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[Additional Counsel on Next Page]

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

MARTIN SR PORTALES RODRIGUEZ,
PABLO PEREZ PALMA, and ALFREDO
SOLIS PALACIOS, as individuals and on
behalf of all others similarly situated,

Plaintiffs,

v.

HANNAM CHAIN DEL AMO, INC, a
California corporation; SUPER 1
TORRANCE, INC., a California corporation;
SUPER 1 LA PALMA, INC., a California
corporation; HANNAM TRADERS, INC., a
California corporation; TORRANCE
HANNAM CHAIN, INC., a California
corporation; SUPER 1 HANNAM, INC., a
California corporation; D.B. HANNAM
CHAIN, INC., a California corporation; and
DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 23STCV31150

[RELATED CASE NO.: 24STCV04987]

CLASS ACTION

[Assigned to the Hon. Carolyn B. Kuhl,
Dept. 12]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: December 19, 2023

Trial Date: None Set

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17 INC.; SUPER 1 LA PALMA, INC.; HANNAM TRADERS, INC.; TORRANCE HANNAM
18 CHAIN, INC.; SUPER 1 HANNAM, INC.; HANNAM CHAIN USA, INC.; and D.B.
19 HANNAM CHAIN, INC.
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1 This Class Action and PAGA Settlement Agreement ("Agreement") is made by and
2 between plaintiffs Martin Sr Portales Rodriguez ("Plaintiff Rodriguez"), Pablo Perez Palma
3 ("Plaintiff Palma"), and Alfredo Solis Palacios ("Plaintiff Palacios") (collectively, "Plaintiffs")
4 and defendants Hannam Chain Del Amo, Inc., Super 1 Torrance, Inc., Super 1 La Palma, Inc.,
5 Hannam Traders, Inc., Torrance Hannam Chain, Inc., Super 1 Hannam, Inc., Hannam Chain
6 USA, Inc. and D.B. Hannam Chain, Inc. (collectively, "Defendants"). The Agreement refers to
7 Plaintiffs and Defendants collectively as "Parties," or individually as "Party."

8 **1. DEFINITIONS**

9 1.1. "Action(s)" means the Plaintiffs' lawsuits alleging wage and hour violations against
10 Defendants, captioned *Martin Sr. Portales Rodriguez v. Hannam Chain Del Amo, Inc., et al.*,
11 Case No. 23STCV31150, initiated on December 19, 2023, and pending in Superior Court of the
12 State of California, County of Los Angeles (the "Rodriguez Class Action"), *Martin Sr. Portales*
13 *Rodriguez v. Hannam Chain Del Amo, Inc., et al.*, Case No. 24STCV04987, initiated on February
14 28, 2024, and pending in Superior Court of the State of California, County of Los Angeles (the
15 "Rodriguez PAGA Action"), *Pablo Perez Palma v. Super 1 Hannam, Inc., et al.*, Case No. 30-
16 2023-01342921-CU-OE-CXC, initiated on August 17, 2023, and pending in Superior Court of
17 the State of California, County of Orange (the "Palma Action"), and *Solis Palacios v. Super 1 La*
18 *Palma, Inc.*, Case No. 30-2022-01260581-CU-OE-CXC, initiated on May 17, 2022, and pending
19 in Superior Court of the State of California, County of Orange (the "Palacios Action").

20 1.2. "Administrator" means Phoenix Class Action Administration Solutions ("Phoenix"), the
21 neutral entity the Parties have agreed to appoint to administer the Settlement.

22 1.3. "Administration Expenses Payment" means the amount the Administrator will be paid
23 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
24 with the Administrator's "not to exceed" bid submitted to the Court in connection with
25 Preliminary Approval of the Settlement.

26 1.4. "Aggrieved Employee" means a person currently or formerly employed by Defendants,
27 either directly or through any subsidiary, staffing agency, or professional employer organization,
28 as a non-exempt, hourly-paid employee during the PAGA Period in the State of California.

1 1.5. "Class" means all persons currently or formerly employed by Defendants, either directly
2 or through any subsidiary, staffing agency, or professional employer organization, as non-
3 exempt, hourly-paid employees during the Class Period in the State of California.

4 1.6. "Class Counsel" means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group,
5 P.C.; Michael Nourmand of The Nourmand Law Firm, APC; and Matthew J. Matern, Launa
6 Adolph, and Ellie D. Goralnick of Matern Law Group, PC.

7 1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean
8 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and
9 expenses, respectively, incurred to prosecute the Action.

10 1.8. "Class Data" means Class Member identifying information in Defendants' custody,
11 possession, or control, including the Class Member's (1) name; (2) last known address(es); (3)
12 last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of
13 employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

14 1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either
15 a Participating Class Member or Non-Participating Class Member (including a Non- Participating
16 Class Member who qualifies as an Aggrieved Employee).

17 1.10. "Class Member Address Search" means the Administrator's investigation and search for
18 current Class Member mailing addresses using all reasonably available sources, methods and
19 means including, but not limited to, the National Change of Address database, skip traces, and
20 direct contact by the Administrator with Class Members.

21 1.11. "Class Notice" means the NOTICE OF CLASS ACTION SETTLEMENT AND DATE
22 FOR FINAL APPROVAL HEARING, to be mailed to Class Members in English and Spanish
23 in the form, without material variation, attached as Exhibit A and incorporated by reference into
24 this Agreement.

25 1.12. "Class Period" means the period from August 17, 2019 through December 1, 2025.

