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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

FELISSIA FRY, individually, and on
behalf of other members of the general
public similarly situated and on behalf of
other aggrieved employees pursuant to the
California Private Attorneys General Act;

Plaintiff,

vs.

MERAKEY ALLOS, a Pennsylvania
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. 37-2022-00032123-CU-OE-CTL

Honorable Loren G. Freestone
Department C-64

CLASS ACTION

**DECLARATION OF HELENE MAYER IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 1, 2025

Time: 10:30 a.m.

Department: C-64

Complaint Filed: August 11, 2022

FAC Filed: October 20, 2022

SAC Filed: September 24, 2024

Trial Date: None Set

DECLARATION OF HELENE MAYER

I, Helene Mayer, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers for Justice, PC, attorneys of record for Plaintiff Felissia Fry (“Plaintiff”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On July 20, 2022, Plaintiff provided written notice by certified mail to the Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code that were alleged to be violated (“LWDA Notice”). Marked and attached hereto as “**EXHIBIT 1**” is a true and correct copy of Plaintiff’s LWDA Notice.

3. On August 11, 2022, Plaintiff filed the Class Action Complaint for Damages in the Superior Court for the County of San Diego, thereby commencing the above-captioned lawsuit.

4. On October 20, 2022, Plaintiff filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code §§ 2698, *Et Seq.* (“First Amended Complaint”), adding a PAGA cause of action.

5. On November 16, 2022, Defendant Merakey Allos (“Defendant”) filed its Answer to Plaintiff’s First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code §§ 2698, *Et Seq.*

6. On August 7, 2024, Plaintiff sought leave to file a Second Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code §§ 2698, *Et Seq.* (“Second Amended Complaint” or “Operative Complaint”), alleging additional causes of action against Defendant for violations of the California Labor Code. The Court granted Plaintiff leave to file the proposed Second Amended Complaint on September 9, 2024, and Plaintiff filed the Second Amended Complaint on September 24, 2024.

7. On October 1, 2024, Defendant filed its Answer to Plaintiff’s Second Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code §§ 2698, *Et Seq.*

THE PROPOSED SETTLEMENT

8. Marked and attached hereto as “**EXHIBIT 2**” is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement” or “Settlement Agreement”) entered into by and between Plaintiff, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendant, on the other hand (together, the “Parties”). The Parties and their counsel have approved the proposed Notice of Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement as “Exhibit A” and respectfully request that the Court approve it as well.

9. The Parties agreed to settle the lawsuit for a Gross Settlement Amount of \$1,800,000, following Defendant’s representation that there were 36,000 Workweeks during the period from August 11, 2018 through November 2, 2023. The Parties also agreed that if the total number of Workweeks during the Class Period is determined to exceed this amount by more than 10%, Defendant will have the option of paying the increase to the Gross Settlement Amount on a pro rata basis, or of timely electing to end the Class Period and PAGA Period as of the last date on which the Workweeks do not exceed 39,600. Defendant has determined that the total number of Workweeks during the Class Period is 42,661 and therefore exceeds 36,000 Workweeks by more than 10% (specifically, by 18.5%). Defendant has exercised its option of increasing the Gross Settlement Amount by 8.5%, from \$1,800,000 to \$1,953,000.

10. The Settlement provides for a Gross Settlement Amount of \$1,953,000.00 to be paid in a single payment on a non-reversionary basis. The Net Settlement Amount is the Gross Settlement Amount less the following amounts, subject to approval by the Court: Attorneys’ Fees of up to \$683,500.00 and Costs not to exceed \$18,000.00 to Class Counsel, Incentive Award to Plaintiff of \$7,500.00, Settlement Administration Costs to the Settlement Administrator not to exceed \$11,000.00, and the PAGA Penalties of \$150,000.00. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Settlement Class Members is currently \$1,082,950.00. Additionally, 25% of the PAGA Penalties (i.e., Individual PAGA Payment), which is \$37,500.00 out of \$150,000.00, will be distributed to the PAGA Group Members, for their respective portion of

1 the PAGA Penalties. The Gross Settlement Amount will be fully distributed in accordance with the
2 terms of the Settlement and there is no reversion to Defendant.

