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Attorney for Plaintiff, JOSÉ CHÁVEZ,
on behalf of himself, the State of California, and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JOSÉ CHÁVEZ, on behalf of himself
and other similarly situated.

Plaintiff,

vs.

CONEJITO CORP. a California
Corporation, doing business as THE
ORIGINAL RED ONION
RESTAURANT and THE GREEN
ONION RESTAURANT; JEFF EARLE,
an individual; NERI ARROLLO, an
individual, ALONSO ANGEL, an
individual; IVAN FLORES, an individual,
and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 22STCV27285

*Assigned for all purposes to Hon. Stuart M.
Rice, Dept. 1*

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

ACTION FILED: AUGUST 22, 2022

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Ryan Stearns
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7 Attorneys for Defendants, Conejito Corp., et al.
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1 It is stipulated and agreed by and among the undersigned Parties, subject to the approval
2 of the Court pursuant to the California Rules of Court, that the Settlement of this Action shall be
3 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein
4 shall have the meanings set forth in Article I or as defined elsewhere in this Joint Stipulation of
5 Settlement (“Agreement” or “Settlement”).

6 This Agreement is made by and between Named Plaintiff Jose Chavez (“Named Plaintiff”) and the Class Members, on the one hand, and Defendant Conejito Corporation. (“Conejito Corp.”
7 or “Defendant”), on the other hand. Named Plaintiff and Defendant collectively are referred to in
8 this Agreement as “the Parties.”

9 The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and
10 concluded by agreement of Defendant to pay the settlement amount of Two Hundred Thousand
11 Dollars (\$200,000.00) as provided in Section 3.06(a) below (“Gross Settlement Amount”) pursuant to the terms and conditions of this Agreement and for the consideration set forth herein,
12 including but not limited to, a release of all claims by Named Plaintiff and the Class Members as
13 set forth herein.

14 Plaintiff Jose Chavez’s individual settlement for \$200,000 was negotiated separately and
15 independently from the class and PAGA claims during mediation on October 18, 2023. The
16 individual settlement addressed Plaintiff’s personal claims for sexual harassment, retaliation, and
17 wrongful termination. The sequence of negotiations ensured that class claims were resolved first,
18 avoiding any conflict of interest. The individual settlement is not contingent on the approval of the
19 class action settlement, and its scope of release is limited to Plaintiff’s personal claims.

20 **PRLIMINARY RECITALS**

21 **INVESTATION AND PRE-SETTLEMENT DISCOVERY**

22 Prior to entering into this Amended Settlement Agreement, the Parties conducted
23 substantial investigation and discovery, including review and analysis of employee data
24 documentation which includes but is not limited to: 1) Past Employee List (dated December 6,
25 2022) through termination date; 2) Updated Employee Report (dated October 9, 2023) covering
26 August 1, 2018 to September 6, 2023, identifying 97 total employees; 3) Final Class Member
27 Status Report identifying seventy-six 76 class members (28 current employees and 48 former
employees) with shift data from August 2018 to September 12, 2023; and 4) Time and Payroll
Records, which included but is not limited to: (a) Employee Payroll Reports from August 1,

1 2018 to September 6, 2023; (b) Complete Punch Card Report data from August 1, 2018 to
2 September 6, 2023; and (c) Twenty-one 21 executed meal period waivers dated September 30,
3 2019 to September 20, 2022.

4 Further, the Parties analyzed records for approximately 18 employees to assess violation
5 rates and damages, examining 1) Time punch records showing meal and rest period patterns; 2)
6 regular and overtime hours worked; 3) premium pay practices; 3) wage statement compliance;
7 and 4) final pay timing for separated employees. The statistical analysis consisted of a Twenty-
8 Three and Seven-Tenths Percent (23.7%) sample, calculated by analyzing Eighteen (18)
9 employees from a total of Seventy-Six (76) employees (the number of employees identified and
10 confirmed before the date of mediation, which was later determined to be Seventy-Nine (79)
11 following the mediation).

12 The sampling methodology ensured proper representation through: 1) employment status
13 (Seven (7) current employees and Eleven (11) former employees); 2) length of employment
14 (ranging from Three (3) months to Five (5) years); 3) job positions (all non-exempt positions,
15 various shifts, different departments); and 4) systematic document review (time records showing
16 meal/rest patterns, wage statements, clock in/out records, and meal period waivers where
17 applicable). This extensive review produced calculable violation rates, including: unpaid wages
18 averaging One (1) hour per week, meal and rest period violations averaging Two (2) each per
19 week, wage statement violations, and final pay timing violations. These statistically valid rates
20 were then applied to calculate maximum exposure as detailed in the damages analysis and
21 formed the basis for the agreed-upon settlement amount.

22 **ARTICLE I**

23 **DEFINITIONS**

24 Unless otherwise defined herein, the following terms used in this Agreement shall have the
25 meanings ascribed to them as set forth below:

- 26 a. "Action" means the action described as follows: JOSÉ CHÁVEZ, on behalf of himself and
27 other similarly situated v. CONEJITO CORPORATION, doing business as THE
28 ORIGINAL RED ONION RESTAURANT, and THE GREEN ONION RESTAURANT;
29 JEFF EARLE, an individual; NERI ARROLLO, an individual, ALONSO ANGEL, an
30 individual; IVAN FLORES, an individual, and DOES 1 through 100, inclusive," Case No.
31 22STCV27285, commenced on August 22, 2022, in the Superior Court of the State of

California for the County of Los Angeles.

