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Attorneys for Defendants
MICHELLE MOORE LLC and
MICHELLE MOORE

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

FREEDOM CHAMPION, a minor, by and
through her Guardian Ad Litem, NATHAN
CHAMPION, individually, and on behalf of
similarly situated employees,

Plaintiff,

vs.

MICHELLE MOORE, LLC (D/B/A BOBER
TEA AND MOCHI DOUGH), a California
Limited Liability Company; MICHELLE
MOORE, an individual; and DOES 1-20,
inclusive,

Defendants.

Case No. 34-2022-00322346-CU-OE-GDS

**JOINT STIPULATION FOR CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE**

Date: January 31, 2025
Time: 10:30 a.m.
Location: Department 23

Action Filed: June 23, 2022
Trial Date: None

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1 This Joint Stipulation for Class and Representative Action Agreement and Release
2 (“Agreement”) resolves the action, *Freedom Champion vs. Michelle Moore, LLC et al.*, the present
3 action, case number 34-2022-00322346-CU-OE-GDS, currently pending before this Court, the
4 Superior Court of the State of California for the County of Sacramento.

5 This Agreement is entered into between Plaintiff Freedom Champion, individually and on
6 behalf of all others similarly situated, as well as on behalf of the State of California with respect to
7 the Aggrieved Employees, and Defendants Michelle Moore, LLC and Michelle Moore. The named
8 Plaintiff and Defendants are collectively referred to herein as “Parties.”

9 This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and
10 settle the “Released Claims” (as defined below) on a class and representative action basis pertaining
11 to the “Released Parties” (as defined below) upon and subject to the terms and conditions contained
12 herein. This Agreement, which is contingent upon final Court approval, contains the essential terms
13 of the Parties’ agreement. Plaintiffs and Class Counsel believe, and the Parties have agreed, the
14 settlement set forth in this Agreement confers substantial benefits upon the Class Members,
15 Aggrieved Employees, and the State of California.

16 **1. DEFINITIONS**

17 1.1. **“Action”** means this above-captioned lawsuit, Sacramento County Superior Court
18 case number 34-2022-00322346-CU-OE-GDS.

19 1.2. **“Class Counsel”** means Drew Lewis, Esq. of Drew Lewis, P.C.

20 1.3. **“Class Counsel Award”** means the attorneys’ fees for Class Counsel’s litigation and
21 resolution of the Action, and Class Counsel’s actual expenses and costs incurred and to be incurred
22 in connection with the Action.

23 1.4. **“Class Information”** or **“Class Data”** means information on the Class Members
24 compiled from Defendant’s records and provided to the Settlement Administrator in a Microsoft
25 Excel spreadsheet, including each Class Member’s full name; last known address; social security
26 number; dates of employment; data available in Defendants’ electronic records regarding pay periods
27 and workweeks, to the extent available based upon existing electronic records, to allow the
28 Settlement Administrator to determine the Workweeks and Pay Periods for each Class Member and

each Aggrieved Employee.

1.5. **“Settlement Class Members”** means “All persons who were or have been employed by Defendants within the State of California and classified as non-exempt employees, at any time during the period from June 23, 2018 to the earlier of the following dates: (a) sixty (60) days following the date this Agreement is signed by all Parties and their counsel, or (b) the date the Court enters an order granting preliminary approval of the settlement.”

1.6. **“Class Settlement”** means the settlement and resolution of the Released Claims.

1.7. **“Class Settlement Period”** means the period from June 23, 2018, to the earlier of the following dates: (a) sixty (60) days following the date this Agreement is signed by all Parties and their counsel, or (b) the date the Court enters an order granting preliminary approval of the settlement.

1.8. **“Class Representative Enhancement Award”** means the amount the Court authorizes to be paid to Plaintiff Freedom Champion as Class Representative, in addition to any amount for which she may be eligible as Individual Settlement Payment and/or Individual PAGA Payment, in recognition of her efforts in prosecuting this Action.

1.9. **“Court”** means the Superior Court of the State of California for the County of Sacramento.

1.10. **“Covered Period”** means the period from June 23, 2018, to the earlier of the following dates: (a) sixty (60) days following the date this Agreement is signed by all Parties and their counsel, or (b) the date the Court enters an order granting preliminary approval of the settlement.

1.11. **“Defendants”** means and includes Michelle Moore, LLC dba Bober Tea and Mochi Dough, its past, present, and future direct and/or indirect, owners, officers, directors, members, managers, employees, attorneys, agents, affiliates, representatives, insurers, investors, shareholders, parent companies, subsidiaries, divisions, predecessors, successors, assigns, and joint venturers, and Michelle Moore in her personal capacity.

1.12. **“Effective Date”** means the date when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one

1 or more Participating Class Member objects to the Settlement and no appeal was filed, the day after
2 the deadline for filing a notice of appeal from the Judgment has expired; or (iii) if a timely appeal
3 from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a
4 remittitur, or the day after the appeal is dismissed, whichever is earlier.

5 1.13. **“Final Approval Hearing”** means the final hearing at which the Court reviews the
6 fairness, reasonableness, and adequacy of the Settlement, and decides whether the Settlement meets
7 all requirements for final approval.

8 1.14. **“Final Judgment”** means a judgment issued by the Court approving this Agreement
9 as binding upon the Parties following the Final Approval Hearing.

10 1.15. **“Gross Settlement Amount”** or **“GSA”** means the total maximum amount payable
11 under the terms of this Agreement by Defendant, which is the gross sum of \$225,000.00 (Two
12 Hundred Twenty-Five Thousand Dollars and Zero Cents). The GSA includes all of the following:
13 (a) the Individual Settlement Payments to Participating Class Members; (b) payment of the
14 Settlement Administration Costs as approved by the Court; (c) the Class Representative
15 Enhancement Award to Plaintiff, as approved by the Court; (d) the Class Counsel Award; and (e) the
16 PAGA Payment.

17 Payment of the amount necessary to cover the employer’s portion of payroll taxes associated
18 with the portion of the settlement allocated to wages shall be made by Defendants, separate and apart
19 from the Gross Settlement Amount.

20 The Settlement Administrator will make all required tax deductions and payments using a
21 Qualified Settlement Fund. As set forth herein, the Settlement Administrator will issue all of the
22 above-referenced payments from the Qualified Settlement Fund in accordance with the applicable
23 provisions of this Agreement.

24 1.16. **“Individual PAGA Payment”** means the amounts paid from the PAGA Payment to
25 Aggrieved Employees, which in the aggregate shall be Twenty Thousand Dollars (\$20,000),
26 constituting 20% of the PAGA Payment, as consideration for Settlement of claims for civil penalties
27 under the PAGA.

