

Samuel A. Wong, Bar No. 217104
swong@aegislawfirm.com
Kashif Haque, Bar No. 218672
khaque@aegislawfirm.com
Jessica L. Campbell, Bar No. 280626
jcampbell@aegislawfirm.com
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: 949.379.6250
Fax No.: 949.379.6251

Attorneys for Plaintiff
JILL V. VILLA

Jody A. Landry (SBN 125743)
LITTLER MENDELSON, P.C.
501 W. Broadway, Suite 900
San Diego, California 92101.3577
Telephone: (619) 232-0441
Fax: (619) 232-4302
Email: jlandry@littler.com
Email: curena@littler.com

Attorneys for Defendant Xanitos, Inc.

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

JILL V. VILLA, individually and on behalf of all others similarly situated, Plaintiff, v. XANITOS, INC.; and DOES 1 through 20, inclusive, Defendants.	Case No. 22STCV09036 ASSIGNED FOR ALL PURPOSES TO HON. ELIHU M. BERLE, DEPT. 6 AMENDED JOINT STIPULATION OF CLASS ACTION AND PRIVATE ATTORNEY GENERAL ACT SETTLEMENT AND RELEASE
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Subject to the approval of the Court, this Amended Joint Stipulation of Class Action and Private Attorney General Act (“PAGA”) Settlement and Release (“Settlement”) is made and entered into by and between Plaintiff Jill V. Villa (“Plaintiff”), individually and as the representative of the Participating Class Members, as defined below, on the one hand, and Defendant Xanitos, Inc. (“Defendant”), on the other hand. The Class (as defined below) and Defendant are jointly referred to

herein as the “Settling Parties” and individually referred to herein as a “Settling Party.” This amended settlement supersedes and replaces the agreement the Settling Parties signed in July of 2024.

DEFINITIONS

In addition to the other terms defined elsewhere in this Settlement, the terms below have the following meanings in this Settlement:

I. DEFINITIONS

A. “Action” means the civil actions entitled *Jill V. Villa v. Xanitos, Inc.* Los Angeles Superior Court Case Nos.22STCV09036 and 22STCV16739, as well as the PAGA exhaustion letter Plaintiff’s counsel submitted to the Labor Workforce Development Agency on March 15, 2022, LWDA-CM-873503-22.

B. “Class Counsel” means Plaintiff’s attorneys Samuel Wong, Kashif Haque, Jessica L. Campbell, of Aegis Law Firm, PC.

C. “Class Counsel Fees and Expenses” means the total amount of attorneys’ fees, litigation costs, and expenses awarded to Class Counsel by the Court to compensate Class Counsel for their representation of the Class in the Action, including pre-filing investigation, filing of the Action, all related litigation activities including discovery, mediation, the motion for class certification, this Settlement, and all post-Settlement compliance procedures, including, but not limited to, any counsel costs and fees association with any objections or appeals regarding the Settlement.

D. “Class” or “Class Member(s)” means all current and former non-exempt employees of Defendant in California who worked during the Class Period.

E. “Class Period” means March 15, 2018 through April 27, 2024.

F. “Class Representative Service Award” means the amount awarded by the Court to the Class Representative pursuant to Section III (D).

G. “Class Representative” or “Plaintiff” mean Jill V. Villa.

H. “Court” means the Superior Court of California for the County of Los Angeles.

I. “Defendant’s Counsel” means Jody A. Landry of Littler Mendelson, PC.

J. “Effective Date” of the Settlement will be when the final approval of the settlement can no longer be appealed. Defendant shall fund the payments due under this Settlement within sixty

(60) days after the Effective Date., subject to the exception that the payment cannot be funded any earlier than July 1, 2025.

K. “Final” means that the Settlement has been finally approved by the Court without material modification and either: (i) if there are no objections, or if an objection(s) is made and overruled, 61 days from the date the order for final approval is issued; or (ii) if objections are made, and an appeal is filed, the day after the Judgment is affirmed or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further judicial review.

L. “Final Approval Hearing” means the hearing to be conducted by the Court to determine whether to finally approve and implement the terms of this Settlement.

M. “Judgment” means the judgment entered by the Court after it grants final approval of this Settlement.

N. “Maximum Settlement Amount” means the maximum potential value of the settlement is One Million Three Hundred and Fifty Thousand Dollars (\$1,350,000.00). The Maximum Settlement Amount is the maximum amount Defendant can be required to pay under this Settlement, subject to pro rata increase as provided below, including: (1) Payments to the Class Employees for their share of the Net Settlement Amount; (2) Payments to the PAGA Employees of their share of the Net Settlement Amount; (3) Counsels’ Attorneys’ Fees; (4) Counsels’ Litigation Costs and Expenses; (5) Settlement Administration Costs; (6) payment of a Service Award to Plaintiff; (7) the payment to the LWDA of its share of Net Settlement Amount; and (8) employee side payroll taxes. Defendant will pay the employer side of the payroll taxes separately.

O. “Net Settlement Amount” means the Maximum Settlement Amount *minus* the sum of: (1) Counsels’ Fees; (2) Counsels’ Expenses (3) the Settlement Administration Costs; and (4) Plaintiff’s Service Award for being the Class Representative. Out of the Net Settlement Amount, \$100,000 is designated as the PAGA Payment, the LWDA will be paid 75% of the PAGA Payment and the remaining 25% of the PAGA Payment (“PAGA Employee Fund”) will be paid to PAGA Employees as set forth below. The remainder of the Net Settlement Amount (“Class Employee Fund”), estimated to be \$737,500, will be paid to the Class Employees as outlined below.