3 11. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in
4 an amount of up to 35% of the Gross Settlement Amount (i.e., \$638,500.00) and expenses and costs
5 of not more than \$18,000.00, which will be paid out of the Gross Settlement Amount, subject to
6 approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of
7 litigation and will not receive any compensation until recovery is obtained. A description of the
8 qualifications of Class Counsel, the work performed by Class Counsel, and the results achieved by
9 Class Counsel in this matter can be found in paragraphs 18 through 28, *infra*.

10 12. The Settlement Agreement provides for payment of up to \$7,500.00 to Plaintiff as an
11 Incentive Award, to be paid out of the Gross Settlement Amount subject to approval by the Court.
12 Plaintiff spent considerable time and effort to produce relevant documents and past employment
13 records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff
14 was available whenever Class Counsel needed her and actively tried to obtain information that would
15 benefit the Class. Accordingly, it is appropriate and just for Plaintiff to receive an Incentive Award,
16 in addition to her individual settlement payment, for her services on behalf of the Class, PAGA
17 Group Members, and State of California.

18 13. The Parties have agreed to retain Simpluris, Inc., ("Settlement Administrator") to
19 handle the notice and settlement administration process. The Parties respectfully request that the
20 Court appoint Simpluris to handle these procedures and serve as the Settlement Administrator.
21 Defendant will provide Simpluris with the Class Data and List, and the Settlement Administrator
22 will calculate each Class Member's estimated *pro rata* share of the Net Settlement Amount
23 ("Individual Settlement Share") and each PAGA Group Member's estimated *pro rata* share of the
24 25% portion of the PAGA Penalties. The Settlement Administrator will be responsible for printing,
25 distributing, and tracking Class Notices and other documents for the Settlement, calculating and
26 distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required
27 tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations,
28 transmitting funds representing cancelled checks (i.e. uncashed checks) after the void date to the

1 State of California's Unclaimed Property Division, and other duties and responsibilities set forth to
2 process the Settlement, and as requested by the Parties. Settlement Administration Costs are
3 currently estimated not to exceed \$11,000.00 and will be paid out of the Gross Settlement Amount,
4 subject to approval of the Court.

5 14. Under the Settlement Agreement, Defendant is responsible for Employer Taxes
6 associated with the Gross Settlement Amount and will deposit that amount into the settlement fund
7 in addition to the Gross Settlement Amount. Each Settlement Class Member's Individual Settlement
8 Share will be allocated 30% to wages and 70% to penalties, interest, and non-wage damages. The
9 Settlement Administrator will withhold the employee's share of taxes and withholdings with respect
10 to the wages portion of the Individual Settlement Shares.

11 **CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE**

12 15. **Ascertainability:** The proposed Class is defined as all current and former hourly-
13 paid or non-exempt employees who worked for Defendant within the State of California at any time
14 during the period from August 11, 2018 through March 4, 2024, or the Settlement End Date (if
15 elected by Defendant per Paragraph 38 of the Settlement Agreement), whichever is earlier.

16 16. **Numerosity:** Based on data provided by Defendant, the Class is estimated to be
17 approximately 1,109 individuals who worked an estimated total of 42,661 workweeks.

18 17. **Commonality:** Based on investigation and information discovered, Class Counsel
19 believes that there is sufficient evidence to support the allegations made in the lawsuit, including the
20 allegations that Defendant, with respect to Plaintiff, Class Members, and PAGA Group Members,
21 *inter alia*, failed to properly pay overtime and minimum wages, failed to provide compliant meal
22 and rest periods and pay associated premium payments, failed to timely pay wages during
23 employment, failed to timely pay final wages and associated waiting-time penalties, failed to provide
24 compliant wage statements, failed to maintain requisite payroll records, failed to reimburse
25 necessary business expenses, failed to provide one day's rest in seven, and violated the Wage Theft
26 Protection Act, and thereby engaged in unfair business practices and conduct giving rise to civil
27 penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code
28 sections 2698, *et seq.*). Plaintiff also asserted that Class Members were expected to perform similar