26 1.13. "Class Representatives" means the named Plaintiffs in the operative complaint in the
27 Action seeking Court approval to serve as Class Representatives.

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1 1.14. "Class Representatives Service Payment" means the payment to the Class
2 Representatives for initiating the Action and providing services in support of the Action.

3 1.15. "Court" means the Superior Court of California, County of Los Angeles.

4 1.16. "Defendants" means named defendants Hannam Chain Del Amo, Inc., Super 1 Torrance,
5 Inc., Super 1 La Palma, Inc., Hannam Traders, Inc., Torrance Hannam Chain, Inc., Super 1
6 Hannam, Inc., and D.B. Hannam Chain, Inc.

7 1.17. "Defense Counsel" means James S. Cooper of Levinson Arshonsky Kurtz & Komsky,
8 LLP.

9 1.18. "Effective Date" means the later of: (a) the Court enters a Judgment on its Order Granting
10 Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the
11 latest of the following occurrences: (a) if no Participating Class Member objects to the
12 Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members
13 objects to the Settlement, the day after the deadline for filing a notice of appeal from the
14 Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court
15 affirms the Judgment and issues a remittitur.

16 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

17 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval
18 of the Settlement.

19 1.21. "Final Judgment" means the Judgment entered by the Court based upon the Final
20 Approval.

21 1.22. "Gross Settlement Amount" means \$2,500,000.00 (Two Million Five Hundred Thousand
22 Dollars and Zero Cents) which is the total amount Defendants agree to pay under the Settlement,
23 except as provided in Paragraph 8.1 below and any and all employer payroll taxes owed on the
24 Wage Portions of the Individual Class Payments. The Gross Settlement Amount will be used to
25 pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class
26 Counsel Fees, Class Counsel Expenses, Class Representatives Service Payment, and
27 Administrator's Expenses.

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1 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the
2 Net Settlement Amount calculated according to the number of Workweeks worked during the
3 Class Period.

4 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of
5 the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA
6 Period.

7 1.25. "Judgment" means the judgment entered by the Court based upon Final Approval.

8 1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency
9 entitled, under Labor Code section 2699, subd. (i).

10 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA
11 under Labor Code section 2699, subd. (i).

12 1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following
13 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
14 Payment, Class Representatives Service Payment, Class Counsel Fees Payment, Class Counsel
15 Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be
16 paid to Participating Class Members as Individual Class Payments.

17 1.29. "Non-Participating Class Member" means any Class Member who opts out of the
18 Settlement by sending the Administrator a valid and timely Request for Exclusion.

19 1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked
20 for Defendants for at least one day during the PAGA Period, based on hire dates, re-hire dates
21 (as applicable), and termination dates (as applicable).

22 1.31. "PAGA Period" means the period from March 13, 2021, through the end of the Class
23 Period.

24 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

25 1.33. "PAGA Notices" means, collectively, Plaintiff Palma's August 17, 2023 letter, Plaintiff
26 Rodriguez's December 19, 2023 letter, and Plaintiff Palacios's March 10, 2022 letter to
27 Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

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1 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the
2 Gross Settlement Amount (\$250,000.00), allocated 25% to the Aggrieved Employees
3 (\$62,500.00) and the 75% to the LWDA (\$187,500.00) in settlement of PAGA claims.

4 1.35. "Participating Class Member" means a Class Member who does not submit a valid and
5 timely Request for Exclusion from the Settlement.

6 1.36. "Plaintiffs" means Martin Sr. Portales Rodriguez, Pablo Perez Palma, and Alfredo Solis
7 Palacios, the named plaintiffs in the Action.

8 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the
9 Settlement.

10 1.38. "Preliminary Approval Order" means the proposed Order granting Preliminary Approval
11 and Approval of PAGA Settlement.

12 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2
13 below.

14 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.4
15 below.

16 1.41. "Released Parties" means: Defendants, and each of their former, present and future
17 owners, parents, and subsidiaries, and all of their current, former, and future officers, directors,
18 members, managers, employees, consultants, partners, shareholders, joint venturers, agents,
19 predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.

20 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be
21 excluded from the Class Settlement signed by the Class Member.

22 1.43. "Response Deadline" means forty-five (45) days after the Administrator mails Notice to
23 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
24 may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the
25 Settlement. Class Members to whom Notice Packets are resent after having been returned
26 undeliverable to the Administrator shall have an additional 15 days beyond the Response
27 Deadline has expired.

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1 1.44. "Settlement" means the disposition of the Action effected by this Agreement and the
2 Judgment.

3 1.45. "Workweek" means any week during which a Class Member worked for Defendants, for
4 at least one day during the Class Period, based on hire dates, re-hire dates (as applicable), and
5 termination dates (as applicable).

6 **2. RECITALS**

7 2.1. On March 10, 2022, Plaintiff Palacios filed with the LWDA and served on Defendant
8 Super 1 Palma, Inc. a notice under Labor Code section 2699.3 stating Plaintiff Palacios intended
9 to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees
10 for alleged Labor Code violations ("Palacios PAGA Notice").

11 2.2. On May 17, 2022, Plaintiff Palacios filed a wage-and-hour class action in Orange
12 County Superior Court, Case No. 30-2022-01260581-CU-OE-CXC against Defendant Super 1
13 Palma, Inc., for (1) failure to provide meal periods; (2) failure to authorize and permit rest
14 periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay
15 all wages due to discharged and quitting employees; (6) failure to maintain required records; (7)
16 failure to furnish accurate itemized wage statements; (8) failure to indemnify employees for
17 necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business
18 practices; and (10) penalties under the Labor Code Private Attorneys General Act, as a
19 representative action (the "Palacios Action").

