

Joseph Lavi, Esq. (SBN 209776)
 Vincent C. Granberry, Esq. (SBN 276483)
 Antonia McKee, Esq. (SBN 344511)
Lavi & Ebrahimian, LLP
 8889 W. Olympic Blvd., Suite 200
 Beverly Hills, California 90211
 Telephone: (310) 432-0000
 Facsimile: (310) 432-0001

Attorneys for Plaintiff JORGE LOPEZ,
 on behalf of himself and others similarly situated

Kelly O. Scott, Esq. (SBN 132186)
 Jared W. Slater, Esq. (SBN 306226)
ERVIN COHEN & JESSUP LLP
 9401 Wilshire Boulevard, 9th Floor
 Beverly Hills, CA 90212-2974
 Tel: (310) 273-6333
 Fax: (310) 859-2325

Attorneys for Defendant E AND S RING
 MANAGEMENT CORP.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

JORGE LOPEZ, on behalf of himself and others
 similarly situated,

Plaintiff,

vs.

E AND S RING MANAGEMENT CORP.; and
 DOES 1 to 100, inclusive,

Defendants.

Case Nos.: 22STCV12467 [*Assigned for all
 purposes to the Hon. Stuart M. Rice, Dept. 1*]
 and 22STCV33044 [*Assigned for all purposes to
 the Hon. Anne Richardson, Dept. 40*]

**CLASS ACTION AND PAGA
 SETTLEMENT AGREEMENT**

Class Action Filed: April 13, 2022
 PAGA Action Filed: October 7, 2022

JORGE LOPEZ, on behalf of himself and other
 aggrieved employees,

Plaintiff,

vs.

E AND S RING MANAGEMENT CORP.; and
 DOES 1 to 100, inclusive,

Defendants.

CLASS ACTION AND PAGA SETTLEMENT**AGREEMENT AND CLASS NOTICE**

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Jorge Lopez, (“Plaintiff”) and defendant E&S Ring Management Corp. (“E&S”). The Agreement refers to Plaintiff and E&S collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1 “Actions” mean the Plaintiff’s lawsuit alleging wage and hour violations against E&S captioned *Jorge Lopez, et al v. E and S Ring Management Corp.* initiated on April 13, 2022 and pending in Superior Court of the State of California, County of Los Angeles, Case Number 22STCV12467 and Plaintiff’s lawsuit alleging Private Attorneys General Act (“PAGA”) violations against E&S captioned *Jorge Lopez, et al. v. E and S Ring Management Corp.* initiated on October 7, 2022 and pending in Superior Court of the State of California, County of Los Angeles, Case Number 22STCV33044.

1.2 “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4 “Aggrieved Employee” means a person employed by E&S in California and classified as a non-exempt, hourly service technician who worked for E&S during the PAGA Period.

1.5 “Class” means all persons employed by E&S in California and classified as a non-exempt, hourly service technician who worked for E&S during the Class Period.

1.6 “Class Counsel” means Joseph Lavi, Esq., Vincent C. Granberry, Esq., Antonia McKee, Esq., and Lavi & Ebrahimian, LLP.

1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable

1 attorneys' fees and expenses, respectively, incurred to prosecute the Action.

2 1.8 "Class Data" means Class Member identifying information in E&S's
3 possession including the Class Member's name, last-known mailing address, Social Security
4 number, and number of Class Period Workweeks and PAGA Pay Periods.

5 1.9 "Class Member" or "Settlement Class Member" means a member of the
6 Class, as either a Participating Class Member or Non-Participating Class Member (including a
7 Non-Participating Class Member who qualifies as an Aggrieved Employee).

8 1.10 "Class Member Address Search" means the Administrator's investigation
9 and search for current Class Member mailing addresses using all reasonably available sources,
10 methods and means including, but not limited to, the National Change of Address database, skip
11 traces, and direct contact by the Administrator with Class Members.

12 1.11 "Class Notice" means the COURT APPROVED NOTICE OF CLASS
13 ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
14 mailed to Class Members in English and Spanish translation in the form, without material
15 variation, attached as Exhibit A and incorporated by reference into this Agreement.

16 1.12 "Class Period" means the period from April 13, 2018, to June 18, 2023.

17 1.13 "Class Representative" means the named Plaintiff in the operative
18 complaint in the Action seeking Court approval to serve as a Class Representative.

19 1.14 "Class Representative Service Payment" means the payment to the Class
20 Representative for initiating the Action and providing services in support of the Action.

21 1.15 "Court" means the Superior Court of California, County of Los Angeles.

22 1.16 "E&S" means named Defendant E&S Ring Management Corp.

23 1.17 "Defense Counsel" means Kelly Scott, Esq., Jared Slater, Esq., and Ervin
24 Cohen & Jessup, LLP.

25 1.18 "Effective Date" means the date by when both of the following have
26 occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement;
27 and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences:
28 (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment;

(b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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

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

1.21 "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22 "Gross Settlement Amount" means Seven Hundred and Ninety-Five Thousand Dollars and Zero Cents (\$795,000.00) which is the total amount E&S agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments,, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

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

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

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

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

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

1.28 "Net Settlement Amount" means the Gross Settlement Amount, less the

1 following payments in the amounts approved by the Court: Individual PAGA Payments, the
2 LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment,
3 Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The
4 remainder is to be paid to Participating Class Members as Individual Class Payments.

5 1.29 “Non-Participating Class Member” means any Class Member who opts out
6 of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

7 1.30 “PAGA Pay Period” means any Pay Period during which an Aggrieved
8 Employee worked for E&S for at least one day during the PAGA Period.

9 1.31 “PAGA Period” means the period from April 13, 2021 to June 18, 2023 or
10 the date of preliminary approval, whichever is sooner.

11 1.32 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et
12 seq.).

13 1.33 “PAGA Notice” means Plaintiff’s April 13, 2022 letter to E&S and the
14 LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

15 1.34 “PAGA Penalties” means the total amount of PAGA civil penalties to be
16 paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500.00)
17 and the 75% to LWDA (\$37,500.00) in settlement of PAGA claims.

18 1.35 “Participating Class Member” means a Class Member who does not submit
19 a valid and timely Request for Exclusion from the Settlement.

20 1.36 “Plaintiff” means Jorge Lopez, the named plaintiff in the Action.

21 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary
22 Approval of the Settlement.

23 1.38 “Preliminary Approval Order” means the proposed Order Granting
24 Preliminary Approval and Approval of PAGA Settlement.

25 1.39 “Released Class Claims” means the claims being released as described in
26 Paragraph 6.2 below.

27 1.40 “Released PAGA Claims” means the claims being released as described in
28 Paragraph 6.2 below.

1.41 “Released Parties” means: E&S and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.42 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43 “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond when the Response Deadline has expired.