- b. "Agreement" means this Joint Stipulation of Settlement, including the attached Exhibit(s).
- c. "Aggrieved Employees", means all current and former non-exempt employees who worked for Defendant in California during the PAGA Period (March 29, 2021 to October 18, 2023). For purposes of this Settlement, Aggrieved Employees will receive PAGA payments regardless of whether they participate in the class settlement.
- d. "Class" means all current and former non-exempt employees who were employed by Defendant in California at any time during the Class Period (August 22, 2018 through October 18, 2023). The Class consists of approximately seventy-nine (79) members as identified in Defendant's records.
- e. "Class Counsel" means the attorneys for the Class and the Class Members, who are:
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WORKERS' ADVOCATE LAW GROUP PC
10866 Washington Blvd. #835
Culver City, CA 90232
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Telephone: (844) 400-7269
- f. "Class List" means a list based on Defendant's business records that identifies each Class Member's name, last known home or mailing address, Social Security number or as applicable, other taxpayer identification number, dates of employment, and the number of Qualifying Workweeks worked during the Class Period.
- g. "Class Data" means Class Members identifying information in Defendants' possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- h. "Class Member(s)" means all members of the Class as defined above. Class members may be:
 - 1) "Participating Class Members" means Class Members who do not submit valid and timely requests for exclusion from the settlement; and
 - 2) "Non-Participating Class Members" means Class Members who submit valid and timely request for exclusion from the Settlement.
- i. "Class Member Address Search" means skip trace, or a mass search on LexisNexis, or another comparable database.

- j. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed and emailed to Class Members in English with a complete translation, without material variation, produced and prepared by the Administrator, and posted on the Administrator's Website, attached as Exhibit A and incorporated by reference in this Agreement.
- k. "Class Period" means the period from August 22, 2018 through October 18, 2023
- l. "PAGA Period" means the period from March 29, 2021 through October 18, 2023.
- m. "PAGA Payment" means the total sum of Ten Thousand Dollars (\$10,000) allocated from the Class Settlement Amount to resolve PAGA claims of which:
 1. Seventy-Five Percent (75%), or \$7,500, shall be paid to the LWDA; and
 2. Twenty-Five Percent (25%), or \$2,500, shall be distributed among the Aggrieved Employees proportionate to their workweeks during the PAGA Period.
- n. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked at least one day during the PAGA Period.
- o. "Workweek Rate" means:
 1. Base Rate: Twenty Dollars (\$20) per workweek during the Class Period; and
 2. Increased Rate: Twenty-Five Dollars (\$25) per workweek for each workweek exceeding One Hundred Ten Percent (110%) of the estimated total workweeks.
- p. "Court" means the California Superior Court for the County of Los Angeles, where the Action is currently pending.
- q. "Date of Finality" means the later of the following: (1) the date the Final Order is signed if no objections are filed to the Settlement; (2) if objections are filed and overruled, and no appeal is taken of the Final Order, sixty-five (65) days after the Final Order; or (3) if an appeal or other judicial review is taken from the Court's overruling of objections to the settlement, ten (10) days after the appeal is withdrawn or after an appellate decision affirming the Final Order becomes final.
- r. "Defendant" means Defendant Conejito Corp. d/b/a The Original Red Onion Restaurant, Jeff Earle, Neri Arrollo, Alonso Angel, and Ivan Flores.
- s. "Defense Counsel" means counsel for Defendant:

Kathleen Choe
Ryan Stearns

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- t. “Disposition” means the method by which the Court approves the terms of the Settlement and retains jurisdiction over its enforcement, implementation, construction, administration, and interpretation.
- u. “Effective Date” means the date by when both of the following have occurred: (i) this Settlement has been executed by all Parties and their respective counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the Class Notice has been given to the Settlement Class, providing them with the opportunity to dispute information contained in the Class Notice, to opt out of the Settlement, or to object to the Settlement; (iv) the Court has held a final approval hearing and entered a final order and judgment certifying the Settlement Class and approving this Settlement; and (v) the later of the following events: 1) sixty-five (65) calendar days following entry of the Court’s final order approving the Settlement; or 2) if any appeal, writ, or other appellate proceeding opposing this Settlement has been filed within sixty-five (65) calendar days following the entry of the Court’s final order approving Settlement, then when any appeal, writ, or other proceeding opposing the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief (“Effective Date”). In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court’s order approving the Settlement is completely final, there is no further recourse by an appellant or objector who seeks to contest the Settlement.
- v. “Final Order Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- w. “Final Order Approving Settlement of Class Action” or “Final Order” means the final formal court order signed by the Court following the Final Fairness and Approval Hearing in accordance with the terms herein, approving this Agreement.
- x. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

- y. "Gross Settlement Amount" means Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) to be paid by Defendant as provided by this Agreement to settle this action. All claims of the Class and all administration costs, class counsel attorney's fees and costs, Individual PAGA Payments, the LWDA PAGA Payment, and Incentive Awards, pursuant to Section 3.06(a) below, shall be paid out of the Gross Settlement Amount. The employer's share of payroll taxes arising from the payments made under this settlement shall be paid by Defendant separate from and in addition to the Gross Settlement Amount. The Gross Settlement Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the Gross Settlement Amount shall revert to Defendant.
- z. "Incentive Service Award" means a monetary amount of up to Seven Thousand Five Hundred Dollars (\$7,500.00) for the Named Plaintiff, subject to Court approval, in recognition of their effort and work in prosecuting the Action on behalf of Class Members, and for their general release of claims.
- aa. "Individual Settlement Payment(s)" means each Participating Class Member's respective share of the Net Settlement Amount. Individual Settlement Payments will be determined by the calculations provided in this Agreement.
- bb. "LWDA" means the California Labor and Workforce Development Agency, the Agency entitled to LWDA PAGA Payments under Labor Code section 2699, subd. (i).
- cc. "LWDA PAGA Payment" means the Seventy-Five Percent 75% portion of PAGA Penalties paid to the state via the Labor and Workforce Development Agency ("LWDA") under Labor Code section 2699, subd. (i).
- dd. "Motion for Final Approval" means Plaintiff's submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and to enter a Final Order in this Action.
- ee. "Motion for Preliminary Approval" means Plaintiff's submission of a written motion, including any evidence as may be required for the Court to grant preliminary approval of the Settlement as required by Rule 3.769 of the California Rules of Court.
- ff. "Named Plaintiff" means Jose Chavez.