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1.17. **“Individual Settlement Payment”** means the amount paid from the Net Settlement Amount to a Participating Class Member. Any Class Member who timely submits a valid Request for Exclusion, pursuant to the procedures set forth herein is not a Participating Class Member and is not eligible to receive an Individual Settlement Payment.

1.18. **“LWDA”** means the California Labor and Workforce Development Agency.

1.19. **“LWDA PAGA Payment”** means the amount of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) to be paid to the LWDA as its 75% share of the PAGA Payment, as consideration for Settlement of claims for civil penalties under PAGA.

1.20. **“Net Settlement Amount”** or **“NSA”** means the Gross Settlement Amount less the Court-approved Class Counsel Award, the Class Representative Enhancement Awards, the General Release Settlement Payments, the PAGA Payment, and the Settlement Administration Costs. The Net Settlement Amount is the total amount that will be paid to Participating Class Members in the form of Individual Settlement Payments.

The NSA shall be allocated as follows: (a) fifteen percent (15%) as wages and (b) eighty-five percent (85%) as penalties and interest. The Settlement Administrator will be responsible for issuing a form W-2 to each Class Member for the amount each receives for unpaid “wages” and any IRS Form 1099s for the portion designated as “penalties and interest” required by law.

Should the Court reduce or not approve the Class Counsel Award or Class Counsel’s fees and costs, Class Counsel shall not have the right to revoke this Agreement, which shall remain binding.

1.21. **“Notice of Class Action Settlement”** or **“Notice”** means the notice approved by the Parties and subject to Court approval, explaining the terms of this Agreement and the settlement process, which the Settlement Administrator will mail to each Settlement Class Member.

1.22. **“PAGA”** refers to the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698 et seq. (prior to 2024 amendments).

1.23. **“Aggrieved Employees”** means “All current and former individuals who were employed as non-exempt employees within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time

1 during the period from June 1, 2021 to the earlier of the following dates: (a) sixty (60) days following
2 the date this Agreement is signed by all Parties and their counsel, or (b) the date the Court enters an
3 order granting preliminary approval of the settlement.”

4 1.24. **“PAGA Payment”** means the portion of the Gross Settlement Amount that shall be
5 allocated to claims under the PAGA, which the Parties have agreed shall be Twenty Thousand
6 Dollars and Zero Cents (\$20,000.00). Of that sum, seventy-five percent (75%), *i.e.*, \$15,000, shall
7 be payable to the LWDA (*i.e.*, the LWDA PAGA Payment) and the remaining twenty-five percent
8 (25%), *i.e.*, \$5,000, shall be used to pay the Individual PAGA Payments to Aggrieved Employees in
9 settlement of all claims for PAGA penalties as defined in this Agreement.

10 1.25. **“PAGA Settlement Period”** means the period from June 1, 2021 to the earlier of the
11 following dates: (a) sixty (60) days following the date this Agreement is signed by all Parties and
12 their counsel, or (b) the date the Court enters an order granting preliminary approval of the settlement.

13 1.26. **“Participating Class Members”** means those Settlement Class Members who do not
14 file a valid and timely Request for Exclusion.

15 1.27. **“Parties”** means Plaintiff and Defendants, collectively.

16 1.28. **“Pay Period”** means the number of Workweeks, as defined herein, divided by two
17 (2).

18 1.29. **“Plaintiff”** means Freedom Champion.

19 1.30. **“Plaintiff’s Released Claims”** means all known and unknown claims against the
20 Released Parties, including the “Released Claims,” as well as any and all claims, demands, liens,
21 agreements, contracts, covenants, actions, suits, causes of action, grievances, wages, vacation
22 payments, severance payments, obligations, commissions, overtime payments, debts, profit sharing
23 claims, expenses, damages, judgments, orders, and liabilities of whatever kind or nature in state or
24 federal law, equity or otherwise, whether known or unknown, which Plaintiff now owns or holds or
25 has at any time owned or held against the Released Parties, including specifically, but not
26 exclusively, and without limiting the generality of the foregoing, any and all claims known or
27 unknown, suspected or unsuspected: (1) arising out of Plaintiff’s employment with Defendants or
28 termination of that employment; or (2) arising out of or in any way connected with any claim, loss,

1 damage, or injury whatsoever, known or unknown, suspected or unsuspected, resulting from any act
2 or omission by or on the part of Defendants or the Released Parties, committed or omitted by
3 Defendants or the Released Parties on or before the date this Agreement is executed by Plaintiff.
4 Furthermore, without limiting the generality of the foregoing, Plaintiff also specifically agrees and
5 acknowledges Plaintiff is waiving any right to recovery based on state or federal age, sex, race, color,
6 national origin, marital status, religion, veteran status, disability, sexual orientation, medical
7 condition, genetic condition, or other antidiscrimination laws, rules, regulations, or ordinances,
8 including, but not limited to, Title VII of the Civil Rights Act of 1964, Sections 1981 and 1983 of
9 the Civil Rights Act of 1866, the Fair Credit Reporting Act, the Americans with Disabilities Act, the
10 WARN Act, the Equal Pay Act, the Employee Retirement Income Security Act, California Business
11 and Professions Code section 17200, et seq., the Age Discrimination in Employment Act of 1967, as
12 amended ("ADEA"), and the Older Workers Benefit Protection Act, as amended ("OWBPA")
13 (except a claim relating to whether this release or waiver is valid under the ADEA and except for
14 any claims under the ADEA that may arise after the date this Agreement is executed by Plaintiffs),
15 the California Labor Code and any similar state or local laws, such as the California Fair Employment
16 and Housing Act, California Family Medical Leave Act, the California Family Rights Act, and all of
17 their implementing regulations and interpretive guidelines, as well as in common law, including laws
18 related to discrimination, harassment, or retaliation, whether known or unknown, and whether
19 anticipated or unanticipated, arising from or relating to the Plaintiff's relationship, or the termination
20 of the relationship, with any Released Party through the date this Agreement is executed by Plaintiff
21 for any type of relief. For the avoidance of doubt, this is a complete and general release of all claims
22 to the maximum extent permitted by law.

23 The scope of this release does not include claims for unemployment insurance, disability,
24 social security, and workers' compensation (except for claims pursuant to Labor Code Sections 132a
25 and 4553).

