THE LITIGATION**

25 2.1 On or about October 21, 2021, Plaintiff Gil sent notice to the LWDA to exhaust
26 administrative remedies under the PAGA for failure to pay overtime wages, failure to pay minimum wages,
27 failure to provide meal periods or pay meal period premiums in lieu thereof, failure to provide rest periods
28 or pay rest period premiums in lieu thereof, failure to provide accurate wage statements, failure to pay final

1 wages, failure to pay reimbursements for expenses, failure to maintain accurate records, failure to provide
2 paid sick leave, and untimely payment of wages. On November 3, 2023, Plaintiff Ayala gave written notice
3 to the LWDA to exhaust administrative remedies under the PAGA. The LWDA did not respond to the
4 notices within the statutorily required time frame and, as such, Plaintiffs became authorized to act as a
5 Private Attorneys General on all alleged PAGA claims.

6 2.2 On or about November 3, 2021, Plaintiff Gil filed this class action in Fresno County
7 Superior Court on behalf of himself and Class Members alleging claims for failure to pay overtime wages,
8 failure to pay minimum wages, failure to provide meal periods or pay meal period premiums in lieu thereof,
9 failure to provide rest periods or pay rest period premiums in lieu thereof, failure to provide accurate wage
10 statements, failure to pay final wages, failure to pay reimbursements for expenses, and engaging in unfair
11 competition. The case was removed to the Federal District Court for the Eastern District of California on
12 December 22, 2021. Plaintiff Gil filed a motion to remand the case back to state Court on January 21,
13 2022. Plaintiff's motion was granted on December 5, 2023, and the matter was remanded back to Fresno
14 County Superior Court on this date. Plaintiff Gil filed a First Amended Complaint on approximately
15 January 24, 2024 to add a PAGA cause of action based on the violations alleged in the October 21, 2021,
16 notice to the LWDA on behalf of himself and Aggrieved Employees. On or about November 29, 2023,
17 Plaintiff Ayala filed a class action complaint in Fresno County Superior Court on behalf of himself and
18 Class Members alleging claims for failure to pay all wages, failure to provide meal periods or pay meal
19 period premiums in lieu thereof, failure to provide rest periods or pay rest period premiums in lieu thereof,
20 failure to provide recovery periods, failure to provide accurate wage statements, failure to pay final wages,
21 failure to pay reimbursements for expenses, and engaging in unfair competition (the *Ayala Action*).
22 Plaintiff Ayala filed a First Amended Complaint on approximately January 11, 2024 to add a PAGA cause
23 of action based on the violations alleged in the November 3, 2023, notice to the LWDA on behalf of himself
24 and Aggrieved Employees. Both lawsuits alleged wage and hour violation and/or PAGA claims based on
25 the alleged violations of the California Labor Code outlined above as well as derivate claims for unfair
26 competition under the California Business and Professional Code sections 17200 *et seq.*

27 2.3 Through informal discovery, Defendant and Defendant's Counsel provided Class Counsel
28 with copies of all applicable versions of its policies and procedures, employee handbooks, information on

1 Class Members including, but not limited to, Class Members' workweeks, dates of employment, total
2 number of Class Members, their rates of pay, and pay periods as well as timecard data and payroll reports
3 for a randomly selected sample of Class Members.

4 2.4 After Class Counsel received the data, the Parties participated in mediation on September
5 10, 2024, with private mediator Hon. Howard R. Broadman (Ret.). At the conclusion of the mediation, the
6 Parties were not able to come to a resolution. It was only after continued discussions facilitated by the
7 mediator that the Parties were able to resolve all claims in this lawsuit and the *Ayala Action*. At all times,
8 the Parties' settlement negotiations have been non-collusive, adversarial, and at arm's length.

9 2.5 On November 20, 2024, Plaintiffs filed a Second Amended Complaint in this lawsuit,
10 consolidating all claims, causes of action, parties, and allegations from the *Ayala Action* into this lawsuit.

11 2.6 Discussions between Plaintiffs and Class Counsel, between counsel for the Parties,
12 document productions, extensive legal analysis, the provision of information by Defendant to Plaintiffs and
13 the detailed analysis of the records, have permitted each side to assess the relative merits of the claims and
14 the defenses to those claims.

15 2.7 In the Action, Plaintiffs contend that Defendant violated California law by 1) failing to pay
16 Plaintiffs and similarly situated employees all prevailing wages they were entitled to, 2) failing to properly
17 incorporate the value of all non-discretionary remuneration into Plaintiffs' and similarly situated
18 employees' regular rates of pay for the purpose of calculating premium wages such as overtime, meal and
19 rest period premiums, and sick leave wages, 3) failing to pay Plaintiffs and similarly situated employees
20 for all hours worked as a result of not paying for unauthorized overtime hours, attending meetings, taking
21 trucks to repair shops, deducting time for meal periods not taken, and completing pre/post shift paperwork
22 and inspections, 4) failing to provide legally compliant meal, rest, and recovery periods, 5) failing to
23 reimburse Plaintiffs and similarly situated employees for all expenses they incurred for work, including the
24 use of their personal cellphones, tools, and the costs of washing and maintain required work uniforms.
25 Defendants have denied each of Plaintiffs' claims and Defendants have denied that this Action is
26 appropriate for class certification for anything other than settlement purposes. The agreed upon Gross
27 Settlement Amount was reached after evaluating the Parties' theories of potential exposure for the
28 underlying claims and the class data supporting these claims. The Parties, with the assistance of the

mediator, also assessed appropriate discounts to the potential liability based on Defendants' factual and legal contentions and defenses.

2.8 The Parties agree that the above-described investigation and evaluation, as well as discovery and the information exchanged to date, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiffs, Class Counsel, Defendant, and Defendants' Counsel have concluded that it is desirable that the Action be settled in a manner and upon such terms and conditions set forth herein in order to avoid further expense, inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome each of the Parties potentially face in the Action. Therefore, the Parties desire to resolve the claims in the Action. Plaintiffs, Class Counsel, Defendant, and Defendants' Counsel are of the opinion that the Agreement for the consideration and terms set forth herein is fair, reasonable, and adequate in light of all known facts and circumstances.

3. THE CONDITIONAL NATURE OF THIS AGREEMENT

3.1 This Agreement and all associated exhibits or attachments are made for the sole purpose of settling the Action. This Agreement and the settlement it evidences are made in compromise of disputed claims. Because the Action was pled as a class action, this Agreement must receive preliminary and final approval by the Court. Accordingly, the Parties enter into this Agreement and associated settlement on a conditional basis. If the Effective Date does not occur, or if the Court's approval of the settlement is reversed or materially modified on appellate review, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms and entry of the Agreement shall remain subject to the provisions of California Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable.

3.2 Defendants have denied all claims as to liability, damages, liquidated damages, penalties, interest, fees, restitution, injunctive relief and all other forms of relief asserted in the Action. Defendants have agreed to resolve the Action via this Agreement, but to the extent this Agreement is deemed void or the Effective Date does not occur, Defendant does not waive, but rather expressly reserve, all rights to challenge all such claims and allegations in the Action upon all procedural and factual grounds, including,

without limitation, the ability to challenge class or collective treatment on any grounds, as well as to assert any and all other potential defenses or privileges.

4. SCOPE OF THE CLASS

4.1 The scope of the class of individuals encompassed under the Agreement and subject to all obligations and duties required under the Agreement, shall include all Class Members as defined in Section 1.6 and all Aggrieved Employees as defined in Section 1.2. However, it shall not include any Class Members who submit valid and timely requests to opt-out of the Agreement and settlement, as set forth in Section 7.5.1.

