

Kane Moon (SBN 249834)
Allen Feghali (SBN 301080)
Jacquelyne VanEmmerik (SBN 339338)
MOON LAW GROUP, P.C.
1055 West Seventh Street, Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
Email: kmoon@moonlawgroup.com
Email: afeghali@moonlawgroup.com
Email: jvanemmerik@moonlawgroup.com

Attorneys for Plaintiff, Maria L. Grande

Eric B. Kingsley (SBN 185123)
Liane Katzenstein Ly (SBN 259230)
Jessica Bulaon (SBN 340749)
KINGSLEY & KINGSLEY, APC
16133 Ventura Boulevard, Suite 1200
Encino, California 91436
Telephone: (818) 990-8300
Fax: (818) 990-2903
Email: eric@kingsleykingsley.com
Email: liane@kingsleykingsley.com
Email: jessi@kingsleykingsley.com

Counsel for Plaintiff, Melesio Cenobio Sebastian

Counsel for Defendant, Sharjo, Inc., on following page.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA

MARIA L. GRANDE, individually, and on
behalf of all others similarly situated,

Plaintiff,

v.

SHRAJO, INC., a California corporation; and
DOES 1 through 10, inclusive,

Defendants.

Lead Case No.: MSC21-02503
Case No.: C22-01773

[Honorable Charles S. Treat,
Department 12]

**JOINT STIPULATION OF CLASS AND
PAGA ACTION SETTLEMENT
AGREEMENT**

Complaint Filed: November 10, 2021
Trial Date: Not Set

MELESIO CENOBIO SEBASTIAN, as an individual, on behalf of himself and others similarly situated,

Plaintiff,

vs.

SHARJO, INC.; and DOES 1 thru 50, inclusive,

Defendants.

Peter J. Woo (SBN 306083)
Vincent L. Chen (SBN 311883)
JACKSON LEWIS P.C.
200 Spectrum Center Drive, Suite 500
Irvine, California 92618
Telephone: (949) 885-1360
Facsimile: (949) 885-1380
Email: peter.woo@jacksonlewis.com
Email: vincent.chen@jacksonlewis.com

Attorneys for Defendant, Sharjo, Inc.

JOINT STIPULATION OF CLASS AND PAGA ACTION SETTLEMENT AGREEMENT

This Joint Stipulation of Class and PAGA Action Settlement Agreement (“Settlement,” “Agreement” or “Settlement Agreement”) is made by and between Plaintiffs Maria L. Grande and Melesio Cenobio Sebastian (“Plaintiffs”) and Defendant Sharjo, Inc. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties” and individually as “Party.”

1. **DEFINITIONS.**

- 1.1. “Action” means *Maria L. Grande, et al. v. Sharjo, Inc.*, Case No. MSC21-02503, Superior Court of the State of California, County of Contra Costa.
- 1.2. “Administrator” means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with its “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means all current and former persons who worked for Defendant in California as hourly-paid or non-exempt employees at any time during the time period from November 6, 2020, through the date the Court grants preliminary approval of the Settlement or 90 days from August 28, 2023, whichever date is earlier.
- 1.5. “Class” means all current and former persons who worked for Defendant in California as hourly-paid or non-exempt employees at any time during the time period from August 24, 2018, through the date the Court grants preliminary approval of the Settlement or 90 days from August 28, 2023, whichever date is earlier.
- 1.6. “Class Counsel” means Moon Law Group, PC.
- 1.7. “Class Counsel Fees Payment” means the amount allocated to Class Counsel for reimbursement of the reasonable attorneys’ fees incurred to prosecute the Action.
- 1.8. “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of the reasonable attorneys’ expenses incurred to prosecute the Action.

- 1.9. “Class Data” means Class Member identifying information in Defendant’s possession, including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.10. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member, including a Non-Participating Class Member who qualifies as an Aggrieved Employee.
- 1.11. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.12. “Class Notice” means the court-approved Notice of Class and PAGA Action Settlement to be mailed to Class Members in English and Spanish, substantially in the form attached to this Settlement Agreement as **Exhibit A** and incorporated by reference herein.
- 1.13. “Class Period” means the period from August 24, 2018, through the date the Court grants preliminary approval of the Settlement.
- 1.14. “Class Representative” means the named Plaintiffs in the operative Consolidated Second Amended Class and Representative Action Complaint (“Operative Complaint”) in the Action seeking Court approval to serve as Class Representatives.
- 1.15. “Class Representative Service Payments” means the payments to the Class Representatives for initiating the Action, providing services in support of the Action, and releasing any and all claims under California Civil Code section 1542.
- 1.16. “Court” means the Superior Court of California, County of Contra Costa.
- 1.17. “Defendant” means the named Defendant, Sharjo, Inc.
- 1.18. “Defense Counsel” means JACKSON LEWIS P.C.
- 1.19. “Effective Date” means either (a) sixty-five (65) days after Final Approval; (b) the day after an Appeal is dismissed or withdrawn; or (c) the day an Appeal is decided and upholds the propriety of the Settlement.
- 1.20. “Final Approval” means the Court Order Granting Final Approval of the Settlement.

- 1.21. “Final Approval Hearing” means the Hearing on Plaintiffs’ Motion for Final Approval of the Settlement.
- 1.22. “Final Judgment” means the Judgment entered by the Court upon granting final approval of the Settlement.
- 1.23. “Gross Settlement Amount” means \$1,180,000.00, which is the total amount Defendant agrees to pay under the Settlement Agreement, except as provided in Paragraph 7 below. The Gross Settlement Amount will be used to pay the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment.
- 1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks he or she worked during the Class Period.
- 1.25. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods he or she worked during the PAGA Period.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699(i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699(i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the Individual PAGA Payments, LWDA PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement Agreement by sending the Administrator a valid and timely Request for Exclusion.

- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. “PAGA Period” means the period from November 6, 2020, through the date the Court grants preliminary approval of the Settlement.
- 1.32. “PAGA” means the California Labor Code Private Attorneys General Act of 2004.
- 1.33. “PAGA Notice” means Plaintiffs’ November 6, 2021 and August 24, 2022 letters to the LWDA and Defendant providing written notice pursuant to Labor Code section 2699.3(a).
- 1.34. “PAGA Penalties” means \$50,000.00, which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500.00) and the 75% to LWDA (\$37,500.00) in settlement of PAGA claims.
- 1.35. “Participating Class Member” or “Settlement Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiffs” means Maria L. Grande and Melesio Cenobio Sebastian, the named Plaintiffs in the Action.
- 1.37. “Preliminary Approval” means the Court Order Granting Preliminary Approval of the Settlement.
- 1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Class Settlement and Approval of PAGA Settlement.
- 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2.
- 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3.
- 1.41. “Released Parties” means: Defendant and all related companies, subsidiaries, owners, shareholders, founders and members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys, and any past, present or future officers, directors, and employees) predecessors, successors, heirs, executors, administrators, and assigns, and all persons acting by, through, under, or in concert with any of them.
- 1.42. “Request for Exclusion” means a Class Member’s timely submission of a valid written request to be excluded from the Class Settlement signed by the Class Member.

