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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

DUSTIN CORBELLA, SR., an individual, on
behalf of himself, the State of California, as a
private attorney general, and on behalf of all
others similarly situated,

Plaintiff,

v.

GROCERY OUTLET INC., a California
Corporation; and DOES 1 TO 50,

Defendants.

Case No.: 25CV001257

**Settlement Agreement and Release of Class
Action**

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SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION

This Settlement Agreement and Release of Class Action (“Settlement Agreement”) is made and entered into by: **(1)** Plaintiff Dustin Corbella, Sr. (“Plaintiff”), individually and in his representative capacity on behalf of the Settlement Class, as defined below, and as a private attorney general on behalf of the State of California; and **(2)** Defendant Grocery Outlet Inc. (“Defendant”). Plaintiff and Defendant are collectively referred to herein as the “Parties.” This Settlement Agreement is subject to the approval of the Court, pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made for the sole purpose of attempting to consummate settlement of the action on a class-wide basis subject to the following terms and conditions. As detailed below, if the Court does not enter an order granting final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this Settlement Agreement is void and of no force or effect whatsoever.

1. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Settlement Agreement are not specifically defined below, but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this definition section.

1.1. ACTION

“Action” shall mean the following civil action: *Dustin Corbella, Sr. v. Grocery Outlet Inc.*, case number 25CV001257, currently pending before the Superior Court of the State of California for the County of Sacramento.

1.2. ADMINISTRATIVE EXPENSES

“Administrative Expenses” shall include all costs and expenses associated with and paid to the third-party settlement administrator, which are estimated not to exceed \$9,500.00.

1.3. APPLICABLE WAGE ORDER

“Applicable Wage Order” shall mean the California Industrial Welfare Commission (“IWC”) Wage Order applicable to the facts of this case, including IWC Wage Order 1-2001 and others that may be applicable. (Cal. Code of Regs., tit. 8, § 11010.)

1 **1.4. CLAIMS**

2 “Claims” shall mean the claims asserted in the Action.

3 **1.5. CLASS ATTORNEY FEES AND EXPENSES**

4 “Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount
5 attributable to attorney fees and litigation expenses. The Parties agree that the fee-portion of the Class
6 Attorney Fees and Expenses shall be up to one-third of the Gross Settlement Amount (i.e.,
7 \$108,333.33), as approved by the Court, and the award of costs and expenses shall be up to an
8 additional \$25,000.00. If the Escalator Provision described below is triggered so as to increase the
9 Gross Settlement Amount, the Parties agree that the fee portion of the Class Attorney Fees and
10 Expenses will increase proportionally such that the total amount of attorneys’ fees remains one-third
11 of the Gross Settlement Amount *after* the upward adjustment required by the Escalator Provision is
12 implemented.

13 **1.6. CLASS COUNSEL**

14 “Class Counsel” shall mean Melmed Law Group P.C.

15 **1.7. CLASS MEMBER**

16 “Class Member” shall mean any person who is a prospective member of the Settlement Class,
17 or, if such person is incompetent or deceased, the person’s legal guardian, executor, heir, or successor-
18 in-interest.

19 **1.8. CLASS NOTICE**

20 “Class Notice” shall mean the *Notice of Proposed Class and PAGA Action Settlement*, as set
21 forth in the form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be
22 mailed to Class Members along with the Share Form.

23 **1.9. CLASS PARTICIPANTS**

24 “Class Participants” shall mean all Class Members who do not timely request exclusion from
25 the Class Settlement.

26 **1.10. CLASS PERIOD**

27 “Class Period” shall mean the period from January 1, 2023, through January 10, 2026.
28

1.11. CLASS REPRESENTATIVE

“Class Representative” shall mean Plaintiff Dustin Corbella, Sr.

1.12. CLASS SETTLEMENT

“Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is subject to Court approval.

1.13. COMPLAINT

“Complaint” shall mean the currently-operative complaint in the Action.

1.14. COURT

“Court” shall mean the Superior Court of the State of California for the County of Sacramento.

1.15. DEFENDANT

“Defendant” shall mean Defendant Grocery Outlet Inc.

1.16. DEFENSE COUNSEL

“Defense Counsel” shall mean Jackson Lewis P.C.

1.17. EFFECTIVE DATE

“Effective Date” is the date upon which both of the following have occurred: (i) final approval of the Settlement is granted by the Court, and (ii) the Court’s order approving the Settlement becomes Final. “Final” shall mean, if no objection has been filed by any Settlement Class Member, the date that the Court grants final approval of this Settlement. If an objection has been filed by a Settlement Class Member and not withdrawn on the record at the hearing, Final shall mean the latest of: (i) if there is an appeal of the Court’s order, the date the order is affirmed on appeal approving the Parties’ Settlement in all material respects, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the United States Supreme Court, or, (ii) if a petition for writ of certiorari is filed, the date of denial of the petition for writ of certiorari, or the date the order is affirmed pursuant to such petition; (iii) if an objection to the settlement is filed by any Settlement Class Member, the expiration date of the time for filing or noticing any appeal of the order, which is sixty (60) calendar days from entry of the final order..

1.18. EMPLOYEE’S TAXES AND REQUIRED WITHHOLDING

“Employee’s Taxes and Required Withholding” shall mean the employee’s share of any and all applicable federal, state, or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and/or the State Unemployment Tax Act (SUTA) on the portion of any Class Participant’s Individual Settlement Amount that constitutes wages. The Employee’s Taxes and Required Withholdings will be withheld from and paid out of the Individual Settlement Amounts paid from the Net Settlement Amount.

1.19. EMPLOYER’S PAYROLL TAXES

“Employer’s Payroll Taxes” shall mean and refer to Defendant’s share of payroll taxes (e.g., Unemployment Insurance, Employment Training Tax, Social Security, and Medicare taxes) that is owed on the portion of any Class Participant’s Individual Settlement Amount that constitutes wages. The Employer’s Payroll Taxes shall be separately paid by Defendant and shall not be paid from the Gross Settlement Amount or Net Settlement Amount.

1.20. FINAL APPROVAL AND FAIRNESS HEARING

“Final Approval and Fairness Hearing” shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

1.21. GROSS SETTLEMENT AMOUNT

“Gross Settlement Amount” is the agreed upon non-reversionary settlement amount totaling \$325,000.00 to be paid by Defendant in full settlement of the Released Claims asserted in this case, inclusive of the Administrative Expenses, the Employee’s Taxes and Required Withholdings, the Class Attorney Fees and Expenses, the Incentive Award, and PAGA Payment. Defendant shall separately pay its share of the Employer’s Payroll Taxes in addition to the Gross Settlement Amount on the portion of each Individual Settlement Amount allocated as wages. Under no condition will Defendant’s aggregate liability exceed the Gross Settlement Amount, except for Defendant’s portion of the payroll taxes, and if the Escalator Provision is triggered. At no time shall Defendant have the obligation to segregate the funds comprising the Gross Settlement Amount, and Defendant shall retain exclusive authority over, and the responsibility for, those funds.

1.22. HEARING ON PRELIMINARY APPROVAL

“Hearing on Preliminary Approval” shall mean the hearing held on the motion for preliminary approval of the Class Settlement.

1.23. INCENTIVE AWARD

“Incentive Award” shall mean any additional monetary payment provided to the Class Representative for his efforts and risks on behalf of the Settlement Class in this Action.

1.24. INDIVIDUAL SETTLEMENT AMOUNT

“Individual Settlement Amount” shall mean the amount which is ultimately distributed to each Class Participant, less any Employee’s Taxes and Required Withholdings. The Individual Settlement Amount does not include any portion of the PAGA Payment.

1.25. NET SETTLEMENT AMOUNT

“Net Settlement Amount” shall mean the Gross Settlement Amount minus: Administrative Expenses; Class Attorney Fees and Expenses; 65% of the share of the Gross Settlement Amount allocated toward penalties pursuant to the Labor Code Private Attorney General Act of 2004 (“PAGA”), codified at Labor Code sections 2698 through 2699.6, which are payable to the California Labor and Workforce Development Agency (“LWDA”); 35% share of the Gross Settlement Amount allocated toward PAGA Payments to the PAGA Settlement Class; and Plaintiff’s Incentive Award.

1.26. OPT OUT

“Opt Out” shall refer to the process of Class Members’ submitting a timely and valid request for exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline. The PAGA Settlement Class are not entitled to Opt Out of the Released PAGA Claims.