4.2 Only Participating Class Members and Aggrieved Employees are entitled to recover under this Agreement.

4.3 Any person who believes that he or she is a Class Member or Aggrieved Employee and wishes to participate in the Agreement, but did not receive a Notice of Settlement because his or her name did not appear on the class list provided to the Settlement Administrator prior to mailing, may submit a data request to the Settlement Administrator. The data request must contain all of the following information: (a) the full name and, if applicable, Social Security Number of the individual making the request; (b) the name used by such employee as of the time his or her employment with Defendant ended; (c) the individual's dates of employment with Defendant; and (d) a return address to which a response may be sent. Every data request must be postmarked on or before the conclusion of the Notice Period or otherwise submitted to the Settlement Administrator such that it is received before the conclusion of the Notice Period. Upon receipt of any data requests, the Settlement Administrator shall promptly (in no event more than two business days) transmit the data requests to Defendant's Counsel and request that Defendant review its records.

4.4 If Defendant agrees that the person listed in a data request is a Class Member and/or Aggrieved Employee, the Settlement Administrator shall promptly mail a Notice of Settlement to the person who submitted the data request, at the address designated for that purpose in the data request. All provisions of this Agreement relating to the Notice of Settlement shall apply to Notice of Settlements sent in response to data requests, and any person who submits a data request and is sent a Notice of Settlement

in response shall be treated by the Settlement Administrator as a Class Member and/or Aggrieved Employee for all other purposes.

4.5 If Defendant does not agree that the person listed in a data request is a Class Member and/or Aggrieved Employee, Defendants' Counsel and Class Counsel shall attempt to resolve any such dispute in good faith within seven (7) calendar days of Class Counsel being advised in writing of the data request dispute. Defendants' records shall control unless the individual submitting the data request provides persuasive evidence to doubt the accuracy of those records. Each data request dispute that Defendants' Counsel and Class Counsel cannot timely resolve shall be resolved by the Settlement Administrator. The Settlement Administrator must accept and weigh all the evidence provided in a good faith attempt to resolve the dispute. The Settlement Administrator must resolve any dispute submitted to it within seven (7) calendar days after Defendants' Counsel and Class Counsel submit the dispute to the Settlement Administrator. The decision by the Settlement Administrator shall be final as between the parties, subject to Court review.

5. TERMS OF THE SETTLEMENT

The Parties agree as follows:

5.1 Gross Settlement Amount: In consideration and exchange for the releases described in Section 6, Defendant shall pay the Gross Settlement Amount (\$367,500). Funding of the Gross Settlement Amount shall occur within 21 calendar days after the Effective Date to be held in trust in a QSF by the Settlement Administrator. The Gross Settlement Amount includes payments to Participating Class Members, Aggrieved Employees, all attorneys' fees, costs and litigation expenses related to the Action incurred to date, as well as all such fees and costs incurred in documenting the Agreement, administering the Agreement (including Settlement Administrator Costs), and obtaining final approval of the Agreement, the Enhancement Payment to the Class Representatives and the PAGA Payment. Any monies necessary to satisfy Defendants' tax obligations (*e.g.* employer FICA, FUTA and SDI contributions on wage payments) on any monies distributed to Participating Class Members will be paid in addition to the Gross Settlement Amount.

5.2 Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's fees of 35% of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount. Defendants have

1 agreed to not oppose Class Counsel's application for attorneys' fees so long as it does not exceed the 35%
2 threshold. Class Counsel will also be entitled to reimbursement for advanced litigation expenses not to
3 exceed \$15,000, which shall be paid from the Gross Settlement Amount. Defendants have agreed to not
4 oppose Class Counsel's request for reimbursement for advanced litigation expenses so long as they do not
5 exceed the \$15,000 threshold. The Settlement Administrator will issue Class Counsel an IRS Form 1099
6 for the attorneys' fees and costs paid under this Agreement. In the event that the Court awards less than
7 the requested attorney's fees and/or costs, the portion of the requested amounts not awarded to Class
8 Counsel shall be added to the Net Settlement Amount to be distributed to Participating Class Members on
9 a pro rata basis.

10 5.3 Settlement Administrator Costs: The Settlement Administrator Costs shall be paid from the
11 Gross Settlement Amount and shall not exceed \$12,500. The difference between any actual costs and the
12 allocated \$12,500 shall be added to the Net Settlement Amount to be distributed to Participating Class
13 Members on a pro rata basis.

14 5.4 Enhancement Payment: Class Counsel, on behalf of Plaintiffs, shall apply to the Court for
15 an Enhancement Payment to each of the Class Representatives in an amount not to exceed Ten Thousand
16 Dollars (\$10,000) to compensate for the risks, time, and expense of their involvement in the Action and
17 securing the benefits of this Agreement for Class Members. The Enhancement Payment is in addition to
18 the Individual Settlement Amount Plaintiffs would otherwise be due under the Agreement as a Participating
19 Class Member. Defendants have agreed to not oppose Class Counsel's request for an Enhancement
20 Payment to Plaintiffs so long as it does not exceed the amount stated herein. The Enhancement Payment
21 will be designated as a non-wage payment and reported on an IRS Form 1099-MISC. In the event that the
22 Court awards less than the Enhancement Payment amount requested, then any portion of the requested
23 amount not awarded to the Class Representatives shall be added to the Net Settlement Amount to be
24 distributed to Participating Class Members on a pro rata basis.

25 5.5 PAGA Payment: Twenty Thousand Dollars (\$20,000) of the Gross Settlement Amount
26 shall be allocated to resolving claims under the PAGA. Seventy-Five percent (75%) of the PAGA Payment
27 will be paid to the LWDA and Twenty-Five percent (25%) will be paid to Aggrieved Employees on a pro
28 rata basis as described below in Section 5.8. Any amount not approved by the Court for the allocated

PAGA Payment shall be added to the Net Settlement Amount to be distributed to Participating Class Members on a pro rata basis.

5.6 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount or PAGA Payment allocated to Participating Class Members and/or Aggrieved Employees that were not claimed by cashing their respective settlement checks before the deadline to do so, that remaining amount shall be donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for Workers' Rights under the doctrine of *cy pres*. No portion of the Gross Settlement Amount will revert to Defendant for any reason.

5.7 No Additional Benefits Contributions: All Individual Settlement Amounts paid to Participating Class Members and Aggrieved Employees shall be deemed to be income solely in the year in which such amounts were actually received. It is expressly understood and agreed that the receipt of such Individual Settlement Amounts will not entitle any Participating Class Member or Aggrieved Employee to any new or additional compensation or benefits under any company bonus or other compensation or benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle any Participating Class Member Aggrieved Employee to any increased retirement, 401(k) and/or 403(b) benefits or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement Amounts provided for in this Agreement are the sole payments to be made by Defendant to the Participating Class Members and Aggrieved Employees in connection with this Agreement (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Agreement).

5.8 Pro Rata Distribution Formula: Payment to Participating Class Members and Aggrieved Employees of their Individual Settlement Amount will not require the submission of a claim form. A Net Settlement Amount will be determined by subtracting from the Gross Settlement Amount any amounts for approved attorneys' fees and costs, any Enhancement Payment to the Class Representatives, the Settlement Administrator Costs, and the PAGA Payment. Each Class Member's share will be initially determined by dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all Class Members. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. Any funds allocated to Class Members under this formula who timely opt out of the Settlement will be redistributed to Participating Class

Members on a pro rata basis, *i.e.* each Participating Class Member's share will be determined by dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all Participating Class Members and that fraction will then be multiplied by the Net Settlement Amount to arrive at the Participating Class Member's individual share of the Net Settlement Amount. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total Qualifying Workweeks within the PAGA Claim Period by the total Qualifying Workweeks by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share.