20 2.3. On January 13, 2023, the Court compelled Plaintiff Palacios's individual PAGA claims
21 to arbitration, dismissed the class claims, and stayed the representative PAGA claims pending
22 the arbitration of Plaintiff Palacios's individual claims. Plaintiff Palacios initiated arbitration
23 proceedings with Signature Resolution on June 29, 2023.

24 2.4. On August 17, 2023, Plaintiff Palma filed a wage-and-hour class action in Orange
25 County Superior Court, Case No. 30-2023-01342921-CU-OE-CXC against Defendant Super 1
26 Hannam, Inc.: for: (1) failure to pay overtime wages; (2) failure to pay sick leave; (3) failure to
27 provide meal periods; (4) failure to provide rest periods; (5) failure to pay all wages upon
28

1 termination; (6) failure to provide accurate wage statements; and (7) unfair competition (the
2 "Palma Action").

3 2.5. On August 17, 2023, Plaintiff Palma filed with the LWDA and served on Defendant Super
4 1 Hannam, Inc. a notice under Labor Code section 2699.3 stating Plaintiff Palma intended to
5 serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for
6 alleged Labor Code violations ("Palma PAGA Notice").

7 2.6. On December 19, 2023, Plaintiff Rodriguez commenced a wage-and-hour class action in
8 Los Angeles County Superior Court, Case No. 23STCV31150 against Defendants for: (1) failure
9 to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods;
10 (4) failure to provide rest periods; (5) waiting time penalties; (6) wage statement violations; (7)
11 failure to timely pay wages; (8) failure to indemnify; (9) failure to pay interest on deposits; (10)
12 violation of Labor Code section 227.3; and (11) unfair competition (the "Rodriguez Class
13 Action").

14 2.7. On December 19, 2023, Plaintiff Rodriguez filed with the LWDA and served on
15 Defendants a notice under Labor Code section 2699.3 stating Plaintiff Rodriguez intended to
16 serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for
17 alleged Labor Code violations ("Rodriguez PAGA Notice").

18 2.8. On January 3, 2024, Plaintiff Palma filed a First Amended Class Action Complaint in the
19 Palma Action adding a cause of action for civil penalties under PAGA.

20 2.9. On February 28, 2024, Plaintiff Rodriguez filed a separate representative action in the
21 Superior Court of California for the County of Los Angeles, Case No. 24STCV04987, seeking
22 PAGA civil penalties against Defendants for Labor Code violations alleged in the Rodriguez
23 PAGA Notice (the "Rodriguez PAGA Action").

24 2.10. On April 22, 2024, Plaintiff Rodriguez filed a First Amended Representative Action
25 Complaint in the Rodriguez PAGA Action.

26 2.11. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

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1 2.12. Prior to mediation Plaintiffs obtained, through informal discovery: (a) time and payroll
2 records for 30% of Class Members from July 2024 through the date of mediation; (b) Defendants'
3 policy documents; (c) Plaintiffs' personnel files, and (d) other relevant documents.

4 2.13. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in
5 *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker*
6 *Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

7 2.14. On October 3, 2025, the Parties participated in an all-day mediation presided over by
8 Tagore Subramaniam, Esquire. The mediation was successful, with all parties accepting terms
9 on October 16, 2025, and the Parties agreed to globally resolve all class and PAGA claims in the
10 Actions.

11 2.15. As part of this Agreement, the Parties further agree to stipulate to Plaintiffs filing a First
12 Amended Complaint in the Rodriguez Class Action, adding the claims in the Rodriguez PAGA
13 Action, Palma Action, and Palacios Action to the Class Action, to consolidate the four (4) Actions
14 for the purpose of settlement approval (hereinafter, the "Action"). The First Amended Complaint
15 to be filed in the Rodriguez Class Action shall be the Operative Complaint in the Action and the
16 allegations therein shall relate back to the original filing date of the Palacios Action.

17 2.16. The Court has not granted class certification.

18 2.17. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any
19 other pending matter or action asserting claims that will be extinguished or affected by the
20 Settlement.

21 3. MONETARY TERMS

22 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below,
23 Defendants promise to pay \$2,500,000.00 as the Gross Settlement Amount, unless increased
24 pursuant to Paragraph 8.1 of this Agreement, and to separately pay any and all employer payroll
25 taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no
26 obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated
27 in Paragraph 4.3 according to the schedule set forth in Paragraph 4.3.1 of this Agreement. The
28 Administrator will disburse the entire Gross Settlement Amount without asking or requiring

1 Participating Class Members or Aggrieved Employees to submit any claim as a condition of
2 payment. None of the Gross Settlement Amount will revert to Defendants.

3 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
4 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
5 in the Final Approval:

6 3.2.1. To Plaintiffs: Class Representatives Service Payment to Plaintiffs of not more
7 than \$10,000.00 each, for a total amount of \$30,000.00, in addition to any Individual
8 Class Payment and any Individual PAGA Payment Plaintiffs are entitled to receive as a
9 Participating Class Member. Defendants will not oppose Plaintiffs' request for a Class
10 Representatives Service Payment that does not exceed this amount. As part of the
11 motion for Class Counsel Fees Payment and Class Litigation Expenses Payment,
12 Plaintiffs will seek Court approval for any Class Representatives Service Payments prior
13 to the Final Approval Hearing. If the Court approves a Class Representatives Service
14 Payment less than the amount requested, the Administrator will retain the remainder in
15 the Net Settlement Amount. The Administrator will pay the Class Representatives
16 Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and
17 liability for employee taxes owed on the Class Representatives Service Payment.