- gg. "Net Settlement Amount" means the Gross Settlement Amount less Court-approved administration costs, Class Counsels' attorney's fees and costs, and Incentive Service Award, PAGA Payment pursuant to Section 3.06(a)-(f) below.
- hh. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the Settlement Administrator a valid and timely written request to be excluded from the Class pursuant to Section 3.04(b) below.
- ii. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form substantially similar to the Notice Packet attached hereto as **Exhibit A**, subject to Court approval, in English and later translated and issued in Spanish by the Administrator.
- jj. "PAGA" means the Private Attorneys General Act, Labor Code §§ 2698, et seq.
- mm. "PAGA Notice" means Plaintiff Chavez's LWDA March 29, 2022 nowtice providing notice pursuant to Labor Code section 2699.3, subd. (a).
- kk. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, ten thousand (\$10,000.00) allocated twenty-five percent (25%) to the Aggrieved Employees (\$2,500.00) and seventy-five percent (75%) to LWDA (\$7,500.00) in settlement of PAGA claims.
- ll. "Plaintiff" means José Chavez, the named Plaintiff in this Action.
- mm. "Preliminary Approval Date" means the date the Court preliminarily approves the Settlement embodied in this Agreement.
- nn. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- oo. "Qualified Settlement Fund" or "QSF" means a fund within the meaning of Treasury Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement Administrator for the benefit of Participating Class Members.
- pp. "Qualifying Workweeks" means the number of weeks that Class Members worked for Defendant as non-exempt employees during the Class Period.
- qq. "Released Parties" means Defendant(s), their affiliated companies, parent companies, subsidiaries, affiliates, shareholders, members, representatives, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys) and the past, present or future officers, directors, managers, principals, and employees, predecessors, successors, and assigns.

rr. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

ss. "Released PAGA Claims" means the claims being released as described in Paragraph 5.4, below.

tt. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

uu. "Response Deadline" means the deadline by which Class Members must postmark or fax to the Settlement Administrator requests for exclusion or written notices of objection. The Response Deadline will be sixty (60) calendar days after the initial mailing of the Notice Packet by the Settlement Administrator, unless the sixtieth (60th) calendar day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline will be extended as set forth herein if there is a re-mailing.

vv. "Settlement" means the disposition of this Action effected by this Agreement and the Judgment.

ww. "Settlement Administration Costs" means all costs incurred by the Settlement Administrator in administration of the Settlement, including, but not limited to, mailing of notice to the class, calculation of Individual Settlement Payments, generation of Individual Settlement Payment checks and related tax reporting forms, administration of unclaimed checks, and generation of checks to Class Counsel for attorneys' fees and costs, and to Named Plaintiff for her Incentive Award. The Settlement Administration Costs shall be paid from the Gross Settlement Amount.

xx. "Settlement Administrator" means Phoenix Settlement Administrators which the Parties have agreed will be responsible for the administration of the Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount and related matters under this Agreement.

ARTICLE II

CONTINGENT NATURE OF THE AGREEMENT

Section 2.01: Stipulation of Class Certification for Settlement Purposes

Because the Parties have stipulated to the certification of the Class with respect to all causes of action alleged in the Action for settlement purposes only, this Agreement requires preliminary

1 and final approval by the Court. The existence of Plaintiff's individual settlement does not
2 undermine his adequacy or typicality as class representative. Plaintiff actively contributed to the
3 litigation on behalf of the class by participating in mediation, reviewing and approving settlement
4 terms, and providing insights into Defendant's wage and hour practices. The class and PAGA
5 settlement claims remain distinct from Plaintiff's individual claims, ensuring no impact on
6 Plaintiff's ability to represent the class.

7 Accordingly, the Parties enter into this Agreement on a conditional basis. This Agreement
8 is contingent upon the approval and certification by the Court. If the Date of Finality does not
9 occur, the fact that the Parties were willing to stipulate for the purposes of this Agreement to a
10 Class shall have no bearing on, nor be admissible in connection with, the issue of certification of
11 the Class with respect to all causes of action alleged in the Action. Defendant does not consent to
12 certification of the Class for any purpose other than to effectuate settlement of the Action. If the
13 Date of Finality does not occur, or if Disposition of this Action is not effectuated, any certification
14 of the Class as to Defendant will be vacated and Named Plaintiff, Defendant, and the Class will be
15 returned to their positions with respect to the Action as if the Agreement had not been entered into.
16 In the event that the Date of Finality does not occur: (a) any Court orders preliminarily or finally
17 approving certification of any class contemplated by this Agreement shall be null, void, and
18 vacated, and shall not be used or cited thereafter by any person or entity; and (b) the fact of the
19 settlement reflected in this Agreement, the fact that Defendant did not oppose the certification of
20 a Class under this Agreement, or that the Court preliminarily approved the certification of the
21 Class, shall not be used or cited thereafter by any person or entity, including in any manner
22 whatsoever, including without limitation any contested proceeding relating to the certification of
23 any class. If the Date of Finality does not occur, this Agreement shall be deemed null and void,
24 shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose
25 whatsoever. Defendant expressly reserves the right to challenge the propriety of class certification
26 in the Action for any purpose, if the Date of Finality does not occur.

27 The Parties and their respective counsel shall take all steps that may be requested by the
28 Court relating to the approval and implementation of this Agreement and shall otherwise use their
29 respective best efforts to obtain Court approval and implement this Agreement. If the Court does
30 not grant the Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties

agree to meet and confer to address the Court's concerns. If the Parties are unable to agree upon a resolution, the Parties agree to seek the assistance of mediator Jill R. Sperber to resolve the dispute.