5.9 Tax Allocation: The Parties recognize that the Individual Settlement Amounts to be paid to Participating Class Members and/or Aggrieved Employees reflect a settlement of a dispute over claimed penalties and wages. The Settlement Administrator shall calculate the employer's share of payroll taxes on the amounts paid to Participating Class Members as wages as well as calculating all required withholdings and deductions from said wage payments. The characterization of Individual Settlement Amounts to Participating Class Members and Aggrieved Employees are as follows:

5.9.1 One Third (1/3) of each Participating Class Members' share of the Net Settlement Amount shall be allocated for payment of disputed wages and shall be subject to required employer taxes. Participating Class Members shall receive an IRS Form W-2 for reporting of this portion of their Individual Settlement Amount.

5.9.2 Two Thirds (2/3) of each Participating Class Members' share of the Net Settlement Amount shall be allocated for disputed statutory penalties and interest, and no amount shall be deducted for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for which the Participating Class Members shall receive IRS Forms 1099-MISC and 1099-INT and this payment shall be divided equally among the 1099-MISC and 1099-INT designations.

5.9.3 The entirety (100%) of each Aggrieved Employee's share of the 25% portion of the PAGA Payment shall be allocated for payment of disputed civil penalties, and no amount shall be deducted for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for which the Aggrieved Employees shall receive an IRS Form 1099-MISC.

1 5.10 Participating Class Members and Aggrieved Employees shall be solely responsible for the
2 reporting and payment of their share of any federal, state and/or municipal income or other taxes on
3 payments made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and Defendants'
4 Counsel free and harmless from any claims resulting from treatment of such payments as non-taxable,
5 including the treatment of such payments as not subject to withholding or deduction for payroll and
6 employment taxes. No party has made any representation to any of the other Parties as to the taxability of
7 any payments pursuant to this Agreement, including the payments to Participating Class Members, the
8 payments to Aggrieved Employees, the payments to Class Counsel, the payments to the Class
9 Representatives, the payroll tax liability of Defendant, or the allocation of the Net Settlement Amount or
10 PAGA Payment to wage and non-wage income as provided in this Section, or otherwise as to tax
11 implications of any provision of this Agreement.

12 5.11 No Additional Contribution by Defendant: Defendants' monetary obligation under this
13 Agreement is limited to the Gross Settlement Amount and any employer side payroll taxes owed on
14 amounts characterized as wages under this Agreement. All other costs and expenses arising out of or in
15 connection with the performance of this Agreement shall be paid from the Gross Settlement Amount, unless
16 expressly provided otherwise herein. However, in the event this agreement is deemed null and void as
17 described in Section 3 because the Court, in its independent determination, finds that the Agreement does
18 not meet the standards for settlement approval, then Defendant and Plaintiffs shall be equally responsible
19 for the costs of the Settlement Administrator incurred between the date the Agreement was executed and
20 the date of such event.

21 5.12 Certification For Settlement Purposes: The Parties agree that, for purposes of settlement
22 only, certification of the class as defined in Section 1.6 and 4.1 is appropriate and the requisites for
23 establishing class certification have been met and are met.

24 5.13 Adequacy of Class Counsel and Class Representatives: The Parties agree that, for purposes
25 of settlement only, Class Counsel and Plaintiffs are adequate representatives for Class Members and
26 Aggrieved Employees.
27
28

1 **6. RELEASE**

2 6.1 Release of Claims by Participating Class Members: Upon the Effective Date, all
3 Participating Class Members will be deemed to fully, finally and forever release the Released Class Claims
4 as to all Released Parties. In addition, on the Effective Date, all Participating Class Members and their
5 successors in interest will be permanently enjoined and forever barred from prosecuting any of Released
6 Class Claims against any of the Released Parties.

7 6.2 Release of Claims by Aggrieved Employees: Upon the Effective Date, all Aggrieved
8 Employees will be deemed to fully, finally and forever release the Released PAGA Claims as to all
9 Released Parties. In addition, on the Effective Date, all Aggrieved Employees and their successors in
10 interest will be permanently enjoined and forever barred from prosecuting any of the Released PAGA
11 Claims against any of the Released Parties.

12 **7. SETTLEMENT ADMINISTRATION**

13 7.1 Duties of Settlement Administrator: The Settlement Administrator shall be responsible for:
14 1) receiving Class Member and Aggrieved Employee contact information and confirming addresses are
15 valid; 2) calculating estimated Individual Settlement Amounts and any and all taxes associated with the
16 Individual Settlement Amounts, including employer taxes; 3) taking appropriate steps to trace and locate
17 any individual Class Members and Aggrieved Employee whose address or contact information as provided
18 to the Settlement Administrator is inaccurate or outdated and mailing the Notice of Settlement to Class
19 Members; 4) providing notification to the appropriate state and federal officials of this Agreement as
20 required under the law; 5) receiving, independently reviewing, and resolving any challenges (in
21 consultation with Class Counsel and Defendants' Counsel) from Class Members or Aggrieved Employees,
22 including any associated documentation, regarding their Qualified Workweek calculations; 6) receiving
23 and serving on Class Counsel, Defendants' Counsel, and the Court, copies of any written objections, and/or
24 any opt out statements; 7) establishing a toll free telephone line and responding to inquiries and requests
25 for information or assistance from Class Members and/or Aggrieved Employees; 8) maintaining a QSF; 9)
26 determining and paying the final amounts due to be paid under the Agreement after resolution of all
27 challenges, disputes, opt-outs, awarded attorneys' fees and costs, Settlement Administrator Costs, PAGA
28 Payment, taxes, any Enhancement Payments, and for funds that cannot be distributed due to the inability

1 to locate Class Members or Aggrieved Employees; 10) determining the validity of any disputes or late opt-
2 outs by previously unidentified Class Members or Aggrieved Employees; 11) paying any residual funds
3 from uncashed checks; 12) reporting to Class Counsel and Defendants' Counsel regarding the statistics of
4 the administration, including (a) the number of initial Notice of Settlements mailed; (b) the number of
5 forwarded Notice of Settlements; (c) the number of re-mailed Notice of Settlements; (d) the number of
6 total undeliverable Notice of Settlements; (e) the number of address traces performed for undeliverable
7 Notice of Settlements; (f) the number of Notice of Settlements undeliverable from traced addresses; (g) the
8 number of total objections received; (h) the number of opt-out requests received; (i) the number of disputes
9 received; (j) the number of disputes resolved; 13) providing a declaration to the Court regarding the final
10 statistics of the administration and compliance with all payment obligations under the Agreement; 14)
11 completing all necessary tax reporting on the QSF and payment of the Individual Settlement Amounts to
12 Participating Class Members and Aggrieved Employees; and 15) carrying out other related tasks as
13 necessary to effectuate the terms of this Agreement and any Order of the Court. All disputes relating to
14 the Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if
15 necessary, which will have continuing jurisdiction over the terms and conditions of this Agreement, until
16 all payments and obligations contemplated by the Agreement have been fully executed.

17 7.2 Notice to Class Members and Aggrieved Employees: The Notice of Settlement will provide
18 Class Members and Aggrieved Employees with a summary of the terms and conditions of the Agreement,
19 how to participate in the settlement, how to object to the Agreement, how to dispute the individual's
20 Qualifying Workweeks, and how to opt-out from the Agreement. The Notice of Settlement will also inform
21 Class Members and Aggrieved Employees of the Gross Settlement Amount, Net Settlement Amount,
22 proposed attorneys' fees and costs allocations, any proposed Enhancement Payments, proposed Settlement
23 Administrator Cost allocations, proposed PAGA Payment allocations, the scope of the class, the nature and
24 extent of the released claims, dates set for a fairness hearing and hearing on Class Counsels' motion for
25 attorneys' fees and costs. The Notice of Settlement shall include information regarding Class Member's
26 and Aggrieved Employee's estimated Individual Settlement Amount. The Notice of Settlement will
27 provide information on how to access electronic copies online of the Notice of Settlement, any motions for
28

1 approval of the Agreement, any motions for approval of attorneys' fees and costs, and any other documents
2 as the Court directs. The Notice of Settlement will be sent to Class Members in English and Spanish.