18 3.2.2. To Class Counsel: A Class Counsel Fees Payment of up to one-third (1/3) of the
19 Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this
20 Agreement, is currently estimated to be \$833,333.33 and a Class Counsel Litigation
21 Expenses Payment of not more than \$40,000.00. Defendants will not oppose requests
22 for these payments provided that do not exceed these amounts. Plaintiffs and/or Class
23 Counsel will endeavor to file a motion for Class Counsel Fees Payment and Class
24 Litigation Expenses Payment prior to the Final Approval Hearing. If the Court approves
25 a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less
26 than the amounts requested, the Administrator will allocate the remainder to the Net
27 Settlement Amount. Released Parties shall have no liability to Class Counsel or any
28 other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee

1 Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will
2 pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one
3 or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes
4 owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses
5 Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute
6 or controversy regarding any division or sharing of any of these Payments. There will
7 be no additional charge of any kind to either the Settlement Class Members or request
8 for additional consideration from Defendants for such work unless, Defendants
9 materially breach this Agreement, including any term regarding funding, and further
10 efforts are necessary from Class Counsel to remedy said breach, including, without
11 limitation, moving the Court to enforce the Agreement. Should the Court approve
12 attorneys' fees and/or litigation costs and expenses in amounts that are less than the
13 amounts provided for herein, then the unapproved portion(s) shall be a part of the Net
14 Settlement Amount.

15 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
16 \$14,500.00 except for a showing of good cause and as approved by the Court. To the
17 extent the Administration Expenses are less or the Court approves payment less than
18 \$14,500.00, the Administrator will retain the remainder in the Net Settlement Amount.

19 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
20 by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
21 by all Participating Class Members during the Class Period and (b) multiplying the result
22 by each Participating Class Member's Workweeks.

23 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
24 Class Member's Individual Class Payment will be allocated to settlement of
25 wage claims (the "Wage Portion"). The Wage Portions are subject to tax
26 withholding and will be reported on an IRS W-2 Form. The 80% of each
27 Participating Class Member's Individual Class Payment will be allocated to
28 settlement of claims for interest and penalties (the "Non-Wage Portion"). The

1 Non-Wage Portions are not subject to wage withholdings and will be reported
2 on IRS 1099 Forms. Participating Class Members assume full responsibility
3 and liability for any employee taxes owed on their Individual Class Payment.

4 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
5 Class Payments. Non-Participating Class Members will not receive any
6 Individual Class Payments. The Administrator will retain amounts equal to
7 their Individual Class Payments in the Net Settlement Amount for distribution
8 to Participating Class Members on a pro rata basis.

9 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
10 \$250,000.00 to be paid from the Gross Settlement Amount, with 75% (\$187,500.00)
11 allocated to the LWDA PAGA Payment and 25% (\$62,500.00) allocated to the
12 Individual PAGA Payments.

13 3.2.5.1. The Administrator will calculate each Individual PAGA
14 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share
15 of PAGA Penalties \$62,500.00 by the total number of PAGA Period Pay
16 Periods worked by all Aggrieved Employees during the PAGA Period and (b)
17 multiplying the result by each Aggrieved Employee's PAGA Period Pay
18 Periods. Aggrieved Employees assume full responsibility and liability for any
19 taxes owed on their Individual PAGA Payment.

20 3.2.5.2. If the Court approves PAGA Penalties of less than the
21 amount requested, the Administrator will allocate the remainder to the Net
22 Settlement Amount. The Administrator will report the Individual PAGA
23 Payments on IRS 1099 Forms.

24 4. SETTLEMENT FUNDING AND PAYMENTS

25 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records
26 to date, Defendants estimate there are 603 Class Members who collectively worked a total of
27 95,197 Workweeks, and 450 of Aggrieved Employees who worked a total of 24,975 PAGA Pay
28 Periods.

1 4.2. Class Data. Not later than 14 days after the Court grants Preliminary Approval of the
2 Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the
3 form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
4 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes
5 of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
6 employees who need access to the Class Data to effect and perform under this Agreement.
7 Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the
8 Class Data omitted class member identifying information and to provide corrected or updated
9 Class Data as soon as reasonably feasible. Without any extension of the deadline by which
10 Defendants must send the Class Data to the Administrator, the Parties and their counsel will
11 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related
12 to missing or omitted Class Data.

13 4.3. Funding of Gross Settlement Amount. Defendants shall fund the Gross Settlement
14 Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes, by
15 transmitting the funds to the Settlement Administrator pursuant to Internal Revenue Code section
16 1.468B-1 for deposit in an interest-bearing qualified settlement account ("QSA") with an FDIC
17 insured banking institution, for distribution in accordance with this Agreement and the Court's
18 Orders, and subject to the conditions described herein and pursuant to the payment schedule set
19 forth in Paragraph 4.3.1 of this Agreement.