1 **P.** “Participating Class Member(s)” means Class Members who do not submit a timely
2 and valid request to opt-out of the Settlement.

3 **Q.** “Parties” means the Plaintiff and Defendant.

4 **R.** “PAGA Employees” means all current and former non-exempt employees of
5 Defendant in California who worked during the PAGA Period.

6 **S.** “PAGA Period” is the time period of March 15, 2021 through April 27, 2024.

7 **T.** “Preliminary Approval” means the Court’s order granting preliminary approval of the
8 Settlement.

9 **U.** “Released Parties” means Xanitos, Inc. as well as its parent, subsidiaries, assign, other
10 related organizations, insurers, officers, directors and management employees.

11 **V.** “Settlement Administrator” means Phoenix Settlement Administrators, so long as they
12 are appointed by the Court to administer the settlement of this Action under the terms of this
13 Settlement.

14 **W.** “Settlement Administration Costs” means all fees and costs owed to the Settlement
15 Administrator in connection with administering the settlement in this Action under the terms of this
16 Settlement.

17 **X.** “Settlement Share” means each Class Member’s pro rata share of the Net Settlement
18 Amount which is determined by the process described in Section III(F).

19 **II. RECITALS**

20 **A.** On March 15, 2022 Plaintiff filed her class complaint commencing the Action in the
21 Court. On March 15, 2022 Plaintiff’s counsel sent a letter to the LWDA to exhaust her remedies under
22 PAGA. On May 20, 2022 Plaintiff filed a separate lawsuit in the Los Angeles Superior Court seeking
23 penalties under PAGA. On or about December 6, 2022 the Court deemed the two matters related.
24 These two matters are referred to collectively herein as the “Action”. Plaintiff contends, by way of
25 the Action, that Defendant violated California’s wage and hour laws with respect to Plaintiff and Class
26 Members by, *inter alia*, failure to pay the required minimum wage and overtime for all time worked,
27 failing to properly provide meal periods or pay a premium in lieu thereof, failing to properly authorize
28 and permit rest breaks or pay a premium in lieu thereof, failure to timely pay wages at termination,

1 failing to provide compliant wage statements, failure to reimburse expenses, thereby also violating
2 California Business & Professions Code section 17200, et seq. and seeks penalties under PAGA.

3 **B.** On February 20, 2024 the Settling Parties attended mediation with Jill R. Sperber, an
4 experienced wage and hour class action and PAGA mediator. After lengthy negotiations that occurred
5 during the mediation, during which the Settling Parties, through their counsel, recognized the burdens
6 and risk of continuing with the litigation, the Settling Parties reached an agreement to settle and resolve
7 the Action and Released Claims.

8 **C.** The Settlement represents a compromise and settlement of highly disputed claims.
9 Nothing in the Settlement is intended, or may be construed, as an admission by Defendant that any of
10 the claims alleged in the Action have merit, or that Defendant bears any liability to the Class Members
11 on those claims, nor as an admission by the Class Members that Defendant's defenses in the Action
12 have merit.

13 Based on these Recitals, the Settling Parties hereby agree as follows.

14 **III. SETTLEMENT TERMS AND CONDITIONS**

15 **A. Maximum Settlement Amount.** In order to settle the Action and Released Claims,
16 Defendant agrees to pay the Maximum Settlement Amount. The Maximum Settlement Amount is
17 inclusive of all payments described in Section I(N). Under no circumstances shall Defendant be
18 required to pay more than the Maximum Settlement Amount, other than the amount of employer-side
19 payroll taxes owed on the wage portion of the Settlement Shares ("Employer Taxes"), unless the
20 provisions of section III(P)(3) are triggered. If that occurs then Defendant will increase the Maximum
21 Settlement amount as outlined. Defendant shall pay the Employer Taxes separately and in addition to
22 the Maximum Settlement Amount.

23 **B. Class Counsel Fees And Expenses.** Defendant and its counsel shall not oppose the
24 application to the Court for an attorney's fees award of up to \$450,000.00, which is one-third of the
25 Maximum Settlement Amount and reimbursement of litigation costs and expenses of up to Thirty
26 Thousand Dollars and No Cents (\$30,000). The Settlement Administrator shall issue an IRS Form
27 1099 to Class Counsel with respect to the attorneys' fees and costs awarded to them. Defendant's
28 agreement not to oppose a motion for attorneys' fees or a bill of costs for the aforementioned amounts

1 should not be construed as approval or endorsement by Defendant of the amount sought. Whatever
2 amount of Class Counsel Fees and Expenses that the Court approves shall be paid from the Maximum
3 Settlement Amount. Should the Court approve and award less than the amount provided for herein,
4 the difference shall be included in the Net Settlement Amount.

5 **C. LWDA Payment.** Settling Parties agree that the amount of \$100,000 of the Maximum
6 Settlement Amount is deemed payment for penalties under PAGA (“PAGA Penalties”), of which 75%
7 shall be paid to the Labor and Workforce Development Agency (“LWDA Payment”) and the
8 remaining 25% shall be distributed to the PAGA Employees pursuant to the formula in Section
9 III(F)(3).