1.44 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.45 “Workweek” means any week during which a Class Member worked for E&S for at least one day, during the Class Period.

2. RECITALS.

2.1 On April 13, 2022, Plaintiff commenced the class action by filing a Class Action Complaint alleging causes of action against E&S for (1) failure to pay wages for all hours worked; (2) failure to pay overtime wages; (3) failure to authorize or permit meal periods; (4) failure to authorize or permit rest periods; (5) failure to timely pay earned wages during employment; (6) failure to provide complete and accurate wage statements; (7) failure timely pay all earned wages and final paychecks due at separation of employment; and (8) unfair business practices. The Class Action Complaint is the operative complaint in Los Angeles Superior Court Case No. 22STCV12467 (the “Operative Class Action Complaint.”) On October 7, 2022, Plaintiff filed a Private Attorneys General Action Complaint alleging a single cause of action against E&S for violation of Labor Code Section 2698, *et seq.* The Private Attorneys General Act Complaint is the operative complaint in Los Angeles Superior Court Case No. 22STCV33044 (the “Operative PAGA Complaint.”) E&S denies the allegations in the Operative Class Action Complaint and

1 Operative PAGA Complaint (collectively the “Operative Complaints”), denies any failure to
2 comply with the laws identified in in the Operative Complaints and denies any and all liability for
3 the causes of action alleged.

4 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely
5 written notice to E&S and the LWDA by sending the PAGA Notice.

6 2.3 On March 17, 2023, and again on April 10, 2023, the Parties participated in
7 two mediation sessions presided over by Hon. Daniel Buckley (Ret.) which led to this Agreement
8 to settle the Action.

9 2.4 Prior to ☒ mediation ☐ negotiating the Settlement, Plaintiff obtained,
10 through ☐ formal ☒ informal discovery, including copies of E&S employment policies, a list of
11 the putative class members, identified by employee ID numbers, which contained employment
12 dates for each employee, the number of class workweeks, including PAGA workweeks, and a
13 statistically significant random sampling of the putative class members’ time records and
14 paystubs. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth
15 in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker*
16 *Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

17 2.5 The Court ☐ has ☒ has not granted class certification.

18 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not
19 aware of any other pending matter or action asserting claims that will be extinguished or affected
20 by the Settlement.

21 **3. MONETARY TERMS.**

22 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9
23 below, E&S promises to pay Seven Hundred and Ninety-Five Thousand Dollars and Zero Cents
24 (\$795,000.00) and no more as the Gross Settlement Amount and to separately pay any and all
25 employer payroll taxes owed on the Wage Portions of the Individual Class Payments. E&S has no
26 obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated
27 in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement
28 Amount without asking or requiring Participating Class Members or Aggrieved Employees to

1 submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to
2 E&S.

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

6 3.2.1 To Plaintiff: Class Representative Service Payment to the Class
7 Representative of not more than Nine Thousand Nine Hundred Dollars and Zero Cents
8 (\$9,900.00) (in addition to any Individual Class Payment and any Individual PAGA Payment the
9 Class Representative is entitled to receive as a Participating Class Member and Aggrieved
10 Employee). E&S will not oppose Plaintiff's request for a Class Representative Service Payment
11 that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class
12 Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative
13 Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court
14 approves a Class Representative Service Payment less than the amount requested, the
15 Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay
16 the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full
17 responsibility and liability for employee taxes owed on the Class Representative Service Payment.

18 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than
19 one third (1/3 or 33.33333%), which is currently estimated to be Two Hundred and Sixty-Five
20 Dollars and Zero Cents (\$265,000.00) and a Class Counsel Litigation Expenses Payment of not
21 more than Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). E&S will not oppose
22 requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class
23 Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses
24 Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a
25 Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the
26 amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount.
27 Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising
28 from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation

1 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class
2 Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full
3 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
4 Counsel Litigation Expenses Payment and holds E&S harmless, and indemnifies E&S, from any
5 dispute or controversy regarding any division or sharing of any of these Payments.

6 3.2.3 To the Administrator: An Administrator Expenses Payment not to
7 exceed \$6,150.00 except for a showing of good cause and as approved by the Court. To the extent
8 the Administration Expenses are less or the Court approves payment less than \$6,150.00, the
9 Administrator will retain the remainder in the Net Settlement Amount.

10 3.2.4 To Each Participating Class Member: An Individual Class Payment
11 calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
12 by all Participating Class Members during the Class Period and (b) multiplying the result by each
13 Participating Class Member's Workweeks.

14 3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each
15 Participating Class Member's Individual Class Payment will be allocated to settlement of wage
16 claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be
17 reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class
18 Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage
19 Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on
20 IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any
21 employee taxes owed on their Individual Class Payment.

22 3.2.4.2 Effect of Non-Participating Class Members on Calculation
23 of Individual Class Payments. Non-Participating Class Members will not receive any Individual
24 Class Payments. The Administrator will retain amounts equal to their Individual Class Payments
25 in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

26 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the
27 amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) to be paid from the Gross
28 Settlement Amount, with 75% (\$37,500.00) allocated to the LWDA PAGA Payment and 25%

1 (\$12,500.00) allocated to the Individual PAGA Payments.

2 3.2.5.1 The Administrator will calculate each Individual PAGA
3 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties
4 \$12,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees
5 during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA
6 Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes
7 owed on their Individual PAGA Payment.

8 3.2.5.2 If the Court approves PAGA Penalties of less than the
9 amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

10 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

11 4. SETTLEMENT FUNDING AND PAYMENTS.

12 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review
13 of its records to date, E&S estimates there are 113 Class Members who collectively worked a total
14 of 13,658 Workweeks, and 70 Aggrieved Employees who worked a total 2,586 PAGA Pay
15 Periods.

16 4.2 Class Data. Not later than 15 days after the Court grants Preliminary
17 Approval of the Settlement, E&S will simultaneously deliver the Class Data to the Administrator,
18 in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
19 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of
20 this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
21 employees who need access to the Class Data to effect and perform under this Agreement. E&S
22 has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data
23 omitted class member identifying information and to provide corrected or updated Class Data as
24 soon as reasonably feasible. Without any extension of the deadline by which E&S must send the
25 Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in
26 good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

27 4.3 Funding of Gross Settlement Amount. E&S shall fully fund the Gross
28 Settlement Amount, and also fund the amounts necessary to fully pay E&S's share of payroll taxes

1 by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

2 4.4 Payments from the Gross Settlement Amount. Within 14 days after E&S
3 funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class
4 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
5 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
6 Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees
7 Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service
8 Payment shall not precede disbursement of Individual Class Payments and Individual PAGA
9 Payments.

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

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

1 the Class Member prior to the void date.