- 1.43. "Response Deadline" means sixty (60) days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which a Class Members may: (a) fax, email, or mail a Request for Exclusion from the Settlement, or (b) fax, email, or mail an Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45. "Workweek" means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

2. **RECITALS.**

- 2.0. On November 6, 2021, Plaintiff Maria L. Grande submitted and/or sent a timely written notice to Defendant and the LWDA of the Labor Code violations she alleged against Defendant, pursuant to Labor Code section 2699.3(a).
- 2.1. On November 12, 2021, Plaintiff Maria L. Grande filed a Class Action Complaint alleging eight causes of action against Defendant for Labor Code and Business and Professions Code violations.
- 2.2. On January 26, 2022, Plaintiff Maria L. Grande filed a First Amended Class and Representative Action Complaint alleging a ninth cause of action against Defendant for Civil Penalties under PAGA.
- 2.3. On January 26, 2022, Plaintiff Maria L. Grande filed a Request for Dismissal of Class Allegations, in light of the enforceable arbitration agreement she signed at the commencement of her employment with Defendant, which contained a valid class waiver. On January 27, 2022, the Court granted the Order thereon.
- 2.4. On August 24, 2022, Plaintiff Melesio Cenobio Sebastian submitted and/or sent a timely written amended notice to Defendant and the LWDA of the Labor Code violations he alleged against Defendant, pursuant to Labor Code section 2699.3(a).

- 2.5. On August 24, 2022, Plaintiff Melesio Cenobio Sebastian filed a Class Action Complaint alleging five causes of action against Defendant for Labor Code and Business and Professions Code violations.
- 2.6. On or around January 20, 2023, Plaintiffs, by and through their Counsel of Record, agreed to engage in a global mediation with Defendant.
- 2.7. Prior to mediation, Plaintiffs obtained through informal discovery, in addition to other data, documents, and information, a sample of the time and corresponding payroll records of the Class and the employee handbooks in effect during the Class and overlapping PAGA Period. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) ("*Dunk/Kullar*").
- 2.8. On July 25, 2023, the Parties participated in a private mediation with professional, neutral mediator, Mark Rudy, Esq., which led to this Settlement Agreement.
- 2.9. On or around October 5, 2023, Plaintiffs filed a Joint Stipulation to Consolidate and for Leave to File Consolidated Second Amended Class and Representative Action Complaint.
- 2.10. On or around October 5, 2023, Plaintiffs filed the operative Second Amended Consolidated Class and Representative Action Complaint ("*Operative Complaint*") in the Action.
- 2.11. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.
- 2.12. The Court has not granted class certification, as the Parties reached this Agreement before Plaintiffs moved for class certification.
- 2.13. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter asserting claims that will be affected by this Settlement.

1 **3. MONETARY TERMS.**

2 3.0. Gross Settlement Amount. Except as otherwise provided by Paragraph 7 below,
3 Defendant promises to pay no more than \$1,180,000.00, as the Gross Settlement Amount.
4 Defendant also promises to pay up to \$20,000.00 in employer payroll taxes and
5 contributions in connection with the Wage Portions of the Individual Class Payments.
6 Defendant has no obligation to pay the Gross Settlement Amount or any payroll taxes
7 prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will
8 disburse the entire Gross Settlement Amount without asking or requiring Participating
9 Class Members or Aggrieved Employees to submit any claim as a condition of payment.
10 None of the Gross Settlement Amount will revert to Defendant.

11 3.1. Payments from the Gross Settlement Amount. The Administrator will make and deduct
12 the following payments from the Gross Settlement Amount, in the amounts specified by
13 the Court in the Final Approval:

14 3.1.1. To Plaintiffs: Class Representative Service Payments to the Class Representatives
15 of not more than \$7,500.00 each, in addition to any Individual Class Payments and
16 Individual PAGA Payments the Class Representatives are entitled to receive as
17 Participating Class Members and Aggrieved Employees. Defendant will not
18 oppose requests for these payments provided they do not exceed this amount. As
19 part of the motion for the Class Counsel Fees Payment and Class Counsel
20 Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class
21 Representative Service Payments no later than sixteen (16) court days prior to the
22 Final Approval Hearing. If the Court approves Class Representative Service
23 Payments less than the amount requested, the Administrator will retain the
24 remainder in the Net Settlement Amount. The Administrator will report the Class
25 Representative Service Payments using IRS Form 1099. Plaintiffs assume full
26 responsibility and liability for employee taxes owed on the Class Representative
27 Service Payments.
28

3.1.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (33 1/3%) of the Gross Settlement Amount, which is currently estimated to be \$393,333.33; and a Class Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendant will not oppose requests for these payments provided they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will retain the remainder in the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will report the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.1.3. To the Administrator: An Administrator Expenses Payment not to exceed \$12,000.00, except for a showing of good cause and as approved by the Court. If the Court approves payment less than the amount requested, or to the extent the Administration Expense Payment is less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount.

3.1.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.1.4.1. Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for wages (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. 90% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portion is not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.1.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.1.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000.00 to be paid from the Gross Settlement Amount, with 75% (\$37,500.00) allocated to the LWDA PAGA Payment and 25% (\$12,500.00) allocated to the Individual PAGA Payments. If the Court approves PAGA Penalties less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.1.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods.

1 **4. SETTLEMENT FUNDING AND PAYMENTS.**

2 4.0. Class Workweeks and Aggrieved Employee PAGA Pay Periods. Based on a review of its
3 records to date, Defendant estimates there are 509 Class Members who collectively
4 worked a total of 34,015 Workweeks during the Class Period; and 383 Aggrieved
5 Employees who worked a total of 11,202 PAGA Pay Periods during the PAGA Period.

6 4.1. Class Data. Not later than fifteen (15) days after the Court grants Preliminary Approval of
7 the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator
8 in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights,
9 the Administrator must maintain the Class Data in confidence, use the Class Data only for
10 purposes of this Settlement and for no other purpose, and restrict access to the Class Data
11 to Administrator employees who need access to the Class Data to effect and perform
12 under this Agreement. Defendant has a continuing duty to immediately notify Class
13 Counsel if it discovers that the Class Data omitted Class Member Identifying Information
14 and to provide corrected Class Data as soon as reasonably feasible. Without any extension
15 of the deadline by which Defendant must send the Class Data to the Administrator, the
16 Parties and their counsel will expeditiously use best efforts, in good faith, to resolve any
17 issues related to missing or omitted Class Data.