ARTICLE III

PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT

The procedure for obtaining Court approval of and implementing this Agreement shall be as follows:

Section 3.01: Motion for Conditional Class Certification and Preliminary Approval

Named Plaintiff will bring a motion before the Court for an order conditionally certifying the Class to include all claims filed in the Action based on the preliminary approval of this Agreement. The date that the Court grants preliminary approval of this Agreement will be the "Preliminary Approval Date."

Section 3.02: The Settlement Administrator

The Parties have chosen Phoenix Settlement Administrators to administer this Settlement and to act as the Settlement Administrator, including but not limited to distributing and responding to inquiries about the Notice Packet, determining the validity of exclusions/opt-outs, calculating the Net Settlement Amount and the Individual Settlement Payments, issuing the Individual Settlement Payment checks and distributing them to Participating Class Members, establishing and maintaining the QSF, and issuing the payment to Class Counsel for attorneys' fees and costs, the Incentive Award check to Named Plaintiff, and the employer payroll taxes to the appropriate taxing authorities. The Settlement Administrator shall expressly agree to all of the terms and conditions of this Agreement.

All costs of administering the Settlement, including but not limited to all costs and fees associated with preparing, issuing and mailing any and all notices to Class Members and/or Participating Class Members, all costs and fees associated with computing, processing, reviewing, and mailing the Individual Settlement Payments, all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency, all costs and fees associated with preparing any other checks, notices, reports, or filings to be prepared in the course of administering disbursements from the Net Settlement Amount, and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Agreement ("Settlement Administration Costs"), shall be paid to the Settlement Administrator from the Gross Settlement Amount.

Section 3.03: Notice to Class Members

No later than fifteen (15) business days after the Preliminary Approval Date, Defendant will provide the Settlement Administrator with a "Class List" in electronic format based on its business records, identifying the names of the Class Members, their last known home addresses, Social Security numbers, or as applicable, other taxpayer identification number, their dates of employment and weeks worked during the Class Period.

Within ten (10) business days of receiving a Class List from Defendant, the Settlement Administrator will send Class Members, by first-class mail, at their last known address, the Court approved Notice Packet, including notice of this Settlement and of the opportunity to opt out of the Settlement Class. The Notice Packet will include a calculation of the Class Member's approximate share of the Net Settlement Amount. Class Members will have sixty (60) days from the date of mailing in which to postmark objections or requests for exclusion. Prior to the initial mailing, the Settlement Administrator will check all Class Member addresses against the National Change of Address database and shall update any addresses before mailing. The Settlement Administrator will skip trace and re-mail all returned, undelivered mail within five (5) days of receiving notice that a Notice Packet was undeliverable. If a Class Member's notice is re-mailed, the Class Member shall have fifteen (15) calendar days from the re-mailing, or sixty (60) calendar days from the date of the initial mailing, whichever is later, in which to postmark objections or requests for exclusion. Class Members shall not be required to submit claim forms in order to receive a proportional share of the Net Settlement Amount.

If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or mass search on LexisNexis or comparable databases based on set criteria and, if another address is identified, shall mail the Notice Packet to the newly identified address. It is the intent of the parties that reasonable means be used to locate Class Members and that the Settlement Administrator be given discretion to take steps in order to facilitate notice of the Settlement and delivery of the Individual Settlement Payments to all Participating Class Members.

1 If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records
2 and notify Class Counsel and Defense Counsel of the date of each such re-mailing as part of a
3 weekly status report provided to the Parties.

4 In the event a Class Member's Notice Packet remains undeliverable sixty (60) calendar
5 days after the Notice Packet was initially mailed, the Settlement Administrator will not mail the
6 Class Member's Individual Settlement Payment. The Settlement Administrator will hold the Class
7 Member's Individual Settlement Payment during the check cashing period on behalf of the Class
8 Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and
9 Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the
10 Settlement Administrator will distribute the funds from unclaimed/uncashed checks in accordance
11 with the procedures set forth in Section 3.06(g) below.

12 No later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the
13 Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration
14 attesting to completion of the notice process, including any attempts to obtain valid mailing
15 addresses for and re-sending of any returned Notice Packets, as well as the number of valid
16 requests for exclusion and objections that the Settlement Administrator received.

17 **Section 3.04: Responses to Notice**

18 **a. Class Member Disputes**

19 If any Class Member disagrees with Defendant's records as to his or her Qualifying
20 Workweeks during the Class Period as reflected in the Notice Packet, the Class Member shall set
21 forth in writing the Qualifying Workweeks he/she claims to have worked during the Class Period
22 and submit such writing to the Settlement Administrator by the Response Deadline, along with
23 any supporting documentation. The Notice will also provide a method for the Class Member to
24 challenge the employment data on which his or her Individual Settlement Payment is based. The
25 Settlement Administrator shall contact the Parties regarding the dispute and the Parties will work
26 in good faith to resolve it. If the Parties are unable to resolve the dispute, the Settlement
27 Administrator will be the final arbiter of the Qualifying Workweeks for each Class Member during
28 the Class Period based on the information provided to it.

29 **b. Requests for Exclusion from Class**

30 In order for any Class Member to validly exclude himself or herself from the Class and this
31 Settlement (*i.e.*, to validly opt out), a written request for exclusion must be signed by the Class

Member or his or her authorized representative, and must be sent to the Settlement Administrator, postmarked no later than the Response Deadline (or fifteen (15) days after the Settlement Administrator re-mails the Notice to the Class Member, whichever is later). The Notice Packet shall contain instructions on how to validly exclude himself or herself from the Class and this Settlement (*i.e.*, opt out), including the language to be used in a request for exclusion. The date of the initial mailing of the Notice Packet, and the date the signed request for exclusion was postmarked, shall be conclusively determined according to the records of the Settlement Administrator. Any Class Member who timely and validly requests exclusion from the Class and this Settlement will not be entitled to any Individual Settlement Payment, will not be bound by the terms and conditions of this Agreement, and will not have any right to object, appeal, or comment thereon.