2 4.4.3 For any Class Member whose Individual Class Payment check or
3 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator
4 shall transmit the funds represented by such checks to the California Controller's Unclaimed
5 Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the
6 requirements of California Code of Civil Procedure Section 384, subd. (b). The Parties, Class
7 Counsel and Defense Counsel represent that they have no interest or relationship, financial or
8 otherwise, with the intended Cy Pres Recipient.

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

13 5. [Reserved.]

14 6. **RELEASES OF CLAIMS.** Effective on the date when E&S fully funds the entire
15 Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the
16 Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims
17 against all Released Parties as follows:

18 6.1 Plaintiff's Release. Plaintiff and his or her respective former and present
19 spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally,
20 release and discharge Released Parties from all claims, transactions, or occurrences that occurred
21 during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could
22 have been, alleged, based on the facts contained, in the Operative Complaints and (b) all PAGA
23 claims that were, or reasonably could have been, alleged based on facts contained in the Operative
24 Complaints, Plaintiff's PAGA Notice, or ascertained during the Action and released under 6.2,
25 below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to
26 enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
27 benefits, social security benefits, workers' compensation benefits that arose at any time, or based
28 on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts

1 or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be
2 true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects,
3 notwithstanding such different or additional facts or Plaintiff's discovery of them.

4 6.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section
5 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
6 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

11 6.2 Release by Participating Class Members Who Are Not Aggrieved
12 Employees: All Participating Class Members, on behalf of themselves and their respective former
13 and present representatives, agents, attorneys, heirs, administrators, successors, and assigns,
14 release Released Parties from (i) all claims that were alleged, or reasonably could have been
15 alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the
16 course of the Action including, but not limited to, all statutes/ordinances referenced in the
17 Operative Complaint and corresponding provisions of the California Industrial Welfare
18 Commission Wage Orders and the California Code of Regulations, including but not limited to (1)
19 the California Code of Regulations, Title 8, §11050, (2) Labor Code Sections 201, 202, 203, 204,
20 210, 226, 226.7, 510, 512, 515, 1194, 1194.2, 1197, and 1198, as related to the above claims, (3)
21 the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* and (4) all related federal, state or local
22 statutes, common law, ordinances, regulations, or provisions relating to the facts and claims in the
23 Action, including claims for continuing wages, failure to pay wages, failure to pay wages in a
24 timely manner, failure to pay minimum wages, failure to pay overtime, failure to provide allegedly
25 required wage statements, failure to provide meal or rest breaks, liquidated damages, civil
26 penalties, premium wages, claims for injunctive relief and restitution under California Business &
27 Professions Code § 17200, interest, costs and attorneys' fees, including Labor Code Sections
28 218.5 and 218.6, Code of Civil Procedure Section 1021.5 and Civil Code Section 3287.

1 Participating Class Members who negotiate or otherwise deposit their Settlement Payment Check
2 will be deemed to have opted into the Action for purposes of the Fair Labor Standards Act
3 (“FLSA”) and as to those Class Members, they expressly waive and release any FLSA claims
4 arising during the Class Period and reasonably related to the claims and allegations in the
5 Operative Complaints. This release excludes the release of claims not permitted by law. The
6 following language will be printed on the reverse of each Settlement Payment Check, or words to
7 this effect: “By endorsing or otherwise negotiating this check, I acknowledge that I read,
8 understood, and agree to the terms set forth in the Notice of Class Action Settlement and I consent
9 to join in the FLSA portion of the Action, elect to participate in the settlement of the FLSA claims,
10 and agree to release all of my FLSA claims that are covered by the Settlement”. Except as set
11 forth in Section 6.3 of this Agreement, Participating Class Members do not release any other
12 claims, including claims for vested benefits, wrongful termination, violation of the Fair
13 Employment and Housing Act, unemployment insurance, disability, social security, workers’
14 compensation, or claims based on facts occurring outside the Class Period.

15 6.3 Release by Non-Participating Class Members Who Are Aggrieved
16 Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to
17 release, on behalf of themselves and their respective former and present representatives, agents,
18 attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for
19 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA
20 Period facts stated in the Operative Complaints, and the PAGA Notice and ascertained in the
21 course of the Action including, but not limited to, all statutes/ordinances referenced in the
22 Operative Complaints and the PAGA Notice and corresponding provisions of the California
23 Industrial Welfare Commission Wage Orders and the California Code of Regulations, including
24 but not limited to (1) the California Code of Regulations, Title 8, §11050, *et. seq.*, (2) Labor Code
25 Sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 515, 558, 1194, 1194.2, 1197, 1197.1,
26 1198, and 2698 *et seq.*, as related to the above claims, including claims for continuing wages,
27 failure to pay wages, failure to pay wages in a timely manner, failure to pay minimum wages,
28 failure to pay overtime, failure to provide allegedly required wage statements, failure to provide

1 meal or rest breaks, liquidated damages, civil penalties, and premium wages.

2 **7. MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly
3 prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that
4 complies with the Court’s current checklist for Preliminary Approvals.

5 7.1 E&S’s Declaration in Support of Preliminary Approval. Within 30 days of
6 the full execution of this Agreement, E&S will prepare and deliver to Class Counsel a signed
7 Declaration from E&S and Defense Counsel disclosing all facts relevant to any actual or potential
8 conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense
9 Counsel and E&S shall aver that they are not aware of any other pending matter or action asserting
10 claims that will be extinguished or adversely affected by the Settlement.

11 7.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense
12 Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the
13 notice, and memorandum in support, of the Motion for Preliminary Approval that includes an
14 analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement
15 under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary
16 Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed
17 declaration from the Administrator attaching its “not to exceed” bid for administering the
18 Settlement and attesting to its willingness to serve; competency; operative procedures for
19 protecting the security of Class Data; amounts of insurance coverage for any data breach,
20 defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of
21 interest with Class Members and/or the proposed Cy Pres; and the nature and extent of any
22 financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration
23 from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to
24 any actual or potential conflicts of interest with Class Members, and/or the Administrator and/or
25 the proposed Cy Pres; (v) a signed declaration from each Class Counsel firm attesting to its
26 competency to represent the Class Members; its timely transmission to the LWDA of all necessary
27 PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
28 Complaints (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,

1 subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to
2 the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or
3 potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient.
4 In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of
5 any other pending matter or action asserting claims that will be extinguished or adversely affected
6 by the Settlement.

7 7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
8 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later
9 than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the
10 Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion
11 for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary
12 Approval to the Administrator.

13 7.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed
14 Motion for Preliminary Approval and/or the supporting declarations and documents, Class
15 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting
16 in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not
17 grant Preliminary Approval or conditions Preliminary Approval on any material change to this
18 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the
19 Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
20 otherwise satisfy the Court's concerns.