18 4.2. Funding of Gross Settlement Amount. No later than seven (7) days after the Effective
19 Date, Defendant shall fully fund the Gross Settlement Amount and the amounts necessary
20 to fully pay their share of payroll taxes by transmitting the funds to the Administrator.

21 4.3. Payments from the Gross Settlement Amount. No later than fourteen (14) days after
22 Defendant funds the Gross Settlement Amount, the Administrator shall mail checks for
23 the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment,
24 Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class
25 Representative Service Payments, and Administration Expenses Payment. Disbursement
26 of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and
27 Class Representative Service Payments shall not precede disbursement of the Individual
28 Class Payments and Individual PAGA Payments.

1 4.3.1. The Administrator will issue checks for the Individual Class Payments and/or
2 Individual PAGA Payments and send them to the Class Members via First Class
3 U.S. Mail, postage prepaid. The face of each check shall prominently state the
4 date (not less than 180 days after the date of mailing) when the check will be
5 voided. The Administrator will cancel all checks not cashed by the void date. The
6 Administrator will send checks for Individual Class Payments to all Participating
7 Class Members (including those for whom Class Notice was returned
8 undelivered). The Administrator will send checks for Individual PAGA Payments
9 to all Aggrieved Employees, including Non-Participating Class Members who
10 qualify as Aggrieved Employees and those for whom Class Notice was returned
11 undelivered. The Administrator may send Participating Class Members a single
12 check combining their Individual Class Payment and Individual PAGA Payment.

13 4.3.2. Before mailing any checks, the Settlement Administrator must update the
14 recipients' mailing addresses using the National Change of Address Database. The
15 Administrator must conduct a Class Member Address Search for all other Class
16 Members whose checks are returned undelivered without USPS forwarding
17 address. No later than seven (7) days of receiving a returned check, the
18 Administrator must re-mail the check to the USPS forwarding address provided or
19 to an address ascertained through the Class Member Address Search. The
20 Administrator need not take further steps to deliver the check to the Class Member
21 whose re-mailed check is returned as undelivered. The Administrator shall
22 promptly send a replacement check to any Class Member whose original check is
23 lost or misplaced, requested by the Class Member prior to the void date. For any
24 Class Member whose check(s) is/are uncashed and cancelled after the void date,
25 the Administrator shall transmit the funds represented by such check(s) to the
26 California Controller's Unclaimed Property Fund in the name of the Class
27 Member, thereby leaving no "unpaid residue" subject to the requirements of
28 California Code of Civil Procedure section 384(b).

4.3.3. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Plaintiffs' Release, Participating Class Members' Release, and Aggrieved Employees' Release will be effective on the date Defendant fully funds the Gross Settlement Amount and pays all employer payroll taxes owed on the Wage Portion of the Individual Class Payments. Plaintiffs, Participating Class Members, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows:

5.3 **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action, including, any and all claims involving any alleged unpaid wages, including minimum, overtime, and regular rate wages; missed meal and rest periods; unreimbursed business expenses; failure to maintain accurate records; waiting time penalties; paystub violations; and unfair business practices; and (b) all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and PAGA Notice, ascertained in the course of the Action, and released under Section 5.2, below ("Plaintiffs' Release"). For purposes of Plaintiffs' Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of Section 1542 of the California Civil Code, which reads:

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

1 5.0.1. Plaintiffs' Release does not extend to any claims or actions to enforce this
2 Agreement or to any claims for vested benefits, unemployment benefits, disability
3 benefits, social security benefits, workers' compensation benefits that arose at any
4 time, or based on occurrences outside the Class Period.

5 5.0.2. Plaintiffs acknowledge that they may discover facts or law different from, or in
6 addition to, the facts or law that they now know or believe to be true but agree,
7 nonetheless, that Plaintiffs' Release shall be and remain effective in all respects,
8 notwithstanding such different or additional facts, or Plaintiffs' discovery of them.

9 5.2 Participating Class Members' Release: All Participating Class Members, on behalf of
10 themselves and their respective former and present representatives, agents, attorneys, heirs,
11 administrators, successors, and assigns, release Released Parties from (i) all claims that
12 were alleged, or reasonably could have been alleged, based on the facts stated in the
13 Operative Complaint and ascertained in the course of the Action, including, any and all
14 claims involving any alleged (a) failure to pay all minimum wages; (b) failure to pay
15 overtime compensation; (c) failure to provide meal periods, or premium pay for non-
16 compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay
17 for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements and
18 maintain payroll records; (f) failure to pay all wages due upon separation of employment;
19 (g) failure to reimburse necessary business expenses; (h) all claims under California
20 Business and Professions Code sections 17200 for unfair business practices that could have
21 been premised on the facts, claims, causes of action or legal theories described above; (i)
22 violation of or claims under the following sections of the California Labor Code sections
23 201, 202, 203, 204, 206, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1182.12, 1194,
24 1194.2, 1197, 1197.1, 1198, 1199, 2802; and (j) violation of the California Industrial Wage
25 Orders that could have been premised on the facts, claims, causes of action or legal
26 theories described above, as well as any potential penalties, interest or attorneys' fees
27 associated with all of such causes of action under California law.
28

5.2.1. Except as set forth in Section 5.3 below, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.4 Aggrieved Employees' Release: All Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notices and ascertained in the course of the Action.

6. SETTLEMENT ADMINISTRATION.

6.0. Selection of Administrator. The Parties have jointly selected Simpluris, Inc. to serve as Administrator and have verified that, as a condition of appointment, Simpluris, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.1. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

6.2. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under U.S. Treasury Regulation section 468B-1.

6.3. Notice to Class Members.

6.3.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state

the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

6.3.2. No later than fourteen (14) days after receiving the Class Data, and using best efforts to perform as soon as possible, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail the Class Notice, in English and Spanish and substantially in the form attached to this Agreement as **Exhibit A**. The Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.3.3. Not later than three (3) business days after its receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by USPS. If USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by USPS a second time.

6.3.4. The deadlines for Class Members’ written Objections and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.3.5. If the Administrator, Defendant, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any person who believe he or she should have been included in the Class Data and received a Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an

1 effort to agree on whether to include them as a Class Member. If the Parties agree,
2 such person will be a Class Member entitled to the same rights as other Class
3 Members, and the Administrator will send, via email or overnight delivery, a Class
4 Notice requiring him or her to exercise options under this Agreement no later than
5 fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class
6 Notice, which ever are later.

7 6.4. Requests for Exclusion (Opt-Outs).