1.27. OPT-OUTS

“Opt-Outs” shall mean all persons who timely and validly request exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.28. PAGA PAYMENT

“PAGA Payment” means the penalties pursuant to PAGA that the Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is

\$50,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: sixty-five percent (65%) (i.e., \$32,500.00) to the LWDA and thirty-five percent (35%) (i.e., \$17,500.00) to the PAGA Settlement Class. Class Counsel shall give timely notice of this Settlement Agreement to the LWDA pursuant to Labor Code section 2699, subdivision (l)(2).

1.29. PAGA PERIOD

“PAGA Period” shall mean the period from January 15, 2024, through January 10, 2026.

1.30. PAGA SETTLEMENT CLASS

“PAGA Settlement Class” shall mean all Class Members who worked any hours for Defendant in California during any pay period during the PAGA Period. To negotiate the Settlement, Defendant estimated that the PAGA Settlement Class consists of approximately 17,511 pay periods from January 15, 2024 through November 11, 2025. Each member of the PAGA Settlement Class is referred to individually as a “PAGA Member.” PAGA Members are not eligible to exclude themselves from, or to opt out of, the Released PAGA Claims.

1.31. PARTIES

“Parties” shall mean Plaintiff and Defendant.

1.32. PLAINTIFF

“Plaintiff” shall mean Plaintiff Dustin Corbella, Sr.

1.33. PRELIMINARY APPROVAL DATE

“Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Settlement Agreement.

1.34. RELEASED CLASS CLAIMS

“Released Class Claims” shall mean those claims under state, federal, and local law that were or could be asserted in the lawsuit based on the facts alleged in the operative complaint and/or PAGA notice to the California Labor and Workforce Development Agency that arose during the Class Period and/or PAGA Period, including without limitation, California Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, and 2804, as well as 245, 245.5, 246, and 246.5 solely as the claims

1 relate to regular rate violation of sick leave, California Industrial Commission Wage Orders, California
 2 Code of Regulations, Title. 8, section 11010, Business and Professions Code sections 17200 through
 3 17210, California Civil Code section 3287, subdivision (b), and 3289, California Code of Civil
 4 Procedure section 1021.5, and including all claims for or related to alleged unpaid wages, minimum
 5 wages, hours worked, off-the-clock, overtime or double time wages, regular rate of pay, bonus and
 6 incentive pay, sick pay, timely payment of wages during employment, timely payment of wages at
 7 separation, wage statements, payroll records and recordkeeping, unreimbursed business expenses, meal
 8 periods and meal period premiums, rest breaks and rest break premiums, failure to pay additional
 9 401(k) benefits and/or deferred compensation benefits and/or matching benefits for payments received
 10 under the Settlement, unfair competition, unfair business practices based on the foregoing, unlawful
 11 business practices based on the foregoing, fraudulent business practices based on the foregoing, all
 12 claims for liquidated damages, penalties, interest, fees, costs, based on the foregoing as well as all other
 13 claims and allegations alleged in the Action, during the Class Period. Expressly excluded from the
 14 release are claims for retaliation, discrimination, unemployment insurance, disability, workers
 15 compensation, and claims outside the Released Class Claims.

16 **1.35. RELEASED PAGA CLAIMS**

17 “Released PAGA Claims” shall mean those claims to be released by the PAGA Members
 18 including all claims arising during the PAGA Period seeking civil penalties under PAGA, that Plaintiffs
 19 as proxy for the State of California and/or the LWDA, to the maximum extent permitted by law, and
 20 as a private attorney general acting on behalf of Plaintiff and the PAGA Members, asserted or could
 21 reasonably have asserted based on the facts alleged in the Actions and/or the LWDA letter, including
 22 but not limited to California Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218.5, 218.6, 226,
 23 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698, et
 24 seq., 2802 and 2804, as well as 245, 245.5, 246, 246.5 solely as the claims relate to regular rate violation
 25 of sick leave, as alleged in the PAGA Action and Plaintiff’s January 15, 2025 notice to the LWDA, the
 26 wage orders of the California Industrial Welfare Commission based the facts alleged in the Actions.
 27 The Settlement shall release and bar all Released PAGA Claims by or on behalf of Plaintiff and all
 28 PAGA Members during the PAGA Period, regardless of whether Plaintiff and/or a PAGA Member

1 negotiates (cashes) their/his/her settlement checks sent pursuant to this Settlement. PAGA Members
2 cannot and do not have the right to opt out of the PAGA Group and/or release of their PAGA claims
3 against the Released Parties. As such, an individual opting out of the Settlement Class has no impact
4 as to his/her standing and/or inclusion in the PAGA Group assuming they/he/she qualifies as a PAGA
5 Member.

6 **1.36. RELEASED PARTIES**

7 “Released Parties” shall collectively mean: (i) Defendant; (ii) each of Defendant’s respective
8 past, present and future parents, subsidiaries, partners, affiliates, (iii) the past, present and future board
9 members, directors, officers, employees, attorneys, insurers, managers, partners, agents, fiduciaries,
10 representatives, benefits plans, predecessors, successors, and assigns of any of the foregoing; and (iv)
11 any individual or entity which could be jointly or personally liable with any of the foregoing.

12 **1.37. RELEASING PARTIES**

13 “Releasing Parties” shall mean every Class Participant and all persons purporting to act on their
14 behalf or purporting to assert a claim under or through them, including, but not limited to, their
15 dependents, heirs, assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees,
16 conservators, guardians, personal representatives, and successors-in-interest, whether individual, class,
17 representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

18 **1.38. RESPONSE DEADLINE**

19 “Response Deadline” shall mean the date sixty (60) days following the date on which the
20 Settlement Administrator first mails Class Notice to the Class Members and the last day on which Class
21 Members may submit a request for exclusion and/or objection to Class Settlement.

22 **1.39. SETTLEMENT ADMINISTRATOR**

23 “Settlement Administrator” shall mean Phoenix Class Action Administrators (or other
24 administrator agreed on by the Parties) which the Parties have agreed will be responsible for
25 administration of the Class Settlement and related matters.

26 **1.40. SETTLEMENT CLASS**

27 “Settlement Class” shall mean all persons employed as non-exempt warehouse workers at
28 Defendant's Regional Fulfillment Centers in California during the Class Period. To negotiate this

Settlement, Defendant estimated that the Settlement Class worked a total of approximately 27,102 workweeks from January 1, 2023 through November 11, 2025.

1.41. SHARE FORM

“Share Form” shall mean the *Class Action Settlement Share Form*, as set forth in the form of **Exhibit 2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along with the Class Notice.

2. FACTUAL AND PROCEDURAL BACKGROUND

2.1. PLAINTIFF’S CLAIMS

Plaintiff, individually and in his representative capacity on behalf of the Settlement Class, and as a private attorney general on behalf of the State of California, has alleged the following violations: **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the Applicable Wage Order; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the Applicable Wage Order; **(3)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Order; **(4)** failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, and the Applicable Wage Order; **(5)** failure to maintain accurate employment records in violation of Labor Code section 1174; **(6)** failure to pay timely wages during employment in violation of Labor Code sections 204, 210; **(7)** failure to pay all wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; **(8)** failure to reimburse business expenses in violation of Labor Code sections 2802 and 2804; **(9)** failure to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3; **(10)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); and **(11)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698–2699.6), based upon Plaintiff’s civil complaints filed in Placer Superior Court Case No. 25CV001257 (“the “PAGA Action”) and Sacramento Superior Court Case No. S-CV-0054909 (“the “Class Action”). To effectuate this Settlement, Plaintiff shall file a First Amended Complaint in the Class Action that shall include all Released Class Claims and Released PAGA Claims in the Class Action and the PAGA Action. After

1 Plaintiff files the First Amended Complaint, Plaintiff shall file a joint stipulation to stay the PAGA
2 Action pending in Placer County Superior Court, to be dismissed within seven days after the Effective
3 Date.

4 **2.2. DISCOVERY, INVESTIGATION, RESEARCH, AND MEDIATION**

5 Class Counsel has conducted significant informal discovery during the prosecution of the
6 Action. This discovery, investigation, and prosecution has included, among other things, **(a)** over a
7 dozen telephonic conferences with Plaintiff; **(b)** inspection and analysis of hundreds of pages of
8 documents and other information produced by Plaintiff and Defendant; **(c)** analysis of employment
9 data from a sample of Class Members; **(d)** an analysis of the legal positions taken by Defendant;
10 **(d)** investigation into the viability of class treatment of the claims asserted in the Action; **(e)** analysis
11 of potential class-wide damages, including information sufficient to understand Defendant's potential
12 defenses to Plaintiff's claims; **(f)** research of the applicable law with respect to the claims asserted in
13 the Complaint and the potential defenses thereto; and **(g)** assembling and analyzing of data for
14 calculating damages.