21 **8. SETTLEMENT ADMINISTRATION.**

22 8.1 Selection of Administrator. The Parties have jointly selected ILYM Group,
23 Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group,
24 Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in
25 this Agreement in exchange for payment of Administration Expenses. The Parties and their
26 Counsel represent that they have no interest or relationship, financial or otherwise, with the
27 Administrator other than a professional relationship arising out of prior experiences administering
28 settlements.

1 8.2 Employer Identification Number. The Administrator shall have and use its
2 own Employer Identification Number for purposes of calculating payroll tax withholdings and
3 providing reports state and federal tax authorities.

4 8.3 Qualified Settlement Fund. The Administrator shall establish a settlement
5 fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
6 Regulation section 468B-1.

7 8.4 Notice to Class Members.

8 8.4.1 No later than three (3) business days after receipt of the Class Data,
9 the Administrator shall notify Class Counsel that the list has been received and state the number of
10 Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

11 8.4.2 Using best efforts to perform as soon as possible, and in no event
12 later than 14 days after receiving the Class Data, the Administrator will send to all Class Members
13 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
14 Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the
15 Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment
16 and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks
17 and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class
18 Notices, the Administrator shall update Class Member addresses using the National Change of
19 Address database.

20 8.4.3 Not later than 3 business days after the Administrator’s receipt of
21 any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class
22 Notice using any forwarding address provided by the USPS. If the USPS does not provide a
23 forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail
24 the Class Notice to the most current address obtained. The Administrator has no obligation to
25 make further attempts to locate or send Class Notice to Class Members whose Class Notice is
26 returned by the USPS a second time.

27 8.4.4 The deadlines for Class Members’ written objections, challenges to
28 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14

1 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose
2 notice is re-mailed. The Administrator will inform the Class Member of the extended deadline
3 with the re-mailed Class Notice.

4 8.4.5 If the Administrator, E&S, or Class Counsel is contacted by or
5 otherwise discovers any persons who believe they should have been included in the Class Data
6 and should have received Class Notice, the Parties will expeditiously meet and confer in person or
7 by telephone, and in good faith, in an effort to agree on whether to include them as Class
8 Members. If the Parties agree, such persons will be Class Members entitled to the same rights as
9 other Class Members, and the Administrator will send, via email or overnight delivery, a Class
10 Notice requiring them to exercise options under this Agreement not later than 14 days after receipt
11 of Class Notice, or the deadline dates in the Class Notice, which ever are later.

12 8.5 Requests for Exclusion (Opt-Outs).

13 8.5.1 Class Members who wish to exclude themselves (opt-out of) the
14 Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for
15 Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional
16 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
17 from a Class Member or his/her representative that reasonably communicates the Class Member's
18 election to be excluded from the Settlement and includes the Class Member's name, address and
19 email address or telephone number. To be valid, a Request for Exclusion must be timely faxed,
20 emailed, or postmarked by the Response Deadline.

21 8.5.2 The Administrator may not reject a Request for Exclusion as invalid
22 because it fails to contain all the information specified in the Class Notice. The Administrator
23 shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the
24 identity of the person as a Class Member and the Class Member's desire to be excluded. The
25 Administrator's determination shall be final and not appealable or otherwise susceptible to
26 challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion,
27 the Administrator may demand additional proof of the Class Member's identity. The
28 Administrator's determination of authenticity shall be final and not appealable or otherwise

1 susceptible to challenge.

2 8.5.3 Every Class Member who does not submit a timely and valid
3 Request for Exclusion is deemed to be a Participating Class Member under this Agreement,
4 entitled to all benefits and bound by all terms and conditions of the Settlement, including the
5 Participating Class Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless
6 whether the Participating Class Member actually receives the Class Notice or objects to the
7 Settlement.

8 8.5.4 Every Class Member who submits a valid and timely Request for
9 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment
10 or have the right to object to the class action components of the Settlement. Because future PAGA
11 claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class
12 Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph
13 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

14 8.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60
15 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members
16 whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay
17 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may
18 challenge the allocation by communicating with the Administrator via fax, email or mail. The
19 Administrator must encourage the challenging Class Member to submit supporting documentation.
20 In the absence of any contrary documentation, the Administrator is entitled to presume that the
21 Workweeks contained in the Class Notice are correct so long as they are consistent with the Class
22 Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or
23 Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The
24 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or
25 Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the
26 challenges.

27 8.7 Objections to Settlement.

28 8.7.1 Only Participating Class Members may object to the class action

1 components of the Settlement and/or this Agreement, including contesting the fairness of the
2 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel
3 Litigation Expenses Payment and/or Class Representative Service Payment.

4 8.7.2 Participating Class Members may send written objections to the
5 Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear
6 in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval
7 Hearing. A Participating Class Member who elects to send a written objection to the Administrator
8 must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an
9 additional 14 days for Class Members whose Class Notice was re-mailed).

10 8.7.3 Non-Participating Class Members have no right to object to any of
11 the class action components of the Settlement.

12 8.8 Administrator Duties. The Administrator has a duty to perform or observe
13 all tasks to be performed or observed by the Administrator contained in this Agreement or
14 otherwise.

15 8.8.1 Website, Email Address and Toll-Free Number. The Administrator
16 will establish and maintain and use an internet website to post information of interest to Class
17 Members including the date, time and location for the Final Approval Hearing and copies of the
18 Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
19 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class
20 Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final
21 Approval and the Judgment. The Administrator will also maintain and monitor an email address
22 and a toll-free telephone number to receive Class Member calls, faxes and emails.

23 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The
24 Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their
25 validity. Not later than 5 days after the expiration of the deadline for submitting Requests for
26 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing
27 (a) the names and other identifying information of Class Members who have timely submitted
28 valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information

1 of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests
2 for Exclusion from Settlement submitted (whether valid or invalid).

3 8.8.3 Weekly Reports. The Administrator must, on a weekly basis,
4 provide written reports to Class Counsel and Defense Counsel that, among other things, tally the
5 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
6 Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks
7 and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and
8 Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the
9 Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all
10 Requests for Exclusion and objections received.

11 8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the
12 authority to address and make final decisions consistent with the terms of this Agreement on all
13 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
14 Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

15 8.8.5 Administrator’s Declaration. Not later than 14 days before the date
16 by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
17 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
18 for filing in Court attesting to its due diligence and compliance with all of its obligations under
19 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
20 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
21 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
22 number of written objections and attach the Exclusion List. The Administrator will supplement its
23 declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
24 for filing the Administrator’s declaration(s) in Court.