Any Class Member who fails to timely submit a request for exclusion shall automatically be deemed a Class Member whose rights and claims with respect to the issues raised in the Action are determined by the Court's Final Order Approving Settlement of Class Action, and by the other rulings in the Action. Thus, said Class Member's rights to pursue any claims covered by the Action and/or released in this Agreement will be extinguished.

c. Objections to Settlement

For any Class Member to object to this Agreement, or any term of it, the person making the objection must not submit a request for exclusion (*i.e.*, must not opt out), and should send to the Settlement Administrator, postmarked or faxed no later than the Response Deadline (or fifteen (15) days after the Settlement Administrator re-mails the Notice to the Class Member, whichever is later), a written statement of the grounds of objection, signed by the objecting Class Member or his or her attorney, along with all supporting papers. The date of the initial mailing of the Notice Packet, and the date the signed objection was postmarked, shall be conclusively determined according to the records of the Settlement Administrator. The Settlement Administrator shall send any objections it receives to Defense Counsel and Class Counsel within three (3) business days of receipt. Class Members may also appear at the final approval hearing to object. The Court retains final authority with respect to the consideration and admissibility of any Class Member objections.

d. Encouragement of Class Members

The Parties to this Agreement and the counsel representing such Parties shall not, directly or indirectly, through any person, encourage or solicit any Class Member to exclude him or herself

1 from this Settlement (opt out), or to object to it. However, Class Counsel may respond to inquiries
2 from Class Members.

3 **e. Right of Plaintiff to Adjust Gross Settlement Amount**

4 Defendant has estimated the number of Class Members as 79 and the number of workweeks
5 to be 3,160 at the rate of \$20 per workweek. If the final total number of workweeks in Defendant's
6 payroll records exceeds by more than 10% of 3,160 (79 class members x 40 workweeks),
7 Defendant shall pay pro rata for each additional workweek over 3,160 at the rate of \$25 per
8 additional workweek.

9 **Section 3.05: Final Fairness and Approval Hearing**

10 On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final
11 Fairness and Approval Hearing shall be held before the Court in order to (1) review this Agreement
12 and determine whether the Court should give it final approval, and (2) consider any objections
13 made and all responses by the Parties to such objections. At the Final Fairness and Approval
14 Hearing, the Parties shall ask the Court to grant final approval to this Agreement and shall submit
15 to the Court a Proposed Final Order Approving Settlement of Class Action.

16 **Section 3.06: Settlement Payment and Calculations**

17 **(a). Gross Settlement Amount**

18 Defendant shall pay a non-reversionary Gross Settlement Amount of Two Hundred
19 Thousand Dollars (\$200,000.00), which includes:

- 20 1. Attorneys' Fees: Not to exceed Sixty-Six Thousand Six Hundred and Sixty Dollars
21 (\$66,660.00), representing Thirty-Three and One-Third Percent (33.33%) of the Gross
22 Settlement Amount;
- 23 2. Litigation Costs: Not to Exceed Fifteen Thousand Dollars (\$15,000.00);
- 24 3. Settlement Administration Costs: Not to exceed Seven Thousand Two Hundred and
25 Fifty Dollars (\$7,250.00);
- 26 4. Class Representative Service Incentive Award: Not to exceed
27 Seven Thousand Five Hundred Dollars (\$7,500.00); and
- 28 5. PAGA Payment: Ten Thousand Dollars (\$10,000.00) total, allocated as follows:
 - 29 i. Seven Thousand Five Hundred Dollars (\$7,500), or 75%, to the LWDA; and
 - 30 ii. Two Thousand Five Hundred Dollars (\$2,500), or 25%, to Aggrieved Employees.

31 **(b) Net Settlement Amount Calculation and Distribution**

1 The Net Settlement Amount shall be the Gross Settlement Amount less all Court-
2 approved deductions listed in Section 3.06(a). The Net Settlement Amount shall be distributed as
3 follows.

4 **1. Individual Class Payments:**

- 5 i. Based on each Participating Class Member's proportional share of workweeks
6 during the Class Period;
7 ii. Allocated at Twenty Percent (20%) wages and Eighty Percent (80%)
8 penalties/interest;
9 iii. Wage portion subject to the required payroll tax withholding;
10 iv. Qualifying Workweeks for each Participating Class Member will be rounded to the
11 nearest whole number. Partial workweeks of 0.5 or greater will be rounded up, while
12 partial workweeks less than 0.5 will be rounded down to ensure equitable allocation;
13 and,
14 v. Penalties/interest report on IRS Form 1099.

15 **2. PAGA Payments to Aggrieved Employees:**

- 16 i. Based on each Aggrieved Employee's proportional share of workweek during the
17 PAGA Period a \$2,500 PAGA Payment allocated to Aggrieved Employees will be
18 divided by the total number of PAGA Pay Periods worked by all Aggrieved Employees
19 during the PAGA Period to determine a Per-Pay Period Value. Each Aggrieved
20 Employee's Individual PAGA Payment will then be calculated by multiplying their
21 total PAGA Pay Periods by the Per-Pay Period Value;
22 ii; Reported on IRS Form 1099;
23 iii. Payable regardless of Class participation status; and
24 iv. Any unclaimed PAGA funds allocated to Aggrieved Employees shall be
25 redistributed pro rata among the remaining Aggrieved Employees who have claimed
26 their payments. Redistribution of unclaimed PAGA funds shall occur within ninety (90)
27 calendar days of the initial distribution. Any remaining unclaimed funds after
28 redistribution will be transmitted to the California State Controller's Office Unclaimed
29 Property Fund within one hundred eighty (180) calendar days of the initial distribution.