20 4.3.1. Gross Settlement Payment Schedule. The payment of the Gross Settlement
21 Amount shall be made by Defendants by way of installments as follows: Defendants
22 shall transmit the sum of One Million Dollars (\$1,000,000.00) (the "Initial Payment")
23 thirty (30) days from the Effective Date (§ 1.18). Defendants shall thereafter transmit
24 the remaining sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) by
25 June 30, 2027 as well as the amount calculated to pay the Defendants' share of the
26 employer side payroll taxes pursuant to § 3.1 of this Agreement.

27 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants full
28 funding the Gross Settlement Amount pursuant to Paragraph 4.3.1, the Administrator will mail

1 checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA
2 Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class
3 Counsel Litigation Expenses Payment, and the Class Representatives Service Payment.
4 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
5 Payment and the Class Representatives Service Payment shall not precede disbursement of
6 Individual Class Payments, and the Individual PAGA Payments.

7 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
8 Individual PAGA Payments and send them to the Class Members via First Class U.S.
9 Mail, postage prepaid. The face of each check shall prominently state the date (not less
10 than 180 days after the date of mailing) when the check will be voided. The
11 Administrator will cancel all checks not cashed by the void date. The Administrator
12 will send checks for Individual Settlement Payments to all Participating Class Members
13 (including those for whom Class Notice was returned undelivered). The Administrator
14 will send checks for Individual PAGA Payments to all Aggrieved Employees including
15 Non-Participating Class Members who qualify as Aggrieved Employees (including
16 those for whom Class Notice was returned undelivered). The Administrator may send
17 Participating Class Members a single check combining the Individual Class Payment
18 and the Individual PAGA Payment. Before mailing any checks, the Settlement
19 Administrator must update the recipients' mailing addresses using the National Change
20 of Address Database.

21 4.4.2. The Administrator must conduct a Class Member Address Search for all other
22 Class Members whose checks are returned undelivered without USPS forwarding
23 address. Within 7 days of receiving a returned check the Administrator must re-mail
24 checks to the USPS forwarding address provided or to an address ascertained through
25 the Class Member Address Search. The Administrator need not take further steps to
26 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
27 The Administrator shall promptly send a replacement check to any Class Member whose
28

1 original check was lost or misplaced, requested by the Class Member prior to the void
2 date.

3 4.4.3. For any Class Member whose Individual Class Payment check or Individual
4 PAGA Payment check is uncashed and cancelled after the void date, the Administrator
5 shall transmit the funds represented by such checks to the California State Controller's
6 Unclaimed Property Fund, in the name of the Class Member, thereby leaving no "unpaid
7 residue" subject to the requirements of California Code of Civil Procedure section 384
8 subd. (b).

9 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
10 not obligate Defendants to confer any additional benefits or make any additional
11 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
12 specified in this Agreement.

13 5. RELEASE OF CLAIMS

14 Effective upon entry of Judgment, the Order granting Final Approval of this Settlement,
15 and on the date when Defendants fully fund the entire Gross Settlement Amount and fund all
16 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs,
17 Class Members, and Class Counsel will release claims against all Released Parties as follows:

18 5.1. Plaintiffs' Release. Plaintiffs and their respective former and present spouses,
19 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release
20 and discharge Released Parties from all claims, transactions, or occurrences, including, but not
21 limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts
22 contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could
23 have been, alleged based on facts contained in the Operative Complaint and Plaintiffs' PAGA
24 Notice ("Plaintiffs' Release"). However, Plaintiffs' Release specifically excludes Plaintiff
25 Palacios' individual-PAGA claims currently asserted in the action *Alfredo Solis Palacios v. Super*
26 *1 La Palma, Inc.*, Signature Resolution Case No. KYKWM ("Excluded Claims"). Plaintiffs'
27 Release does not extend to any claims or actions to enforce this Agreement, any claims for
28 wrongful termination or violation of the Fair Employment and Housing Act, or to any claims for

1 vested benefits, unemployment benefits, disability benefits, social security benefits, workers'
2 compensation benefits that arose at any time, or based on occurrences outside the Class Period.
3 Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to,
4 the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that
5 Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or
6 additional facts or Plaintiffs' discovery of them.

7 5.1.1. Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For
8 purposes of Plaintiffs' Release only, Plaintiffs expressly waives and relinquish the
9 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
10 which reads:

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

15 Notwithstanding the above, this release specifically excludes the Excluded Claims.

16 5.2. Release by Participating Class Members: For the duration of the Class Period, all
17 Participating Class Members, on behalf of themselves and their respective former and present
18 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the
19 Released Parties from all claims that were alleged, or reasonably could have been alleged, based
20 on the facts stated in the Operative Complaint. Participating Class Members do not release any
21 other claims, including claims for vested benefits, wrongful termination, violation of the Fair
22 Employment and Housing Act, unemployment insurance, disability, social security, workers'
23 compensation, or claims based on facts occurring outside the Class Period.

24 5.3. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved
25 Employees are deemed to release, on behalf of themselves and their respective former and present
26 representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released
27 Parties from all claims for PAGA penalties that were alleged, or reasonably could have been
28

1 alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.
2 Notwithstanding the above, this release specifically excludes the Excluded Claims.

3 **6. MOTION FOR PRELIMINARY APPROVAL**

4 The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion
5 for Preliminary Approval") that complies with the Court's current checklist for Preliminary
6 Approvals.