8 6.4.1. No later than sixty (60) days after the Administrator mails the Class Notice (plus
9 an additional fourteen (14) days for Class Members whose Class Notice is re-
10 mailed), Class Members who wish to exclude themselves from the Class
11 Settlement must fax, email, or mail the Administrator a signed written Request for
12 Exclusion. A Request for Exclusion is a letter from a Class Member or his/her
13 representative that reasonably communicates the Class Member's election to be
14 excluded from the Settlement and includes the Class Member's name, address,
15 and email address or telephone number. To be valid, a Request for Exclusion must
16 be timely faxed, emailed, or postmarked by the Response Deadline.

17 6.4.2. The Administrator may not reject a Request for Exclusion as invalid because it
18 fails to contain all the information specified in the Class Notice. The
19 Administrator shall accept any Request for Exclusion as valid if the Administrator
20 can reasonably ascertain the identity of the person as a Class Member and the
21 Class Member's desire to be excluded. The Administrator's determination shall be
22 final and not appealable or otherwise susceptible to challenge. If the
23 Administrator has reason to question the authenticity of a Request for Exclusion,
24 the Administrator may demand additional proof of the Class Member's identity.
25 The Administrator's determination of authenticity shall be final and not appealable
26 or otherwise susceptible to challenge.

1 6.4.3. Every Class Member who does not submit a timely and valid Request for
2 Exclusion is deemed to be a Participating Class Member under this Agreement,
3 entitled to all benefits and bound by all terms and conditions of the Settlement,
4 including the Participating Class Members' Release under Paragraph 5.2 of this
5 Agreement, regardless of whether the Participating Class Member actually receives
6 the Class Notice or objects to the Settlement.

7 6.4.4. Every Class Member who submits a valid and timely Request for Exclusion is a
8 Non-Participating Class Member and shall not receive an Individual Class
9 Payment or have the right to object to the class action components of the
10 Settlement. Because future PAGA claims are subject to claim preclusion upon
11 entry of the Judgment, Non-Participating Class Members who are Aggrieved
12 Employees are deemed to release the claims identified in Paragraph 5.3 of this
13 Agreement and are eligible for an Individual PAGA Payment.

14 6.5. Challenges to Calculation of Workweeks. Each Class Member shall have sixty (60) days
15 after the Administrator mails the Class Notice (plus an additional fourteen (14) days for
16 Class Members whose Class Notice is re-mailed) to challenge the number of Class
17 Workweeks and PAGA Pay Periods allocated to the Class Member in the Class Notice.
18 The Class Member may challenge the allocation by communicating with the Administrator
19 via fax, email or mail. The Administrator must encourage the challenging Class Member
20 to submit supporting documentation. In the absence of any contrary documentation, the
21 Administrator is entitled to presume that the Workweeks contained in the Class Notice are
22 correct, so long as they are consistent with the Class Data. The Administrator's
23 determination of each Class Member's allocation of Workweeks and/or PAGA Pay
24 Periods shall be final and not appealable or otherwise susceptible to challenge. The
25 Administrator shall promptly provide copies of all challenges to calculation of Workweeks
26 and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's
27 determination of the challenges.
28

1 6.6. Objections to Settlement.

2 6.6.1. No later than sixty (60) days after the Administrator's mailing of the Class Notice
3 (plus an additional fourteen (14) days for Class Members whose Class Notice was
4 re-mailed), Participating Class Members who elect to send a written objection to
5 the Administrator must send a written objection to the Administrator, by fax, email,
6 or mail. In the alternative, Participating Class Members may appear in Court (or
7 hire an attorney to appear in Court) to present verbal objections at the Final
8 Approval Hearing.

9 6.6.2. Only Participating Class Members may object to the class action components of
10 the Settlement and/or this Agreement, including contesting the fairness of the
11 Settlement and/or amounts requested for the Class Counsel Fees Payment, Class
12 Counsel Litigation Expenses Payment and/or Class Representative Service
13 Payments. Non-Participating Class Members have no right to object to any of the
14 class action components of the Settlement.

15 6.7. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
16 performed or observed by the Administrator contained in this Agreement or otherwise.

17 6.7.1. Website, Email Address and Toll-Free Number. The Administrator will establish,
18 maintain, and use an internet website to post information of interest to Class
19 Members, including the date, time and location for the Final Approval Hearing and
20 copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary
21 Approval, Class Notice, Motion for Final Approval, Motion for Class Counsel
22 Fees Payment, Class Counsel Litigation Expenses Payment, and Class
23 Representative Service Payments, Final Approval and Judgment. The
24 Administrator will also maintain and monitor an email address and toll-free
25 telephone number to receive Class Member calls, faxes and emails.

26 6.7.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
27 promptly review on a rolling basis Requests for Exclusion to ascertain their
28 validity.

1 6.7.2.1. Not later than five (5) days after the expiration of the deadline for
2 submitting a Request for Exclusion, the Administrator shall email a list to
3 Class Counsel and Defense Counsel containing (a) the names and other
4 identifying information of Class Members who have timely submitted valid
5 Requests for Exclusion (“Exclusion List”); (b) the names and other
6 identifying information of Class Members who have submitted an invalid
7 Request for Exclusion; (c) copies of all Requests for Exclusion submitted
8 (whether valid or invalid).

9 6.7.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
10 reports to Class Counsel and Defense Counsel that, among other things, tally the
11 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
12 Requests for Exclusion (whether valid or invalid) received, objections received,
13 challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and
14 checks mailed for Individual Class Payments and Individual PAGA Payments
15 (“Weekly Report”). The Weekly Reports must include the Administrator’s
16 assessment of the validity of any Requests for Exclusion and attach copies of all
17 Requests for Exclusion and objections received.

18 6.7.4. Workweek and/or PAGA Pay Period Challenges. The Administrator has the
19 authority to address and make final decisions consistent with the terms of this
20 Agreement on all Class Member challenges over the calculation of Workweeks
21 and/or PAGA Pay Periods. The Administrator’s decision shall be final and not
22 appealable or otherwise susceptible to challenge.

23 6.7.5. Administrator’s Declaration. Not later than fourteen (14) days before the date by
24 which Plaintiff is required to file the Motion for Final Approval of the Settlement,
25 the Administrator will provide Class Counsel and Defense Counsel a signed
26 declaration suitable for filing in Court attesting to its due diligence and compliance
27 with all of its obligations under this Agreement, including, but not limited to, its
28 mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing

of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

6.7.6. Final Report by Settlement Administrator. No later than ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number, only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will provide Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

7. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE

Based on a review of its records to date, Defendant estimates there are 509 Class Members who collectively worked a total of 34,015 Workweeks during the Class Period. In the event of an increase in Workweeks of more than 10% from the original estimate of 34,015, the Gross Settlement Amount shall be increased by the percentage that the actual number of Workweeks exceeds 10% of the original estimate. For example, if the total number of Workweeks is 11% larger, the Gross Settlement Amount shall be increased by 1%. In the alternative, Defendant may: (1) elect to end the Class Period on an earlier date such that this Escalator Clause is not triggered; or (2) void the Settlement by giving written notice to Plaintiffs' counsel within ten (10) business days after the Administrator provides the Parties with the final number of Workweeks during the Class Period.