30 **(c) Settlement Amount**

1 In exchange for the Released Claims set forth in this Agreement, Defendant agrees to pay
2 the Gross Settlement Amount in the amount of Two Hundred Thousand Dollars (\$200,000.00),
3 subject to a pro rata increase under the condition set forth in Section 3.04(e), 60 days after an Order
4 of Final Approval is signed. The Gross Settlement Amount includes all Individual Settlement
5 Amounts to Participating Class Members, all administration costs, Class Counsel's attorney's fees
6 and costs, PAGA Payment, and the Incentive Service Award.

7 After receipt of the Court's signed Final Order, Defendant shall transfer the Gross
8 Settlement Amount plus Defendant's share of employer-side payroll taxes, as set forth herein, into
9 a QSF established by the Settlement Administrator either directly or by sending the funds to the
10 Settlement Administer to be deposited and distributed. The timing of payment will be contingent
11 upon receipt of the signed Final Order and shall be 60 days from the date of the signed Final Order.
12 The Settlement Administrator will use these funds to fund payment of the Individual Settlement
13 Payments to Participating Class Members, Class Counsel's attorneys' fees and costs, the Incentive
14 Award, PAGA Payments, and the Settlement Administration Costs.

15 Within ten (10) court days after receiving Defendants' final payment, funding the Gross
16 Settlement Amount in full, the Settlement Administrator will pay the Individual Settlement
17 Payments to Participating Class Members, Class Counsel's attorneys' fees and costs, the Incentive
18 Award, and employer and employee tax withholdings applicable to the Net Settlement Amount
19 allocated to wages. Prior to this distribution, the Settlement Administrator will perform a search
20 based on the National Change of Address Database to update and correct for any known or
21 identifiable address changes.

22 **d. Payment of Attorneys' Fees and Costs**

23 Class Counsel shall submit an application for an award of attorneys' fees of up to thirty-
24 three and one-third percent (33.33%) of the Gross Settlement Amount, which, based on the current
25 Gross Settlement Amount, is Sixty-Six Thousand Six Hundred and Sixty Dollars (\$66,660.00).
26 Class Counsel shall submit an application for an award of litigation costs not to exceed Fifteen
27 Thousand Dollars (\$15,000.00). Such application for attorneys' fees and costs shall be heard by
28 the Court at the Final Fairness and Approval Hearing. Defendant shall not object to or oppose any
29 such application in these amounts. Class Counsel shall serve Defendant with copies of all
30 documents submitted in support of their application for an award of attorneys' fees and costs.

Any attorneys' fees and costs awarded to Class Counsel by the Court shall be paid from the Gross Settlement Amount and shall not constitute payment to any Class Member(s). The attorneys' fees and costs for Class Counsel approved by the Court shall encompass all work performed, costs, and expenses related to the investigation, prosecution, and settlement of the Action incurred through the Date of Finality. To the extent that the Court approves less than the amount of attorney's fees and/or costs that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount.

e. Payment of Settlement Administration Costs

The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and shall not constitute payment to any Participating Class Member(s). The amount shall not exceed Seven Thousand Two Hundred Fifty Dollars (\$7,250.00).

f. Payment of Incentive Award to Named Plaintiff

Subject to Court approval, the Named Plaintiff shall receive an Incentive Award not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00). the request for which Defendant will not object to or oppose. The Incentive Awards shall be paid out of the Gross Settlement Amount and shall not constitute payment to anyone other than Named Plaintiff. To the extent that the Court approves less than the amount of incentive award that Class Counsel requests, the difference between the requested and awarded amounts will be reallocated to the Net Settlement Amount.

Because it is the intent of the Parties that the Incentive Award represents payment to Named Plaintiff for his service to the Class Members, and not wages, the Settlement Administrator will not withhold any taxes from the Incentive Award. The Incentive Award will be reported on a Form 1099, which the Settlement Administrator will provide to Named Plaintiff and to the pertinent taxing authorities as required by law.

g. Payment of Individual Settlement Payments to Participating Class Members

The Parties agree that the Net Settlement Amount shall be used to fund Individual Settlement Payments.

After final judgment, Defendant will transfer the Gross Settlement Amount to the Qualified Settlement Fund within sixty (60) calendar days. The Settlement Administrator will issue payments to Participating Class Members and Aggrieved Employees within ten (10) business days of funding.

1 The Parties agree that the Net Settlement Amount shall be divided between all Participating
2 Class Members, in proportion to the number of individual Qualifying Workweeks for each Class
3 Member. To calculate the minimum amount each Class Member will receive based on their
4 individual Qualifying Workweeks, the Net Settlement Amount will be divided by the total number
5 of Qualifying Workweeks by all Class Members during the Class Period and then allocated on a
6 pro rata basis. Qualifying Workweeks will be rounded up to the next whole integer. Each Class
7 Member's approximate Individual Settlement Payment amount will be included in his or her
8 Notice Packet.

9 After final approval by the Court, the Net Settlement Amount will be dispersed to
10 Participating Class Members, (those who did not exclude themselves) on a pro rata basis based on
11 the individual Qualifying Workweeks worked during the Class Period by each Participating Class
12 Member.

13 Each Individual Settlement Payment will represent wages and penalties allocated using the
14 following formula: 20% allocated to wages; 80% allocated to penalties/interest. The amounts paid
15 as wages shall be subject to all tax withholdings customarily made from an employee's wages and
16 all other authorized and required withholdings and shall be reported by W-2 forms. The employer-
17 side taxes will be paid separately from and in addition to the Gross Settlement Amount. The
18 amounts paid as penalties and interest shall be subject to all authorized and required withholdings
19 other than the tax withholdings customarily made from employees' wages and shall be reported
20 by IRS 1099 forms.