25 8.8.6 Final Report by Settlement Administrator. Within 10 days after the
26 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
27 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
28 identification number only of all payments made under this Agreement. At least 15 days before

any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

9. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE. Based on its records, E&S estimates that, as of the date of this Settlement Agreement, (1) there are 113 Class Members and 13,658 Total Workweeks during the Class Period and (2) there were 70 Aggrieved Employees who worked 2,586 Pay Periods during the PAGA Period. If the number of Total Workweeks exceeds 13,000 as of January 26, 2023 by more than 5%, the Gross Settlement Amount shall increase proportionally for any increase beyond 5% (e.g., if the Total Workweeks is 6% more than 13,000 as of January 26, 2023, the Gross Settlement Amount shall increase by 1%).

10. E&S'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, E&S may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if E&S withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, E&S will remain responsible for paying all Settlement Administration Expenses incurred to that point. E&S must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

11. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

11.1 Response to Objections. Each Party retains the right to respond to any

1 objection raised by a Participating Class Member, including the right to file responsive documents
2 in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered
3 or accepted by the Court.

4 11.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions
5 Final Approval on any material change to the Settlement (including, but not limited to, the scope
6 of release to be granted by Class Members), the Parties will expeditiously work together in good
7 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
8 Approval. The Court's decision to award less than the amounts requested for the Class
9 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses
10 Payment and/or Administrator Expenses Payment shall not constitute a material modification to
11 the Agreement within the meaning of this paragraph.

12 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of
13 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
14 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
15 administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

16 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the
17 terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment
18 and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties,
19 their respective counsel, and all Participating Class Members who did not object to the Settlement
20 as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
21 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for
22 new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of
23 the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
24 Parties' obligations to perform under this Agreement will be suspended until such time as the
25 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
26 the amount of the Net Settlement Amount.

27 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.
28 If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a

1 material modification of this Agreement (including, but not limited to, the scope of release to be
2 granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
3 expeditiously work together in good faith to address the appellate court's concerns and to obtain
4 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
5 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
6 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
7 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
8 as long as the Gross Settlement Amount remains unchanged.

9 **12. AMENDED JUDGMENT.** If any amended judgment is required under Code of
10 Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a
11 proposed amended judgment.

12 **13. ADDITIONAL PROVISIONS.**

13 13.1 No Admission of Liability, Class Certification or Representative
14 Manageability for Other Purposes. This Agreement represents a compromise and settlement of
15 highly disputed claims. Nothing in this Agreement is intended or should be construed as an
16 admission by E&S that any of the allegations in the Operative Complaint have merit or that E&S
17 has any liability for any claims asserted; nor should it be intended or construed as an admission by
18 Plaintiff that E&S's defenses in the Action have merit. The Parties agree that class certification
19 and representative treatment is for purposes of this Settlement only. If, for any reason the Court
20 does grant Preliminary Approval, Final Approval or enter Judgment, E&S reserves the right to
21 contest certification of any class for any reasons, and E&S reserves all available defenses to the
22 claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds
23 available and to contest E&S's defenses. The Settlement, this Agreement and Parties' willingness
24 to settle the Action will have no bearing on, and will not be admissible in connection with, any
25 litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

26 13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel,
27 E&S and Defense Counsel separately agree that, until the Motion for Preliminary Approval of
28 Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause

1 or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement
2 directly or indirectly, specifically or generally, to any person, corporation, association, government
3 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
4 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
5 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
6 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
7 agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,
8 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, E&S and Defense
9 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
10 communication, before the filing of the Motion for Preliminary Approval, any with third party
11 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
12 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
13 communications with Class Members in accordance with Class Counsel's ethical obligations owed
14 to Class Members.

15 13.3 No Solicitation. The Parties separately agree that they and their respective
16 counsel and employees will not solicit any Class Member to opt out of or object to the Settlement,
17 or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
18 Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical
19 obligations owed to Class Members.

20 13.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
21 Agreement together with its attached exhibits shall constitute the entire agreement between the
22 Parties relating to the Settlement, superseding any and all oral representations, warranties,
23 covenants, or inducements made to or by any Party.

24 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately
25 warrant and represent that they are authorized by Plaintiff and E&S, respectively, to take all
26 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to
27 effectuate its terms, and to execute any other documents reasonably required to effectuate the
28 terms of this Agreement including any amendments to this Agreement.

1 13.6 Cooperation. The Parties and their counsel will cooperate with each other
2 and use their best efforts, in good faith, to implement the Settlement by, among other things,
3 modifying the Settlement Agreement, submitting supplemental evidence and supplementing points
4 and authorities as requested by the Court. In the event the Parties are unable to agree upon the
5 form or content of any document necessary to implement the Settlement, or on any modification
6 of the Agreement that may become necessary to implement the Settlement, the Parties will seek
7 the assistance of a mediator and/or the Court for resolution.

8 13.7 No Prior Assignments. The Parties separately represent and warrant that
9 they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
10 transfer, or encumber to any person or entity and portion of any liability, claim, demand, action,
11 cause of action, or right released and discharged by the Party in this Settlement.

12 13.8 No Tax Advice. Neither Plaintiff, Class Counsel, E&S nor Defense Counsel
13 are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
14 relied upon as such within the meaning of United States Treasury Department Circular 230 (31
15 CFR Part 10, as amended) or otherwise.

16 13.9 Modification of Agreement. This Agreement, and all parts of it, may be
17 amended, modified, changed, or waived only by an express written instrument signed by all
18 Parties or their representatives, and approved by the Court.

19 13.10 Agreement Binding on Successors. This Agreement will be binding upon,
20 and inure to the benefit of, the successors of each of the Parties.

21 13.11 Applicable Law. All terms and conditions of this Agreement and its exhibits
22 will be governed by and interpreted according to the internal laws of the state of California,
23 without regard to conflict of law principles.

24 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and
25 preparation of this Agreement. This Agreement will not be construed against any Party on the
26 basis that the Party was the drafter or participated in the drafting.

27 13.13 Confidentiality. To the extent permitted by law, all agreements made, and
28 orders entered during Action and in this Agreement relating to the confidentiality of information

1 shall survive the execution of this Agreement.

2 13.14 Use and Return of Class Data. Information provided to Class Counsel
3 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to
4 Class Counsel by E&S in connection with the mediation, other settlement negotiations, or in
5 connection with the Settlement, may be used only with respect to this Settlement, and no other
6 purpose, and may not be used in any way that violates any existing contractual agreement, statute,
7 or rule of court. Not later than 90 days after the date when the Court discharges the
8 Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement
9 funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from E&S
10 unless, prior to the Court's discharge of the Administrator's obligation, E&S makes a written
11 request to Class Counsel for the return, rather than the destructions, of Class Data.

12 13.15 Headings. The descriptive heading of any section or paragraph of this
13 Agreement is inserted for convenience of reference only and does not constitute a part of this
14 Agreement.

15 13.16 Calendar Days. Unless otherwise noted, all reference to "days" in this
16 Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement
17 falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day
18 thereafter.