15 Class Counsel and the Class Representative have vigorously prosecuted this case, and
16 Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and
17 discovery to assess the relative merits of the claims of the Class Representative and of the defenses to
18 them. After such discovery, investigation, and prosecution, the Parties attended a full-day mediation
19 with an experienced employment law mediator, which culminated in a settlement in principle, the terms
20 of which are elaborated in this Settlement Agreement.

21 **2.3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF** 22 **CLASS SETTLEMENT**

23 The document and data exchange in this matter, as well as discussions between counsel, have
24 been adequate to give the Class Representative and Class Counsel a sound understanding of the merits
25 of their positions and to evaluate the value of the claims of the Settlement Class. The informal discovery
26 conducted in this Action and the information exchanged by the Parties through pre-mediation
27 discussions are sufficient to reliably assess the merits of the Parties' respective positions and to
28 compromise the issues on a fair and equitable basis.

1 The Class Representative and Class Counsel believe that the claims, causes of action,
2 allegations, and contentions asserted in the Action have merit. However, the Class Representative and
3 Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings
4 necessary to prosecute the Action against Defendant through trial and through appeals. Class Counsel
5 has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex
6 actions such as this, as well as the difficulties and delays inherent in such litigation, and the potential
7 difficulty of obtaining certification of the Settlement Class as well as trying the claims of the class.
8 Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims
9 alleged in the Action.

10 The Class Representative and Class Counsel believe that the settlement set forth in this
11 Settlement Agreement confers substantial benefits upon Plaintiff and the Settlement Class and that an
12 independent review of this Settlement Agreement by the Court in the approval process will confirm
13 this conclusion. Based on their own independent investigation and evaluation, Class Counsel has
14 determined that the settlement set forth in this Settlement Agreement is in the best interests of Plaintiff
15 and the Class Members.

16 **2.4. DEFENDANT'S DENIALS OF WRONGDOING AND LIABILITY**

17 Defendant has denied and continues to deny all allegations, claims, and contentions alleged by
18 Plaintiff in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing
19 or liability against it arising out of any of the conduct, statements, acts, or omissions alleged in the
20 Action. Defendant contends that it complied with California and federal wage and hour laws and has
21 dealt legally and fairly with Plaintiff and the Class Members.

22 Defendant further denies that, for any purpose other than settling this Action, these claims are
23 appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further
24 proceedings in the Action would be protracted and expensive and that it is desirable that the Action be
25 fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement
26 Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendant's
27 respective businesses without further expensive litigation and the distraction and diversion of their
28 personnel with respect to matters at issue in the Action. Defendant has also taken into account the

1 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.
2 Defendant has, therefore, determined that it is desirable and beneficial to it that the Action be settled
3 in the manner and upon the terms and conditions set forth in this Settlement Agreement.

4 **2.5. INTENT OF THE CLASS SETTLEMENT**

5 The Class Settlement set forth herein intends to achieve the following: **(1)** entry of an order
6 approving the Class Settlement; **(2)** entry of judgment of the Action; **(3)** discharge of the Released
7 Parties from liability for any and all of the Released Claims; and **(4)** discharge of Defendant from
8 liability for any and all claims arising out of the Action.

9 **3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS**

10 For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the
11 Parties agree to conditional class certification of the Settlement Class. Defense Counsel believes this
12 conditional certification is appropriate because the Released Claims are being compromised without
13 need to establish the elements of those claims on which liability turns. The certification of the
14 Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by
15 Defendant, including without limitation, that certification of a class for trial purposes is or would be
16 warranted, appropriate or proper; or that Plaintiff could establish any of the requisite elements for class
17 treatment of any of the claims in the Action.

18 If the Settlement Agreement is not finally approved by the Court, the Effective Date is not
19 achieved, or the Class Settlement is rejected, terminated, or otherwise rendered null and void as set
20 forth herein, then certification of the Settlement Class shall be automatically vacated, shall be void *ab*
21 *initio*, of no force or effect, and shall not constitute evidence or a binding determination that the
22 requirements for certification of a class for trial purposes in this Action or in any other action which
23 have been, are or can be, satisfied. Further, if the Agreement does not reach the Effective Date, Plaintiff
24 agrees that Plaintiff will not argue, claim, reference, or otherwise raise any preliminary approval of the
25 Settlement Class in connection with any later proceeding before the Court.

4. APPOINTMENT OF CLASS COUNSEL

For purposes of this Settlement Agreement and subject to the Court’s approval, the Parties agree to the appointment of Class Counsel as counsel for the Settlement Class and the effectuation of the Class Settlement pursuant to this Settlement Agreement.

5. CONSIDERATION

5.1. SETTLEMENT AMOUNT

The Parties agree to settle this Action for the Gross Settlement Amount of \$325,000.00. There shall be no reversion to Defendant. Defendant shall pay the Gross Settlement Amount in full. The Gross Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate consideration for the Class Settlement and will be made in full and final settlement of: the Released Claims, the Class Attorney Fees and Expenses, Administrative Expenses, the Incentive Award, the PAGA Payment (and any payments to individual PAGA Class Members resulting from the PAGA Payment), and any other obligation of Defendant under this Settlement Agreement (other than the Employer’s Payroll Taxes on the portion of the Net Settlement Amount allocated to the payment of wages).

After the Court issues an order preliminarily approving this Class Settlement, the Settlement Administrator will distribute the Class Notice to the Class Members, which shall describe the terms of the Class Settlement and procedures to Opt Out, object, or participate in the Class Settlement as well as the Share Form, which shall identify the Class Member, the number of workweeks worked by each Class Member (“Workweeks”), as well as the estimated amount of the Individual Settlement Amount the Class Member can expect to receive once the Class Settlement becomes effective on the Effective Date. Class Members shall be given the opportunity to challenge their Workweeks information.

5.2. INCENTIVE AWARD FOR PLAINTIFF

Plaintiff may petition the Court to approve an Incentive Award in an amount up to \$10,000.00 for Dustin Corbella, Sr. to acknowledge his efforts on behalf of the Settlement Class in this Action, including assisting in the investigation and consulting with Class Counsel and providing crucial documents to Class Counsel, and in exchange for a general release of all claims under California Code of Civil Procedure section 1542. Defendant shall not oppose any request by Plaintiff for an Incentive

1 Award in such an amount. Any Incentive Award approved by the Court shall be paid to Plaintiff from
2 the Gross Settlement Amount and shall be in addition to any distribution to which he may otherwise
3 be entitled as a Class Participant. Any Incentive Award approved by the Court shall not be considered
4 wages, and the Settlement Administrator shall issue to Plaintiff an IRS Form 1099 reflecting such
5 payment. Plaintiff shall be responsible for the payment of all taxes with respect to any Incentive Award
6 approved by the Court and shall hold Defendant harmless from all liability with regard thereto.

7 **5.3. PAYMENT TO CLASS PARTICIPANTS**

8 Each Class Participant shall be eligible to receive payment of the Individual Settlement
9 Amount, which is a share of the Net Settlement Amount based on the pro rata number of weeks worked
10 by the Class Members during the Class Period as a proportion of all weeks worked by all Class
11 Members. Each Class Participant, including Plaintiff, shall be responsible for the payment of the
12 Employee's Taxes and Required Withholding with respect to his or her Individual Settlement Amount
13 and shall hold Defendant harmless from any and all liability with regard thereto.

14 **5.4. PAYMENT TO PAGA SETTLEMENT CLASS**

15 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
16 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
17 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
18 is \$50,000.00. The PAGA Payment must be approved by the Court pursuant to Labor Code section
19 2699 and is to be distributed as follows: sixty-five percent (65%) (i.e., \$32,500.00) to the LWDA and
20 thirty-five percent (35%) (i.e., \$17,500.00) to the PAGA Settlement Class. The portion of the PAGA
21 Payment allocated to the PAGA Settlement Class shall be distributed to the PAGA Settlement Class
22 based on the pro rata number of pay periods worked by each particular PAGA Settlement Class member
23 during the PAGA Period as a proportion of all pay periods worked by all members of the PAGA
24 Settlement Class.