21 No later than ten (10) business days after receiving the Gross Settlement Amount from
22 Defendant, the Settlement Administrator shall prepare and mail the checks for the Individual
23 Settlement Payments to Participating Class Members. Individual Settlement Payments paid from
24 the Net Settlement Amount allocated to wages will be reduced by applicable employer and
25 employee tax withholdings, and the Settlement Administrator will issue a Form W-2 for the wage
26 portion of the Individual Settlement Payments. The Settlement Administrator will issue a Form
27 1099 to the extent required by law for the interest and penalty portions of the Individual Settlement
28 Payments.

29 Participating Class Members shall have 180 days from the date their Individual Settlement
30 Payment checks are dated to cash their Settlement checks. Any checks that are not cashed upon
31 the expiration of that 180-day time period will be void, and the uncashed funds shall be paid to the

1 State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds
2 are designated.

3 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
4 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace
5 or a mass search on LexisNexis or a comparable database based on set criteria and, if another
6 address is identified, the Settlement Administrator shall mail the check to the newly identified
7 address. If the Settlement Administrator is unable to obtain a valid mailing address through this
8 process, the Settlement Administrator will tender the funds from the undeliverable checks to the
9 State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds
10 are designated.

11 **h. Default on Payment.**

12 Defendant's failure to fund the Gross Settlement Amount within sixty (60) calendar days
13 after the date that the Court grants final approval of the Settlement shall be considered a default.
14 In the event Defendant fails to timely fund the Gross Settlement Amount, the Settlement
15 Administrator will provide notice to Class Counsel and Defendant's counsel within three (3)
16 business days of the missed payment. Thereafter, Defendant will have seven (7) days to cure the
17 default and tender payment to the Settlement Administrator. In the event Defendant fails to cure
18 the default within the times set forth herein, Named Plaintiff may elect to , file a motion on an ex
19 parte basis, for the balance of the unpaid Gross Settlement Amount to date, and Named Plaintiff
20 will be entitled to recover interest at ten percent (10%) per year from the due date for such payment
21 and reasonable attorneys' fees and costs.

22 **i. No Credit Toward Benefit Plans.**

23 The Individual Settlement Payments and PAGA Payments made under this Agreement,
24 as well as any other payments made pursuant to this Agreement, will not be utilized to calculate
25 any additional benefits under any benefit plans to which any payment recipient may be eligible,
26 including but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans,
27 vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
28 intention that this Agreement will not affect any rights, contributions, or amounts to which any
29 payment recipient may be entitled under any benefit plans.

30 **ARTICLE IV**

31 **LIMITATIONS ON USE OF THIS SETTLEMENT**

Section 4.01: No Admission

Defendant disputes the allegations in the Action and disputes that, but for this Settlement, a Class should not have been certified in the Action. This Agreement is entered into solely for the purpose of settling highly disputed claims. Nothing in this Agreement is intended nor will be construed as an admission of liability or wrongdoing by Defendant.

Section 4.02: Non-Evidentiary Use

Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims released through this Agreement.

Section 4.03: Nullification

The Parties have agreed to the certification of the Class encompassing all claims alleged in the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve this Settlement, or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final Order is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of the Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to stipulate to class certification of all causes of action pled in the Action as part of the Settlement will have no bearing on, and will not be admissible in connection with, the issue of whether the Class should be certified by the Court in a non-settlement context in this Action or any other action, and in any of those events, Defendant expressly reserves the right to oppose certification of the Class.

In the event of a timely appeal from the Final Order, the Final Order shall be stayed, and the Gross Settlement Amount shall not be distributed pending the completion of the appeal.

ARTICLE V

RELEASE OF CLAIMS

Effective on the date when Defendants fully fund the entire Gross Settlement Amount, and all employer payroll taxes owned on the Wage Portion of the Individual Class Payments, Plaintiff(s), Participating Class Members/Aggrieved Parties, and Class Counsel will release claims against all Released Parties as follows:

Section 5.01: Named Plaintiff's General Release

Upon the Effective Date, Named Plaintiff releases Released Parties from all claims, known or unknown, arising from employment through the date of Preliminary Approval. Name Plaintiff expressly waives all rights under California Civil Code § 1542.

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 including but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Action and/or Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Action and/or Operative Complaint, Plaintiff's PAGA Notices, or ascertained during the Action and released under section 5.0, , below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agree, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

Section 5.02: Participating Class Members' Release

Participating Class Members release Released Parties from only the following claims arising during the Class Period (August 22, 2018 to October 18, 2023):

(a) All claims that were or could have been pleaded based on the factual allegation in the operative complaint including:

1. Unpaid minimum and overtime wages;
2. Meal period violations;
3. Rest period violations;
4. Wage statement violations;
5. Waiting time penalties; and
6. Related claims under the Unfair Competition Law.

This release explicitly excludes any PAGA claims during the PAGA Period. Additionally, except as set forth in Section 5.03 of this Agreement, Class Members, other than the Class Representative, 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.

Section 5.03: Non-Participating Class Members

Non-Participating Class Members means any Class Member who submits a valid and timely written Request for Exclusion from the Settlement pursuant to Section 3.04(b). By submitting a valid Request for Exclusion, Non-Participating Class Members:

- (a) Retain all rights to pursue individual wage and hour claims;
- (b) Will not receive any portion of the Net Settlement Amount;
- (c) Are not bound by the Class Settlement Release; but
- (d) Remain bound by the PAGA Release in Section 5.04 if they worked during the PAGA Period (March 29, 2021 to October 18, 2023) and will receive their proportional share of the PAGA Payment, subject to Court approval.