1 job duties and were subject to the same or similar operations and employment policies, practices,
2 and procedures. Additionally, Plaintiff asserted that Defendant's recordkeeping practices with
3 respect to Plaintiff, Class Members, and PAGA Group Members were substantially the same during
4 the time period at issue. As a result of said alleged uniform practices, Plaintiff claims that the Class
5 Members were not paid all of the compensation that was owed to them by Defendant. Thus, in Class
6 Counsel's view, it is clear that the outcome of this litigation would be determined by Defendant's
7 uniform operations and employment practices, policies, and procedures that Plaintiff alleges applied
8 across its hourly-paid or non-exempt employees in California during the relevant time period.

9 18. **Adequacy and Typicality:** Plaintiff undertook the responsibilities of representing a
10 class action against her former employer. Plaintiff spent considerable time and effort to produce
11 relevant documents and past employment records and to provide the facts and evidence necessary to
12 attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed her and
13 actively tried to obtain information that would benefit the Class. Plaintiff has no interests that are
14 adverse to the Class. Plaintiff was employed by Defendant during the Class Period and subject to
15 the same alleged violations and the same policies, practices, and procedures. Plaintiff took on the
16 challenge and risk of commencing and maintaining this action, and she has not yet received any
17 monetary benefit for her service to date. Plaintiff put her own interests aside and brought a publicly
18 filed lawsuit against an employer not just for her own benefit, but, instead, on behalf of other hourly-
19 paid or non-exempt employees and the State of California.

20 **EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC**

21 19. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the
22 prosecution of consumer and employment class actions, involving wage-and-hour claims, race
23 discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is
24 the attorney of record in well over a dozen employment-related putative class actions in both state
25 and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who
26 focus on litigating complex wage-and-hour class and Private Attorneys General Act ("PAGA")
27 representative actions. Lawyers *for* Justice, PC has successfully litigated cases involving the
28 executive, administrative, and other overtime exemptions to the State of California and federal

1 overtime compensation requirements. During a relatively short time, in association with other law
2 firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals
3 in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers
4 *for* Justice, PC who most recently and primarily have been responsible for the representation of
5 Plaintiff in connection with the resolution of above-captioned matter. Additional attorney and non-
6 attorney staff have also worked on the above-captioned matter.

7 20. Edwin Aiwarzian is the Managing Member and Shareholder of Lawyers *for* Justice,
8 PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned
9 a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive
10 formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution
11 as part of its Masters in Dispute Resolution degree program. In addition, he has previously served
12 as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained
13 a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000,
14 he studied Legal Writing at Harvard University. From approximately September 2002 to
15 approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane
16 Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002
17 to approximately August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of
18 the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained
19 a license to practice law from the California State Bar. Since in or around October of 2008, through
20 his work at Lawyers *for* Justice, PC, he has almost exclusively focused on the prosecution of
21 consumer and employment class actions. While employed by Lawyers *for* Justice PC, he has argued
22 over 100 motions, taken or defended over 150 depositions, prepared dozens of expert witnesses for
23 deposition or trial, and attended over 175 mediations. Together with other attorneys at the firm, and
24 in many cases in conjunction with co-counsel, he has successfully litigated cases involving the
25 executive, administrative, and other overtime exemptions to the State of California and federal
26 overtime compensation requirements. Under his supervision, Lawyers for Justice, PC has
27 successfully obtained class certification by contested motion practice in approximately 16 cases in
28 the last decade, and litigated over 1,000 class action or representative action cases.

21. Arby Aiwazian is a Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from University of California, Los Angeles, and graduated magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. From approximately August 2008 to approximately December 2008, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before all courts of the State of California and all United States District Courts in the State of California. He has worked on many wage-and-hour class action and representative action cases, taking the lead in taking and defending depositions, arguing motions, and attending mediations. He has played an integral role in preparing matters for class certification, including and not limited to, successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No. RG13680477). Under his supervision, dozens of class action or representative cases have resulted in settlements that have been granted court approval. He has handled over 150 mediations and has worked on over 250 class action or representative action cases which have resulted in settlement.