8. DEFENDANT'S RIGHT TO WITHDRAW.

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement within fifteen (15) days of the expiration of the Response Deadline. The Parties agree that, if Defendant

1 withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will
2 have any further obligation to perform under this Agreement; except, however, Defendant will remain
3 responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must
4 notify Class Counsel and the Court of its election to withdraw no later than seven (7) days after the
5 Administrator sends the final Exclusion List to Defense Counsel. Late elections will have no effect.

6 **9. MOTION FOR FINAL APPROVAL.**

7 No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiffs will
8 file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the
9 PAGA settlement under Labor Code section 2699(l) and a Proposed Final Approval Order and Judgment
10 (collectively “Motion for Final Approval”). Class Counsel and Defense Counsel will expeditiously meet
11 and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the
12 Motion for Final Approval.

13 9.0. Response to Objections. Each Party retains the right to respond to any objection raised by
14 a Participating Class Member, including the right to file responsive documents in Court no
15 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered
16 or accepted by the Court.

17 9.1. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
18 Approval on any material change to the Settlement, including, but not limited to, the scope
19 of release to be granted by Class Members, the Parties will expeditiously work together in
20 good faith to address the Court’s concerns by revising the Agreement as necessary to
21 obtain Final Approval. The Court’s decision to award less than the amounts requested for
22 the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel
23 Litigation Expenses Payment, and/or Administration Expenses Payment shall not
24 constitute a material modification to the Agreement within the meaning of this paragraph.

25 9.2. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
26 Court will retain jurisdiction over the Parties, Action, and Settlement solely for purposes of
27 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
28 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

1 9.3. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
2 conditions of this Agreement, specifically including the Class Counsel Fees Payment and
3 Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their
4 respective counsel, and all Participating Class Members who did not object to the
5 Settlement as provided in this Agreement, waive all rights to appeal from the Judgment,
6 including all rights to post-judgment and appellate proceedings, the right to file motions to
7 vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of
8 appeal does not include any waiver of the right to oppose such motions, writs or appeals. If
9 an objector appeals the Judgment, the Parties' obligations to perform under this Agreement
10 will be suspended until such time as the appeal is finally resolved and the Judgment
11 becomes final, except as to matters that do not affect the amount of the Net Settlement
12 Amount.

13 9.4. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
14 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
15 material modification of this Agreement, including, but not limited to, the scope of release
16 to be granted by Class Members, this Agreement shall be null and void. The Parties shall
17 nevertheless expeditiously work together in good faith to address the appellate court's
18 concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis,
19 any additional Settlement Administration Expenses reasonably incurred after remittitur.
20 An appellate decision to vacate, reverse, or modify the Court's award of the Class
21 Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation
22 Expenses Payment, and/or Administration Expenses Payment shall not constitute a
23 material modification to the Agreement within the meaning of the Judgment within the
24 meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

25 **10. AMENDED JUDGMENT.**

26 If any amended Judgment is required under Code of Civil Procedure section 384, the Parties will
27 work together in good faith to jointly submit and a proposed amended Judgment.
28

1 **11. ADDITIONAL PROVISIONS.**

2 11.0. No Admission of Liability, Class Certification or Representative Manageability for Other
3 Purposes. This Agreement represents a compromise and settlement of highly disputed
4 claims. Nothing in this Agreement is intended or should be construed as an admission by
5 Defendant that any of the allegations in the Operative Complaint have merit or that
6 Defendant has any liability for any claims asserted; nor should it be intended or construed
7 as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The
8 Parties agree that class certification and representative treatment is for purposes of this
9 Settlement only. If, for any reason the Court does grant Preliminary Approval, Final
10 Approval or enter Judgment, Defendant reserves the right to contest certification of any
11 class for any reasons, and Defendant reserves all available defenses to the claims in the
12 Action, and Plaintiffs reserve the right to move for class certification on any grounds
13 available and to contest Defendant's defenses. The Settlement, this Agreement, and the
14 Parties' willingness to settle the Action will have no bearing on, and will not be admissible
15 in connection with, any litigation, except for proceedings to enforce or effectuate the
16 Settlement and this Agreement.

17 11.1. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and
18 Defense Counsel separately agree that, until the Motion for Preliminary Approval of
19 Settlement is filed, they and each of them will not disclose, disseminate and/or publicize,
20 or cause or permit another person to disclose, disseminate or publicize, any of the terms of
21 the Agreement directly or indirectly, specifically or generally, to any person, corporation,
22 association, government agency, or other entity except: (1) to the Parties' attorneys,
23 accountants, or spouses, all of whom will be instructed to keep this Agreement
24 confidential; (2) to counsel in a related matter; (3) to the extent necessary to report income
25 to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in
26 response to an inquiry or subpoena issued by a state or federal government agency. Each
27 Party agrees to immediately notify each other Party of any judicial or agency order,
28 inquiry, or subpoena seeking such information.

11.1.1. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement, except to respond only that “the matter was resolved” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

11.2. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

11.3. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.4. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

11.5. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 1 11.6. No Prior Assignments. The Parties separately represent and warrant that they have not
2 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
3 encumber to any person or entity and portion of any liability, claim, demand, action, cause
4 of action, or right released and discharged by the Party in this Settlement.
- 5 11.7. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant, nor Defense Counsel are
6 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
7 relied upon as such within the meaning of United States Treasury Department Circular 230
8 (31 CFR Part 10, as amended) or otherwise.
- 9 11.8. Modification of Agreement. This Agreement, and all parts of it, may be amended,
10 modified, changed, or waived only by an express written instrument signed by all Parties
11 or their representatives, and approved by the Court.
- 12 11.9. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
13 benefit of, the successors of each of the Parties.
- 14 11.10. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
15 governed by and interpreted according to the internal laws of the State of California,
16 without regard to conflict of law principles.
- 17 11.11. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
18 this Agreement. This Agreement will not be construed against any Party on the basis that
19 the Party was the drafter or participated in the drafting.
- 20 11.12. Confidentiality. To the extent permitted by law, all agreements made and orders entered
21 during Action and in this Agreement relating to the confidentiality of information shall
22 survive the execution of this Agreement.
- 23 11.13. Use and Return of Class Data. Information provided to Class Counsel pursuant to
24 Evidence Code section 1152, and all copies and summaries of the Class Data provided to
25 Class Counsel by Defendant in connection with the mediation, other settlement
26 negotiations, or in connection with the Settlement, may be used only with respect to this
27 Settlement, and no other purpose, and may not be used in any way that violates any
28 existing contractual agreement, statute, or rule of court.