25 **5.5. TAX TREATMENT AND PAYMENT**

26 For the purpose of calculating Employee's Taxes and Required Withholding for the Individual
27 Settlement Amounts for Class Participants (including any payments to the Class Representative but
28 exclusive of his Incentive Award), the Parties agree that 20% of each Individual Settlement Amount

1 shall constitute payment in the form of wages (and each Class Participant will be issued an IRS Form
2 W-2 for such payment to him or her), and 80% of each Individual Settlement Amount shall constitute
3 penalties and interest (and each Class Participant will be issued an IRS Form 1099 for such payment
4 to him or her). Prior to final distribution, the Settlement Administrator shall calculate the total
5 Employee's Taxes and Required Withholding due as a result of the wage portion of Class Participants'
6 anticipated Individual Settlement Amounts and such actual amount will be deducted from the Net
7 Settlement Amount. Additionally, prior to the funding of the Gross Settlement Amount and final
8 distribution, the Settlement Administrator shall calculate the total Employer's Payroll Taxes due on the
9 wage portion of the Class Participants' Individual Settlement Amounts and issue instructions to
10 Defendant to separately fund these tax obligations/withholdings. The Parties understand that Plaintiff
11 and the Class Participants who receive any payment pursuant to this Settlement Agreement shall be
12 solely responsible for all other individual tax obligations.

13 With respect to the PAGA Payment and any payments made to individual members of the
14 PAGA Settlement Class, all such payments shall be treated as payments owing for penalties and interest
15 thereon and shall not be considered wages. The Settlement Administrator shall issue to members of the
16 PAGA Settlement Class an IRS Form 1099 reflecting such payment. Members of the PAGA Settlement
17 Class shall be solely responsible for the payment of all taxes with respect to any PAGA payments made
18 to them.

19 **5.6. NO EFFECT ON EMPLOYEE BENEFIT PLANS**

20 Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any
21 previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus
22 program sponsored by Defendant. Such amounts will not form the basis for additional contributions to,
23 benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies,
24 or bonus programs. The payments made under the terms of this Settlement Agreement shall not be
25 applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other
26 form of compensation for the purposes of any of Defendant's benefit plan, policy, or bonus program.
27 Defendant retains the right to modify the language of its benefits plans, policies, and bonus programs
28 to reflect this intent and to make clear that any amounts paid pursuant to this Settlement Agreement are

1 not for “weeks worked,” “weeks paid,” “weeks of service,” or any similar measuring term as defined
2 by applicable plans, policies, and bonus programs for purpose of eligibility, vesting, benefit accrual, or
3 any other purpose, and that additional contributions or benefits are not required by this Settlement
4 Agreement. Defendant does not consider the Class Settlement payments “compensation” for purposes
5 of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs,
6 or any other plan sponsored by Defendant.

7 **5.7. CLASS ATTORNEY FEES AND EXPENSES**

8 As part of the motion for final approval of the Class Settlement, Class Counsel may apply for
9 an award of Class Attorney Fees and Expenses with the fee portion not to exceed one-third of the Gross
10 Settlement Amount (i.e., \$108,333.33) and the award of costs and expenses up to an additional
11 \$25,000.00. Defendant agrees to not object to any such fee, cost, or expense application in those
12 amounts.

13 As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the
14 manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the Court shall
15 be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount and shall
16 not constitute payment to any Class Members. If Class Counsel voluntarily reduces the request for
17 Class Attorney Fees and Expenses or the Court’s award of Class Attorney Fees and Expenses is less
18 than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class
19 Attorney Fees and Expenses awarded.

20 The Class Attorney Fees and Expenses approved by the Court shall reflect: **(a)** all work
21 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
22 represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be
23 performed and costs to be incurred in connection with approval by the Court of the Class Settlement;
24 **(c)** all work to be performed and costs and expenses, if any, incurred in connection with administering
25 the Class Settlement through the Effective Date and dismissal of the Action with prejudice; and **(d)** may
26 be based on the “catalyst theory” and/or the “common fund doctrine.”
27
28

1 **6. SETTLEMENT ADMINISTRATION**

2 **6.1. SETTLEMENT ADMINISTRATION COSTS AND EXPENSES**

3 All costs and expenses due to the Settlement Administrator in connection with its administration
4 of the Class Settlement, including, but not limited to, providing the Class Notice, locating Class
5 Members, processing Opt Out requests and objections, distributing the portion of the PAGA Payment
6 payable to the LWDA, distributing the portion of the PAGA Payment payable to the members of the
7 PAGA Settlement Class, and calculating, administering and distributing Individual Settlement
8 Amounts to the Class Participants and related tax forms, shall be paid from the Gross Settlement
9 Amount, and is not expected to exceed \$9,500.00.

10 **6.2. PAYMENT BY DEFENDANT**

11 Defendant shall deposit the Gross Settlement Amount in a lump sum payment, plus the
12 Employer's Taxes to the Settlement Administrator, within thirty (30) days of the Effective Date. In no
13 event shall Defendant be obligated to segregate, pay or deposit with the Settlement Administrator more
14 than \$325,000.00, plus the Employer's Payroll Taxes, except if the Escalator Provision is triggered.

15 **7. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

16 **7.1. THE SETTLEMENT ADMINISTRATOR**

17 The Settlement Administrator will be responsible for: mailing the Class Notice and Share Form
18 (**Exhibit 1** and **Exhibit 2**, respectively) to Class Members; posting notice of entry of final order and
19 judgment certifying the Class Settlement and approving this Settlement Agreement; handling inquiries
20 from Class Members concerning the Class Notice; determining Individual Settlement Amounts;
21 determining individual payments to members of the PAGA Settlement Class; maintaining the
22 settlement funds in an appropriate interest-bearing account; preparing, administering, and distributing
23 Individual Settlement Amounts to Class Participants; preparing, administering, and distributing
24 individual payments to members of the PAGA Settlement Class; distributing the portion of the PAGA
25 Payment payable to the LWDA; issuing a final report and performing such other duties as the Parties
26 may direct. Additionally, the Settlement Administrator will handle all tax document preparation and
27 reporting, including state and federal tax forms, if any.

1 On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and
2 Defense Counsel with summary information updating them as to the number of validated and timely
3 objections and Opt Out requests. The Settlement Administrator will serve on Class Counsel and
4 Defense Counsel via e-mail date-stamped copies of the original Opt Out requests and objections no
5 later than seven (7) days after their receipt. The Settlement Administrator will provide Class Counsel
6 with proof of mailing of the Class Notice, without listing individual Class Member names which the
7 Settlement Administrator will file with the Court at the time Class Counsel files its motion in support
8 of the Court's Final Approval and Fairness Hearing.

9 No later than thirty (30) days prior to the Final Approval and Fairness Hearing, the Settlement
10 Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary
11 information regarding: **(a)** the total amount of final Individual Settlement Amounts of each Class
12 Participant, without any identifying personal information; **(b)** the number of Class Participants to
13 receive such payments, and **(c)** the final number of Opt-Outs and objections.

14 Administrative Expenses are not anticipated to exceed \$9,500.00. Prior to the calculation and
15 distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the
16 total Administrative Expenses through the conclusion of their services and such actual amount will be
17 deducted from the Gross Settlement Amount prior to the final calculation of the Individual Settlement
18 Amounts.

19 **7.2. NOTICE TO CLASS MEMBERS**

20 The Class Notice to be sent to the Class Members (**Exhibit 1**), the proposed preliminary
21 approval order (**Exhibit 3**) and the proposed final approval order (**Exhibit 4**) are to be mutually agreed
22 upon by the Parties as exhibits to the long-form Settlement documents, and presented for approval to
23 the Court. The Parties' agreed-upon preliminary approval order will include a provision enjoining Class
24 Members from filing claims before the California Division of Labor Standards Enforcement (DLSE),
25 or from initiating other proceedings regarding the Released Claims against the Released Parties
26 between preliminary and final approval of the Settlement, unless and until Class Members opt out of
27 the Settlement Class; this provision is intended to provide all Class Members the opportunity to
28

1 participate in or to opt out of the Settlement, and to ensure finality of the Settlement and the Released
2 Claims to the fullest extent permitted by law.

3 Notice shall be provided to Class Members in the following manner: Within thirty (30) days
4 after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with an
5 updated list of Class Members and members of the PAGA Settlement Class containing names, social
6 security numbers, the number of workweeks worked during the Class Period and the PAGA Period ,
7 last-known addresses, and phone numbers, to the extent available (the “Spreadsheet”). The Database
8 shall be marked “Confidential – Settlement Administrator’s Eyes Only.” Class Counsel shall not
9 receive a copy of the confidential Spreadsheet.