Section 5.04: PAGA Claims Release

All Aggrieved Employees, whether or not they opt out of the Class Settlement, release Released Parties from PAGA civil penalties only for Labor Code violations that were or could have been pleaded based on the facts alleged in the operative complaint during the PAGA Period (March 29, 2021 to October 18, 2023). This release:

- (a) Applies by operation of law regardless of whether an Aggrieved Employee participates in the Class Settlement;
- (b) Covers only PAGA civil penalties, not individual Labor Code claims; and
- (c) Applies only to claims arising during the PAGA Period.

Section 5.05: Named Plaintiff's Release of Unknown Claims

Upon the Date of Finality, Named Plaintiff, waives, releases, acquits, and forever discharges the Released Parties from any and all claims, actions, charges, complaints, grievances, and causes of action, of any nature arising from Named Plaintiff's employment with Defendant, whether known or unknown, which exist or may exist as of the Parties' execution of this Agreement.

Section 1542 of the California Civil Code provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Plaintiff's general release provided herein is made with an express waiver and relinquishment of any claim, right, or benefit under California Civil Code § 1542.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.01: Amendments or Modification

The terms and provisions of this Agreement may be amended or modified only by an express written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

Section 6.02: Assignment

None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written consent of each other Party and their respective counsel. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

Section 6.03: Governing Law

This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, without regard to conflicts of laws.

Section 6.04: Entire Agreement

This Agreement, including the Exhibits referred to herein, which form an integral part hereof, contains the entire understanding of the Parties with respect to the subject matter contained herein. In case of any conflict between text contained in Articles I through VI of this Agreement and text contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be controlling, unless the Exhibits are changed by or in response to a Court order. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Agreement other than those expressly set forth or referred to herein. This Agreement supersedes all prior agreements and understandings among the Parties with respect to the settlement of the Action, including correspondence between Class Counsel and Defense Counsel and drafts of prior agreements or proposals.

Section 6.05: Waiver of Compliance

Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 6.06: Counterparts and Fax/PDF Signatures

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original. All counterparts taken together shall constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original signature.

Section 6.07: Meet and Confer Regarding Disputes

Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, a representative of Class Counsel and a representative of Defense Counsel shall meet and confer in an attempt to resolve such disputes prior to submitting such disputes to the Court.

Section 6.08: Agreement Binding on Successors

This Agreement will be binding upon, and inure to the benefit of, the successors in interest of each of the Parties.

Section 6.09: Cooperation in Drafting

The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

Section 6.10: Fair and Reasonable Settlement

The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arm's-length negotiation and in the context of adversarial litigation, taking into account all relevant factors, current and potential. The Parties further believe that the Settlement is and is consistent with public policy, and fully complies with applicable law.

Section 6.11: Headings

The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement and shall not be considered in interpreting this Agreement.

Section 6.12: Notice

Except as otherwise expressly provided in the Agreement, all notices, demands, and other communications under this Agreement must be in writing and addressed as follows:

To Named Plaintiff and the Class:

Samy M. Harmoush, Esq.
WORKERS' ADVOCATE LAW GROUP PC
 10866 Washington Blvd. #835
 Culver City, CA 90232
 samy@workersadvocate.law
 Telephone: (844) 400-7269

And

To Defendant:

Kathleen Choe
 Ryan Stearns
 Michael Ryan
STEARNS & RYAN
 21250 Hawthorne Boulevard, Suite 310
 Torrance, CA 90503 Tel: (310) 793-9570
 Fax: (310) 793-9575
 kchoe@sksrllawyers.com

1 rstearns@sksrllawyers.com
2 mryan@sksrllawyers.com

3 **Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction**

4 To the extent consistent with class action procedure, this Agreement shall be enforceable
5 by the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of
6 Court 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action
7 or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to
8 adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the
9 Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members,
10 to the fullest extent to enforce and effectuate the terms and intent of this Agreement. In the event
11 that one or more of the Parties institutes any legal action or other proceeding against any other
12 Party or Parties to enforce the provisions of this Settlement, the successful Party or Parties will be
entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs,
including expert witness fees incurred in connection with any enforcement actions.

13 **Section 6.14: Mutual Full Cooperation**

14 The Parties agree fully to cooperate with each other to accomplish the terms of this
15 Agreement, including but not limited to the execution of such documents, and the taking of such
16 other action, as may reasonably be necessary to implement the terms of this Agreement. The
17 Parties to this Agreement shall use their best efforts, to effectuate and implement this Agreement
18 and its terms. In the event the Parties are unable to reach agreement on the form or content of any
19 document needed to implement the Settlement, or on any supplemental provisions that may
20 become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance
of the Court.

21 **Section 6.15: Authorization to Act**

22 Class Counsel warrants and represents that they are authorized by Named Plaintiff, and
23 Defense Counsel warrants that they are authorized by Defendant, to take all appropriate action
24 required to effectuate the terms of this Agreement, except for signing documents, including but
not limited to this Agreement, that are required to be signed by the Parties themselves. Defendant
represents and warrants that the individual executing this Agreement on its behalf has the full right,
power, and authority to enter into this Agreement and to carry out the transactions contemplated
herein.

Section 6.16: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 01 / 28 / 2025

JOSE CHAVEZ

By: 
Named Plaintiff

Dated: 1/24/2025

CONEJITO CORP. DocuSigned by:
By: Jeff Earle
Signature 761857DD49EE401...

Jeff Earle
Printed Name
Owner
Title

1 **APPROVED AS TO FORM ONLY:**

2

3 Dated: 1/24/2025

WORKERS' ADVOCATE LAW GROUP PC

4 

5 By: _____

6 **Samy M. Harmoush**

7 **Attorneys for Plaintiff, Jose Chavez**

8

9 Dated: 1/27/2024

STEARNS & RYAN

10 

11 By: _____

12 **Kathleen Choe**

13 **Attorneys for Defendant, Conejito Corp., et**

14 al.