1 11.13.1. Not later than ninety (90) days after the date the Court discharges the
2 Administrator's obligation to provide a declaration confirming the final pay out of
3 all Settlement funds, Plaintiff shall destroy all paper and electronic versions of
4 Class Data received from Defendant unless, prior to the Court's discharge of the
5 Administrator's obligation, Defendant makes a written request to Class Counsel
6 for the return, rather than the destruction, of Class Data.

7 11.14. Headings. The descriptive heading of any section or paragraph of this Agreement is
8 inserted for convenience of reference only and does not constitute a part of this
9 Agreement.

10 11.15. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be
11 to calendar days. In the event any date or deadline set forth in this Agreement falls on a
12 weekend or federal legal holiday, such date or deadline shall be on the first business day
13 thereafter.

14 11.16. Notice. All notices, demands or other communications between the Parties in connection
15 with this Agreement will be in writing and deemed to have been duly given as of the third
16 business day after mailing by United States mail, or the day sent by email or messenger,
17 addressed as follows:

18 To Plaintiffs:

19 MOON LAW GROUP, P.C.
20 Kane Moon
21 Allen Feghali
22 Jacquelyne VanEmmerik
23 1055 West Seventh Street, Suite 1880
24 Los Angeles, California 90017
25 Telephone: (213) 232-3128

26 KINGSLEY & KINGSLEY, APC
27 Eric B. Kingsley
28 Liane Katzenstein Ly
Jessica Bulaon
16133 Ventura Boulevard, Suite 1200
Encino, California 91436
Telephone: (818) 990-8300

To Defendant:

JACKSON LEWIS P.C.
 Peter J. Woo
 Vincent L. Chen
 200 Spectrum Center Drive, Suite 500
 Irvine, California 92618
 Telephone: (949) 885-1360

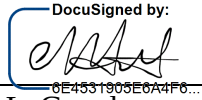
11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that, pursuant to California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Plaintiffs & Class Representatives:

10/10/2023

Dated: October __, 2023

By: 
 Plaintiff, Maria L. Grande

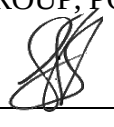
Dated: October __, 2023

By: _____
 Plaintiff, Melesio Cenobio Sebastian

Plaintiffs' Counsel:

Dated: October 10, 2023

MOON LAW GROUP, PC

By: 
 Kane Moon
 Allen Feghali
 Jacquelyne VanEmmerik
 Attorneys for Plaintiff, Maria L. Grande

To Defendant:

JACKSON LEWIS P.C.
 Peter J. Woo
 Vincent L. Chen
 200 Spectrum Center Drive, Suite 500
 Irvine, California 92618
 Telephone: (949) 885-1360

11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

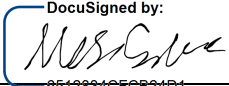
11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that, pursuant to California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Plaintiffs & Class Representatives:

Dated: October __, 2023

By: _____
 Plaintiff, Maria L. Grande

Dated: October ⁹ __, 2023

By:  _____
 Plaintiff, Melesio Cenobio Sebastian

Plaintiffs' Counsel:

Dated: October __, 2023

MOON LAW GROUP, PC

By: _____
 Kane Moon
 Allen Feghali
 Jacquelyne VanEmmerik
 Attorneys for Plaintiff, Maria L. Grande

1 Dated: October 10, 2023

KINGSLEY & KINGSLEY, APC

2
3 By: _____

Eric B. Kingsley
Liane Katzenstein Ly
Jessica Bulaon
Attorneys for Plaintiff, Melesio Cenobio
Sebastian

6 **Defendant:**

7 Dated: October __, 2023

Sharjo, Inc.

8
9 By: _____

Name, Title

11 **Defendant's Counsel:**

12 Dated: October __, 2023

JACKSON LEWIS, P.C.

14
15 By: _____

Peter J. Woo
Vincent L. Chen
Attorneys for Defendant, Sharjo, Inc.

1 Dated: October __, 2023

KINGSLEY & KINGSLEY, APC

2
3 By: _____

4 Eric B. Kingsley
5 Liane Katzenstein Ly
6 Jessica Bulaon
7 Attorneys for Plaintiff, Melesio Cenobio
8 Sebastian

6 **Defendant:**

7 Dated: 10/30/2023

Sharjo, Inc.

8
9 By: Bryan Gelnett
10 Bryan Gelnett, Authorized Representative

11 **Defendant's Counsel:**

12 Dated: October 30, 2023

JACKSON LEWIS, P.C.

13
14
15 By:  _____

16 Peter J. Woo
17 Vincent L. Chen
18 Attorneys for Defendant, Sharjo, Inc.

EXHIBIT A

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

Maria L. Grande, et al. v. Sharjo, Inc., Superior Court of the State of California, County of Contra Costa,
Case Number MSC21-02503

PLEASE READ THIS NOTICE

The above class and representative action (“Action”) was filed by Plaintiffs Maria L. Grande and Melesio Cenobio Sebastian (“Plaintiffs”) against Defendant Sharjo, Inc. (“Defendant”). In the Action, Plaintiffs allege Defendant failed to properly compensate Class Members for all regular and overtime hours worked, failed to provide Class Members with compliant meal and/or rest periods or compensation in lieu thereof, failed to reimburse Class Members for necessary business expenses, failed to provide Class Members with accurate itemized wage statements, failed to timely pay Class Members all wages owed during employment and/or upon termination, failed to maintain accurate payroll records, violated California Business and Professions Code sections 17200, *et. seq.*, and/or owes civil penalties to the Labor and Workforce Development Agency (“LWDA”) and Aggrieved Employees under the Private Attorneys General Act, California Labor Code sections 2698, *et. seq.* (“PAGA”). Defendant denies these allegations and contends it complied with all applicable law.

A Joint Stipulation of Class and PAGA Action Settlement Agreement (“Settlement,” “Agreement,” or “Settlement Agreement”) has been reached in the Action and preliminarily approved by the Court. You have been identified by Defendant’s records as a Class Member. Therefore, you are subject to the terms of the Settlement. Please read this notice carefully, as it may affect your legal rights.

“Class” or “Class Member(s)” means all current and former persons who worked for Defendant in California as hourly-paid or non-exempt employees at any time during the time period from August 24, 2018, [through the date the Court grants preliminary approval of the Settlement, or 90 days from August 28, 2023, whichever date is earlier] (“Class Period”). “Aggrieved Employee(s)” means all current and former persons who worked for Defendant in California as hourly-paid or non-exempt employees at any time during the time period from November 6, 2020, [through the date the Court grants preliminary approval of the Settlement, or 90 days from August 28, 2023, whichever date is earlier] (“PAGA Period”).