10 Within forty-five (45) days following the Preliminary Approval Date, the Settlement
11 Administrator shall prepare and populate the data for each Class Member, and send each Class Member
12 the Class Notice via first-class, United States mail. The Class Notice shall also contain an easily-
13 understood statement alerting the Class Members that, unless they elect to Opt Out of the Class
14 Settlement, the Class Member is releasing and waiving all Released Claims against the Released
15 Parties.

16 The Class Notice will inform Class Members of their estimated share of the settlement and the
17 number of workweeks they worked during the Class Period. Class Members may dispute their
18 workweeks if they believe they worked more weeks in the Class Period than Defendant’s records show
19 by submitting information to the Settlement Administrator no later than sixty (60) days after being
20 mailed the Class Notice and Share Form by the Settlement Administrator, which is the defined
21 Response Deadline. The Settlement Administrator will jointly work with Plaintiff and Defendant to
22 resolve the dispute in good faith. If Plaintiff and Defendant cannot agree over the workweeks to be
23 credited, the Settlement Administrator shall make the final decision based on the information presented
24 by the Class Member and Defendant.

25 **7.3. OPT OUT PROCEDURE FOR CLASS MEMBERS**

26 Class Members who do not timely Opt Out of the Class Settlement will be deemed to participate
27 in the Class Settlement and shall become Class Participants without having to submit a claim form or
28 take any other action. To Opt Out of the Class Settlement, the Class Member must submit a letter or

1 postcard to the Settlement Administrator by the Response Deadline. The Opt Out request must state
2 the Class Member's name, address, telephone number, and signature. The Opt Out request should state
3 something to the effect of:

4 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *DUSTIN*
5 *CORBELLA, SR. V. GROCERY OUTLET INC.* LAWSUIT. I UNDERSTAND THAT
6 IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT
7 RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT
8 AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT HAVE."
9

10 Any Opt Out request that is not postmarked by the Response Deadline will be invalid. If prior
11 to the Response Deadline any Class Notice mailed to a Class Member is returned as having been
12 undelivered by the United States Postal Service, the Settlement Administrator shall perform a skip trace
13 search and seek an address correction for such Class Members, and a second Class Notice will be sent
14 to any new or different address obtained. Such Class Members shall have an additional fourteen (14)
15 days from the date of the mailing of the second Class Notice in which to Opt Out, object, or dispute
16 the information provided in the Share Form if the Response Deadline would have otherwise passed
17 prior to fourteen (14) days from the date of the mailing of the second Class Notice.

18 It will be presumed that, if an envelope containing the Class Notice has not been returned within
19 thirty (30) days of the mailing, the Class Member received the Class Notice. At least thirty (30) days
20 prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class
21 Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard
22 to the mailing of the Class Notice and its attempts to locate Class Members. The declaration shall
23 specify the number of Class Members to whom the Class Notice was sent and the number of Class
24 Members to whom the Class Notice was not delivered, as well as information relating to the number
25 of Opt-Outs and objectors. Class Counsel shall file this declaration with the Court.

26 If the Settlement Administrator determines that an Opt Out request returned by a Class Member
27 before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency
28 letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an

1 Opt Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt
2 Out request were deficient. If the Class Member fails to cure the deficiency, the Opt Out request shall
3 be disregarded and the claim will be paid, and the Class Member will become bound by the judgment.

4 Class Participants will be bound by the Release of Released Claims set forth in the definition
5 of “Released Claims” provided in this Settlement Agreement.

6 The PAGA Settlement Class are not entitled to Opt Out of the Released PAGA Claims. A
7 request to Opt Out of the Class Settlement shall **not** serve to exclude the Class Member from
8 participation in the PAGA Settlement Class. Opt-Outs shall still be entitled to their share of the PAGA
9 Payment. Class Members who are also members of the PAGA Settlement Class shall have no right or
10 ability to opt out of the portion of this Settlement Agreement releasing PAGA claims.

11 If the number of valid Opt Outs exceeds 10% of all Class Members, Defendant may, but is not
12 obligated, elect to terminate the Settlement. Defendant agrees to notify Class Counsel of any such
13 decision no later than fourteen (14) calendar days following the opt-out deadline and agrees to pay all
14 claims administration costs incurred through such date. The Parties agree that, if Defendant terminates
15 the Settlement, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that
16 neither Party will have any further obligation to perform under this Agreement; provided, however,
17 Defendant will remain responsible for paying all Settlement Expenses incurred to that point.

18 **7.4. OBJECTION PROCEDURE**

19 The Class Notice shall inform the Class Members of their right to object to the Class Settlement
20 if they do not Opt Out. Any Class Participants who wish to object to the Class Settlement may submit
21 a written objection to the Settlement Administrator no later than the Response Deadline. Only Class
22 Participants may object to the Settlement. The objection should include the case name and number and
23 must set forth, in clear and concise terms, a statement of the reasons why the objector believes that the
24 Court should find that the proposed Class Settlement is not in the best interest of the Settlement Class
25 and the reasons why the Class Settlement should not be approved, including the legal and factual
26 arguments supporting the objection. If an objector also wishes to appear at the Final Approval and
27 Fairness Hearing, in person or through an attorney, they may do so. The Settlement Administrator will
28 promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defense

Counsel. Class Members wishing to make an objection may appear at the Final Approval and Fairness Hearing, either in person or through a lawyer retained at their own expense.

7.5. NOTICE OF FINAL JUDGMENT

Within seven (7) days after the Court has held a Final and Fairness Approval Hearing and entered a final order certifying the Class for settlement purposes only and approving the Class Settlement, the Settlement Administrator will give notice of judgment to Class Members pursuant to rule 3.771(b) of the California Rules of Court, by posting a copy of said order and final judgment on its website at a web address to be included in the Class Notice.

8. CLASS SETTLEMENT FUNDING AND DISTRIBUTION

8.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT

The claims of all Class Members are settled for the Gross Settlement Amount of \$325,000.00, which will be allocated as follows:

1. The Administrative Expenses, estimated not to exceed \$9,500.00;
2. Class Counsel's attorney fees not to exceed \$108,333.33;
3. Class Counsel's litigation costs and expenses not to exceed \$25,000.00;
4. The Incentive Award, not to exceed \$10,000.00;
5. PAGA Payment to the PAGA Settlement Class of \$17,500.00; and
6. PAGA Payment to LWDA of \$32,500.00.

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values provided above prior to sending Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall recalculate the final Net Settlement Amount based on the actual values of the amounts in each category.

8.2. CALCULATION OF THE INDIVIDUAL SETTLEMENT AMOUNTS FOR CLASS PARTICIPANTS

Defendant will calculate the number of workweeks worked by all Class Members during the Class Period based on time clock data, and the amount to be paid to Class Members per workweek based on time clock data. The workweeks will be calculated by Defendant for each Class Member

1 during the Class Period based on time clock data. Defendant's workweek data will be presumed to be
2 correct, unless a particular Class Member proves otherwise to the Settlement Administrator by credible
3 written evidence. Defendant will provide time clock data to the Settlement Administrator for resolution
4 of any workweek disputes by a particular Class Member. All workweek disputes will be resolved and
5 decided by the Settlement Administrator, and the Settlement Administrator's decision on all workweek
6 disputes will be final and non-appealable. The amount to be paid per workweek to eligible Class
7 Members will be calculated by the Settlement Administrator by dividing the Net Settlement Amount
8 by the total number of workweeks for all Class Members; any person who opts out of the Settlement is
9 not a Class Member.

10 **8.3. CALCULATION OF THE PAYMENTS FOR INDIVIDUAL MEMBERS OF**
11 **THE PAGA SETTLEMENT CLASS**

12 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
13 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
14 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
15 is \$50,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section
16 2699 and is to be distributed as follows: sixty-five percent (65%) (i.e., \$32,500.00) to the LWDA and
17 thirty-five percent (35%) (i.e., \$17,500.00) to the PAGA Settlement Class.