22. Joanna Ghosh is a Managing Member of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010) and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration agreements, coordination, intervention. She has successfully handled briefing and oral argument on

1 appeal and obtained notable decisions regarding the Private Attorneys General Act and employer
2 efforts to compel arbitration of PAGA claims, e.g., *Roberto Betancourt v. Prudential Overall Supply*
3 (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal., May 24, 2017), cert. denied
4 (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, (2019) 8 Cal.5th 175. She has significant
5 experience with class actions, including and not limited to working on cases to obtain class
6 certification through contested motion practice and working on cases in the post-certification stage
7 (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial preparation
8 in conjunction with co-counsel in a case involving a certified class consisting of approximately 2,600
9 individuals). She also has extensive experience with class action and/or representative action
10 settlements, and has handled this process in over 500 cases. Under Edwin Aiwasian, Arby Aiwasian,
11 and her supervision, Lawyers for Justice, PC has handled the class certification and court approval
12 process for hundreds of class action and/or representative action matters that have successfully
13 resolved. She is a member of the California Employment Lawyers Association and, on several
14 occasions, has been a speaker regarding topics in wage and hour law at the organization's continuing
15 legal education events.

16 23. I am a Member of Lawyers for Justice, PC. I received my Bachelor of Arts degree
17 from University of San Diego in 2017, and I earned my Juris Doctor degree from University of San
18 Diego School of Law in 2020. I was admitted to practice law in California in 2021. I am admitted to
19 practice before all courts of the State of California and all U.S. Federal District Courts in the State
20 of California. I have worked on wage-and-hour class action and PAGA representative cases, and my
21 work has included, *inter alia*, researching and drafting pleadings, administrative notice exhaustion,
22 drafting, negotiating, and finalizing stipulations and settlement agreements, and making court
23 appearances. Prior to working at Lawyers for Justice, PC, I worked at law firms focused primarily
24 on family law matters, including, *inter alia*, representing clients in divorce, parentage, child custody,
25 and domestic violence restraining order proceedings, researching and drafting pleadings, negotiating
26 and finalizing marital settlement agreements, engaging in motion practice, and making court
27 appearances.

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THE SETTLEMENT AND SUMMARY OF WORKED PERFORMED

24. The effectiveness of Lawyers for Justice, PC (“Class Counsel”) in prosecuting this matter has translated into tangible monetary benefits for the Class Members in the following respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the case; and (3) significant savings in Class Counsel’s fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or appeals.

25. Class Counsel has litigated the matter for over two (2) years and was actively preparing the matter for class certification and trial. The Parties have engaged in extensive settlement negotiations and participated in a mediation conducted by Deborah Saxe, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. In the course of the litigation and in connection with the mediation and settlement discussions, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, regular rate, meal and rest periods, PAGA representative actions, and state wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm’s length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed that they would be able to obtain class certification and prevail at trial. After conducting investigations and informal discovery and exchange of information, extensive settlement negotiations, and with the aid of the mediator’s evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiff’s principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Class Claims of Plaintiff and Settlement Class Members, and of the Released PAGA