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1 As of the Effective Date and full funding of the Gross Settlement Amount, Plaintiff also
2 releases the Released Parties from all of the Plaintiff's Released Claims, as well as the Released
3 Claims. Plaintiff's release set forth herein includes a waiver of all rights under California Civil Code
4 §1542, which provides:

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

9 Plaintiff may hereafter discover claims or facts in addition to, or different from, those which
10 Plaintiff knows or believes to exist, but Plaintiff expressly agrees to fully, finally, and forever settle
11 and release any and all claims against the Released Parties, known or unknown, suspected or
12 unsuspected, which exist or may exist against the Released Parties at the time prior to the execution
13 of this Agreement, including, but not limited to, any and all claims relating to or arising from
14 Plaintiff's employment with Defendants.

15 1.31. **"Preliminary Approval Date"** means the date on which the Court issues an order
16 granting preliminary approval of the proposed Settlement.

17 1.32. **"Qualified Settlement Fund"** or **"QSF"** means the account established by the
18 Settlement Administrator, which the Parties agree shall at all times be treated as a "qualified
19 settlement fund" within the meaning of Treas. Reg. §1.468B-1, *et seq.*

20 1.33. **"Released Claims"** shall mean all causes of action and factual or legal theories
21 alleged in the First Amended Complaint filed in the Superior Court of the State of California, County
22 of Sacramento on August 24, 2022, as follows:

23 All Participating Class Members (regardless of whether they are Aggrieved Employees), on
24 behalf of themselves and their respective former and present representatives, agents, attorneys, heirs,
25 administrators, successors, and assigns, release Released Parties from all causes of action and factual
26 or legal theories alleged in the operative complaints of the Actions or which reasonably could have
27 been alleged based on the facts and legal theories contained in the operative complaints of the Actions
28 (including those theories asserted in the underlying PAGA Notices to the LWDA), including all of

the following claims for relief: (a) all claims for unpaid wages, including the alleged claims for minimum, straight time, overtime, and/or double-time wages, alleged failure to pay reporting time pay, and the alleged failure to pay for all time worked; (b) all claims for the alleged failure to pay all earned wages to current employees on a timely basis in violation of sections 204 and 210 of the Labor Code; (c) all claims for unpaid regular rates, including regular rates for overtime and double-time wages, meal and rest period premium wages, and paid sick leave; (d) all claims for meal period violations, including claims for (1) first and second meal periods, (2) short, late, interrupted, and otherwise improperly controlled meal periods, (3) the failure to pay premium wages, (4) the failure to pay premium wages at the correct regular rates, and (5) the failure to properly record meal periods; (e) all claims for rest break violations, including claims for (1) first, second, third, and fourth rest breaks, (2) short, late, missed, interrupted, or otherwise improperly controlled rest periods, (3) the failure to pay premium wages, and (4) the failure to pay premium wages at the correct regular rates; (f) all claims for failing to maintain accurate time and payroll records, including any alleged violations of Labor Code § 1194, et seq.; (g) all claims for untimely payment of final wages and associated waiting time penalties under sections 201 to 203 of the Labor Code; (h) all claims for unreimbursed expenses, including but not limited to, expenses incurred for personal cell phones; (i) all claims for improper or inaccurate wage statements, including any alleged violations of Labor Code section 226(a)(1)-(9) based upon allegations asserted in the Actions; (j) all claims under Business & Professions Code section 17200, et seq. premised on the facts, claims, and causes of action alleged in the Actions; (k) all claims alleging the failure to comply California Labor Code sections 1391-1392 (“child labor laws”); (l) civil penalties under the Private Attorneys General Act (“PAGA”); (m) any other claims or penalties under the wage and hour laws pleaded in the Actions or which reasonably could have been alleged based on the facts and legal theories pleaded in the Actions; and (n) all statutory penalties, liquidated damages, punitive damages, interest, attorneys’ fees and costs, expenses, restitution, and equitable and declaratory relief based upon the allegations asserted in the Actions; and other amounts recoverable under said causes of action under California and federal law, to the extent permissible, including but not limited to the California Labor Code as to the facts alleged in the Actions, the applicable Wage Orders as to the facts alleged in the proposed

complaint, and the California Unfair Competition Law. The res judicata effect of the Final Approval Order will be the same as that of the Released Class Claims.

Participating Class Members shall be bound by the Released Class Claims, whether known or unknown, and irrespective of the factual or legal basis of such claims. Plaintiff and Participating Class Members may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the Released Class Claims. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Class Claims, and by virtue of this Agreement, Plaintiff and the Participating Class Members shall be deemed to have, and by operation of the final judgment approved by the Court, shall have, fully, finally, and forever settled and released all of the Released Class Claims. The Parties understand and specifically agree that the scope of the Released Class Claims: are a material part of the consideration of this Settlement; were critical in justifying the agreed upon economic value of this Settlement and without it, Defendants would not have agreed to the consideration provided; and are narrowly drafted and necessary to ensure that Defendants are obtaining peace of mind regarding the resolution of claims that were or could have been alleged based on the facts, causes of action, and legal theories contained in the operative complaints in the Actions.

Except as set forth in Sections 6.1 and 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

For the PAGA Settlement Period, the Released Claims shall include claims for civil penalties interest, attorneys' fees and costs, and other amounts recoverable under PAGA. The PAGA Released Claims shall be limited to the PAGA Settlement Period.

"Released Parties" means and includes Michelle Moore, LLC dba 'Bober Tea and Mochi Dough', its past, present, and future direct and/or indirect, owners, officers, directors, members, managers, employees, attorneys, agents, affiliates, representatives, insurers, investors, shareholders, parent companies, subsidiaries, divisions, predecessors, successors, assigns, and joint venturers, as well as Michelle Moore individually, and her agents, attorneys, spouse, heirs, successors, and

1 assigns.

2 **“Request for Exclusion”** means a Settlement Class Member’s written letter indicating a
3 request to be excluded from the Class Settlement.

4 **“Response Deadline”** means the date thirty (30) calendar days after the Settlement
5 Administrator mails the Notice of Class Action Settlement to Settlement Class Members, which is
6 the last date on which Settlement Class Members may timely: (a) submit a Request for Exclusion;
7 (b) submit objections to the Settlement; or (c) dispute the information contained in the Notice of
8 Class Action Settlement. If the thirtieth (30th) day falls on a Sunday or State or Federal holiday,
9 then the deadline is extended to the next business day.

10 **“Settlement”** or **“Agreement”** means this Class and Representative Action Settlement
11 Agreement and Release.

12 **“Settlement Administrator”** means ILYM Group, Inc, the third-party company who is
13 responsible for administering the settlement, mutually agreed to by the Parties and appointed by the
14 Court upon Class Counsel’s Motion for Preliminary Approval of this Settlement.