10 **D. Class Representatives Service Award.**

11 1. Plaintiff shall request, and Defendant shall not oppose, an incentive payment
12 not to exceed \$10,000 for the Class Representative in exchange for a full release, as further discussed
13 below. The Class Representative’s Service Award is intended as reasonable compensation for the
14 time and effort expended by her as Class Representative and in connection with the initiation and
15 maintenance of this Action. The Class Representative’s Service Award shall be paid from the
16 Maximum Settlement Amount, and shall be paid in addition to whatever payment Plaintiff is otherwise
17 entitled to as a Participating Class Member. The Class Representative’s Service Award shall be
18 reported to the taxing authorities by means of an IRS Form 1099. The amount of the Class
19 Representative’s Service Award is left to and within the Court’s sole discretion. Should the Court
20 approve and award less than the amount provided for herein, or not at all, the difference shall be
21 included in the Net Settlement Amount. The Settling Parties agree that the approval, and amount, of
22 any Class Representative’s Incentive Award in this Action shall be in the Court’s sole discretion and
23 not subject to any appeal by Plaintiff who is the sole recipient of any approved Class Representative’s
24 Service Award. The Class Representative will provide a full release, with a 1542 waiver, in exchange
25 for this payment as further discussed below. This Settlement is not contingent on Plaintiff’s receipt
26 of any Service Award out of the Maximum Settlement Amount.

27 2. Plaintiff acknowledges and agrees that Defendant and its attorneys have made
28 no representations or warranties regarding the tax consequences of payment of the Class

1 Representative's Service Award, and Plaintiff has not relied on any such representations or warranties.
2 Plaintiff further agrees to pay and bear sole responsibility for all taxes, liens, levies, encumbrances,
3 interest, and penalties that may be due or payable to any taxing authority as a result of payment of any
4 Class Representative Service Award. Furthermore, Plaintiff agrees to defend and indemnify
5 Defendant and the other Released Parties in connection with any taxes, fines, interest or penalties
6 incurred as a result of any failure by Plaintiff to pay taxes due, if any, on the Class Representative's
7 Service Award paid pursuant to this Agreement.

8 **E. Settlement Administration Costs.** Settling Parties selected Phoenix Settlement
9 Administrators. to act as the Settlement Administrator and it is estimated that the fees, expenses, and
10 costs for administration of the terms of this Settlement shall not exceed \$22,500. All of the Settlement
11 Administration Costs shall be paid from the Maximum Settlement Amount upon completion of all
12 duties required to be performed by the Claims Administrator under the terms of this Settlement, or as
13 otherwise required by the Court, subject to the "not to exceed" quote from the agreed upon Settlement
14 Administrator. Should the Court approve and award less than the amount provided for herein, or not
15 at all, the difference shall be included in the Net Settlement Amount.

16 **F. Settlement Shares to Class Members.**

17 1. Under the Settlement, each Participating Class Member shall be entitled to
18 payment of a pro rata portion of the Net Settlement Amount (i.e., his or her Settlement Share). The
19 amount that each Class Member shall be eligible to receive under the Settlement shall be determined
20 by converting the Class Employee Fund into a Workweek Value. The Workweek Value will be
21 established by dividing the Class Employee Fund by all workweeks for the Participating Class
22 Members during the Class Period based on Defendant's pay records, and excluding any full workweek
23 during with a Participating Class Member was on a leave of absence. Defendant will provide this
24 information with the Class Data List. The Individual Settlement Share for each Participating Class
25 Member will be determined by multiplying the Workweek Value by each Participating Class
26 Member's individual workweeks.

27 2. Each Settlement Share of the Class Employee Fund shall be apportioned as
28 follows: 20% as wages (the "Wage Component") and 80% for interest, penalties, and other non-wage

1 damages (the “Non-Wage Component”). Each Settlement Share shall be subject to reduction for all
2 employee’s share of taxes and withholdings on the Wage Component and shall be reported on IRS W-
3 2 forms, and the net payment will be referred to as “Individual Settlement Payment(s).” No reductions
4 will be made to Settlement Shares for any taxes or withholding in connection with the Non-Wage
5 Component, and the Non-Wage Component shall be reported on IRS 1099 forms. All Class Members
6 covered by this Settlement agree that they are not relying on any representations regarding the tax
7 allocation or treatment of any amounts paid to them under the terms of this Settlement and agree to
8 hold Defendant and the other Released Parties harmless for any and all tax consequences relating to
9 the allocation of the payments made under this Settlement.

10 3. Each PAGA Employees’ pro rata share of the PAGA Employee Fund
11 (“Individual PAGA Settlement Share”) will be determined by converting the portion of the PAGA
12 Employee Fund payable to the PAGA Employees into a Pay Period Value. The pay periods actually
13 worked by PAGA Employees as established by Defendant’s records, excluding pay periods when a
14 PAGA Employee was on a leave, during the PAGA Period will be used to make this calculation.
15 Defendant will provide this information with the Class Data List. The Individual PAGA Settlement
16 Share for each PAGA Employee will be determined by multiplying the Pay Period Value by each
17 PAGA Employee’s individual pay periods. All payments are for penalties and will be reported to the
18 PAGA Employees on IRS Form 1099.

19 **G. Distributions.**

20 1. Within ten business days of the Effective Date, the Settlement Administrator
21 shall provide Class Counsel and Defendant’s Counsel with the account information so that Defendant
22 can wire the Maximum Settlement Amount and the Employer Taxes, and Defendant shall wire said
23 amounts within fifteen (15) business days of the Effective Date, but in no event will Defendant be
24 required to fund the settlement prior to July 1, 2025.

25 2. The Settlement Administrator shall distribute Individual Settlement Payments
26 to Participating Class Members, the payment to the Labor and Workforce Development Agency, the
27 Court-approved Class Representative’s Service Award to Plaintiff and Court-approved Class Counsel
28

1 Fees and Expenses to Class Counsel, within ten (10) business days of receipt of payment from
2 Defendant pursuant to this Section.