7 6.1. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all
8 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and
9 memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the
10 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor
11 Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and
12 Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from
13 the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting
14 to its willingness to serve; competency; operative procedures for protecting the security of Class
15 Data; amounts of insurance coverage for any data breach, defalcation of funds or other
16 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;
17 and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense
18 Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve
19 and disclosing all facts relevant to any actual or potential conflicts of interest with Class
20 Members; (v) a signed declaration from each Class Counsel firm attesting to its competency to
21 represent the Class Members; its timely transmission to the LWDA of all necessary PAGA
22 documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
23 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,
24 subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class
25 Members and the Administrator.

26 6.2. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
27 for expeditiously finalizing and filing the Motion for Preliminary Approval after the full
28 execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary

1 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
2 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
3 Administrator.

4 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
5 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
6 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
7 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
8 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
9 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
10 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
11 Court's concerns.

12 7. SETTLEMENT ADMINISTRATION

13 7.1. Selection of Administrator. The Parties have jointly selected Phoenix to serve as the
14 Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by
15 this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange
16 for payment of Administration Expenses. The Parties and their Counsel represent that they have
17 no interest or relationship, financial or otherwise, with the Administrator other than a professional
18 relationship arising out of prior experiences administering settlements.

19 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
20 Identification Number for purposes of calculating payroll tax withholdings and providing reports
21 state and federal tax authorities.

22 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
23 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section
24 468B-1.

25 7.4. Notice to Class Members

26 7.4.1. No later than three (3) business days after receipt of the Class Data, the
27 Administrator shall notify Class Counsel that the list has been received and state the
28

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

3 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
4 days after receiving the Class Data, the Administrator will send to all Class Members
5 identified in the Class Data, via first-class United States Postal Service ("USPS") mail,
6 the Class Notice with Spanish translation, substantially in the form attached to this
7 Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the
8 dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable
9 to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable)
10 used to calculate these amounts. Before mailing Class Notices, the Administrator shall
11 update Class Member addresses using the National Change of Address database.

12 7.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice
13 returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
14 using any forwarding address provided by the USPS. If the USPS does not provide a
15 forwarding address, the Administrator shall conduct a Class Member Address Search,
16 and re-mail the Class Notice to the most current address obtained. The Administrator
17 has no obligation to make further attempts to locate or send Class Notice to Class
18 Members whose Class Notice is returned by the USPS a second time.

19 7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks
20 and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days
21 beyond the 45 days otherwise provided in the Class Notice for all Class Members whose
22 notice is re-mailed. The Administrator will inform the Class Member of the extended
23 deadline with the re-mailed Class Notice.

24 7.4.5. If the Administrator, Defendants or Class Counsel is contacted by or otherwise
25 discovers any persons who believe they should have been included in the Class Data
26 and should have received Class Notice, the Parties will expeditiously meet and confer,
27 and in good faith, in an effort to agree on whether to include them as Class Members.
28 If the Parties agree, such persons will be Class Members entitled to the same rights as

1 other Class Members, and the Administrator will send, via email or overnight delivery,
2 a Class Notice requiring them to exercise options under this Agreement not later than
3 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which
4 ever are later.

5 **7.5. Requests for Exclusion (Opt-Outs).**

6 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
7 must send the Administrator, by mail, a signed written Request for Exclusion not later
8 than 45 days after the Administrator mails the Class Notice (plus an additional 15 days
9 for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
10 from a Class Member or his/her representative that reasonably communicates the Class
11 Member's election to be excluded from the Settlement and includes the Class Member's
12 name, address and email address or telephone number. To be valid, a Request for
13 Exclusion must be timely postmarked by the Response Deadline.

14 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
15 fails to contain all the information specified in the Class Notice. The Administrator
16 shall accept any Request for Exclusion as valid if the Administrator can reasonably
17 ascertain the identity of the person as a Class Member and the Class Member's desire
18 to be excluded. The Administrator's determination shall be final and not appealable or
19 otherwise susceptible to challenge. If the Administrator has reason to question the
20 authenticity of a Request for Exclusion, the Administrator may demand additional proof
21 of the Class Member's identity. The Administrator's determination of authenticity shall
22 be final and not appealable or otherwise susceptible to challenge.

23 7.5.3. Every Class Member who does not submit a timely and valid Request for
24 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled
25 to all benefits and bound by all terms and conditions of the Settlement, including the
26 Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement,
27 regardless whether the Participating Class Member actually receives the Class Notice
28 or objects to the Settlement.

1 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
2 Non-Participating Class Member and shall not receive an Individual Class Payment or
3 have the right to object to the class action components of the Settlement. Because future
4 PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
5 Participating Class Members who are Aggrieved Employees are deemed to release the
6 claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual
7 PAGA Payment.

8 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
9 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
10 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods
11 (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge
12 the allocation by communicating with the Administrator via mail. The Administrator must
13 encourage the challenging Class Member to submit supporting documentation. In the absence
14 of any contrary documentation, the Administrator is entitled to presume that the Workweeks
15 contained in the Class Notice are correct so long as they are consistent with the Class Data. The
16 Administrator's determination of each Class Member's allocation of Workweeks and/or Pay
17 Periods shall be final and not appealable or otherwise susceptible to challenge. The
18 Administrator shall promptly provide copies of all challenges to calculation of Workweeks
19 and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination
20 the challenges.

21 7.7. Objections to Settlement

22 7.7.1. Only Participating Class Members may object to the class action components of
23 the Settlement and/or this Agreement, including contesting the fairness of the
24 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
25 Counsel Litigation Expenses Payment and/or Class Representatives Service Payment.