15 **“Settlement Administrator Costs”** means the amount to be paid to the Settlement
16 Administrator from the Gross Settlement Amount for administration of this Settlement.

17 **“Workweek”** means any week during the Class Settlement Period in which a Settlement
18 Class Member recorded performing any compensable work for Defendant as an hourly-paid or non-
19 exempt employee, according to Defendant’s records.

20 **“Workweeks and/or Pay Periods Dispute”** means a Settlement Class Member’s written
21 letter disputing the pre-printed information on the Notice of Class Action Settlement as to the number
22 of the Settlement Class Member’s Workweeks worked during the Class Settlement Period or the
23 Aggrieved Employee’s number of Pay Periods worked during the PAGA Settlement Period, and the
24 dispute must: (a) contain the case name and number of the Action; (b) contain the Class Member’s
25 and/or Aggrieved Employee’s full name, signature, address, telephone number, and last four (4)
26 digits of Social Security number; (c) clearly state the dispute about the Workweeks/Pay Periods
27 credited and what the Class Member and/or Aggrieved Employee contends is the correct number;
28 (d) attach any documentation that supports Class Member’s and/or Aggrieved Employee’s position;

1 and (e) be timely submitted by mail to the Settlement Administrator at the specified address,
2 postmarked on or before the Response Deadline.

3 **2. PROCEDURAL HISTORY**

4 2.1 On June 1, 2022 Plaintiff Freedom Champion submitted a PAGA Letter with the
5 LWDA ("PAGA letter).

6 2.2 On June 23, 2022, Plaintiff filed a complaint in the Superior Court of California,
7 County of Sacramento, Case No. 34-2022-00322346, alleging numerous representative wage and
8 hour claims and a PAGA claim ("Complaint").

9 2.8 On August 24, 2022, Plaintiff filed a First Amended Complaint to add a cause of
10 action for civil penalties under PAGA.

11 2.9 The Court has not granted class certification.

12 2.11 On December 13, 2023, the Parties participated in a mediation session with Jeff
13 Owensby, Esq., a prominent mediator experienced in resolving wage-and-hour class and
14 representative actions. Though the Parties did not reach a settlement with the mediator, they
15 continued to negotiate afterwards and ultimately reached an agreement to settle all claims and causes
16 of action alleged in the Action.

17 2.12 Before the mediation, Defendants produced extensive documentation including time
18 and pay data, policy documents, class size information, PAGA size information, Pay Period and
19 Workweek information, and information regarding the hourly rates of the Settlement Class Members.
20 Defendant provided data, information, and documents sufficient to enable Plaintiff and Class
21 Counsel to rigorously evaluate the strengths and risks of the case and perform an analysis of the
22 potential damages arising from the claims made in this case.

23 2.13 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of
24 any other pending matter or action asserting claims that will be extinguished or affected by the
25 Settlement.

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1 **3. RELEASES OF CLAIMS**

2 **3.1 No Admission**

3 Defendants deny any liability or wrongdoing of any kind associated with the claims asserted
4 in the Action. Defendants also dispute the damages and penalties claimed by Plaintiff, and further
5 contend that, for any purpose other than settlement, Plaintiff's claims are not appropriate for class or
6 representative treatment. This Settlement is a compromise of disputed claims. Nothing contained in
7 this Settlement, no documents referred to herein, and no action taken to carry out this Settlement,
8 shall be construed or used as an admission by or against Defendants as to the merits of the claims
9 asserted in the Action or in any other proceeding.

10 Defendants contend that, at all times, it has complied with all applicable state, federal, and
11 local laws related to the Settlement Class Members' employment. Defendants have entered into this
12 Settlement to avoid the cost, risk, and inconvenience of further litigation. Nothing contained in this
13 Settlement, nor the fact of this Settlement itself, shall be construed or deemed as an admission of
14 liability, or wrongdoing on the part of the Defendants, collectively or individually. The Parties agree
15 that this Settlement cannot be used to support any claim for subsequent penalty violation rates under
16 the PAGA in any subsequent PAGA litigation.

17 Pursuant to California Evidence Code sections 1152 and 1154, this Settlement shall be
18 inadmissible as evidence in any proceeding; except the Settlement may be filed and used in this
19 litigation or any related litigation as necessary to approve, interpret, or enforce this Settlement, or in
20 any subsequent action against or by Defendants to support a stay of such subsequent action, or to
21 establish a defense of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar
22 or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or
23 counterclaim.

24 **3.2 Benefits to Class and Aggrieved Employees.**

25 Class Counsel investigated the facts relevant to the Action, including reviewing documents
26 and information provided by Defendants. Based on their own independent investigation and
27 evaluation, Class Counsel believes the Settlement with Defendants is fair, reasonable, and adequate,
28 and in the best interest of the Settlement Class, in light of all known facts and circumstances,

including the risks of significant delay, defenses asserted by Defendants, uncertainties regarding a class trial, and numerous potential appellate issues. Accordingly, the Parties and their counsel desire to fully, finally, and forever settle, compromise, and discharge all disputes and claims arising from or relating to the Action on the terms set forth herein.

Defendants have concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendants' time, energy, and resources have been and, unless this Settlement is completed, will continue to be devoted to, the defense of the claims asserted by Plaintiffs in the Actions. Defendant has also taken into account the risks of further litigation in reaching the decision to enter into this Settlement. Even though Defendant continues to contend that it is not liable for any of the claims set forth by Plaintiffs in the Actions, Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this Agreement to put to rest the claims in the Action.

3.3 Settlement of Disputed Claims

This Agreement is a compromise of disputed claims. Defendant has claimed and continues to claim that the Released Claims have no merit and do not give rise to liability. Plaintiffs and Participating Class Members and Aggrieved Employees have claimed and continue to claim that the Released Claims have merit and give rise to liability on the part of Defendant. Nothing contained in this Agreement, no documents referred to herein, and no action taken to carry out this Agreement, may be construed or used as an admission by or against the Participating Class Members or Class Counsel as to the merits or lack thereof of the claims asserted in this Action.

3.4 Release for All Participating Class Members

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Participating Class Members hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all Released Claims. This release will take effect whether or not a Participating Class Member receives his or her Individual Settlement Payment or cashes and deposits any Individual Settlement Payment check.

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1 **3.5 Release by Plaintiff**

2 Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff fully and
3 finally releases the Released Parties from the Plaintiff's Released Claims.