19 13.17 Notice. All notices, demands or other communications between the Parties
20 in connection with this Agreement will be in writing and deemed to have been duly given as of the
21 third business day after mailing by United States mail, or the day sent by email or messenger,
22 addressed as follows:

23 To Plaintiff:

24 Joseph Lavi, Esq. (SBN 209776)
25 Vincent C. Granberry, Esq. (SBN 276483)
26 Antonia McKee, Esq. (SBN 344511)
27 **Lavi & Ebrahimian, LLP**
28 8889 W. Olympic Blvd., Suite 200
 Beverly Hills, California 90211
 Telephone: (310) 432-0000
 Facsimile: (310) 432-0001

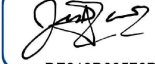
To E&S:

Kelly O. Scott, Esq. (SBN 132186)
 Jared W. Slater, Esq. (SBN 306226)
ERVIN COHEN & JESSUP LLP
 9401 Wilshire Boulevard, 9th Floor
 Beverly Hills, CA 90212-2974
 Tel: (310) 273-6333
 Fax: (310) 859-2325

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

13.19 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.

DocuSigned by:



DE213D88576D453...

Jorge Lopez for Plaintiff

_____ for E&S Ring Management Corp.

DocuSigned by:



871E8108F6F244D...

Joseph Lavi of Lavi & Ebrahimian, LLP

Kelly O. Scott

Counsel for Plaintiff

Counsel for Defendant

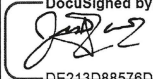
To E&S:

Kelly O. Scott, Esq. (SBN 132186)
 Jared W. Slater, Esq. (SBN 306226)
ERVIN COHEN & JESSUP LLP
 9401 Wilshire Boulevard, 9th Floor
 Beverly Hills, CA 90212-2974
 Tel: (310) 273-6333
 Fax: (310) 859-2325

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

13.19 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.

DocuSigned by:



DE213D88576D453...

Jorge Lopez for Plaintiff



Mark Weyner for E&S Ring Management Corp.

DocuSigned by:



871E0169FCF244D...

Joseph Lavi of Lavi & Ebrahimian, LLP



Kelly O. Scott

Counsel for Plaintiff

Counsel for Defendant

**COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT
AND**

HEARING DATES FOR FINAL COURT APPROVAL

Lopez v. E and S Ring Management Corp., LASC Case No. 22STCV12467 and

Lopez v. E and S Ring Management Corp., LASC Case No. 22STCV33044

The Superior Court for the State of California authorized this Notice. Read it carefully!

It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action and a Private Attorneys General Act lawsuit ("Actions") against E&S Ring Management Corp. ("E&S" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former E&S employee ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of non-exempt, hourly service technicians ("Class Members") who worked for E&S during the Class Period (April 13, 2018 to June 18, 2023 or the date of preliminary approval, whichever is sooner); and (2) penalties under the California Private Attorney General Act ("PAGA") for all non-exempt, hourly service technicians who worked for E&S during the PAGA Period (April 13, 2021 to June 18, 2023 or the date of preliminary approval, whichever is sooner) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring E&S to fund Individual Class Payments, and (2) a PAGA Settlement requiring E&S to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on E&S's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to E&S's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

1 The above estimates are based on E&S's records showing that **you worked** [REDACTED]
2 **workweeks** during the Class Period and **you worked** [REDACTED] **workweeks** during the PAGA
3 Period. If you believe that you worked more workweeks during either period, you can submit a
4 challenge by the deadline date. See Section 4 of this Notice.

5 The Court has already preliminarily approved the proposed Settlement and approved this
6 Notice. The Court has not yet decided whether to grant final approval. Your legal rights are
7 affected whether you act or not act. Read this Notice carefully. You will be deemed to have
8 carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to
9 finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and
10 Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment
11 that requires E&S to make payments under the Settlement and requires Class Members and
12 Aggrieved Employees to give up their rights to assert certain claims against E&S.

13 If you worked for E&S during the Class Period and/or the PAGA Period, you have two
14 basic options under the Settlement:

- 15 (1) **Do Nothing.** You don't have to do anything to participate in the proposed
16 Settlement and be eligible for an Individual Class Payment and/or an Individual
17 PAGA Payment. As a Participating Class Member, though, you will give up your
18 right to assert Class Period wage claims and PAGA Period penalty claims against
19 E&S.
- 20 (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class
21 Settlement (opt-out) by submitting the written Request for Exclusion or otherwise
22 notifying the Administrator in writing. If you opt-out of the Settlement, you will
23 not receive an Individual Class Payment. You will, however, preserve your right to
24 personally pursue Class Period wage claims against E&S, and, if you are an
25 Aggrieved Employee, remain eligible for an Individual PAGA Payment. You
26 cannot opt-out of the PAGA portion of the proposed Settlement.

27 **E&S will not retaliate against you for any actions you take with respect to the**
28 **proposed Settlement.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against E&S that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. E&S must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or

1		Plaintiff if you think they are unreasonable. See Section 7 of this
2		Notice.
3	You Can Participate in	The Court's Final Approval Hearing is scheduled to take place on
4	the [REDACTED]	[REDACTED]. You don't have to attend but you do have the
5	Final Approval Hearing	right to appear (or hire an attorney to appear on your behalf at your
6		own cost), in person, by telephone or by using the Court's virtual
7		appearance platform. Participating Class Members can verbally
8		object to the Settlement at the Final Approval Hearing. See Section
9		8 of this Notice.
10	You Can Challenge the	The amount of your Individual Class Payment and PAGA Payment
11	Calculation of Your	(if any) depend on how many workweeks you worked at least one
12	Workweeks/Pay	day during the Class Period and how many Pay Periods you worked
13	Periods	at least one day during the PAGA Period, respectively. The number
14		Class Period Workweeks and number of PAGA Period Pay Periods
15	Written Challenges	you worked according to E&S's records is stated on the first page of
16	Must be Submitted by	this Notice. If you disagree with either of these numbers, you must
17	[REDACTED].	challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former E&S employee. The Action accuses E&S of violating California labor laws by failing to pay overtime wages, minimum wages, and wages due upon termination and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Joseph Lavi, Esq., Vincent C. Granberry, Esq., Antonia McKee, Esq., and Lavi & Ebrahimian, LLP ("Class Counsel").

E&S strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

1 **2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?**

2 So far, the Court has made no determination whether E&S or Plaintiff is correct on the
3 merits. In the meantime, Plaintiff and E&S hired ☐ an experienced, neutral mediator
4 ☒ a retired judge in an effort to resolve the Action by negotiating an to end the case by agreement
5 (settle the case) rather than continuing the expensive and time-consuming process of litigation.
6 The negotiations were successful. By signing a lengthy written settlement agreement
7 (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and
8 enforcing the Agreement, Plaintiff and E&S have negotiated a proposed Settlement that is subject
9 to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of
10 disputed claims. By agreeing to settle, E&S does not admit any violations or concede the merit of
11 any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you
12 because they believe that: (1) E&S has agreed to pay a fair, reasonable and adequate amount
13 considering the strength of the claims and the risks and uncertainties of continued litigation; and
14 (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court
15 preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this
16 Notice, and scheduled a hearing to determine Final Approval.