3 7.3 Class Member Data and Mailing: No later than fourteen (14) calendar days after the
4 Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the first and last
5 name, last known mailing address, last known telephone number, Social Security Number, start and end
6 date (if any) of employment of each Class Member and Aggrieved Employee, and any other information
7 the Settlement Administrator needs to effectuate notice to Class Members and Aggrieved Employees as
8 outlined herein. The Settlement Administrator shall review the data to determine the number of Qualifying
9 Workweeks for each Class Member and Aggrieved Employee. No later than fourteen (14) calendar days
10 after receipt of such address information, the Settlement Administrator will perform a national change of
11 address ("NCOA") search, update the addresses per the results of the NCOA search, and then mail the
12 Notice of Settlement, substantially in the form attached as Exhibit 1, to each Class Member and Aggrieved
13 Employee by first-class mail, postage prepaid. The Settlement Administrator shall maintain all information
14 received from Defendant confidential to itself, and Defendants' Counsel. However, Class Counsel shall
15 be able to review the breakdown of Qualified Workweeks and estimated Individual Settlement Amounts
16 for Class Members and Aggrieved Employees prior to mailing for quality assurance provided the personal
17 identifying information is redacted and/or omitted.

18 7.4 Returned and/or Re-mailed Notice of Settlements: In the event that a Notice of Settlement
19 is returned to the Settlement Administrator as undeliverable on or before the conclusion of the Notice
20 Period, the Notice of Settlement shall be sent to the forwarding address affixed thereto within five (5)
21 calendar days. If no forwarding address is provided, then the Settlement Administrator shall promptly
22 attempt to determine a correct address using a skip-trace, computer or other search using the name, address
23 and/or Social Security number of the individual involved, and shall then perform a single re-mailing within
24 five (5) calendar days to any more recent address found as a result of the search. Following each search
25 that does not result in a corrected address, for those Class Members who appear to be current employees
26 of Defendant at the time of the Preliminary Approval Date, the Settlement Administrator shall contact
27 Defendants' Counsel for assistance and Defendant shall cooperate in good faith with the Settlement
28 Administrator's reasonable efforts to obtain valid mailing addresses for Class Members to the extent they

1 are active employees of Defendant. In the event the Notice of Settlement is forwarded to a new address
2 and/or re-mailed to a Class Member, the deadline for the Class Member to submit any request to opt-out,
3 a dispute, or an objection shall be the end of the Notice Period or 10 days from the date of the re-
4 mailing/forwarding to a new address, whichever is later. In the event the procedures in this Section are
5 followed and the Class Member does not timely and properly request to opt-out, the Class Member shall
6 be bound by all terms of the Agreement, including the releases contained in Section 6.

7 7.5 Responses to Notice of Settlement:

8 7.5.1 *Opt-Outs:* The Notice of Settlement shall provide that Class Members who wish to
9 exclude themselves from the Agreement must submit a request to opt-out as provided in this Section. The
10 request to opt-out must (a) state the Class Member's full name and date of birth; (b) a statement that he or
11 she does not want to be a Class Member, does not want to participate in the settlement, and/or wants to be
12 excluded from the settlement; (c) identify the case name and number (*i.e. Gil, et al. v. Outback, Inc., et al.*
13 , Case No. 21CECG03273); (d) be signed; and (e) be post-marked no later than the conclusion of the Notice
14 Period or the re-mailing timeline stated in Section 7.4. The Class Member must personally sign the request
15 to opt-out. No request to opt-out may be made on behalf of a group of Class Members. The date of the
16 postmark on the return-mailing envelope shall be the exclusive means used to determine whether a request
17 to opt-out has been timely submitted. Any Class Member who requests to opt-out of the Agreement will
18 not be entitled to any portion of the Net Settlement Amount nor will they have any right to object, appeal
19 or comment thereon. The name of any Class Member who submits a valid and timely opt out request will
20 be specifically identified in any proposed order granting final approval. Class Members who fail to submit
21 a valid and timely request to opt-out shall be bound by all terms of the Agreement and any order or final
22 judgment thereon. Regardless of whether an Aggrieved Employee opts out of being a Class Member, they
23 will still receive their share of the PAGA Payment as Aggrieved Employees cannot opt out of this
24 Agreement as it relates to the PAGA Payment or Released PAGA Claims.

25 7.5.2 *Objection Procedures:* Any Class Member who does not opt-out, but who wishes
26 to object to this Agreement or otherwise to be heard concerning this Agreement, may submit a written
27 objection to the Settlement Administrator, who will promptly provide copies of the objection to Class
28 Counsel and Defendants' Counsel. The Notice of Settlement shall make clear that the Court can only

1 approve or deny the Agreement, not change the terms of the Agreement. The written objection should (a)
2 state the Class Member's full name and date of birth; (b) provide evidence that the individual is, in fact, a
3 Class Member; (c) state the reasons for the objection(s), including any supporting documentation; (d)
4 identify the case name and number (*i.e. Gil, et al. v. Outback, Inc., et al.* , Case No. 21CECG03273); (e)
5 be signed; and (f) be post-marked no later than the conclusion of the Notice Period or the re-mailing
6 timeline stated in Section 7.4. Additionally, or in the alternative to sending a written objection to the
7 Settlement Administrator, any Class Member may appear at the final approval hearing to state their
8 objection.

9 7.5.3 *Dispute Procedures:* Any Class Member who disputes the number of Qualifying
10 Workweeks on the Notice of Settlement shall contact the Settlement Administrator. The dispute must (a)
11 identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c)
12 be signed; and (d) be post-marked no later than the conclusion of the Notice Period or the re-mailing
13 timeline stated in Section 7.4. The Settlement Administrator shall promptly (in no event more than two
14 business days) forward all such disputes to Defendants' Counsel and request that Defendant review the
15 dispute. Defendants' records shall presumptively control unless the Class Member can produce
16 documentation evidencing other periods of employment worked. If Defendant agrees with submitted
17 information, the Class Member shall be credited or subtracted Qualifying Workweeks in accordance with
18 their submitted dispute and that final number of Qualified Workweeks shall govern the calculation of that
19 Class Member's Individual Settlement Amount. If Defendant disagrees with the submitted information,
20 Defendants' Counsel will promptly advise Class Counsel of the dispute, which includes turning over any
21 documentation submitted by the Class Member as part of the dispute. Defendants' Counsel and Class
22 Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar days of Class
23 Counsel being advised of the dispute. Each dispute that Defendants' Counsel and Class Counsel cannot
24 timely resolve shall be resolved by the Settlement Administrator, subject to Court review.

25 7.5.4 *Deficient Opt-Outs, Objections, or Disputes:* In the event that a deficient opt-out,
26 objection, or dispute is received on or before the conclusion of the Notice Period, the Settlement
27 Administrator shall mail a letter to the Class Member within five (5) calendar days informing them of the
28 deficiency. If a deficiency letter is mailed to a Class Member, the deadline for the Class Member to cure

the deficiency shall be the end of the Notice Period or 10 calendar days from the date of the deficiency letter, whichever is later.