4 **3.6. Release for All Aggrieved Employees**

5 Upon the Effective Date and full funding of the Gross Settlement Amount, as Representatives
6 of the State of California and on behalf of the LWDA, Plaintiffs and all Aggrieved Employees fully
7 and finally release the Released Parties from the Released Claims during the PAGA Settlement
8 Period. These releases will take effect whether or not an Aggrieved Employee receives his or her
9 Individual PAGA Payment or cashes and deposits any Individual PAGA Payment check.

10 **4. MOTION FOR PRELIMINARY APPROVAL**

11 **4.1 Preparation.**

12 Class Counsel shall be responsible for preparing the Motion for Preliminary Approval. Class
13 Counsel agrees to provide Defense Counsel with drafts of all documents they intend to submit in
14 support of their Motion for Preliminary Approval at least five (5) calendar days in advance of filing
15 to allow Defense Counsel a reasonable time to review and comment on such papers. Class Counsel
16 further agrees to reasonably incorporate the comments from Defense Counsel.

17 **4.2 Settlement Administrator**

18 Within fourteen (14) calendar days following the date the Court grants Preliminary Approval
19 of this Agreement, Defendant shall provide the Settlement Administrator with the Class Information
20 for purposes of mailing the Notice of Class Action Settlement to the Settlement Class Members. The
21 Settlement Administrator shall maintain the Class Information as private and confidential and shall
22 not disclose such data to any persons or entities, other than Defense Counsel, except relevant
23 information can be provided to Class Counsel, on an individual basis only, and only when necessary
24 for Class Counsel to respond to specific inquiries or requests from individual Class Members.

25 The Class Information is being supplied solely for purposes of the administration of the
26 Settlement set forth in this Agreement and cannot be used by the Settlement Administrator or Class
27 Counsel for any other purpose. The Parties agree that the Class Information will not be used to solicit
28 Class Members to file any claim, charge, or complaint of any kind whatsoever against Defendants

1 and will only be used to administer the Settlement under the terms provided herein.

2 Notwithstanding the above, within fourteen (14) calendar days of receipt of the Class
3 Information, the Settlement Administrator shall verify in writing to Class Counsel and Defense
4 Counsel the total number of Workweeks within the Data Period for purposes of determining whether
5 the Modification Provision is triggered.

6 **a. Notice by First Class Mail**

7 Upon receipt of the Class Information, the Settlement Administrator will perform a search
8 based on the National Change of Address Database to update and correct any known or identifiable
9 address changes. Within fourteen (14) calendar days of receipt of the Class Information, the
10 Settlement Administrator will mail copies of the Notice of Class Action Settlement to all Settlement
11 Class Members via regular First-Class U.S. Mail. The Settlement Administrator shall exercise its
12 best judgment to determine the current mailing address for each Settlement Class Member, including
13 performing a skip-trace to identify any updated addresses. The address identified by the Settlement
14 Administrator as the current mailing address shall be presumed to be the best mailing address for
15 each Settlement Class Member. The form of the proposed Notice of Class Action Settlement will be
16 agreed to by the Parties, and subject to Court approval and modification as necessary to fulfill the
17 Parties desire to resolve the case.

18 **b. Undeliverable Notices**

19 Any Notice of Class Action Settlement returned to the Settlement Administrator as
20 undeliverable on or before the Response Deadline shall be re-mailed once to the forwarding address
21 affixed thereto. If no forwarding address is affixed, the Settlement Administrator shall promptly
22 attempt to determine a correct address by use of skip-tracing, or other search using the name, address,
23 and/or Social Security Number of the Class Member whose notice was undeliverable, and shall then
24 re-mail all returned, undelivered mail within five (5) calendar days of receiving notice that a Notice
25 of Class Action Settlement was undeliverable. Class Members who receive a re-mailed Notice of
26 Class Action Settlement shall have their Response Deadline extended five (5) calendar days from
27 the date of re-mailing or original Response Deadline.

28 ///

**c. Disputes regarding Individual Settlement Payments and Individual
PAGA Payments**

Class Members and Aggrieved Employees will have the opportunity, should they disagree with the number of Workweeks or Pay Periods stated on their Notice of Class Action Settlement by submitting a Workweeks Dispute, postmarked on or before the Response Deadline. If there is a Workweeks Dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility of each Class Member's and Aggrieved Employee's eligibility for, and the amounts of, their Individual Settlement Payment and Individual PAGA Payment under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment and Individual PAGA Payment will be binding upon the Parties. In the absence of circumstances indicating fraud, manipulation, or destruction, Defendant's records will be given a rebuttable presumption of accuracy.

d. Disputes regarding Administration of Settlement

Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to attempt to resolve the dispute without involving the Court.

e. Exclusions

The Notice of Class Action Settlement shall state that Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, and telephone number of the Class Member requesting exclusion; (2) contain a statement expressing that the Class Member elects to be excluded from the Settlement; (3) be signed by the Class Member; and (4) be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address.

The date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Class Members who fail to submit a valid and timely Request for Exclusion on or before

the Response Deadline shall be bound by all terms of the Settlement and any Final Judgment entered in this Action.

Any Class Member who requests to be excluded from the Class Settlement will not be entitled to any recovery under the Class Settlement and will not be bound by the terms of the Class Settlement or have any right to object to or appeal the Class Settlement.

Any Request for Exclusion has no effect on the PAGA Settlement. Any Class Member who is also considered an Aggrieved Employee will still be issued their Individual PAGA Payment and be bound by the PAGA Settlement, regardless of whether they submit a Request for Exclusion.

No later than seven (7) calendar days after the Response Deadline, (plus an additional five (5) days in the event of remailings), the Settlement Administrator will provide counsel for the Parties with a complete list of all members of the Class who have timely submitted a Request for Exclusion.

f. Objections

The Notice of Class Action Settlement shall state that Participating Class Members who wish to object to the Settlement may do so in person (or other method of personal appearance permitted by the court, e.g., remote appearance) at the Final Approval Hearing and/or in writing. Any written objection ("Notice of Objection") must be mailed to the Settlement Administrator by the Response Deadline. The date of mailing on the envelope shall be deemed the exclusive means for determining that a Notice of Objection was timely received.

The Notice of Objection must be signed by the Settlement Class Member and state: (1) the full name and address of the objecting Settlement Class Member; (2) the factual and/or legal basis for the objection; and (3) whether the Settlement Class Member intends to appear at the Final Approval Hearing. Class Counsel will ensure that any Notice of Objection received by the Settlement Administrator by the Response Deadline is filed with the Court along with the Motion for Final Approval.