3 3. Individual Settlement Payment checks issued to Participating Class Members
4 shall remain valid for a period of 180 calendar days after they issue, and shall be cancelled thereafter.
5 Uncashed checks will be sent to the Controller of the State of California to be held pursuant to the
6 Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. in the name of the
7 individual to whom the uncashed check was addressed, for the benefit of those individuals who did
8 not cash their checks until such time as they claim their property.

9 **H. Payments To Class Do Not Trigger Additional or Derivative Payments.** It is
10 expressly understood and agreed that the receipt of payments under the Settlement shall not entitle
11 Plaintiff or any Participating Class Member to additional or derivative compensation or benefits under
12 any of Defendant's compensation or benefit plans or agreement in place during the period covered by
13 the Settlement, nor shall it entitle Plaintiff or any Class Member to any increased retirement, 401k
14 benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that
15 the payments provided for in this Agreement are the sole payments to be made by Defendant to
16 Plaintiff and Participating Class Members, and that Plaintiff and Participating Class Members are not
17 entitled to any additional or derivative compensation or benefits as a result of having received said
18 payments (notwithstanding any contrary language or agreement in any benefit or compensation plan
19 document that might have been in effect during the period covered by this Settlement).

20 **I. Release of Claims.**

21 1. Participating Class Members Released Claims. Upon the Effective Date and
22 once the Settlement is fully funded, Defendant and the other Released Parties shall be entitled to a
23 release from the Plaintiff and the Class Members who do not opt, for all of the Released Claims which
24 occurred during the Class Period. "Released Claims" means all claims for violations of the following
25 Labor Code claims that were actually alleged in the First Amended Complaint by Plaintiff, on behalf
26 of herself and the Class Employees for the entire Class Period, as well as any and all wage and hour
27 claims that could have been asserted based on the factual or legal allegations contained in Plaintiff's
28 First Amended Complaint, arising at any time during the Class Period, including but not limited to:

(a) failure to pay all wages owed, whether due to alleged off the clock work, rounding, failure to correctly calculate the regular rate or any other theory of liability for the underpayment of the minimum wage or overtime (b) failure to provide duty-free meal periods or pay premiums at the regular rate of pay in lieu thereof; (c) failure to authorize and permit rest period or pay premiums at the regular rate of pay in lieu thereof; (d) failure to provide accurate wage statements; (e) waiting time penalties; (f) unfair business practices based on the allegations in the Complaint, and claims for violation of the provisions of the applicable Wage Orders regarding minimum wage, overtime, and meal periods and rest periods, as well as allegations regarding the late payment of final wages, inaccurate wage statements; (g) claims for the attorney's fees and costs incurred in the prosecution of this Action on behalf of the Class Employees; (h) any other claims, remedies, penalties, or interest that could have been pled based on the facts alleged in the Complaint; and (i) all claims that Plaintiff and/or the Class Employees may have against the Released Parties relating to: (1) the payment, taxation, and allocation of attorney's fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement; and (2) the payment, taxation, and allocation of Plaintiff's Payment pursuant to this Settlement Agreement. The release of the Released Claims shall be effective as to the entire Class Period defined above. The release of the Released Claims expressly excludes all other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, and California class claims outside of the Class Period. Participating Class Members may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date and once the Settlement is fully funded, Participating Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties that seeks recovery for any of the Released Claims. It is the intent of the Parties that the Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Participating Class Members regarding the Released Claims.

2. Complete And General Release By Class Representative. Plaintiff understands that she may hereafter discover facts in addition to or different from those Plaintiff now knows or believes to be true with respect to the subject matter of the Released Claims, but upon the Effective Date and once the Settlement is fully funded, shall be deemed to have, and by operation of the contemplated final judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, as well as any other known or unknown, suspected or unsuspected, contingent or non-contingent claims, which now exist, or heretofore have existed, upon any theory of law or equity now existing, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, including but not limited to the Fair Employment and Housing Act, or rule, without regard to the subsequent discovery or existence of such different or additional facts. In exchange for the consideration provided to Plaintiff under the Settlement, he shall waive any and all rights Plaintiff may have under Civil Code section 1542. Section 1542 reads as follows: “A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.” Plaintiff understands that he is providing a general release of known and unknown claims to Defendant and the Released Parties that is effective when the Court grants final approval of the Settlement and Defendant funds the Settlement.

3. Release of PAGA Claims By State of California and PAGA Employees. Upon the Effective Date and once the Settlement is fully funded, Defendant and the other Released Parties shall be entitled to a release from the Plaintiff, the State of California, and all PAGA Employees with respect to the PAGA Released Claims which occurred during the PAGA Period. “PAGA Released Claims” means (a) all claims for civil penalties under PAGA for alleged violations of the following Labor Code sections that were actually alleged or that could have been alleged in the Action or Plaintiff’s PAGA Notice by Plaintiff, on behalf of herself, the State of California, and the PAGA Employees, for the entire PAGA Period: California Labor Code sections 201, 202, 203, 204, 210, 212, 213, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198; (b) claims for the attorney’s fees and costs incurred in the prosecution of this Action on behalf

of the PAGA Employees; (c) any other claims for PAGA penalties that could have been plead based on the facts alleged in the Action; and (d) all claims that Plaintiff, and/or the PAGA Employees may have against the Released Parties relating to: (i) the payment, taxation, and allocation of attorney's fees and costs to Plaintiff's Counsel pursuant to this Settlement Agreement; and (ii) the payment, taxation, and allocation of PAGA Payments pursuant to this Settlement Agreement. The release of the PAGA Released Claims shall be effective as to the entire PAGA Period defined above. It is the intent of the Parties that the Judgment entered by the Court shall have full *res judicata* effect and be final and binding upon Plaintiff, the state of California and the PAGA Employees regarding the PAGA Released Claims.