7.6 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.1 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Action and the Agreement and shall satisfy Class Members' due process rights. Nothing else shall be required of the Parties, Class Counsel or Defendants' Counsel to provide notice of the proposed Agreement.

7.7 Settlement Administrator Declaration Regarding Notice Period: Within fourteen (14) calendar days after the conclusion of the Notice Period, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the statistics and responses of settlement administration to date and all the Settlement Administrators' obligations under Sections 5.8 to 5.9.3 and 7.1 to 7.5.4.

7.8 Settlement Administrator Payments to Participating Class Members, Class Counsel and Plaintiffs: Within seven (7) calendar days after the Effective Date and the Court's determination of the amount of attorneys' fees and costs payable to Class Counsel, the Enhancement Payment payable to Plaintiffs, the PAGA Payment, and Settlement Administrator Costs, the Settlement Administrator shall calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations Class Counsel and Defendants' Counsel. Defendant shall wire the Gross Settlement Amount and applicable taxes necessary to fund the Settlement as described in Section 5.1 to the Settlement Administrator within twenty-one (21) calendar days after the Effective Date to be to be held in trust in a QSF. Within seven (7) calendar days after Defendant fund the settlement, the Settlement Administrator shall deliver payment of Class Counsels' attorney's fees and costs, the Enhancement Payment payable to Plaintiffs, the 75% portion of the PAGA Payment payable to the LWDA, Settlement Administrator Costs, and payment to Participating Class Members and/or Aggrieved Employees as required under this Agreement and approved by Court.

7.8.1 The Settlement Administrator shall wire the Court-approved attorneys' fees and costs to Class Counsel unless another method is requested by Class Counsel. Class Counsel shall provide

the Settlement Administrator with the pertinent taxpayer identification number and payment instructions after the Final Approval Date.

7.8.2 The Settlement Administrator shall send a check by mail for the Court-approved Enhancement Payment to the Class Representatives, care of Class Counsel unless another method is requested by Class Counsel.

7.8.3 Only Participating Class Members and Aggrieved Employees will receive their Individual Settlement Amount.

7.8.4 The Settlement Administrator shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this Agreement. Defendant agree to reasonably cooperate with the Settlement Administrator to the extent necessary to determine the amount of the payroll tax payment required.

7.9 Settlement Check Expiration and Uncashed Checks: The Settlement Administrator shall issue Individual Settlement Amounts to Participating Class Members and Aggrieved Employees in the form of a check, which shall become null and void if not deposited within one hundred eighty (180) calendar days of issuance. After one hundred eighty (180) calendar days of issuance, the checks shall be voided and funds from all uncashed checks shall be transmitted in accordance with Section 5.6. The Settlement Administrator shall deliver these funds within fourteen (14) calendar days after the check cashing deadline.

7.10 Settlement Administrator Declaration Regarding Compliance and Settlement Administration: Within twenty-one (21) calendar days after the last day for Participating Class Members and Aggrieved Employees to cash their settlement checks, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the settlement administration documenting that all payments under the Agreement have been made, that the Court's final approval order has been complied with, and that all the obligations of the Settlement Administrator have been completed.

8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE

8.1 The schedule may be modified depending on whether and when the Court grants necessary approvals, orders notice to Class Members and Aggrieved Employees, and sets further hearings. The

schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as described above. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and payment procedures carrying out the Agreement is as follows:

Last day for Defendant to provide Settlement Administrator with Class Member and Aggrieved Employee information	Within 14 calendar days after the Preliminary Approval Date
Last day for Settlement Administrator to complete NCOA search, update Class Member and Aggrieved Employee mailing information, and mail Notice of Settlement	Within 14 calendar days after the Settlement Administrators' receipt of Class Members' information from Defendant
Last day for Class Members to opt-out, submit disputes, submit objections, and submit data requests	60 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later
Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 14 calendar days after end of the Notice Period
Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendants' Counsel	Within 7 calendar days after the Effective Date
Last day for Defendant to fund settlement	Within 21 calendar days after the Effective Date
Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Settlement Administrator Costs, payment to Participating Class Members, and payment to Aggrieved Employees	Within 7 calendar days after Defendants have funded the settlement

Last day for Participating Class Members and Aggrieved Employees to cash settlement checks	180 calendar days after issuance of checks to Participating Class Members and Aggrieved Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

9. DUTIES OF THE PARTIES

9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an unopposed motion to be filed as soon as reasonably practicable, an order from the Court preliminarily approving this Agreement at the earliest possible date concurrently with the Court's certification of the Action as a class action for settlement purposes. The Parties further agree to fully cooperate in the drafting and/or filing of any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may be requested by the Court relating to, or that are otherwise necessary to the approval and implementation of this Agreement and shall otherwise use their respective best efforts to obtain certification for settlement purposes, approval of, and implementation of this Agreement. The Parties will submit this Agreement to the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain its final approval. Within one week of signing this Agreement Class Counsel shall provide a draft of the Preliminary Approval Motion to Defendants' Counsel. Defendants' Counsel will provide comments and/or proposed revisions within two weeks after receipt of the draft Preliminary Approval Motion from Class Counsel. With regard to the final approval documents, a similar one-week maximum review and response time shall be observed by the Parties. The Parties will request that the Court's preliminary approval of this Agreement be embodied in an Order Granting Preliminary Approval of Class Action and PAGA Settlement.

9.1.1 Plaintiffs' motion shall seek an order: 1) Preliminarily approving the Agreement; 2) Approving as to form and content the proposed Notice of Settlement; 3) Directing the mailing of the Notice of Settlement by first class mail to Class Members and Aggrieved Employees; 4) Preliminarily appointing

1 Plaintiffs and Class Counsel as representatives of Class Members; 5) Preliminarily approving settlement
2 administration services to be provided by the Settlement Administrator; 6) Preliminarily approving the
3 proposed Enhancement Payment to Plaintiffs; 7) Preliminarily approving the application for payment of
4 reasonable attorneys' fees and reimbursement of litigation-related expenses to Class Counsel; and 8)
5 Scheduling a fairness hearing on the question of whether the proposed Agreement should be finally
6 approved as fair, reasonable and adequate as to the Class Members.

7 9.1.2 Defendant shall not oppose Plaintiffs' motion for approval of the proposed
8 Agreement.

9 9.1.3 The Parties shall cooperate with each other and the Settlement Administrator during
10 the process of giving Class Members notice and opportunity to object to the Agreement, as necessary and
11 appropriate to assure effective communication to individual Class Members of information about their
12 rights and obligations under this Agreement.

13 9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set forth in the
14 Notice of Settlement, the Court shall hold the Final Approval and Fairness Hearing where objections, if
15 any, may be heard. Class Counsel shall provide the Court as part of the motion for final approval of the
16 Agreement, a declaration by the Settlement Administrator of due diligence and proof of mailing of the
17 Notice of Settlement required to be mailed to Class Members by this Agreement, and of the delivery results
18 of the Settlement Administrator's mailings including tracing and re-mailing efforts. The Settlement
19 Administrator declaration shall identify, by name, any Class Member who submitted a timely and valid
20 request to opt out during the Notice Period.

21 9.2.1 Class Counsel and Defendant shall work in good faith to draft a mutually agreeable
22 Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment. The
23 Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment shall
24 include findings and orders: 1) Approving the Agreement, adjudging the terms thereof to be fair, reasonable
25 and adequate, and directing that its terms and provisions be carried out; 2) Approving the payment of an
26 Enhancement Payment to the Class Representatives; 3) Approving Class Counsel's application for an
27 award of attorneys' fees and reimbursement of out-of-pocket litigation expenses; 4) Approving the
28

Settlement Administrator Costs; and 5) Providing that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the Agreement and the Court's orders.