17
18 **3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED**
19 **SETTLEMENT?**

- 20 1. E&S Will Pay Seven Hundred and Ninety-Five Thousand Dollars and Zero Cents
21 (\$795,000.00) as the Gross Settlement Amount (Gross Settlement). E&S has agreed
22 to deposit the Gross Settlement into an account controlled by the Administrator of
23 the Settlement. The Administrator will use the Gross Settlement to pay the
24 Individual Class Payments, Individual PAGA Payments, Class Representative
25 Service Payment, Class Counsel’s attorney’s fees and expenses, the
26 Administrator’s expenses, and penalties to be paid to the California Labor and
27 Workforce Development Agency (“LWDA”). Assuming the Court grants Final
28 Approval, E&S will fund the Gross Settlement not more than 14 days after the

Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to \$265,000.00 (one third or 33.3333% of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$9,900.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$6,150.00 to the Administrator for services administering the Settlement.
- D. Up to \$50,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and E&S are asking the

1 Court to approve an allocation of 20% of each Individual Class Payment to taxable
 2 wages (“Wage Portion”) and 80% to interest and penalties (“Non-Wage Portion.”).
 3 The Wage Portion is subject to withholdings and will be reported on IRS W-2
 4 Forms. E&S will separately pay employer payroll taxes it owes on the Wage
 5 Portion. The Individual PAGA Payments are counted as penalties rather than wages
 6 for tax purposes. The Administrator will report the Individual PAGA Payments and
 7 the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

8
 9 Although Plaintiff and E&S have agreed to these allocations, neither side is giving
 10 you any advice on whether your Payments are taxable or how much you might owe
 11 in taxes. You are responsible for paying all taxes (including penalties and interest
 12 on back taxes) on any Payments received from the proposed Settlement. You
 13 should consult a tax advisor if you have any questions about the tax consequences
 14 of the proposed Settlement.

- 15 5. Need to Promptly Cash Payment Checks. The front of every check issued for
 16 Individual Class Payments and Individual PAGA Payments will show the date
 17 when the check expires (the void date). If you don’t cash it by the void date, your
 18 check will be automatically cancelled, and the monies
- 19 ☐ will be deposited with the California Controller’s Unclaimed Property Fund
 - 20 in your name.
 - 21 ☐ will irrevocably lost to you because they will be paid to a non-profit
 - 22 organization or foundation (“Cy Pres”).

23 If the monies represented by your check is sent to the Controller’s Unclaimed
 24 Property, you should consult the rules of the Fund for instructions on how to
 25 retrieve your money.

- 26 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated
 27 as a Participating Class Member, participating fully in the Class Settlement, unless
 28 you notify the Administrator in writing, not later than [REDACTED], that

1 you wish to opt-out. The easiest way to notify the Administrator is to send a written
2 and signed Request for Exclusion by the [REDACTED] Response Deadline.
3 The Request for Exclusion should be a letter from a Class Member or his/her
4 representative setting forth a Class Member's name, present address, telephone
5 number, and a simple statement electing to be excluded from the Settlement.
6 Excluded Class Members (i.e., Non-Participating Class Members) will not receive
7 Individual Class Payments, but will preserve their rights to personally pursue wage
8 and hour claims against E&S.

9
10 You cannot opt-out of the PAGA portion of the Settlement. Class Members who
11 exclude themselves from the Class Settlement (Non-Participating Class Members)
12 remain eligible for Individual PAGA Payments and are required to give up their
13 right to assert PAGA claims against E&S based on the PAGA Period facts alleged
14 in the Action.

- 15 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is
16 possible the Court will decline to grant Final Approval of the Settlement or decline
17 enter a Judgment. It is also possible the Court will enter a Judgment that is reversed
18 on appeal. Plaintiffs and E&S have agreed that, in either case, the Settlement will
19 be void: E&S will not pay any money and Class Members will not release any
20 claims against E&S.
- 21 8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the
22 "Administrator") to send this Notice, calculate and make payments, and process
23 Class Members' Requests for Exclusion. The Administrator will also decide Class
24 Member Challenges over Workweeks, mail and re-mail settlement checks and tax
25 forms, and perform other tasks necessary to administer the Settlement. The
26 Administrator's contact information is contained in Section 9 of this Notice.
- 27 9. Participating Class Members' Release. After the Judgment is final and E&S has
28 fully funded the Gross Settlement and separately paid all employer payroll taxes,

1 Participating Class Members will be legally barred from asserting any of the claims
2 released under the Settlement. This means that unless you opted out by validly
3 excluding yourself from the Class Settlement, you cannot sue, continue to sue, or
4 be part of any other lawsuit against E&S or related entities for wages based on the
5 Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in
6 the Action and resolved by this Settlement.

7
8 The Participating Class Members will be bound by the following release:

9 All Participating Class Members, on behalf of themselves and their
10 respective former and present representatives, agents, attorneys, heirs,
11 administrators, successors, and assigns, release Released Parties from (i) all
12 claims that were alleged, or reasonably could have been alleged, based on
13 the Class Period facts stated in the Operative Complaints and ascertained in
14 the course of the Action but not limited to, all statutes/ordinances
15 referenced in the Operative Complaint and corresponding provisions of the
16 California Industrial Welfare Commission Wage Orders and the California
17 Code of Regulations, including but not limited to (1) the California Code of
18 Regulations, Title 8, § 11050, (2) Labor Code Sections 201, 202, 203, 204,
19 210, 226, 226.7, 510, 512, 515, 1194, 1194.2, 1197, and 1198, as related to
20 the above claims, (3) the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*
21 and (4) all related federal, state or local statutes, common law, ordinances,
22 regulations, or provisions relating to the facts and claims in the Action,
23 including claims for continuing wages, failure to pay wages, failure to pay
24 wages in a timely manner, failure to pay minimum wages, failure to pay
25 overtime, failure to provide allegedly required wage statements, failure to
26 provide meal or rest breaks, liquidated damages, civil penalties, premium
27 wages, claims for injunctive relief and restitution under California Business
28 & Professions Code § 17200, interest, costs and attorneys' fees, including

1 Labor Code Sections 218.5 and 218.6, Code of Civil Procedure Section
2 1021.5 and Civil Code Section 3287. Participating Class Members who
3 negotiate or otherwise deposit their Settlement Payment Check will be
4 deemed to have opted into the Action for purposes of the Fair Labor
5 Standards Act (“FLSA”) and as to those Class Members, they expressly
6 waive and release any FLSA claims arising during the Class Period and
7 reasonably related to the claims and allegations in the Operative
8 Complaints. This release excludes the release of claims not permitted by
9 law. The following language will be printed on the reverse of each
10 Settlement Payment Check, or words to this effect: “By endorsing or
11 otherwise negotiating this check, I acknowledge that I read, understood, and
12 agree to the terms set forth in the Notice of Class Action Settlement and I
13 consent to join in the FLSA portion of the Action, elect to participate in the
14 settlement of the FLSA claims, and agree to release all of my FLSA claims
15 that are covered by the Settlement”. Except as set forth in Section 6.3 of
16 the Settlement Agreement, Participating Class Members do not release any
17 other claims, including claims for vested benefits, wrongful termination,
18 violation of the Fair Employment and Housing Act, unemployment
19 insurance, disability, social security, workers’ compensation, or claims
20 based on facts occurring outside the Class Period.