4. Release By Class And PAGA Employees. Upon the Effective Date and once the Settlement is fully funded, Plaintiff, on behalf of herself and all Class Employees, release the Released Parties from the Class Released Claims. Upon the Effective Date and once the Settlement is fully funded, Plaintiff, on behalf of herself, the State of California, and all PAGA Employees, release the Released Parties from the PAGA Released Claims. Both PAGA Employees and/or Class Employees may discover facts in addition to those they now know or believe to be true with respect to the subject matter of the Class or PAGA Released Claims, but upon the Effective Date and once the Settlement is fully funded, PAGA Employees and Class Employees shall be deemed to have, and by operation of the Settlement Approval order shall have, fully, finally, and forever settled and released any and all of the Class or PAGA Released Claims, without regard to the subsequent discovery or existence of such different or additional facts. PAGA Employees and Class Employees agree not to sue or otherwise make a claim against any of the Class or PAGA Released Parties that seeks recovery for any of the Released Claims. It is the intent of the Parties that the Settlement Approval order entered by the Court shall have full *res judicata* effect and be final and binding upon PAGA Employees and Class Employees regarding the Released Claims

J. Motion For Preliminary Approval.

1. Class Counsel will file an unopposed motion with the Court (the "Preliminary Approval Motion") seeking an order approving the Settlement; setting a date for the Final Approval Hearing; approving the distribution of the Notice of Class Action Settlement (the "Class Notice") in

1 substantively the form attached hereto as “**Exhibit A**”; and approving the procedures and deadlines
2 for disputing Pay Periods, opting-out of the Settlement, and objecting to the Settlement. Defendant’s
3 Counsel will either not respond or will file a notice of non-opposition to the motion.

4 2. At the hearing on the Preliminary Approval Motion, the Settling Parties will
5 jointly appear, and support the granting of the motion, and submit a proposed order granting
6 preliminary approval of the Settlement, approving the Class Notice, and setting a Final Approval
7 Hearing (the “Proposed Order”). The Proposed Order to be submitted to the Court in substantially the
8 form that is attached hereto as “**Exhibit B**.”

9 3. Should the Court, after a reasonable opportunity to cure and remedy any stated
10 deficiencies, ultimately decline to grant preliminary approval of the Settlement as proposed by the
11 Settling Parties, then the Settlement is void for lack of a condition precedent of the Settlement and the
12 Settling Parties will revert to their respective positions.

13 **K. Mailing Of Class Notice To Class Members.**

14 After the Court enters its order granting preliminary approval of the Settlement, all Class
15 Members will be provided with the Class Notice by the Settlement Administrator as follows:

16 1. Within twenty (20) business days after the Court grants preliminary approval
17 of the Settlement, Defendant shall provide to the Settlement Administrator the last-known contact
18 information that it has for the Class Members, including their full name, mailing addresses, telephone
19 numbers, Social Security numbers, start and end dates of employment, and the number of Workweeks
20 during the Class Period and the Number of Pay Periods during the PAGA Period (“Class Data List”).
21 All data and information provided to the Settlement Administrator and Class Counsel by way of the
22 Class Data List shall be treated as confidential and shall not be disclosed to anyone, except as may be
23 required to applicable tax authorities, pursuant to Defendant’s express written consent, by order of the
24 Court, or to carry out the reasonable steps described in this Settlement to locate missing Class
25 Members.

26 2. Within fourteen (14) calendar days after receiving the Class Data List from
27 Defendant, the Settlement Administrator shall mail the Class Notice to all identified Class Members
28 via first-class U.S. Mail, using the last known address information provided by Defendant, unless such

1 address is modified by any updated address information that the Settlement Administrator obtains in
2 the course of administration of the Settlement. Prior to completing this mailing, the Settlement
3 Administrator shall perform a National Change of Address (“NCOA”) search to confirm the validity
4 of and update Class Members’ mailing addresses.

5 3. If any Class Notice is returned as undeliverable with a forwarding address
6 within thirty (30) calendar days of the mailing of the Class Notice, the Settlement Administrator shall
7 have five (5) calendar days to re-mail the Class Notice to the forwarding address. If any Class Notice
8 is returned as undeliverable without a forwarding address within thirty (30) calendar days of the
9 mailing of the Class Notice, the Settlement Administrator shall have five (5) calendar days from receipt
10 of the returned Class Notice to search for a more current address for the Class Member and to re-mail
11 the Class Notice to the Class Member. This inquiry shall include a skip-trace search. The Settlement
12 Administrator shall be responsible for taking all reasonable steps, consistent with its agreed upon job
13 parameters, Court orders and fee, according to the deadlines set forth in this Settlement, to administer
14 the Settlement, including, *inter alia*, to tracking all undelivered mail, performing an address search for
15 all mail returned without a forwarding address, and promptly re-mailing the Class Notice to Class
16 Members as set forth herein. If the Class Notice is re-mailed, the Claims Administrator shall note for
17 its own records the date and address of each such re-mailing and so notify Class Counsel and
18 Defendants’ counsel. The obligation to trace and resend returned Class Notices shall cease after two
19 mailings or thirty (30) calendar days after the initial mailing, whichever occurs first. The Response
20 Deadline shall be either the original Response Deadline or fifteen (15) calendar days after the
21 remailing of a Class Notice in accordance with the Agreement, whichever is later.