18 Defendant will calculate the number of workweeks worked by the PAGA Members during the
19 PAGA Period based on time clock data. The workweeks will be calculated by Defendant for each
20 PAGA Member based on the time clock data during the PAGA Period. Partial workweeks will not be
21 counted; however, if a PAGA Member worked only one day as a PAGA Member, such PAGA Member
22 will be credited with having worked one workweek for purposes of the Settlement. Defendant's
23 workweek data will be presumed to be correct, unless a particular PAGA Member proves otherwise to
24 the Settlement Administrator by credible written evidence. Defendant will provide time clock data to
25 the Settlement Administrator for resolution of any workweek disputes by a particular PAGA Member.
26 All workweek disputes will be resolved and decided by the Settlement Administrator, and the
27 Settlement Administrator's decision on all workweek disputes will be final and non-appealable. The
28 amount to be paid per workweek to PAGA Members will be calculated by the Settlement Administrator

by dividing the Net PAGA Settlement Amount by the aggregate number of weeks worked by PAGA Members.

The members of the PAGA Settlement Class shall be solely responsible for any and all tax obligation associated with their respective shares of the PAGA Payment.

8.4. TIME FOR PAYMENT OF ATTORNEY FEES AND EXPENSES

The Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses approved by the Court no later than fourteen (14) days after Defendant funds the Settlement.

8.5. TIME FOR PAYMENT OF INCENTIVE AWARD

The Settlement Administrator shall distribute to Plaintiff the Incentive Award approved by the Court no later than fourteen (14) days after Defendant funds the Settlement.

8.6. TIME FOR PAYMENT OF PAGA PAYMENT TO THE LWDA

The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment due to it and approved by the Court no later than fourteen (14) days after Defendant funds the Settlement.

8.7. TIME FOR PAYMENT OF TAXES AND REQUIRED WITHHOLDING AND INDIVIDUAL SETTLEMENT AMOUNTS

The Settlement Administrator shall make every effort to pay the Employee's Taxes and Required Withholding associated with each Class Participant's Individual Settlement Amount and mail the Individual Settlement Amount to each Class Participant, by first-class United States mail, to the last-known address no later than fourteen (14) days after Defendant funds the Settlement. If the Settlement Administrator is not able to do so within the time period set forth above, it shall so inform Class Counsel and Defense Counsel and provide an approximate date by which the Employee's Taxes and Required Withholding shall be paid and the Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement Administrator distribute checks to Class Participants until all Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the remaining monetary obligations have been calculated and accounted for.

Within two hundred ten (210) days of mailing the Individual Settlement Amounts to Class Participants, the Settlement Administrator shall file with the Court and provide to Class Counsel a

1 declaration of payment. If any Class Participant is deceased, payment shall be made payable to the
2 estate of that Class Member and delivered to the executor or administrator of that estate, unless the
3 Settlement Administrator has received an affidavit or declaration pursuant to California Probate Code
4 section 13101, in which case payment shall be made to the affiant(s) or declarant(s).

5 **8.8. NON-CASHED SETTLEMENT CHECKS**

6 Any funds associated with checks that have not been cashed within one hundred eighty (180)
7 days, will become void and the Individual Settlement Amount associated with the uncashed check will
8 be remitted pursuant to Code of Civil Procedure section 384 to the California State Controller for
9 deposit in the Unclaimed Property Fund in the name of the individual whose check was uncashed. The
10 Parties agree that this disposition results in no “unpaid residue” within the meaning of California Civil
11 Procedure Code section 384, as the entire Net Settlement Amount will be paid out to Class Participants,
12 whether or not they all cash their Individual Settlement Amount checks. Therefore, Defendant shall not
13 be required to pay any interest on said amount. For the purposes of determining whether Defendant has
14 met their financial obligation to pay the Individual Settlement Payment, Defendant will be deemed to
15 have fulfilled its obligation upon payment of the Gross Settlement Amount to the Settlement
16 Administrator, regardless of whether such Class Member subsequently negotiates their check.

17 **8.9. DISPUTES REGARDING CLASS MEMBER WORKWEEKS OR PAYMENT** 18 **OF INDIVIDUAL SETTLEMENT SHARES**

19 Class Member workweeks and the corresponding Individual Settlement Amount shall be
20 calculated using the time clock data of , which presumptively shall be deemed to be full, complete, and
21 accurate for purposes of this Settlement Agreement. To overcome that presumption, any Class Member
22 objecting to the accuracy of the number of workweeks or amount of the Individual Settlement Amount
23 must submit documentary evidence, such as pay stubs or other written employment records, to the
24 Settlement Administrator. Each Class Member may dispute the number of workweeks or their
25 estimated Individual Settlement Amount contained on their Class Notice (“Workweeks Dispute”). Any
26 such Workweeks Dispute must be mailed or faxed to the Settlement Administrator by the Class
27 Member, postmarked or fax-stamped on or before the Response Deadline. The Settlement
28 Administrator shall immediately provide copies of all disputes to counsel for Defendant, shall inform

1 Class Counsel of the dispute without disclosing the identity of the Class Member making the dispute,
2 and shall immediately attempt to resolve all such disputes directly with relevant Class Members with
3 the assistance of Defendant, Defense Counsel, and Class Counsel. If the dispute cannot be resolved, it
4 shall be submitted to the Settlement Administrator for its final, non-appealable decision. The
5 Settlement Administrator shall use its best efforts to resolve all such disputes prior to the Effective
6 Date. If, however, a dispute arises or is not resolved until after the Settlement Amount has been
7 distributed, the initial calculation shall stand (as Defendant shall be under no obligation to pay any
8 amounts in excess of the Gross Settlement Amount under this Settlement Agreement).

9 **9. NULLIFICATION OF THIS SETTLEMENT**

10 **9.1. NON-APPROVAL BY COURT OF THIS SETTLEMENT**

11 The Class Settlement and conditional class certification shall be considered null and void, and
12 neither the Class Settlement, conditional class certification, nor any of the related negotiations or
13 proceedings, shall be of any force or effect, and all Parties to the Class Settlement shall stand in the
14 same position, without prejudice, as if the Class Settlement had been neither entered into nor filed with
15 the Court, if any of the following occur: **(a)** the Court should for any reason fail to approve this
16 Settlement Agreement in the form agreed to by the Parties; **(b)** the Court should for any reason fail to
17 enter a judgment with prejudice of the Action, or **(c)** the approval of the Class Settlement and judgment
18 is reversed, modified, or declared or rendered void. Notwithstanding the foregoing, the Parties may
19 attempt in good faith to cure any perceived defects in this Settlement Agreement to facilitate approval.

20 **9.2. PARTIES' RIGHTS TO VOID CLASS SETTLEMENT; ESCALATOR**
21 **PROVISION**

22 To negotiate this Settlement, Defendant represented that the Class Members worked 27,105
23 workweeks from January 1, 2023 to November 11, 2025. The Parties further agree that if the final
24 workweeks from January 1, 2023 to January 10, 2026, which formed the basis of this Settlement,
25 increases by more than ten percent (10%) above 27,105 workweeks (e.g. to greater than 29,815
26 workweeks), Defendant at its sole discretion shall either: (1) increase the Maximum Settlement amount
27 by the proportional amount for the percentage of workweeks above ten (10) percent (i.e., by the
28 percentage of workweeks above 29,815 workweeks); or (2) end the Class Period at the point in time

1 where workweeks equal 29,815 workweeks. If this provision is triggered so as to increase the GSA,
2 the Parties agree that the portion of the GSA allocated to attorneys' fees will increase proportionally
3 such that the total amount of attorneys' fees remains one third of the GSA after the upward adjustment
4 required by this provision is implemented.

5 **9.3. INVALIDATION**

6 Invalidation of any material portion of this Settlement Agreement shall invalidate the Class
7 Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions
8 of the Class Settlement are to remain in full force and effect; this invalidation provision does not apply
9 to the Class Attorney Fees and Expenses approved by the Court.

10 **9.4. STAY ON APPEAL**

11 If a timely appeal from the approval of the Class Settlement and judgment, the judgment shall
12 be stayed, and Defendant shall not be obligated to fund the Gross Settlement Amount, or take any other
13 actions required by this Settlement Agreement, until all appeal rights have been exhausted by operation
14 of law.

15 **10. MOTIONS FOR COURT APPROVAL**

16 **10.1. PRELIMINARY APPROVAL**

17 As soon as practicable after execution of this Settlement Agreement, Class Counsel will submit
18 this Settlement Agreement to the Court along with a Motion for Preliminary Approval of the Class
19 Settlement. Each party shall cooperate to present the Class Settlement to the Court for preliminary
20 approval in a timely fashion.