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Any of the Parties may file a response to any objection before the Final Approval Hearing. Any attorney who represents an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and Defense Counsel with this notice no later than the Response Period Deadline. Any Settlement Class Member who fails to submit a timely written objection or to present an objection in person at the Final Approval Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.

4.3. No Solicitation of Settlement Objections of Exclusions

The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement or file Requests for Exclusion, or to appeal from the Court's Final Judgment.

5. FINAL APPROVAL

5.1 Final Approval Hearing and Entry of Final Judgment

Upon expiration of the Response Deadline, with the Court's permission, a Final Approval Hearing shall be conducted to determine final approval of the Settlement along with the amount properly payable for: (a) the Class Counsel Award; (b) the Class Representative Enhancement Award; (c) General Release Settlement Payments; (d) Individual Settlement Payments; (e) the PAGA Payment to the LWDA and to Aggrieved Employees and (e) Settlement Administrator Costs.

5.2. Final Approval Order

Plaintiffs will request, and Defendant will concur in said request, that the Court enter, after the Final Approval Hearing, a Final Approval Order and a Final Judgment. Plaintiff will request that the Final Approval Order certify the Settlement Class; find that this Agreement is fair, just, adequate, and in the best interests of the Class; and require the Parties to carry out the provisions of this Agreement. The Parties shall jointly prepare the proposed Final Approval Order.

Plaintiff shall be responsible for preparing the Motion for Final Approval, and any Motion Requesting Attorney fees, Costs, and Class Representative Enhancement Award, supporting declarations, and exhibits thereto, for final approval by the Court. Plaintiff agrees to provide Defense Counsel with drafts of all documents they intend to submit in support of their Motion for Final

Approval and application for attorney fees and costs at least five (5) calendar days in advance of filing to allow Defense Counsel a reasonable time to review and comment on such papers. Plaintiff further agrees to reasonably incorporate the comments from Defense Counsel. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Agreement that will result in entry of the Final Approval Order.

5.3. Nullification of Agreement

In the event: (a) the Court denies preliminary approval of the Settlement; (b) the Court denies final approval of the Settlement; (c) the Court refuses to enter a Final Judgment as provided herein; or (d) the Settlement does not become final for any other reason, this Agreement shall be null and void and any order or judgement entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. The Parties agree that, should the Court fail to approve the Settlement, for any reason, they will attend mediation again before the same mediator in an effort to reach a settlement that will be approved by the Court.

6. MONETARY TERMS AND FUNDING

6.1. Funding of Qualified Settlement Fund

No later than three (3) calendar days after being notified of the Court's final approval, the Settlement Administrator shall send Defense Counsel electronic wiring instructions for paying the Gross Settlement Amount into the QSF. The Settlement Administrator will also inform Defendant of the amount to be sent to the QSF to pay for the employer's share of payroll taxes. No later than thirty (30) calendar days after the Effective Date, Defendants shall fund the QSF.

6.2. Net Settlement Amount

The Net Settlement Amount will be determined by the Settlement Administrator by subtracting the Class Counsel Award, Class Representative Enhancement Award, General Release Settlement Payments, PAGA Payment, and Settlement Administrator Costs from the Gross Settlement Amount, plus any increase based on the Modification Provision.

This is a non-reversionary Settlement in which Defendants will pay the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendants. The employer's share of payroll taxes and other required withholdings from Individual Settlement Payments,

including but not limited to the FICA and FUTA contributions, if applicable, shall be paid separately from, and in addition to, the Gross Settlement Amount. Any award of less than the amounts requested for enhancements, administrative costs, litigation costs, or attorneys' fees will be returned to the Net Settlement Amount and distributed to the Participating Class Members.

6.3. Individual Settlement Payments

Individual Settlement Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula as follows:

Initial NSA allocation. After preliminary approval of the Settlement, using the Class Information, the Settlement Administrator will compute the total number of Workweeks of all Settlement Class Members collectively during the Class Period, and this sum shall be known as the Workweek Total; (ii) the Settlement Administrator will divide the Net Settlement Amount by the Workweek Total to determine the settlement value for each Workweek (the "Workweek Value"); and (iii) the Settlement Administrator will multiply the number of Workweeks of a Settlement Class Member during the Class Settlement Period by the Workweek Value to determine that Settlement Class Member's estimated pre-tax Individual Settlement Payment.

Final Approval. After final approval of the Settlement, the Settlement Administrator will again make the calculations set forth above in Sections 56(a) to determine each Participating Class Member's final post-tax Individual Settlement Payments.

Individual Settlement Payments after all tax withholdings consistent with this Agreement shall be mailed by regular First-Class U.S. Mail to each Participating Class Member's last known mailing address within five (5) calendar days after Defendant fully funds the settlement.

6.4. PAGA Payments

A total amount of \$20,000.00 from the Gross Settlement Amount will be allocated as the PAGA Payment to be paid as penalties under PAGA, of which seventy-five percent (75%), *i.e.*, \$15,000, will be the LWDA PAGA Payment to be paid to the LWDA, and the remaining twenty-five (25%), *i.e.*, \$5,000, shall be distributed to the Aggrieved Employees as Individual PAGA Payments. Any portion of the PAGA Payment not approved by the Court shall be added to the Net Settlement Amount and any additional amount ordered by the Court shall be paid from the Gross Settlement

Amount. In no event shall Defendant be required to pay in excess of the Gross Settlement Amount in such circumstances.

The LWDA PAGA Payment will be paid to the LWDA within five (5) calendar days after Defendants fully funds the settlement.

The Individual PAGA Payment is to be distributed to the Aggrieved Employees as Individual PAGA Payments and shall be distributed based on a pro rata share based on the number of Pay Periods during the PAGA Settlement Period. To establish the pay period value, the Settlement Administrator will first determine the total number of Pay Periods during the PAGA Settlement Period. The pay period value will be equal to 25% of the PAGA Payment divided by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Settlement Period. The pay period value will be rounded to the nearest cent. The amount of the Individual PAGA Payment to be paid to each Aggrieved Employee will be determined by multiplying the pay period value by the Aggrieved Employee's total number of Pay Periods during the PAGA Settlement Period. Individual PAGA Payments shall be mailed by regular First-Class U.S. Mail to each Aggrieved Employee's last known mailing address within five (5) calendar days after Defendant fully funds the settlement.