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT

Participate in the Settlement	If you want to participate in the Settlement, remain in the Class, and receive your Individual Class Payment and, <i>if eligible</i> , Individual PAGA Payment, <u>then you do not need to do anything.</u>
Exclude Yourself From the Settlement	If you do not want to participate in the Settlement or remain in the Class, <u>then you should follow the instructions in Section 6.</u> If you exclude yourself, you will not receive your Individual Class Payment, and you will not release the Released Claims against the Released Parties (defined in Section 4 below). If this Settlement is approved by the Court and you are an Aggrieved Employee, you <i>will</i> receive your Individual PAGA Payment and release the Released PAGA Claims against the Released Parties (defined in Section 5 below), even if you exclude yourself from the Settlement.
Object to the Settlement	If you want to object to the Settlement but remain in the Class, <u>then you should follow the instructions in Section 7.</u> If you object, you will still be bound by the terms of the Settlement, if approved by the Court.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendant's records reflect that you are a Class Member or Aggrieved Employee, as defined above. This Notice provides you with information about (1) the monetary terms of the Settlement, (2) your estimated Individual Class Payment, provided you are a "Participating Class Member" (i.e., a Class Member who does not request to be excluded from the Settlement), (3) your estimated Individual PAGA Payment, provided you are an "Aggrieved Employee," (4) the terms of the Settlement, including the claims that are being released, (5) how to participate in, exclude yourself from, or object to the Settlement, and (6) where to find additional information regarding the case and Settlement.

2. WHAT IS THIS CASE ABOUT?

On November 6, 2021, Plaintiff Maria L. Grande filed a Class Action Complaint against Defendant Sharjo, Inc., which commenced the lawsuit entitled *Maria L. Grande v. Sharjo, Inc., Superior Court of the State of California, County of Contra Costa, Case Number MSC21-02503*. On August 24, 2022, Plaintiff Melesio Cenobio Sebastian also filed a Class Action Complaint against Defendant Sharjo, Inc., which commenced the lawsuit entitled *Melesio Cenobio Sebastian v. Sharjo, Inc., Superior Court of the State of California, County of Contra Costa, Case Number C22-01773*. Together, Plaintiffs filed the operative Consolidated Second Amended Class and Representative Action Complaint ("Operative Complaint") on or around October 5, 2023.

The Operative Complaint alleges that Defendant: (1) failed to pay minimum wages for all hours worked; (2) failed to pay overtime compensation for all overtime hours worked; (3) failed to provide compliant meal periods or compensation in lieu thereof; (4) failed to provide compliant rest breaks or compensation in lieu thereof; (5) failed to indemnify necessary business expenses; (6) failed to timely pay all compensation due upon termination or resignation; (7) failed to provide accurate itemized wage statements; (8) engaged in unfair business practices in violation of Business and Professions Code sections 17200, *et seq.*; and/or (9) owes civil penalties under PAGA.

Defendant denies any liability or wrongdoing of any kind. Defendant contends, among other things, that it complied at all times with the California Labor Code, all Industrial Welfare Commission Wage Orders, and the Business and Professions Code, that employees were correctly and timely paid all wages, that meal periods and rest breaks were provided as required by applicable law, and that employees were reimbursed for all necessary business expenses incurred.

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

3. THE MONETARY TERMS OF THE SETTLEMENT AND CALCULATION OF YOUR INDIVIDUAL CLASS PAYMENT AND INDIVIDUAL PAGA PAYMENT

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendants have agreed to pay a Gross Settlement Amount of \$1,180,000.00 to settle the Action. The following amounts will be paid from the Gross Settlement Amount:

- An Administrator Expenses Payment not to exceed \$12,000.00, for reimbursement of the Administrator's reasonable fees and expenses;

- Class Representative Service Payments not to exceed \$7,500.00 each, for the Plaintiffs' services as Class Representatives;
- PAGA Penalties in the amount of \$50,000.00 to the LWDA and Aggrieved Employees, for the payment of civil penalties under PAGA;
- A Class Counsel Litigation Expenses Payment not to exceed \$30,000.00 to Class Counsel, for reimbursement of the reasonable attorneys' expenses incurred to prosecute the Action; and
- A Class Counsel Fees Payment not to exceed \$393,333.33 to Class Counsel, for reimbursement of the reasonable attorneys' fees incurred to prosecute the Action.

The amount remaining from the Gross Settlement Amount after the above deductions is called the "Net Settlement Amount." The Net Settlement Amount will be allocated to all Participating Class Members on a *pro rata* basis, based on their number of Workweeks. Each such payment is an "Individual Class Payment" and will be calculated as follows:

1. The Administrator will determine the number of Workweeks worked by each Participating Class Member during the Class Period ("Workweeks");
2. The Administrator will determine the value of a single Workweek by dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members; and
3. Each Participating Class Member shall receive an Individual Class Payment equal to his or her Workweeks multiplied by the value of a single Workweek.

You have been credited with [REDACTED] Workweeks. Based on these Workweeks, your Individual Class Payment, prior to any applicable withholdings, is estimated to be \$ [REDACTED].

Individual PAGA Payment: A total of \$50,000.00 of the Gross Settlement Amount has been allocated to PAGA Penalties. Of this amount, 75% (i.e., \$37,500.00) will be paid to California's LWDA ("LWDA PAGA Payment"), and 25% (i.e., \$12,500.00) ("Individual PAGA Payment") will be paid on a *pro rata* basis to Aggrieved Employees. Each such payment is an "Individual PAGA Payment" and will be calculated as follows:

1. The Administrator will determine the number of pay periods worked by each Aggrieved Employee during the PAGA Period ("PAGA Pay Periods");
2. The Administrator will determine the value of a single PAGA Pay Period by dividing the Individual PAGA Payment by the total number of PAGA Pay Periods worked by all Aggrieved Employees; and
3. Each Aggrieved Employee shall receive an Individual PAGA Payment equal to his or her PAGA Pay Periods multiplied by the value of a single PAGA Pay Period.

You have been credited with [REDACTED] PAGA Pay Periods. Based on these PAGA Pay Periods, your Individual PAGA Payment is estimated to be \$ [REDACTED].

If you dispute the above information, you may submit a written dispute to the number of Workweeks and/or PAGA Pay Periods allocated to you ("Dispute") to the Administrator. Your Dispute must (1) contain your name, address, and telephone number and the case name and number of the action (i.e., *Maria L. Grande, et al. v. Sharjo, Inc., Superior Court of the State of California, County of Contra Costa, Case Number MSC21-02503*; (2) be signed by you; (3) be postmarked or fax stamped on or before [Response Deadline] and returned to the Administrator at the address or fax number listed below; (4) clearly state the number of Workweeks and/or PAGA Pay Periods you believe is correct; and (5) attach any documentary evidence you have to prove the number of contended Workweeks and/or PAGA Pay Periods.