22 4. The Settlement Administrator shall provide weekly status reports to counsel for
23 the Settling Parties, including: (a) the number of Class Notices that it has mailed; (b) the number of
24 objections, if any are received; (c) the number of disputes of pay periods, if any are received; and (c)
25 the number of requests to opt-out of the Settlement, if any are received.

26 5. No later than ten (10) business days after the Response Deadline, the Settlement
27 Administrator shall provide Class Counsel and Defendant’ counsel, a declaration for filing with the
28 Court in support of Plaintiff’s motion for final approval of the Settlement, setting forth its due diligence

1 and compliance with its obligations under this Settlement.

2 **L. Opt-Outs and Objections To Settlement.**

3 Class Members are not required to sign a claim form to participate in the Settlement. Class
4 Members may opt out of the Settlement or submit objections to the Settlement pursuant to the
5 following procedures:

6 1. The Class Notice shall provide that Class Members who do not want to
7 participate in the Settlement may exclude themselves by submitting a written request seeking to opt-
8 out of the Settlement (“Opt-Out Notice”) to the Settlement Administrator not later than sixty (60)
9 calendar days after the date that the Settlement Administrator first mails the Class Notice (“Response
10 Deadline”). An Opt-Out Notice must: (a) contain the full name and address of the person requesting
11 to opt-out; (b) be signed by the person requesting to opt-out; (c) reference the Action by its name; and
12 (d) contain a statement clearly indicating that the person submitting the request seeks to be excluded
13 from the Settlement. If the Opt-Out Notice does not contain the information listed in (a)-(d) or is not
14 returned to the Settlement Administrator postmarked by the Response Deadline, it shall not be deemed
15 timely and valid. The date of the postmark on the return mailing envelope shall be the exclusive means
16 used to determine whether the Opt-Out Notice has been timely submitted. Any Class Member who
17 submits a timely and valid Opt-Out Notice shall not be entitled to any recovery under the Settlement
18 and shall not be bound by the terms of the Settlement, and shall not have any right to object, appeal,
19 or comment thereon. The submission of an Opt-Out Notice shall not impact a PAGA Employee’s
20 entitlement to their Individual PAGA Settlement Share. Class Members who fail to submit a timely
21 and valid Opt-Out Notice shall be Class Members bound by all terms of the Settlement and the
22 contemplated Judgment if the Settlement is granted final approval by the Court. No later than ten (10)
23 business days after the Response Deadline, the Settlement Administrator shall provide Class Counsel
24 and Defendant’s Counsel with a complete list of all Class Members who have submitted timely and
25 valid Opt-Out Notices, including their full names.

26 2. The Class Notice shall provide that Participating Class Members (i.e., Class
27 Members who are not seeking to opt out of the Settlement) who wish to object to the Settlement must
28 submit to the Settlement Administrator a written statement explaining their objection to the Settlement

1 no later than the Response Deadline. Alternatively, or in addition to a written objection, Class
2 Members may appear at the Final Approval Hearing to make an oral objection. If a Class Member
3 opts out of the Settlement, they cannot object to the Settlement.

4 3. A Class Member who does not make an oral objection at the Final Approval
5 Hearing or does not submit a written objection in the manner and by the Response Deadline specified
6 above shall be deemed to have waived all objections and shall be foreclosed from making any
7 objections to the Settlement, whether by appeal or otherwise.

8 4. If a Class Member who has timely submitted an objection to the Settlement files
9 a Notice of Appeal of the contemplated Judgment within the time period prescribed by law, Defendant
10 shall not be required to fund any portion of the Maximum Settlement Amount, and the Settlement
11 Administrator shall not distribute or pay any monies until the appeal(s) are finally resolved in favor of
12 the Settlement or dismissed with prejudice.

13 5. The Parties agree that there is no statutory right for any PAGA Employee to
14 object, opt out or otherwise exclude himself or herself from the PAGA part of the Settlement. If a
15 Class Member opts out, and is also a PAGA Employee, s/he is still covered by the PAGA portion of
16 the Settlement. Except as otherwise stated, Plaintiff shall vigorously defend against any attempt by
17 any PAGA Employee or by any entity or agency to intervene in this matter or object to/opt-out of this
18 settlement. Further, there is no right or opportunity for any PAGA Employee to appeal the approval
19 of the Settlement by the Court. The Parties shall jointly defend against any appeal filed with respect
20 to the Final Order as it pertains to the PAGA part of the Settlement.

21 **M. Resolution of Class Member Disputes Over Workweeks or Pay Periods.**

22 1. If a Class Member disputes the number of Workweeks or Pay Periods credited
23 to him or her, which will be stated in the Class Notice, the Class Member must submit a written dispute
24 to the Settlement Administrator, postmarked no later than the Response Deadline. The dispute must:
25 (a) contain the full name and address of the Class Member; (b) be signed by the Class Member; (c)
26 reference the Action by its name and case number; (d) contain a statement clearly indicating that the
27 Class Member disputes the number of Workweeks and/or Pay Periods that are credited to him or her
28 and the number of Workweeks and/or Pay Periods that the Class Member claims should be credited

1 to him or her; and (e) attach supporting documentation, if any, that they may have. If such a dispute
2 arises with respect to a Class Member, the Settlement Administrator shall inform Class Counsel and
3 Defendant's Counsel. Defendant shall manually review its payroll and personnel records to verify the
4 correct number of Pay Periods or Workweeks for the disputing Class Member. Defendant's records
5 shall have a rebuttable presumption of correctness, and Defendant's Counsel and Class Counsel shall
6 jointly determine how the dispute should be resolved. If they are unable to jointly resolve the dispute,
7 the Settlement Administrator shall present the dispute for resolution by the Court, by way of
8 declaration to be filed in advance of the Final Approval Hearing. The decision on the dispute shall be
9 non-appealable.