6.5. Class Representative Enhancement Awards

Plaintiff will make an application to the Court for a Class Representative Enhancement Award of up to \$2,500. The Class Representative Enhancement Award shall be paid to Plaintiff from the Gross Settlement Amount no later than five (5) calendar days after Defendant fully funds the Settlement. The Class Representative Enhancement Award shall be in addition to Plaintiff's Individual Settlement Payment as a Participating Class Member and Individual PAGA Payment as an Aggrieved Employee. Any amount requested by Plaintiff for the Class Representative Enhancement Award that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement. In the event the Court reduces or does not approve the requested Class Representative Enhancement Award, Plaintiff and Class Counsel shall not have the right to modify or revoke the Settlement, or to appeal such order, nor will Plaintiff or Class Counsel seek, request, or demand an increase to the Gross Settlement Amount on that basis.

1 **6.6. Class Counsel Award**

2 Class Counsel will file a motion for attorney fees in the amount of up to thirty-three percent
3 (33%) of the Gross Settlement Amount, increased by the Modification Provision, if applicable, and
4 for the reimbursement of reasonable litigation costs and expenses associated with Class Counsel's
5 prosecution of this matter in addition to attorneys' fees, to be paid from the Gross Settlement
6 Amount. Class Counsel shall be paid the Class Counsel Award no later than five (5) calendar days
7 after Defendants fully fund the settlement. Any amount requested by Class Counsel for the Class
8 Counsel Award and not granted by the Court shall return to the Net Settlement Amount and be
9 distributed to Participating Class Members as provided in this Agreement. Defendants agree not to
10 oppose Class Counsel's requests for attorneys fees.

11 This Settlement is not contingent upon the Court awarding Class Counsel any particular
12 amount in attorney fees and costs and, in the event that the Court reduces or does not approve the
13 requested Class Counsel Award, Plaintiff shall not have the right to modify or revoke the Settlement,
14 or to appeal such order, nor will Plaintiff seek, request, or demand an increase to the Gross Settlement
15 Amount on that basis.

16 **6.7. Tax Treatment**

17 The Settlement Administrator will report each payment made from the Qualified Settlement
18 Fund to state and federal government authorities, including the Internal Revenue Service, to the
19 extent required by law. All Individual Settlement Payments shall be allocated as follows: 15% as
20 wages and 85% as penalties and interest. The 15% wage portion of Settlement Payments shall be
21 subject to required withholdings and deductions by the Settlement Administrator and shall be
22 reported on a Form W-2 (and such other state or local tax reporting forms as may be required by law)
23 with respect to the year of payment as wage income to the Participating Class Member by the
24 Settlement Administrator on behalf of the Qualified Settlement Fund. All Individual PAGA
25 Payments shall be allocated as 100% penalties for which a Form 1099 will be issued if required. The
26 Settlement Administrator shall issue an I.R.S. Form 1099 if required for the remaining payments
27 under this Agreement. Defendants shall solely be responsible for paying the employer's share of
28 payroll taxes on the amounts allocated as wages, which amount shall be paid separately from the

1 Gross Settlement Amount. Plaintiff, any Participating Class Member, and any Aggrieved Employee
2 who receives any Individual Settlement Payment or Individual PAGA Payment should consult with
3 their tax advisors concerning the tax consequences of the payments they receive under the
4 Settlement.

5 Participating Class Members, Aggrieved Employees, and Class Counsel shall be solely
6 responsible for the reporting and payment of their share of any federal, state, and/or local income tax
7 or other tax or any other withholdings, if any, on any of the payments made pursuant to this
8 Settlement. The Notice will advise each Class Members and Aggrieved Employees to seek his/her
9 own personal tax advice prior to acting in response to the Notice, and Defendant, the Class
10 Representative, and each Class Member and Aggrieved Employee will have an adequate opportunity
11 to seek tax advice, prior to acting in response to the Notice.

12 **6.8. No Tax Advice**

13 Defendants have not made any representations as to the taxability to any Settlement Class
14 Members of any portion of the Individual Settlement Payments, to any Aggrieved Employees
15 regarding the Individual PAGA Payments, the payment of any attorney fees and expenses to Class
16 Counsel, or the payment of the Class Representative Enhancement Award to the Class
17 Representative. Neither Plaintiff, Class Counsel, nor Defense Counsel is providing any advice
18 regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the
19 meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or
20 otherwise.

21 **6.9. Unclaimed Settlement Payment**

22 After one hundred and eighty (180) calendar days of the mailing of the Individual Settlement
23 Payments and Individual PAGA Payment checks, any remaining funds attributable to unclaimed,
24 undeliverable, or expired Individual Settlement Payment checks and/or Individual PAGA Payment
25 checks shall be remitted to Capital Pro Bono of Sacramento, California, a local non-profit legal
26 services organization. If the amounts cannot be tendered to that organization, the Parties agree to
27 select an alternative recipient option. The Parties agree that this disposition results in no “unpaid
28 residue” under California Civil Procedure Code § 384, as the entire Net Settlement will be paid out

to Participating Class Members, whether or not they all cash their Individual Settlement Payments, and Defendant will not be required to pay any interest on said amount.

6.10. Settlement Administrator Costs

The Settlement Administrator has provided a settlement administration quote not to exceed \$5,950.00. Upon filing the motion for Final Approval, Plaintiffs will request the Court to award an amount equal to the actual administration costs. The Settlement Administrator shall have the authority and obligation to make payments, credits, and disbursements to Participating Class Members and Aggrieved Employees in the manner set forth herein, calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Parties agree to cooperate in the Settlement Administration process and to make reasonable efforts to control and minimize the cost and expenses incurred in administration of the Settlement. The Settlement Administrator shall be paid the Settlement Administrator Costs no later than five (5) calendar days after Defendants fully fund the settlement. Any amount requested for the Settlement Administrator Costs and not granted by the Court shall return to the Net Settlement Amount and be distributed to Participating Class Members as provided in this Agreement.

6.11. Settlement Administrator Duties

In addition to establishing the Qualified Settlement Fund, the Settlement Administrator shall be responsible for the following: creating a plan of settlement administration and settlement fund distribution; using the Class Information to calculate each Class Member's approximate Individual Settlement Payment and each Aggrieved Employee's Individual PAGA Payment; ascertaining the identity and whereabouts of the Class Members and mailing Notice of Class Action Settlement out to them; communicating with Class Members as necessary; printing and mailing the Notice of Class Action Settlement and tax forms to the Participating Class Members and Aggrieved Employees, as directed by the Court (including, but not limited to, the DE 9, the DE 9C, 1099s, W-2s and W-3s); receiving and reporting requests for exclusion and objections; processing and disbursing payments to Plaintiffs, Class Counsel, Participating Class Members, the LWDA and Aggrieved Employees; notifying the Parties of, and resolving any disputes regarding, the calculation of Settlement Class Members' Individual Settlement Payments or Aggrieved Employees' Individual PAGA Payments;

1 complying with all tax reporting notice and filing requirements; carrying out all other duties related
2 to the Qualified Settlement Fund's documentation and filing; providing declaration(s) as necessary
3 in support of preliminary and/or final approval of this Settlement; providing status reports as needed,
4 among other administrative duties; and other tasks as the Parties mutually agree or the Court orders
5 the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely
6 apprised of the performance of all Settlement Administrator responsibilities.