- 21 10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and
22 E&S has paid the Gross Settlement (and separately paid the employer-side payroll
23 taxes), all Aggrieved Employees will be barred from asserting PAGA claims
24 against E&S, whether or not they exclude themselves from the Settlement. This
25 means that all Aggrieved Employees, including those who are Participating Class
26 Members and those who opt-out of the Class Settlement, cannot sue, continue to
27 sue, or participate in any other PAGA claim against E&S or its related entities
28 based on the PAGA Period facts alleged in the Action and resolved by this

1 Settlement.

2
3 The Aggrieved Employees' Releases for Participating and Non-Participating Class
4 Members are as follows:

5 All Participating and Non-Participating Class Members who are Aggrieved
6 Employees are deemed to release, on behalf of themselves and their
7 respective former and present representatives, agents, attorneys, heirs,
8 administrators, successors, and assigns, the Released Parties, from all
9 claims for PAGA penalties that were alleged, or reasonably could have been
10 alleged, based on the PAGA Period facts stated in the Operative
11 Complaints, and the PAGA Notice and ascertained in the course of the
12 Action including, but not limited to, all statutes/ordinances referenced in the
13 Operative Complaints and the PAGA Notice and corresponding provisions
14 of the California Industrial Welfare Commission Wage Orders and the
15 California Code of Regulations, including but not limited to (1) the
16 California Code of Regulations, Title 8, §11050, *et. seq.*, (2) Labor Code
17 Sections 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 515, 558, 1194,
18 1194.2, 1197, 1197.1, 1198, and 2698 *et seq.*, as related to the above claims,
19 including claims for continuing wages, failure to pay wages, failure to pay
20 wages in a timely manner, failure to pay minimum wages, failure to pay
21 overtime, failure to provide allegedly required wage statements, failure to
22 provide meal or rest breaks, liquidated damages, civil penalties, and
23 premium wages..

24
25 **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

- 26 1. Individual Class Payments. The Administrator will calculate Individual Class
27 Payments by (a) dividing the Net Settlement Amount by the total number of
28 Workweeks worked by all Participating Class Members, and (b) multiplying the

1 result by the number of Workweeks worked by each individual Participating Class
2 Member.

- 3 2. Individual PAGA Payments. The Administrator will calculate Individual PAGA
4 Payments by (a) dividing \$ [REDACTED] by the total number of PAGA Pay Periods
5 worked by all Aggrieved Employees and (b) multiplying the result by the number
6 of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- 7 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked
8 during the Class Period and the number of PAGA Pay Periods you worked during
9 the PAGA Period, as recorded in E&S's records, are stated in the first page of this
10 Notice. You have until [REDACTED] to challenge the number of
11 Workweeks and/or Pay Periods credited to you. You can submit your challenge by
12 signing and sending a letter to the Administrator via mail, email or fax. Section 9 of
13 this Notice has the Administrator's contact information.

14
15 You need to support your challenge by sending copies of pay stubs or other
16 records. The Administrator will accept E&S's calculation of Workweeks and/or
17 Pay Periods based on E&S's records as accurate unless you send copies of records
18 containing contrary information. You should send copies rather than originals
19 because the documents will not be returned to you. The Administrator will resolve
20 Workweek and/or Pay Period challenges based on your submission and on input
21 from Class Counsel (who will advocate on behalf of Participating Class Members)
22 and E&S's Counsel. The Administrator's decision is final. You can't appeal or
23 otherwise challenge its final decision.

24
25 **5. HOW WILL I GET PAID?**

- 26 1. Participating Class Members. The Administrator will send, by U.S. mail, a single
27 check to every Participating Class Member (i.e., every Class Member who doesn't
28 opt-out) including those who also qualify as Aggrieved Employees. The single

check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Lopez v. E and S Ring Management Corp.*, LASC Case No. 22STCV12467 and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and E&S are asking the Court to approve. At least 16 days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees

1 and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative
 2 Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section
 3 9 of this Notice) will send you copies of these documents at no cost to you. You can also view
 4 them on the Administrator's Website (url)
 5 or the Court's website (url) .

6 A Participating Class Member who disagrees with any aspect of the Agreement, the
 7 Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may
 8 wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested
 9 by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written**
 10 **objections to the Administrator is** [REDACTED]. Be sure to tell the Administrator what
 11 you object to, why you object, and any facts that support your objection. Make sure you identify
 12 the Action *Lopez v. E and S Ring Management Corp.*, LASC Case No. 22STCV12467 and include
 13 your name, current address, telephone number, and approximate dates of employment for E&S
 14 and sign the objection. Section 9 of this Notice has the Administrator's contact information.

15 Alternatively, a Participating Class Member can object (or personally retain a lawyer to
 16 object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should
 17 be ready to tell the Court what you object to, why you object, and any facts that support your
 18 objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final
 19 Approval Hearing.

20

21 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

22 You can, but don't have to, attend the Final Approval Hearing on [REDACTED]
 23 at (time) in Department 1 of the Los Angeles Superior Court, located at 312 North Spring
 24 Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final
 25 Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel,
 26 Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and
 27 Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either
 28 personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's

website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything E&S and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to ILYM Group, Inc.'s website at (url) . You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Actions, Case Nos. 22STCV12467 or 22STCV33044 respectively. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:	
Name of Attorney:	Joseph Lavi, Esq.
Email Address:	jlavi@lelawfirm.com
Name of Firm:	Lavi & Ebrahimian
Mailing Address:	8889 W. Olympic Blvd., Ste. 200 Beverly Hills, CA 90211
Telephone:	(310) 432-0000
Settlement Administrator:	
Name of Company:	ILYM Group, Inc.
Email Address:	
Mailing Address:	14751 Plaza Dr., Ste. J, Tustin, CA 92780
Telephone:	
Fax Number:	

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void

- ☐ you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds
- ☐ you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.