10 **N. No Solicitation of Objections or Opt-Outs.** Neither the Settling Parties nor their
11 respective counsel or management shall solicit or otherwise encourage any Class Member, directly or
12 indirectly, to seek to opt-out from the Settlement, object to the Settlement, and/or appeal from the
13 Judgment.

14 **O. Additional Briefing and Final Approval.**

15 1. As soon as practicable following the Response Deadline, Plaintiff shall move
16 the Court for final approval of the Settlement. Defendant agrees it shall not oppose so long as the
17 motion is in all respects consistent with the terms of this Settlement. Not later than five (5) court days
18 before the Final Approval Hearing, the Settling Parties may file, jointly or separately, a reply in support
19 of the motion or such other papers as may be necessary or helpful to the Court regarding the subject
20 matter of the motion.

21 2. Upon final approval of the Settlement by the Court at or after the Final Approval
22 Hearing, the Settling Parties shall present a Judgment for the Court's approval and entry, which shall
23 provide that the Court shall have continuing jurisdiction over the Action and the Settlement solely for
24 purposes of: (i) enforcing this Settlement, (ii) addressing any claims administration matters that may
25 arise; and (iii) addressing such post-Judgment matters as may be appropriate under court rules or
26 applicable law.

1
2 **P. Options to Terminate Settlement/Revision to Maximum Settlement Amount or**
3 **Class Period and PAGA Period.**

4 1. Any reduction in the Class Counsel Fees and Expenses, and/or any reduction to
5 the requested Class Representative's Service Award, does not constitute grounds to terminate or void
6 the Settlement.

7 2. Defendant has the right to cancel the Settlement if more than ten percent (10%)
8 of the Class Members submit timely and valid Opt-Out Notices from the Settlement. This option to
9 cancel the Settlement must be exercised by Defendant by providing written notice to Class Counsel
10 within ten (10) business days of Defendant's Counsel receiving notification from the Settlement
11 Administrator that more than ten percent (10%) of the Class Members have submitted timely and valid
12 Opt-Out Notices from the Settlement. If Defendant exercises the option to terminate the Settlement,
13 then Defendant shall be responsible for paying all Settlement Administration Costs.

14 3. If the number of workweeks worked during the Class Period exceeds 119,951
15 by more than 10%, which is 131,946, then the Gross Settlement Amount will increase pro rata per
16 additional workweek actually worked beyond 131,946. That means, for example, that if the actual
17 workweeks worked through April 27, 2024, are 135,000, then Defendant would need to pay an
18 additional \$31,242.42 ($\$1,350,000 \div 131,946 = \10.23 a workweek x 3,054 excess
19 workweeks).

20 4. Either Settling Party may terminate this Settlement by giving written notice to
21 the other Settling Party (through its counsel) no later than twenty (20) calendar days after receiving
22 notice that one of the following has occurred: (i) the Court declines to enter the Preliminary Approval
23 Order or the Final Approval Order in substantially the form submitted by the Parties; (ii) the Settlement
24 does not become final because of any appellate court action; or (iii) the Court's final approval of the
25 Settlement is reversed or materially modified on appellate review.

26 5. In the event of termination of this Settlement as provided above, this Settlement
27 shall become and be considered null and void, and it shall have the following effects: (i) the Settling
28 Parties shall have no further obligations under the Settlement; (ii) Defendant shall have no obligation

1 to make any payments to any person, party, Class Member or attorney that otherwise would have been
2 owed under this Settlement, except that in case of termination under Section III (P)(2), Defendant shall
3 pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the
4 Settlement is terminated; (iii) in case of termination under Section III (P)(4), the Parties shall split the
5 Settlement Administrator's reasonable fees and expenses incurred as of the date that the Settlement is
6 terminated; (iv) the Settlement and all negotiations, statements and proceedings relating thereto shall
7 be without prejudice to the rights of any of the Settling Parties, all of whom shall be restored to their
8 respective positions in the Action prior to the Settlement; and (v) neither this Settlement nor any
9 ancillary documents, actions, statements or filings in furtherance of settlement (including all matters
10 associated with the mediation) shall be admissible or offered into evidence in the Action or any other
11 case or proceeding for any purpose whatsoever.

12 6. Notice of the termination of the Settlement by a Settling Party must be provided
13 to counsel for the other Settling Party in writing.

14 **Q. Dispute Resolution.** Any disputes not resolved by the Settlement Administrator or the
15 Settling Parties shall be resolved by the Court. Before any such resort to the Court, counsel for the
16 Settling Parties shall confer in good faith in an attempt to resolve the dispute.

17 **R. Waiver of Right To Appeal.** Plaintiff and Class Counsel waive all appeals from the
18 Court's Final Approval of this Settlement.

19 **S. Publicity.** Neither Plaintiff nor Plaintiff's counsel will publicize this settlement by
20 Defendant's name or location, through a press release, posting on counsels' website, in social media or
21 by any other public means, other than necessary court filings and proceedings associated with the
22 settlement. Nothing in this provision is intended to prohibit (i) Plaintiff from discussing this settlement
23 with her spouse or partner, attorneys or tax advisor; (ii) Plaintiff's counsel from communicating with
24 putative class members in this case or with the court in which this action is pending; or (iii) Plaintiff's
25 counsel from referencing this matter for purposes of establishing adequacy in other cases.