26 7.7.2. Participating Class Members may send written objections to the Administrator, by
27 mail. In the alternative, Participating Class Members may appear in Court (or hire an
28 attorney to appear in Court) to present verbal objections at the Final Approval Hearing.

1 A Participating Class Member who elects to send a written objection to the
2 Administrator must do so not later than 45 days after the Administrator's mailing of the
3 Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-
4 mailed).

5 7.7.3. Non-Participating Class Members have no right to object to any of the class action
6 components of the Settlement.

7 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
8 performed or observed by the Administrator contained in this Agreement or otherwise.

9 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain
10 and use an internet website to post information of interest to Class Members including
11 the date, time and location for the Final Approval Hearing and copies of the Settlement
12 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
13 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment,
14 Class Counsel Litigation Expenses Payment and Class Representatives Service
15 Payment, the Final Approval and the Judgment. The Administrator will also maintain
16 and monitor an email address and a toll-free telephone number to receive Class Member
17 calls and emails.

18 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
19 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
20 Not later than 5 days after the expiration of the deadline for submitting Requests for
21 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
22 containing (a) the names and other identifying information of Class Members who have
23 timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and
24 other identifying information of Class Members who have submitted invalid Requests
25 for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
26 (whether valid or invalid).

27 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
28 reports to Class Counsel and Defense Counsel that, among other things, tally the number

1 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
2 Exclusion (whether valid or invalid) received, objections received, challenges to
3 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for
4 Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The
5 Weekly Reports must include provide the Administrator's assessment of the validity of
6 Requests for Exclusion and attach copies of all Requests for Exclusion and objections
7 received.

8 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
9 address and make final decisions consistent with the terms of this Agreement on all
10 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
11 Administrator's decision shall be final and not appealable or otherwise susceptible to
12 challenge.

13 7.8.5. Administrator's Declaration. Before the date by which Plaintiffs are required to
14 file the Motion for Final Approval of the Settlement, the Administrator will provide to
15 Class Counsel and Defense Counsel, a declaration suitable for filing in Court attesting
16 to its due diligence and compliance with all of its obligations under this Agreement,
17 including, but not limited to, its mailing of Class Notice, the Class Notices returned as
18 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
19 number of Requests for Exclusion from Settlement it received (both valid or invalid),
20 the number of written objections and attach the Exclusion List. The Administrator will
21 supplement its declaration as needed or requested by the Parties and/or the Court. Class
22 Counsel is responsible for filing the Administrator's declaration(s) in Court.

23 7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator
24 disburses all funds in the Gross Settlement Amount, the Administrator will provide
25 Class Counsel and Defense Counsel with a final report detailing its disbursements by
26 employee identification number only of all payments made under this Agreement. At
27 least 7 days before any deadline set by the Court, the Administrator will prepare, and
28 submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in

1 Court attesting to its disbursement of all payments required under this Agreement. Class
2 Counsel is responsible for filing the Administrator's declaration in Court.

3 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

4 Based on its records, Defendants estimate that, as of the date of this Settlement
5 Agreement, (1) there are 603 Class Members and 95,197 Total Workweeks during the Class
6 Period and (2) there are 450 Aggrieved Employees who worked 24,975 Pay Periods during the
7 PAGA Period.

8 8.1. Increase in Workweeks. Defendants represent that there are no more than 95,197
9 Workweeks during the Class Period as of the date of mediation. In the event the number of
10 Workweeks during the Class Period increases by more than 10%, or 9,519 Workweeks, then, at
11 Defendants' election: (1) the Gross Settlement Amount shall be increased proportionally by the
12 Workweeks in excess of 104,716 Workweeks multiplied by the Workweek Value; or (2) the
13 Class Period shall end on the date the number of Workweeks reaches 104,716. The Workweek
14 Value shall be calculated by dividing the originally agreed-upon Gross Settlement Amount
15 (\$2,500,000.00) by 95,197, which amounts to a Workweek Value of \$26.26. Thus, for example,
16 should there be 110,000 Workweeks during the Class Period, and Defendants election option (1)
17 above, then the Gross Settlement Amount shall be increased by \$138,757.84 $([110,000$
18 $\text{Workweeks} - 104,716 \text{ Workweeks}] \times \$26.26 \text{ per Workweek})$. Should Defendants elect to end
19 the Class Period when the number of Workweeks reaches 104,716, pursuant to option (2) above,
20 Defendants must provide written notice of the end date of the Class Period to Class Counsel
21 within ninety (90) days of the first set hearing date on Plaintiff's Motion for Preliminary
22 Approval.

23 **9. MOTION FOR FINAL APPROVAL**

24 Prior to the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for
25 final approval of the Settlement that includes a request for approval of the PAGA settlement
26 under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed
27 Judgment (collectively "Motion for Final Approval"). Plaintiffs shall endeavor to provide drafts
28 of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class

1 Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve
2 any disagreements concerning the Motion for Final Approval.

3 9.1. Response to Objections. Each Party retains the right to respond to any objection raised
4 by a Participating Class Member, including the right to file responsive documents in Court no
5 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
6 by the Court.

7 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
8 Approval on any material change to the Settlement (including, but not limited to, the scope of
9 release to be granted by Class Members), the Parties will expeditiously work together in good
10 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
11 Approval. The Court's decision to award less than the amounts requested for the Class
12 Representatives Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
13 Expenses Payment, Administrator Expenses Payment and/or individual claims of plaintiff for
14 alleged wrongful termination, shall not constitute a material modification to the Agreement
15 within the meaning of this paragraph.