9.2.2 Following entry of the Court's order granting final approval of the Agreement, the Parties will each act to ensure the fulfillment of all its provisions, including but not limited to the following: 1) Should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement be filed, all parties will support the final approval order on appeal or otherwise; 2) Class Counsel will assist the Settlement Administrator as needed or requested in the process of identifying and locating Participating Class Members and Aggrieved Employees entitled to payments under the Agreement and assuring delivery of such payments; 3) Class Counsel and Defendants' Counsel will cooperate with each other and assist the Settlement Administrator as needed or requested in completing the distribution of any residual amounts, as specified above, to the *cy pres* beneficiaries; 4) Class Counsel, in conjunction with the Settlement Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment.

9.4 Notice to LWDA: Plaintiffs will provide notice to the Labor and Workforce Development Agency ("LWDA") of this settlement in accordance with Labor Code § 2699(1)(2).

10. MISCELLANEOUS TERMS

10.1 Defendant's Right to Withdraw Based on Opt-Outs: If, prior to the Final Approval Date, 10% or more of the Class Members have submitted proper and timely requests to opt-out in accordance with the provisions of the Agreement, Defendant may rescind the Agreement and all actions taken in its furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within seven (7) calendar days after the Settlement Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is exercised, then any Settlement Administrator Costs shall be paid by Defendant. Defendants have represented that there are no more than 29,327 workweeks during the Class Period. In the event the number of workweeks during the Class Period is more than 32,260 (*i.e.*, greater than 10% more than 29,327), then the Gross Settlement Amount shall be increased proportionally by the workweeks in excess of 29,327. For example, if there were 11,000 workweeks

1 represented to exist during the Class Period, but there are actually 12,500 workweeks in the Class Period,
2 then Defendant would have to increase the Gross Settlement Amount by 13.6% (12,500 - 11,000
3 workweeks = 1,250 excess workweeks. 1,250 divided by 11,000 = 13.6%). Alternatively, Defendant, in
4 its sole discretion, may elect to reduce the end date of the Class Period to avoid this escalation of the
5 Gross Settlement Amount. To the extent Defendant elects to reduce the end date of the Class Period as
6 stated herein, the end date of the PAGA Claim Period shall also be reduced to end on the same day as
7 the new Class Period end date.

8 10.2 Dismissal of *Ayala Action*: To the extent preliminary approval of the Settlement is granted,
9 the Plaintiff Ayala and his counsel shall cause the *Ayala Action* to be dismissed without prejudice. A
10 stipulation and proposed order effectuating this shall be filed withing twenty-one (21) calendar days after
11 the Preliminary Approval Date.

12 10.3 Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF
13 THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT
14 OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND
15 AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN
16 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR
17 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
18 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON
19 AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT
20 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS
21 RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
22 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
23 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
24 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
25 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
26 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX
27 PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
28 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT

1 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX
2 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
3 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
4 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY
5 THIS AGREEMENT.

6 10.4 No Prior Assignments: The Parties represent, covenant, and warrant that they have not
7 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
8 any person or entity any portion of any liability, claim, demand, action, cause of action or right released
9 and discharged in this Agreement.

10 10.5 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable law, by
11 signing this Agreement Defendant is waiving any rights to appeal from the Court’s approval of the
12 settlement unless the Court materially modifies the settlement. Furthermore, by signing this Agreement
13 Plaintiffs are waiving any right or ability to opt out of this Agreement during the Notice Period or otherwise.

14 10.6 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set
15 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in this
16 Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

17 10.7 Judgment and Retention of Jurisdiction to Enforce: Upon the Effective Date, judgment will
18 be entered according to this Agreement. The Parties stipulate and agree that the Fresno County Superior
19 Court shall have continuing jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure
20 Code section 664.6 and that the prevailing party any action necessary to enforce the terms of the Agreement
21 after default by the other party may recover reasonable attorney’s fees and costs related thereto.

22 10.8 Mutual Cooperation: The Parties agree to cooperate fully with one another to accomplish
23 and implement the terms of this Agreement. Such cooperation shall include, but not be limited to, execution
24 of such other documents and the taking of such other action as may reasonably be necessary to fulfill the
25 terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts
26 contemplated by this Agreement and any other efforts that may become necessary by Court order, or
27 otherwise, to effectuate this Agreement and the terms set forth herein.

1 10.9 No Admission of Liability: Neither the acceptance nor the performance by Defendant of
2 the terms of this Agreement, nor any of the related negotiations or proceedings, is or shall be claimed to
3 be, construed as, or deemed to be, an admission by Defendant of the truth of any of the allegations in the
4 Complaint, the representative character of the Action, the validity of any of the claims that were or could
5 have been asserted by Plaintiffs and/or Class Members in the Action, or of any liability or guilt of
6 Defendant in the Action. Nothing in this Agreement shall be construed to be or deemed an admission by
7 Defendant of any liability, culpability, negligence, or wrongdoing toward Plaintiffs, the Class Members,
8 or any other person, and Defendant specifically disclaim any liability, culpability, negligence, or
9 wrongdoing toward Plaintiffs, the Class Members, or any other person. Each of the Parties has entered
10 into this Stipulation with the intention to avoid further disputes and litigation.

11 10.10 Notices: Unless otherwise specifically provided herein, all notices, demands, or other
12 communications given hereunder shall be in writing and shall be deemed to have been duly given as of the
13 third business day after mailing by United States certified mail, return receipt requested, addressed as
14 follows:

15 To Plaintiffs and the Class:

16 Galen T. Shimoda
17 Justin P. Rodriguez
18 Renald Konini
19 Shimoda & Rodriguez Law, PC
20 9401 East Stockton Blvd., Suite 120
21 Elk Grove, CA 95624

22 David Alami
23 Daniel J. Hyun
24 Shaheen A. Etemadi
25 **Torus LLP**
26 2 Park Plaza, Suite 1260
27 Irvine, CA 92614

28 To Defendant:

 William M. Woolman
 Charles P. Hamamijan
 Sagaser, Watkins & Wieland PC
 5260 North Palm Avenue, Suite 400,
 Fresno, California 93704

1 10.11 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of
2 this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that
3 this Agreement shall not be construed in favor of or against any party by reason of the extent to which any
4 party or its counsel participated in the drafting of this Agreement.

5 10.12 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other attorneys
6 acting for, or purporting to act for, the Class, Class Members, or Plaintiffs, may recover or seek to recover
7 any amounts for fees, costs, or disbursements from the Releasees or the Gross Settlement Amount except
8 as expressly provided in this Agreement.

9 10.13 No Modifications: This Agreement may be amended or modified only by a written
10 instrument signed by counsel for all Parties or their successors-in-interest. This Agreement may not be
11 discharged except by performance in accordance with its terms.

12 10.14 Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and
13 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and
14 to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
15 to effectuate its terms and to execute any other documents required to effectuate the terms of this
16 Agreement.

17 10.15 Class Member Signatories: Because the Action has not yet been certified, and the Class
18 Members are so numerous, the Parties agree that it is impossible or impractical to have each Class Member
19 sign this Agreement. It is agreed that, for purposes of seeking approval of the Agreement, this Agreement
20 may be executed on behalf of all Class Members by the Class Representatives.

21 10.16 Counterparts: This Agreement shall become effective upon its execution by all of the
22 undersigned. Plaintiffs, Class Counsel, Defendant and Defendants' Counsel may execute this Agreement
23 in counterparts, and execution of counterparts shall have the same force and effect as if each had signed
24 the same instrument. Facsimile, electronic, and/or scanned copies of signatures shall have the same force
25 and effect of originals.