[Administrator]
[contact info including e-mail address]

Ten percent (10%) of each Individual Class Payment will be allocated to wages and subject to all applicable employee state and federal tax withholdings; and eighty percent (90%) of each Individual Class Payment will be considered penalties, liquidated damages, interest and any other non-wage related payments. The amount allocated as wages will be reported on an IRS form W-2, and the remaining amount allocated as penalties, liquidated damages, interest and other non-wage payments will be reported on an IRS form 1099. One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties and reported on an IRS form 1099.

In addition to the Gross Settlement Amount, Defendant will pay up to \$20,000.00 in employer payroll taxes and contributions in connection with the portion of the Settlement allocated towards wages. Class Members are responsible for paying taxes on other amounts received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one hundred and eighty (180) days. After that, checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one hundred and eighty (180) days of mailing, or are returned to the Administrator, will be cancelled, and the Administrator shall send the funds associated with uncashed checks to the California Controller's Unclaimed Property Fund in the name of the Class Member. Class Members who do not timely cash their checks should contact the Administrator to determine how they can obtain their payment. **Class Members will be bound by the Settlement even if they do not cash their settlement checks.**

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

If and when the Court grants final approval of the Settlement, as of the Effective Date (as defined in the Agreement), all Class Members who do not opt out of the Settlement (*i.e.*, Participating Class Members) do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all Released Class Claims against any and all Released Parties.

"Released Parties" means Defendants and all related companies, subsidiaries, owners, shareholders, founders and members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys, and any past, present or future officers, directors, and employees) predecessors, successors, heirs, executors, administrators, and assigns, and all persons acting by, through, under, or in concert with any of them.

"Released Class Claims" means all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action, including, any and all claims involving any alleged (a) failure to pay all minimum wages; (b) failure to pay overtime compensation; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to issue accurate, itemized wage statements and maintain payroll records; (f) failure to pay all wages due upon separation of employment; (g) failure to reimburse necessary business expenses; (h) all claims under California Business and Professions Code sections 17200 for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above; (i) violation of or claims under the following sections of the California Labor Code sections 201, 202, 203, 204, 206, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802; and (j) violation of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above, as well as any potential penalties, interest or attorneys' fees associated with all of such causes of action under California law.

5. WHAT AM I RELEASING AS AN AGGRIEVED EMPLOYEE UNDER THE SETTLEMENT?

If and when the Court grants final approval of the Settlement, as of the Effective Date (as defined in the Agreement), and after payment of all funds due under the terms of the Settlement, all Aggrieved Employees do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all Released PAGA Claims. Released Parties is defined in Section 4 of this Notice, above.

“Released PAGA Claims” means all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notices and ascertained in the course of the Action.

AGGRIEVED EMPLOYEES CANNOT OPT-OUT OF THE PAGA SETTLEMENT OR THE RELEASE OF RELEASED PAGA CLAIMS, AND THEY WILL RECEIVE AN INDIVIDUAL PAGA PAYMENT EVEN IF THEY OPT-OUT OF THE CLASS SETTLEMENT.

6. WHAT IF I DO NOT WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Class Member and with regards to the settlement of Released Class Claims, but you are not able to exclude yourself as an Aggrieved Employee. To exclude yourself from the release of Released Class Claims, you should submit a written request for exclusion to the Settlement Administrator (“Opt Out Request”) at the address or fax number listed in Section 3 of this Notice, above.

A valid and complete Opt Out Request must (1) contain the name, address, and telephone number of the Class Member requesting exclusion and the case name and number of the Action (i.e., *Maria L. Grande, et al. v. Sharjo, Inc., Superior Court of the State of California, County of Contra Costa, Case Number MSC21-02503*); (2) be signed by the Class Member; (3) be postmarked, e-mailed, or fax stamped on or before **[Response Deadline]** and returned to the Settlement Administrator at the specified address or fax number listed in Section 3 of this Notice, above; and (4) contain a statement substantially similar to:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN *MARIA L. GRANDE, ET AL. V. SHARJO, INC.* I UNDERSTAND THAT THE PAGA CLAIMS WILL STILL BE RELEASED AND SETTLED.”

It is your responsibility to ensure that the Administrator timely receives your request to be excluded from the Settlement. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval. Class Members who request to be excluded from the Settlement will NOT receive their Individual Class Payment and will not release any of the Released Class Claims. However, Class Members who are Aggrieved Employees will receive their Individual PAGA Payment and will release the Released PAGA Claims regardless of whether they submit an Opt Out Request.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Participating Class Member may object to the Settlement or to any settlement term. If you wish to object, you may submit your objection in writing to the Administrator (“Objection”) at the specified address, e-mail address, or fax number listed in Section 3 of this Notice, above. A valid and timely Objection should (1) contain the name, address, and telephone number of the Participating Class Member objecting and the case name and number of the Action (i.e., *Maria L. Grande, et al. v. Sharjo, Inc., Superior Court of the State of California, County of Contra Costa, Case Number MSC21-02503*); (2) be signed by the Participating Class Member; (3) be postmarked or fax stamped on or before **[Response Deadline]** and returned to the Settlement Administrator at the specified address or fax number listed in Section 3 of this Notice, above; and (4) give the legal and factual basis for their objection.

Filing an objection will **not** exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still receive an Individual Class Payment and you will be barred from pursuing the Released Class Claims. **Do not file both an Objection and Opt Out Request. You may file one or neither.** If you file neither, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

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

The Final Approval Hearing is scheduled to take place on _____, at _____ a.m. in the Superior Court of the State of California, County of Contra Costa, Department 12, located at 725 Court Street, Martinez, California 94553.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiffs and the Class are:

Kane Moon
Allen Feghali
Jacquelyne VanEmmerik
MOON LAW GROUP, PC
1055 West Seventh Street,
Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128

Eric B. Kingsley
Liane Katzenstein Ly
Jessica Bulaon
KINGSLEY & KINGSLEY, APC
16133 Ventura Boulevard, Suite
1200
Encino, California 91436
Telephone: (818) 990-8300

Attorneys for Defendant Sharjo, Inc. are:

Peter J. Woo
Vincent L. Chen
JACKSON LEWIS P.C.
200 Spectrum Center Drive,
Suite 500
Irvine, California 92618
Telephone: (949) 885-1360

The Court has decided that the Attorneys for Plaintiffs and the Class are qualified to represent the Participating Class Members. Other than the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment approved by the Court, to be paid out of the Gross Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION

The foregoing is only a summary of the Settlement. For the precise terms and conditions of the Settlement and other important case documents, please see the settlement agreement available at www._____.com, by contacting Class Counsel at the address or telephone number provided in Section 9, above, or by visiting the office of the Clerk of the Superior Court of the State of California, County of Contra Costa, Department 12, located at 725 Court Street, Martinez, California 94553, or the Court's website <https://www.cc-courts.org/locations/taylor.aspx>.

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