16 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
17 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
18 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
19 and (iii) addressing such post-Judgment matters as are permitted by law.

20 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
21 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
22 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
23 respective counsel, and all Participating Class Members who did not object to the Settlement as
24 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
25 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
26 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
27 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
28 Parties' obligations to perform under this Agreement will be suspended until such time as the

1 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
2 the amount of the Net Settlement Amount.

3 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
4 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
5 modification of this Agreement (including, but not limited to, the scope of release to be granted
6 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
7 expeditiously work together in good faith to address the appellate court's concerns and to obtain
8 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
9 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
10 the Court's award of the Class Representatives Service Payment or any payments to Class
11 Counsel shall not constitute a material modification of the Judgment within the meaning of this
12 paragraph, as long as the Gross Settlement Amount remains unchanged

13 **10. AMENDED JUDGMENT**

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

16 **11. ADDITIONAL PROVISIONS**

17 11.1. No Admission of Liability, Class Certification or Representative Manageability for Other
18 Purposes. This Agreement represents a compromise and settlement of highly disputed claims.
19 Nothing in this Agreement is intended or should be construed as an admission by Defendants
20 that any of the allegations in the Operative Complaint have merit or that Defendants have any
21 liability for any claims asserted; nor should it be intended or construed as an admission by
22 Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class
23 certification and representative treatment is for purposes of this Settlement only. If, for any
24 reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants
25 reserve the right to contest certification of any class for any reasons, and Defendants reserve all
26 available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class
27 certification on any grounds available and to contest Defendants' defenses. The Settlement, this
28 Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be

admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

11.3. 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.

11.4. 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.

1 11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
2 represent that they are authorized by Plaintiffs and Defendants, respectively, to take all
3 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
4 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
5 terms of this Agreement including any amendments to this Agreement.

6 11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
7 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
8 Settlement Agreement, submitting supplemental evidence and supplementing points and
9 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
10 or content of any document necessary to implement the Settlement, or on any modification of the
11 Agreement that may become necessary to implement the Settlement, the Parties will seek the
12 assistance of a mediator and/or the Court for resolution.

13 11.7. No Prior Assignments. The Parties separately represent and warrant that they have not
14 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
15 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
16 action, or right released and discharged by the Party in this Settlement.

17 11.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are
18 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
19 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
20 Part 10, as amended) or otherwise.

21 11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
22 modified, changed, or waived only by an express written instrument signed or agreed to by all
23 Parties or their representatives, and approved by the Court. Plaintiffs and Defendant expressly
24 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
25 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
26 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
27 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
28 the use of signatures previously provided by the Parties.

1 11.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
2 the benefit of, the successors of each of the Parties.

3 11.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
4 governed by and interpreted according to the internal laws of the state of California, without
5 regard to conflict of law principles.

6 11.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
7 this Agreement. This Agreement will not be construed against any Party on the basis that the
8 Party was the drafter or participated in the drafting

9 11.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
10 during Action and in this Agreement relating to the confidentiality of information shall survive
11 the execution of this Agreement

12 11.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code
13 §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants
14 in connection with the mediation, other settlement negotiations, or in connection with the
15 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not
16 be used in any way that violates any existing contractual agreement, statute, or rule of court.

17 11.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
18 inserted for convenience of reference only and does not constitute a part of this Agreement.

19 11.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall
20 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
21 weekend or federal legal holiday, such date or deadline shall be on the first business day
22 thereafter.

23 11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts
24 by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall
25 be accepted as an original. All executed counterparts and each of them will be deemed to be one
26 and the same instrument if counsel for the Parties will exchange between themselves signed
27 counterparts. Any executed counterpart will be admissible in evidence to prove the existence
28 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 CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

11.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

///

IT IS SO AGREED:

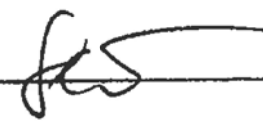
Martin Sr. Portales Rodriguez

06/18/2023

Plaintiff, Martin Sr. Portales Rodriguez


For Defendant, Hannam Chain Del Arno, Inc.


Plaintiff, Pablo Perez Palma

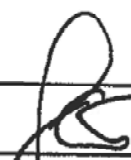

For Defendant, Super 1 Torrance, Inc.


May 29, 2023
Plaintiff, Alfredo Solis Palacios


For Defendant, Super 1 La Palma, Inc.


For Defendant, Hannam Traders, Inc.

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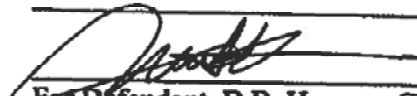


For Defendant, Torrance Hannam Chain, Inc.

For Defendant, Super 1 Hannam, Inc.

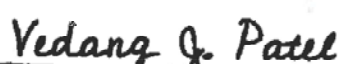


For Defendant, Hannam Chain USA, Inc.



For Defendant, D.B. Hannam Chain, Inc.

AGREED AS TO FORM ONLY:



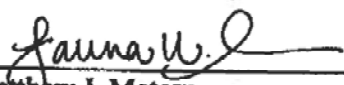
David D. Bibiyah
Vedang J. Patel
Counsel for Plaintiff Rodriguez

James S. Cooper /s/

James S. Cooper
Counsel for Defendants



Michael Nourmand
Counsel for Plaintiff Palma



Matthew J. Matern
Launa Adolph
Ellie D. Goralnick
Counsel for Plaintiff Palacios

5/29/26