26 10.17 Choice of Law: The Agreement and any exhibits hereto shall be considered to have been
27 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and the
28 rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance with,

1 and governed by, the substantive laws of the State of California without giving effect to that State's choice
2 of law principles.

3 10.18 Headings and Captions: Section titles or captions contained in the Agreement are inserted
4 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of
5 this Agreement, or any provision thereof.

6 10.19 No Retaliation or Discouragement: The Parties agree they will take no action that could be
7 construed as retaliation against any Class Members for participating or seeking to participate in this class
8 action settlement. The Parties will not discourage any class member from participating or seeking to
9 participate in this class action settlement. This is a material term of the Agreement and non-breaching
10 Parties will seek court intervention if this provision is breached.

11 10.20 Integrated Agreement: This Agreement sets forth the entire understanding between the
12 Parties and supersedes any and all prior agreements, oral or written, pertaining to the subject matter hereof.
13 Each party acknowledges that there is no representation, inducement, promise or agreement which has been
14 made, orally or otherwise, by the other party, concerning the terms or conditions of this Agreement, which
15 is not expressly embodied in this Agreement. In entering into this Agreement, the Parties represent that the
16 terms of this Agreement are fully understood and voluntarily accepted by the Parties.

17 10.21 Binding on Successors and Assigns: This Agreement will be binding upon, and inure to the
18 benefit of, the successors or assigns of the Parties to this Agreement, as previously defined.

19 10.22 Invalidity of Any Provision: Before declaring any provision of this Agreement invalid, the
20 Court will first attempt to construe the provision as valid to the fullest extent possible consistent with
21 applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

22 10.23 Waiver of Compliance: No waiver of any condition or covenant contained in this
23 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply
24 or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

25 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized
26 attorneys, as of the day and year herein set forth.
27
28

For Plaintiffs:

Date: _____

Jesse Gil

Date: February 7, 2025


Daniel Ayala (Feb 7, 2025 08:43 PST)

Daniel Ayala

FOR Defendant:

Date: _____

By:
For Outback, Inc.

APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

Dated: _____

By: _____
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiffs and Aggrieved
Employees

TORUS LLP

Dated: February 7, 2025

By: David Alami
David Alami, Daniel J. Hyun and
Shaheen A. Etemadi
Attorney for Plaintiffs and Aggrieved
Employees

APPROVED AS TO FORM

SAGASER, WATKINS & WIELAND PC

Dated: _____

By: _____
William M. Woolman
Charles P. Hamamjian
Attorney for Defendant

For Plaintiffs:

Date: 02/06/2025


See Gil (Feb 6, 2025 15:29 PST)

Jesse Gil

Date: _____

Daniel Ayala

FOR Defendant:

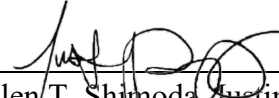
Date: _____

By:
For Outback, Inc.

APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

Dated: February 6, 2025

By: 
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiffs and Aggrieved
Employees

TORUS LLP

Dated: _____

By: _____
David Alami, Daniel J. Hyun and
Shaheen A. Etemadi
Attorney for Plaintiffs and Aggrieved
Employees

APPROVED AS TO FORM

SAGASER, WATKINS & WIELAND PC

Dated: _____

By: _____
William M. Woolman
Charles P. Hamamjian
Attorney for Defendant

For Plaintiffs:

Date: _____

Jesse Gil

Date: _____

Daniel Ayala

FOR Defendant:

Date: 02/20/2025



Curtis Lovett (Feb 20, 2025 11:29 PST)
By:
For Outback, Inc.

APPROVED AS TO FORM

Shimoda & Rodriguez Law, PC

Dated: _____

By: _____
Galen T. Shimoda, Justin P. Rodriguez and
Renald Konini
Attorney for Plaintiffs and Aggrieved
Employees

TORUS LLP

Dated: _____

By: _____
David Alami, Daniel J. Hyun and
Shaheen A. Etemadi
Attorney for Plaintiffs and Aggrieved
Employees

APPROVED AS TO FORM

SAGASER, WATKINS & WIELAND PC

Dated: February 20, 2025

By: 

William M. Woolman
Charles P. Hamamjian
Attorney for Defendant

Exhibit 1

CALIFORNIA SUPERIOR COURT
FOR THE COUNTY OF FRESNO

JESSE GIL and DANIEL AYALA, individually and on
behalf of all other similarly situated employees,

Plaintiffs,

vs.

OUTBACK, INC., a California Corporation; and DOES 1
to 100, inclusive,

Defendant.

Case No. 21CECG03273

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

ATTENTION: All individuals who have, or continue to, perform work for Defendant in California as hourly, non-exempt employees from November 3, 2017, to [REDACTED] (the "Class Members").

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

You are receiving this notice pursuant to an order from the Fresno County Superior Court ("Court") granting Plaintiffs' motion for preliminary approval of a Joint Stipulation Regarding Class Action and PAGA Settlement and Release ("Agreement" or "Settlement") as fair, reasonable, and adequate. The Settlement was entered into between Plaintiffs Jesse Gil and Daniel Ayala ("Plaintiffs" or "Class Representatives"), and Defendant Outback, Inc. ("Defendant") on behalf of Class Members as defined above. The terms of the Settlement are outlined herein. You are receiving this notice because Defendants' records indicate you fall within the definition of "Class Member." Defendants' records also indicate that you worked [REDACTED] weeks during the applicable Class Period (as defined below), which means your total share of the settlement proceeds is estimated to be [REDACTED]. Your actual share of the settlement proceeds will vary depending on the total number of Class Members that choose to participate, and the resolution of any workweek disputes as described in this notice.

The terms of the Agreement and a description of the case are identified in this notice. Pursuant to the Court's order, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

I. BACKGROUND OF THE CASE

On November 3, 2021, this lawsuit was filed against Defendant in the Fresno County Superior Court of California. The term "Action" means this putative class action pending in Fresno County Superior Court, Case No. 21CECG03273, and includes a related wage and hour class action filed against Defendant in Fresno County Superior Court, *Ayala v. Outback, Inc.*, Fresno County Superior Court Case No. 23CECG04940, filed on November 29, 2023. The Class Period is November 3, 2017, to [REDACTED] (the "Class Period").

In the Action, Plaintiffs sought to obtain unpaid wages, interest, statutory penalties, civil penalties, fees, and costs on behalf of himself, Class Members, and Aggrieved Employees. Plaintiffs alleged that Defendant violated California law by: (1) failing to pay overtime wages, (2) failing to pay minimum wages, (3) failing to provide meal periods or pay meal period premiums in lieu thereof, (4) failing to provide rest periods or pay rest period premiums in lieu thereof, (4) failing to provide accurate wage statements, (5) failing to pay final wages, (6) failing to pay reimbursements for expenses, (7) failing to maintain accurate records, (8) failing to provide paid sick leave, (9) untimely payment of wages (10) engaging in unfair competition, and (12) committing PAGA violations. Defendant has denied all of Plaintiffs' allegations. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in a full day mediation facilitated by a neutral third party. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process.

Despite agreeing to and supporting the Agreement, Defendant continue to deny all allegations and claims and contends all employees have been paid correctly. Defendant has entered into this Settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Agreement, in order to avoid the burden and expense associated with ongoing litigation.