21 **10.2. FINAL APPROVAL**

22 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval
23 and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order certifying the
24 Settlement Class for settlement purposes only and approving the Class Settlement as being fair,
25 reasonable, and adequate to the Class Members within the meaning of California Rules of Court, Rule
26 3.769, subdivisions (c), (d) and (e), and for the entry of a final judgment of the Action consistent with
27 the terms of the Class Settlement and rule 3.769, subdivision (h), of the California Rules of Court. Class
28

Counsel and Defense Counsel shall submit to the Court such pleadings and/or evidence as may be required for the Court's determination.

11. RELEASES AND WAIVERS

11.1. RELEASED CLASS CLAIMS BY THE SETTLEMENT CLASS

Upon the Effective Date, the Releasing Parties shall be deemed to each release the Released Parties, and each of them, of and from any and all Released Class Claims arising during the Class Period. It is the desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise, and discharge the Released Class Claims. Each of the Releasing Parties, including each Class Participant, will be bound by the release of Released Class Claims as a result of the Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.

Class Participants will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes payment of all sums allegedly due to them. Class Participants will be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Individual Settlement Amount. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

11.2. RELEASED PAGA CLAIMS BY PAGA SETTLEMENT CLASS

The claims to be released by the PAGA Settlement Class include all claims arising during the PAGA Period seeking civil penalties under PAGA, that Plaintiffs as proxy for the State of California and/or the LWDA, to the maximum extent permitted by law, and as a private attorney general acting on behalf of Plaintiff and the PAGA Members, asserted or could reasonably have asserted based on the facts alleged in the Actions and/or the LWDA letter, including but not limited to California Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2802 and 2804, as well as 245, 245.5, 246, and 246.5 solely as the claims relate to regular rate violation of sick leave, as alleged in the

PAGA Action and Plaintiff's January 15, 2025 notice to the LWDA, the wage orders of the California Industrial Welfare Commission based the facts alleged in the Actions (collectively "Released PAGA Claims"). The Settlement shall release and bar all Released PAGA Claims by or on behalf of Plaintiff and all PAGA Members during the PAGA Period, regardless of whether Plaintiff and/or a PAGA Member negotiates (cashes) their/his/her settlement checks sent pursuant to this Settlement. PAGA Members cannot and do not have the right to opt out of the PAGA Group and/or release of their PAGA claims against the Released Parties. As such, an individual opting out of the Settlement Class has no impact as to his/her standing and/or inclusion in the PAGA Group assuming they/he/she qualifies as a PAGA Member.

11.3. GENERAL RELEASE OF ALL CLAIMS BY PLAINTIFF

Plaintiff, on behalf of himself and his dependents, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity, shall and does hereby forever release, discharge and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or unknown, at law or in equity, which he may now have or may have after the signing of this Settlement Agreement, arising out of or in any way connected with his employment with Defendant including, the Released Claims, claims that were asserted or could have been asserted in the Complaint, and any and all transactions, occurrences, or matters between the Parties occurring prior to the date this Settlement Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include, but not be limited to, any and all claims under: **(a)** the Americans with Disabilities Act; **(b)** Title VII of the Civil Rights Act of 1964; **(c)** the Civil Rights Act of 1991; **(d)** 42 U.S.C. § 1981; **(e)** the Age Discrimination in Employment Act; **(f)** the Fair Labor Standards Act; **(g)** the Equal Pay Act; **(h)** the Employee Retirement Income Security Act, as amended; **(i)** the Consolidated Omnibus Budget Reconciliation Act; **(j)** the Rehabilitation Act of 1973; **(k)** the Family and Medical Leave Act; **(l)** the Civil Rights Act of 1966; **(m)** the California Fair Employment and Housing Act; **(n)** the California

1 Constitution; **(o)** the California Labor Code; **(p)** the California Government Code; **(q)** the California
2 Civil Code; and **(r)** any and all other federal, state, and local statutes, ordinances, regulations, rules,
3 and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory
4 grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of
5 contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of
6 emotional distress, negligent infliction of emotional distress, or damages under any other federal, state,
7 or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter
8 how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses,
9 compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain
10 and suffering, and attorney fees and costs, and Plaintiff hereby forever releases, discharges and agrees
11 to hold harmless Defendant and the Released Parties from any and all claims for attorney fees and costs
12 arising out of the matters released in this Settlement Agreement.

13 Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of
14 California Civil Code section 1542, which provides as follows:

15 “A general release does not extend to claims that the creditor or releasing party does not
16 know or suspect to exist in his or her favor at the time of executing the release and that,
17 if known by him or her, would have materially affected his or her settlement with the
18 debtor or released party.”
19

20 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and
21 relinquishes all rights and benefits he may have under section 1542 as well as any other statutes or
22 common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or
23 different from those which he now knows or believes to be true with respect to the subject matter of all
24 the claims referenced herein, but agrees that, upon the Effective Date, Plaintiff shall and hereby does
25 fully, finally, and forever settle and release any and all claims against the Released Parties, known or
26 unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have
27 been asserted upon any theory of law or equity without regard to the subsequent discovery of existence
28 of such different or additional facts.

1 **11.4. CIRCULAR 230 DISCLAIMER**

2 Each Party to this Settlement Agreement (for purposes of this section, the “Acknowledging
3 Party”; and each party to this Agreement other than the Acknowledging Party, an “Other Party”)
4 acknowledges and agrees that **(1)** no provision of this Settlement Agreement, and no written
5 communication or disclosure between or among the parties or their attorneys and other advisers, is or
6 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
7 relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31
8 C.F.R. Part 10); **(2)** the Acknowledging Party **(a)** has relied exclusively upon her or its own
9 independent legal and tax advisers for advice (including tax advice) in connection with this Settlement
10 Agreement, **(b)** has not entered into this Settlement Agreement based upon the recommendation of any
11 other party or any attorney or advisor to any other party, and **(c)** is not entitled to rely upon any
12 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that
13 may be imposed on the Acknowledging Party; and **(3)** no attorney or adviser to any other party has
14 imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax strategies
15 (regardless of whether such limitation is legally binding) upon disclosure by the Acknowledging Party
16 of the tax treatment or tax structure of any transaction, including any transaction contemplated by this
17 Settlement Agreement.

18 **12. DUTIES OF THE PARTIES**

19 **12.1. MUTUAL FULL COOPERATION**

20 The Parties agree to cooperate fully with one another to accomplish and implement the terms
21 of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such
22 other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms
23 of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated
24 by this Settlement Agreement and any other efforts that may become necessary by court order or
25 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
26 after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendant and
27 Defense Counsel, shall take all necessary and reasonable steps to secure the Court’s final approval of
28 this Settlement Agreement.

1 **12.2. DUTY TO SUPPORT AND DEFEND THE CLASS SETTLEMENT**

2 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and to
3 support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any
4 legal challenge, whether by appeal or collateral attack.

5 **12.3. DUTIES PRIOR TO COURT APPROVAL**

6 Class Counsel shall promptly submit this Settlement Agreement to the Court for preliminary
7 approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly
8 upon execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
9 preliminary order scheduling a hearing on the question of whether the proposed Class Settlement
10 should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form
11 and content the proposed Class Notice and Share Form attached hereto as **Exhibit 1** and **Exhibit 2**,
12 respectively, and directing the mailing of the Class Notice to Class Members. Plaintiff's motion for
13 preliminary approval, and all pleadings in support thereof, must be mutually reviewed and agreed upon
14 by the Parties. While Defendant can reserve its right to object to facts or assertions made in the moving
15 papers, Defense Counsel may file a notice of non-opposition to the granting of the motion for
16 preliminary approval or join in the motion.

17 **13. MISCELLANEOUS PROVISIONS**

18 **13.1. VOIDING THIS SETTLEMENT AGREEMENT**

19 Pending Court approval and other than as provided herein, if any of the conditions set forth in
20 this Settlement Agreement are not met and satisfied, this Settlement Agreement may, at the option of
21 either Plaintiff or Defendant, be ineffective, void, and of no further force and effect, and may not be
22 used or be admissible in any subsequent proceeding, either in this Court or in any other court or forum.
23 If either Party decides to void the Settlement Agreement, then the Settlement Agreement and
24 conditional class certification shall be considered void, and neither the Settlement Agreement,
25 conditional class certification, nor any of the related negotiations or proceedings, shall be of any force
26 or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement
27 Agreement had been neither entered into nor filed with the Court. Should any Party choose to void the
28

1 Class Settlement under this subsection, such Party shall be responsible for all Settlement Administrator
2 fees and costs actually incurred.