26 **T. Fair, Adequate, And Reasonable Settlement.** This Settlement was reached after
27 extensive negotiations. The Settling Parties believe and agree that this Settlement is a fair, adequate,
28 and reasonable resolution of the Action and have arrived at this Settlement in arms-length negotiations,

1 considering all relevant factors, present and potential, and shall so represent it to the Court.

2 **U. No Admission Of Liability.** Defendant and the Released Parties deny any and all
3 alleged wrongdoing or the violation of any rights of the Plaintiff and/or Class Members. By entering
4 into this Settlement, Defendant does not admit, and in fact specifically disclaims, the violation of any
5 law or regulation. This Settlement is entered into solely for the purpose of compromising highly
6 disputed claims. Nothing in this Settlement is intended or shall be construed as an admission of any
7 liability or wrongdoing by Defendant, or as an admission by the Class Members that any of their claims
8 were non-meritorious or that any defense asserted by Defendant was meritorious. This Settlement and
9 the fact that the Settling Parties are willing to settle the Action and have entered into this Settlement
10 shall have no bearing on, and shall not be admissible in connection with, any litigation, other than as
11 is necessary to enforce the terms of this Settlement.

12 **V. Miscellaneous Terms.**

13 1. Integrated Agreement. After it is signed and delivered by all Settling Parties
14 and their counsel, this Settlement and its exhibits shall constitute the entire agreement between the
15 Settling Parties relating to the terms of Settlement, and shall supersede any prior or contemporaneous
16 oral representations, warranties, covenants, or inducements made to any Settling Party concerning this
17 Settlement or its exhibits, including the Settlement Terms.

18 2. Execution in Counterparts. This Settlement may be executed in one or more
19 counterparts and by facsimile or PDF version. The Settlement may be signed electronically by means
20 that are verifiable, for example through DocuSign. All executed counterparts, and each of them, shall
21 be deemed to be one and the same instrument, provided that counsel for the Settling Parties shall
22 exchange between themselves original signed counterparts. Any executed counterpart shall be
23 admissible in evidence to prove the existence and contents of this Settlement.

24 3. Modification of Settlement. This Settlement, and any and all parts of it, may
25 be amended, modified, changed, or waived only by an express written instrument signed by all Settling
26 Parties or their successors-in-interest, subject to approval by the Court.

27 4. Settlement Binding on Successors. This Settlement shall be binding upon, and
28 inure to the benefit of, the successors of each of the Settling Parties and Participating Class Members.

1 5. Applicable Law. All terms and conditions of this Settlement and its exhibits
2 shall be governed by and interpreted according to the laws of the State of California, without giving
3 effect to any conflict of law or choice of law principles.

4 6. Interim Stay of Proceedings. The Parties shall stay all proceedings in the
5 Action, subject to necessary compliance with the Court's orders, except such proceedings necessary
6 to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by
7 the Court.

8 7. Authorization to Enter Into Settlement Agreement. Counsel for all Settling
9 Parties warrant and represent they are expressly authorized by the Settling Parties whom they represent
10 to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by
11 such Settling Parties pursuant to this Agreement to effectuate its terms, and to execute any other
12 documents required to effectuate the terms of this Agreement. The Settling Parties and their counsel
13 shall cooperate with each other and use their best effort to effectuate the implementation of the
14 Settlement. In the event the Settling Parties are unable to reach agreement on the form or content of
15 any document needed to implement the Settlement, or on any supplemental provisions that may
16 become necessary to effectuate the terms of this Settlement, the Settling Parties may seek the
17 assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf
18 of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of
19 Defendant. The Class Representatives represent and warrant that they are authorized to sign this
20 Agreement and that they have not assigned any claim, or part of a claim, covered by this Settlement
21 to a third-party.

22 8. Notices. Unless otherwise specifically provided herein, all notices, demands or
23 other communications given hereunder shall be in writing and shall be deemed to have been duly given
24 as of the third business day after mailing by United States registered or certified mail, return receipt
25 requested, addressed as follows:

To Class Counsel:

Samuel A. Wong, Bar No. 217104
swong@aegislawfirm.com
Kashif Haque, Bar No. 218672
khaque@aegislawfirm.com
Jessica L. Campbell, Bar No. 280626
jcampbell@aegislawfirm.com
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618

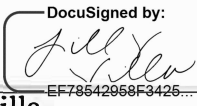
To Defendant:

Jody A. Landry, Esq.
jlandry@littler.com
LITTLER MENDELSON, P.C.
501 West Broadway, Suite 900
San Diego, California 92101

9. Cooperation in Drafting. The Settling Parties have cooperated in the drafting and preparation of this Settlement. This Settlement shall not be construed against any Settling Party on the basis that the Settling Party was the drafter or participated in the drafting.

IT IS SO AGREED.

Dated: 12/16/2024 | 3:42 PM PST

DocuSigned by:

EF78642968F3425...
Jill V. Villa
Plaintiff

Xanitos, Inc.

Dated: 12/11/2024


Edward Crothall, General Counsel, for Xanitos, Inc.

Approved as to form:

Dated: December 17, 2024


Samuel Wong
Attorneys for Plaintiff and the Settlement Class

Dated: December 12, 2024


Jody A. Landry
Attorney for Defendant

4927-6890-6757.1 / 079629-1020