The Agreement applies to any and all Class Members, as defined above. The Agreement also applies to Aggrieved Employees, which are defined as all individuals who have, or continue to, perform work for Defendant in California as hourly, non-exempt employees at any time from October 21, 2020, to [REDACTED]. If you are a Class Member, you have the opportunity to participate in the Settlement, or to exclude yourself (“opt out”) from the Settlement. This notice is to advise Class Members of how they can either participate in the Settlement or be excluded from the Settlement. As set forth below, Aggrieved Employees cannot opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims regardless of whether they opt out of being a Class Member. Aggrieved Employees will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendants have agreed to pay a total sum of Three Hundred Sixty-Seven Thousand Five Hundred Dollars (\$367,500) (“Gross Settlement Amount”). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorney’s fees not to exceed 35% of the Gross Settlement Amount, attorney’s costs not to exceed \$15,000, Settlement Administrator Costs estimated not to exceed \$12,500, Class Representatives’ Enhancement Payment not to exceed \$10,000 each, and \$20,000 for alleged PAGA penalties (the “PAGA Payment”), which will result in a “Net Settlement Amount” for distribution to all Class Members. Any employer side taxes attributable to payments allocated as wages will be paid by Defendant in addition to the Gross Settlement Amount. As explained further below, the amount of each Class Member’s share of the Net Settlement Amount will depend on the number of weeks worked by Class Members during the Class Period. Of the \$20,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you worked during the Class Period and your estimated total share of the Net Settlement Amount and PAGA Payment (“Individual Settlement Amount”) is stated on the first page of this notice. The actual amount received may be more or less than the amount stated depending on the actual number of weeks worked by Participating Class Members (*i.e.*, those who do not opt out of the Settlement), the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees’ allocations for the PAGA claim.

B. Individual Settlement Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay Individual Settlement Amounts through the Settlement Administrator, as described below, to each Participating Class Member and to Aggrieved Employees. All Individual Settlement Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that the amount payable to eligible Class Members from the Net Settlement Amount will be allocated and paid as 2/3 for disputed interest, statutory penalties, and other non-wage damages for which an IRS Forms 1099-MISC and 1099-INT will issue and 1/3 for disputed wages for which IRS Forms W-2 will issue. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties.

Payment to Participating Class Members and Aggrieved Employees will not require the submission of a claim form. Each Participating Class Member’s share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Participating Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member’s individual share of the Net Settlement Amount. Each Aggrieved Employee’s share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee’s individual share. The PAGA Claim Period is defined as October 21, 2020, to [REDACTED]. Defendants’ records indicate that you worked [REDACTED] weeks during the applicable PAGA Claim Period, which means your share of the PAGA Payment is estimated to be [REDACTED]. This amount is included in your estimated Individual Settlement Amount stated on the first page of this notice, not in addition to it. You will still receive your share of the PAGA Payment even if you opt out of being a Class Member. Receipt of the Individual Settlement Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered by the

Settlement.

C. Calculations to Be Based on Defendants' Records and Resolution of Workweek Disputes

For each Class Member, the amount payable will be calculated by the Settlement Administrator from Defendants' records. Defendants' records will be presumed correct unless evidence to the contrary is provided to the Settlement Administrator. Defendants' records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendants' records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than [redacted]. The dispute will be resolved by the Settlement Administrator based on the records and evidence provided.

D. Release of Claims

For those Class Members who do not opt out and Aggrieved Employees, the Agreement contains the following releases:

Class members who do not opt out will be deemed to have released any and all class claims that are alleged in the Complaint, and any additional wage and hour claims that could have been brought based on the facts alleged in the operative Complaint, through the Class Period. This release excludes the release of claims not permitted by law.

Aggrieved Employees will be deemed to have released any and all claims that were brought under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in Plaintiffs' notice letter to the LWDA and any additional wage and hour PAGA claims that could have been brought based on the facts alleged in Plaintiffs' notice letter to the LWDA during the PAGA Claim Period. Aggrieved Employees cannot opt out of this waiver of claims.

The individuals released ("Released Parties") include Defendant, as well as Defendant's officers, shareholders, directors, agents, employees, attorneys, and insurers.

Class Members and/or Aggrieved Employees can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to their own lawyer if they have questions about the released claims and what they mean.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement as a Class Member

If you wish to be a Participating Class Member and believe your workweek information is accurate, **you do not need to take any further action**. Payment will be automatically made to you consistent with the terms of the Agreement and Court Order. If you wish to dispute the workweek calculation, you may follow the procedures outlined in Section II.C above. California law protects Class Members from retaliation based on their decision to participate in the Settlement.

B. Excluding Yourself from the Settlement as a Class Member

The Court will exclude you from being a Class Member if you request this by [redacted]. If you do not wish to be bound by the Settlement as a Class Member, you may request to be excluded (*i.e.*, "opt out") by submitting a timely written request to the Settlement Administrator. The request to opt-out must (a) state your full name and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) identify the case name and number (*i.e.* *Gil, et al. v. Outback, Inc., et al.*, 21CECG03273); (d) be signed; and (e) be post-marked no later than [redacted]. The request to opt out must be mailed by First Class U.S. Mail, or the equivalent, to:

[admin info]

If you submit a request to opt out which is not postmarked by [redacted], your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Settlement Administrator, no longer be a Class Member and not receive their share of the Net Settlement Amount.

Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

C. Objection to Settlement

If you do not opt out of the Settlement, you can object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. You can ask the Court to deny approval by submitting an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. You may submit a written objection, which should (a) state your full name and date of birth; (b) provide evidence that you are, in fact, a Class Member; (c) state the reasons for the objection(s), including supporting documentation; (d) identify the case name and number (*i.e. Gil, et al. v. Outback, Inc., et al.*, 21CECG03273); (e) be signed; and (f) be post-marked no later than [REDACTED]. Written objections must be sent to the Settlement Administrator at the address identified in Section III.B.

Additionally, or in the alternative to sending a written objection to the Settlement Administrator, you may appear at the final approval hearing to state your objection. Any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through an attorney. If you appear through your own attorney, you are responsible for paying that attorney.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

If the Court grants final approval of the Settlement, the Court will make and enter judgment consistent therewith. A notice of entry of judgment will be filed with the Court and available online at the Court's public portal website: <https://publicportal.fresno.courts.ca.gov/FRESNOPORTAL/Home/Dashboard/29>. The judgment, whether favorable or not, will bind all Class Members who do not request exclusion. After final approval, each and every Class Member who does not opt out of the Settlement and Aggrieved Employee, will release Defendant and the Released Parties from the Released Class Claims and the Released PAGA Claims described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement, you will be deemed to have entered into these releases and to have released the above-described claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department ___, [address] on [REDACTED] at [REDACTED] to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs, the Settlement Administrator Costs, and the Class Representatives' Enhancement Payment. The hearing may be continued without further notice. It is not necessary for you to appear at this hearing.

VI. ADDITIONAL INFORMATION

You may access the Complaint, Class Counsel's motion for preliminary approval, the Agreement, and any other documents required by the Court at <https://publicportal.fresno.courts.ca.gov/FRESNOPORTAL/Home/Dashboard/29>. Simply input the case number for this case (21CECG03273) in the appropriate field and click "submit." You can also contact Class Counsel or Defendant's Counsel as follows:

Galen T. Shimoda
Justin P. Rodriguez
Renald Konini
Shimoda & Rodriguez Law, PC
9401 East Stockton Blvd., Suite 120
Elk Grove, CA 95624
Telephone: (916) 525-0716
On behalf of Plaintiffs

David Alami
Daniel J. Hyun
Shaheen A. Etemadi
Torus LLP
2 Park Plaza, Suite 1260
Irvine, CA 92614
Telephone: (949) 590-4122
On behalf of Plaintiffs

William M. Woolman
Charles P. Hamamjian
Sagaser, Watkins & Wieland PC
5260 North Palm Avenue, Suite 400
Fresno, California 93704
Telephone: 559-421-7000
On behalf of Defendant

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]

BY ORDER OF THE COURT