3 **13.2. DIFFERENT FACTS**

4 The Parties acknowledge that, except for matters expressly represented herein, the facts in
5 relation to the dispute and all claims released by the terms of this Settlement Agreement may turn out
6 to be different from the facts now known by each party and/or its counsel, or believed by such Party or
7 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
8 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
9 and binding despite such difference.

10 **13.3. NO PRIOR ASSIGNMENTS**

11 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
12 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
13 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
14 except as set forth herein.

15 **13.4. NON-ADMISSION**

16 Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by
17 any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other
18 person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing
19 toward each other or any other person. Each of the Parties has entered into this Settlement Agreement
20 with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses,
21 and contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or
22 liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any
23 admission by Defendant regarding the merits of the Claims in this Action, including but not limited to
24 claims for unpaid wages or violations under California or federal law. Nothing herein shall constitute
25 an admission by Defendant that the Action was properly brought as a class or representative action
26 other than for settlement purposes. To the contrary, Defendant has denied and continues to deny each
27 and every material factual allegation and all Claims. To this end, the Class Settlement of the Action,
28 the negotiation and execution of this Settlement Agreement, and all acts performed or documents

1 executed pursuant to or in furtherance of this Settlement Agreement or the Class Settlement are not,
2 shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or
3 liability on the part of Defendant or of the truth of any of the factual allegations in the Complaint in the
4 Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of
5 any fault or omission on the part of Defendant in any civil, criminal, or administrative proceeding in
6 any court, administrative agency, or other tribunal.

7 **13.5. NON-EVIDENTIARY USE**

8 Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation
9 or drafting of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any
10 individual who requested to be excluded from the Settlement Class), Defendant, or its, her, his, or their
11 respective counsel, in the Action, except as is reasonably necessary to effectuate the Settlement
12 Agreement's purpose and terms. This Settlement Agreement may, however, be used by Defendant and
13 the Released Parties to prove or defend against any claim released herein by any Class Member in any
14 judicial, quasi-judicial, administrative, or governmental proceeding.

15 **13.6. MEDIA OR PRESS**

16 Plaintiff and Defendant, and their respective counsel, recognize, accept, and agree that the
17 Parties to this Settlement Agreement desire that the terms of this Settlement Agreement, the fact of the
18 Class Settlement embodied in this Settlement Agreement, the disposition of the Action, the Action, and
19 all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence
20 obtained during the course of the Action, shall not be discussed with or presented to the media or press.

21 **13.7. NON-RETALIATION**

22 Defendant understands and acknowledges that it has a legal obligation to not retaliate against
23 any Class Member who elects to participate in the Class Settlement or elects to Opt Out of the Class
24 Settlement. Defendant will refer any inquiries regarding this Class Settlement to the Settlement
25 Administrator or Class Counsel and will not discourage Class Members who are employees, directly
26 or indirectly, from making claims, opting out, or objecting to the Class Settlement. None of the Parties,
27 or their respective attorneys or agents, shall solicit or encourage any Class Members, directly or
28 indirectly, to Opt Out of the Class Settlement.

1 **13.8. CONSTRUCTION**

2 The Parties agree that the terms and conditions of this Settlement Agreement are the result of
3 lengthy, intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement
4 Agreement is not to be construed in favor of or against any party by reason of the extent to which any
5 party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this
6 Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the
7 next business day.

8 **13.9. GOVERNING LAW**

9 This Settlement Agreement is intended to and shall be governed by the laws of the State of
10 California, without regard to conflict of law principles, in all respects, including execution,
11 interpretation, performance, and enforcement.

12 **13.10. NOTICES**

13 Except for Class Member notices required to be made by the Settlement Administrator, all
14 notices or other communications required or permitted under this Settlement Agreement shall be in
15 writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S.
16 certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the
17 party appearing in this Settlement Agreement.

18 **13.11. CAPTIONS AND INTERPRETATIONS**

19 Section titles or captions contained herein are inserted as a matter of convenience and for
20 reference only and in no way define, limit, extend, or describe the scope of this Settlement Agreement
21 or any provision thereof.

22 **13.12. MODIFICATION**

23 This Settlement Agreement may not be changed, altered, or modified, except in writing signed
24 by the Parties or the Parties' counsel on their behalf. If preliminary or final approval of this Settlement
25 Agreement has been granted by the Court, then any such amendments or modifications to this
26 Settlement Agreement shall be approved by the Court. This Settlement Agreement may not be
27 discharged except by performance in accordance with its terms or by a writing signed by the Parties.
28

1 **13.13. INTEGRATION CLAUSE**

2 This Settlement Agreement contains the entire agreement between the Parties relating to the
3 Class Settlement of the Action and the transactions contemplated thereby, and all prior or
4 contemporaneous agreements, understandings, representations, and statements, whether oral or written,
5 and whether by a party or such party's legal counsel, are hereby superseded. No rights under this
6 Settlement Agreement may be waived except in writing as provided above.

7 **13.14. SUCCESSORS AND ASSIGNS**

8 This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class
9 Members (excluding only persons who timely Opt Out) and their respective present and former heirs,
10 trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees,
11 insurers, attorneys, accountants, auditors, advisors, consultants, pension plans, welfare benefit plans,
12 fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors,
13 successors, and assigns.

14 **13.15. CORPORATE SIGNATORIES**

15 Any person executing this Settlement Agreement or any such related document on behalf of a
16 corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all
17 Parties hereto, that such person has been duly authorized by such corporation or partnership to execute
18 this Settlement Agreement or any such related document.

19 **13.16. EXECUTION IN COUNTERPARTS**

20 This Settlement Agreement shall become effective upon its execution by all of the undersigned.
21 The Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall
22 have the same force and effect as if all Settling Parties had signed the same instrument.

23 **13.17. SIGNATURES BY CLASS MEMBER AND PAGA MEMBERS.**

24 The Parties agree that because Class Members and PAGA Members are so numerous, it is
25 impossible or impractical to have Class Members and PAGA Members execute this Agreement. The
26 Class Notice will advise Class Members and PAGA Members of the binding nature of the Settlement,
27 and the Released Class Claims and Released PAGA Claims shall have the same force and effect as if
28

1 this Settlement were executed by individually by Class Members who do not opt-out and PAGA
2 Members.

3 **13.18. ATTORNEY FEES, COSTS, AND EXPENSES**

4 Except as otherwise specifically provided for herein, each party shall bear her or its own
5 attorney fees, costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action
6 and shall not seek reimbursement thereof from any other party to this Settlement Agreement.

7 **13.19. ACTION TO ENFORCE AGREEMENT**

8 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties,
9 the Actions, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment
10 pursuant to Code of Civil Procedure section 664.6, (ii) addressing settlement administration matters,
11 and (iii) addressing such post-Judgment matters as are permitted by law. In the event one or more of
12 the Parties to this Settlement institutes any legal action or other proceeding against any other Party or
13 Parties to enforce the provisions of this Settlement, or to declare rights or obligations under this
14 Settlement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party for
15 Parties' reasonable attorneys' fees and litigation costs, including expert witness fees, incurred in
16 connection with any enforcement actions.

17 **14. EXECUTION**

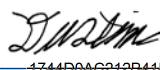
18 The Parties and their counsel have executed this Settlement Agreement on the date below their
19 signatures or the signature of their representatives. The date of this Settlement Agreement shall be the
20 date of the latest signature.

21 **APPROVAL AND EXECUTION BY PARTIES**

22 **CLASS REPRESENTATIVE:**

23 Dated: 8/4/2026
24 _____

DocuSigned by:


4744D6A6242B44D...

25 Dustin Corbella, Sr.
26 Plaintiff and Class Representative
27
28

DEFENDANT:

Dated: 08/18/2026

Grocery Outlet Inc.

Aisha Barbeau

~~Aisha Barbeau (Aug 18, 2026 09:53:38 PDT)~~

By: Aisha Barbeau

Title: Sr. Deputy General Counsel

APPROVED AS TO FORM BY COUNSEL

CLASS COUNSEL:

Dated: 8/4/2026

Melmed Law Group P.C.

Meghan Higday

Meghan N. Higday
Attorneys for Plaintiff

DEFENDANT'S COUNSEL:

Dated: 8/18/2026

JACKSON LEWIS P.C.

Cary Palmer

Cary Palmer
Attorneys for Defendant

4924-5247-7627, v. 1