7 Defendants and their Counsel shall have no responsibility for validating or ensuring the
8 accuracy of the Settlement Administrator's work. Plaintiffs, Class Counsel, Defendants, and Defense
9 Counsel shall not bear any responsibility for any errors or omissions in the calculation or distribution
10 of the Individual Settlement Payments, Individual PAGA Payments, or any other distribution of
11 monies contemplated by this Agreement.

12 **7. ADDITIONAL TERMS**

13 **7.1. Defendants' Right to Withdraw**

14 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10%
15 of the total of all Settlement Class Members, Defendants may, but are not obligated, to elect to
16 withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall
17 be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further
18 obligation to perform under this Agreement. Defendants will confer with Class Counsel before any
19 cancellation. The Parties agree to cooperate to obtain preliminary and final approval of the
20 Settlement.

21 **7.2. No Publicity**

22 Plaintiff and Class Counsel shall not issue any press releases, communicate with, or respond
23 to any media or publication entities, concerning the Settlement, including the fact of the Settlement,
24 its terms or contents and the negotiations underlying the Settlement, except as shall be contractually
25 required to effectuate the terms of the Settlement. However, Class Counsel may disclose or publicize,
26 without referencing any specifics about the case, including the identities of any entities covered by
27 the definition of "Defendants," the amount of the settlement, and that it was a wage-and-hour/PAGA
28 settlement. For the limited purpose of allowing Class Counsel to prove adequacy as class counsel in

other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes.

7.3. No Effect of Employee Benefits

The Class Representative Enhancement Award, Individual Settlement Payments, and Individual PAGA Payments shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the respective Plaintiff, Participating Class Members, and Aggrieved Employees. The Parties agree that any Class Representative Enhancement Award, Individual Settlement Payments, and Individual PAGA Payments paid to Plaintiff, Participating Class Members, and Aggrieved Employees under the terms of this Settlement do not represent any modification of any previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants. Further, any Class Representative Enhancement Award, Individual Settlement Payments, and Individual PAGA Payments shall not be considered “compensation” in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by the Defendant.

7.5. Representation

All of the Parties have been represented by counsel throughout all negotiations which preceded the execution of this Settlement, and all Parties have been advised by counsel prior to entering into this Settlement.

7.6 Exhibits and Headings

The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

7.7. Interim Stay of Proceedings

Upon full execution of this Agreement, the Parties agree to jointly request the Court to stay

proceedings except for the proceedings necessary to implement and complete the Settlement.

7.8. Amendment or Modification

This Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

7.9. Entire Agreement

This Agreement and any attached Exhibits constitute the entire Agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Agreement or its Exhibits other than the representations, warranties, and covenants contained and memorialized in the Agreement and its Exhibits. The Parties are entering into this Agreement based solely on the representations and warranties herein and not based on any promises, representation, and/or warranties not found herein.

7.10. Authorization to Enter into Agreement

Counsel for all Parties are expressly authorized by the Parties whom they represent to negotiate this Agreement and take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement.

The Parties will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The person signing this Agreement on behalf of the Defendants represents and warrants that he or she is authorized to sign this Agreement on behalf of the Defendants. Plaintiff represents and warrants that Plaintiff is a competent adult, is authorized to sign this Agreement, and has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

7.11. Binding on Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

1 **7.12. California Law Governs**

2 All terms of this Agreement and the Exhibits hereto shall be governed by and interpreted
3 according to the laws of the State of California.

4 **7.13. Counterparts**

5 This Agreement may be executed in one or more counterparts. All executed counterparts and
6 each of them shall be deemed to be one and the same instrument.

7 **7.14. Jurisdiction of the Court**

8 Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain
9 jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this
10 Agreement and all orders and judgments entered in connection therewith, and the Parties and their
11 counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and
12 enforcing the settlement embodied in this Agreement and all connected orders and judgments.

13 **7.15. Invalidity of Any Provision**

14 Before declaring any provision of this Agreement invalid, the Court shall first attempt to
15 construe the provisions valid to the fullest extent possible consistent with applicable precedents so
16 as to define all provisions of this Agreement valid and enforceable.

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1 WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and
2 the Aggrieved Employees, and Defendant have executed this Agreement as of the dates set forth
3 below.

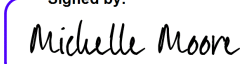
4
5 Dated: _____

PLAINTIFF

6
7
8 _____
Freedom Champion, Plaintiff

9
10 Dated: 3/2/2026
11 _____

DEFENDANTS

12 Signed by:
13 
14 _____
40E26246FF5543E...
Michelle Moore, individually and as
Managing Member of Michelle Moore, LLC

15 APPROVED AS TO FORM:

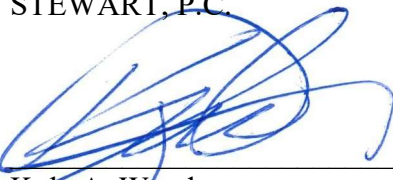
16 Dated: _____

DREW LEWIS, PC

17
18
19 _____
Drew Lewis
Attorney for Plaintiff

20
21
22 Dated: February 27, 2026

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

23
24 
25 _____
Kyle A. Wende
Attorneys for Defendants

1 WHEREFORE, Plaintiffs, on behalf of themselves and the Participating Class Members and
2 the Aggrieved Employees, and Defendant have executed this Agreement as of the dates set forth
3 below.

4
5 Dated: 02 / 05 / 2026

PLAINTIFF

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7 

8 Freedom Champion, Plaintiff

9
10
11 Dated: _____

DEFENDANTS

12
13
14 Michelle Moore, individually and as
Managing Member of Michelle Moore, LLC

15 APPROVED AS TO FORM:

16 Dated: 02 / 05 / 2026

DREW LEWIS, PC

17
18 

19 Drew Lewis
20 Attorney for Plaintiff

21
22 Dated: _____

OGLETREE, DEAKINS, NASH, SMOAK &
23 STEWART, P.C.

24
25 Alexandra M. Asterlin
26 Kyle A. Wende
27 Attorneys for Defendants
28