1 Claims of Plaintiff, the State of California, and the PAGA Group Members, against the Released
2 Parties.

3 26. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
4 and scope of the claims, and was preparing the action for class certification and trial. Plaintiff
5 conducted significant investigation and informal discovery regarding the facts of the case, including
6 and not limited to, the exchange, review, and analysis of a large volume of documents and data
7 obtained from Defendant, Plaintiff, and other sources. The volume of data and documents that Class
8 Counsel reviewed and analyzed included and was not limited to: a sampling of Class Members' time
9 and payroll data, Plaintiff's personnel records, Defendant's Handbooks, earning statements,
10 company policy acknowledgements (e.g., Addendum to Merakey Employee Handbook of Personnel
11 Policies and PolicySTAT, Employee Handbook and PolicyStat Addendum Acknowledgment Form),
12 job descriptions, Defendant's operations and employment practices, policies, and procedures (Sick
13 Leave: California-Specific Addendum, Employee Timecards and e-Time Requirements Policy,
14 Timekeeping Policy, Missed Punch Form, Lunch Time Policy, Meal and Break Policy, Break
15 Waiver, Business Expense Reimbursement), among other information and documents. Class
16 Counsel had the opportunity to interview Plaintiff and other Class Members to gather facts and to
17 identify potential witnesses. Counsel for the Parties also met and conferred on numerous occasions,
18 e.g., to discuss issues relating to the pleadings, and the production of documents and data prior to
19 the mediation. Class Counsel also drafted pleadings and the mediation brief and prepared for and
20 attended court proceedings, mediation, and settlement negotiations, among other tasks.

21 27. Counsel for the Parties have also invested time researching and investigating the
22 applicable law, which is constantly evolving as it relates to certification, representative PAGA
23 claims, off-the-clock theory, regular rate, meal and rest periods, state wage-and-hour law and
24 enforcement, Plaintiff's claims and damages, and Defendant's defenses thereto, as well as facts
25 discovered. Based on our analysis, I submit that the result achieved in this litigation is fair, adequate,
26 and reasonable.

27 28. Class Counsel is aware of the defenses and position of Defendant but believes that
28 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and Class

1 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
2 and the difficulties and delays inherent in such litigation, including those involved in class
3 certification and/or representative adjudication. Plaintiff further recognizes the burdens of proof
4 necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the
5 difficulties in establishing entitlement to monetary recovery. Plaintiff and Class Counsel have also
6 considered the Parties' settlement discussions, as well as the evaluations of the mediator, who is
7 experienced and well-regarded in complex labor and employment matters.

8 29. Defendant, on the other hand, denied and continues to deny any liability and
9 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that the
10 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
11 this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have
12 also had the opportunity to interview witnesses and review documents and information relating to
13 Plaintiff's, Class Members', and PAGA Group Members' employment with Defendant, and
14 Defendant's operations and employment policies, practices, and procedures. The Parties also
15 reviewed and analyzed a volume of documents and data to determine the potential value and strength
16 of the claims. The available information enabled Class Counsel to assess and value the class and
17 PAGA claims and prepare violation, damages, and penalties analyses models. Accordingly, the
18 Parties have conducted adequate investigation and discovery to be sufficiently informed of the nature
19 and extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement
20 for its fairness, adequacy, and reasonableness. The Settlement takes into account the strengths and
21 weaknesses of each side's position and the uncertainty of how the case might have concluded at
22 certification, trial, and/or appeals.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.



Helene Mayer

EXHIBIT 1

LAWYERS FOR JUSTICE^{PC}

July 20, 2022

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: MERAKEY ALLOS

Dear Representative:

We have been retained to represent Felissia Fry against Merakey Allos (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as “Merakey Allos”) for violations of California wage-and-hour laws. Ms. Fry seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 (“PAGA”) and all other remedies available under PAGA.

Ms. Fry seeks these remedies on behalf of the State of California and “aggrieved employees,” as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Merakey Allos employed Ms. Fry as an hourly-paid, non-exempt employee from approximately November 2019 to approximately August 2021, in the State of California.

The “aggrieved employees” that Ms. Fry may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Merakey Allos has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001 and 5-2001.

Merakey Allos required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During

the relevant time period, Ms. Fry and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Fry and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Merakey Allos required Ms. Fry and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Merakey Allos failed to pay Ms. Fry and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Merakey Allos failed to pay Ms. Fry and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Merakey Allos did not provide Ms. Fry and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Merakey Allos were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Ms. Fry and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the

initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Fry and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Fry and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Fry and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Fry and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Merakey Allos failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Fry and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 2810.5 requires an employer to provide written notice to an employee, at the time of hiring, containing the following information:

The rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or otherwise, including any rates for overtime, as applicable. Allowances, if any, claimed as part of the minimum wage, including meal or lodging allowances. The regular payday designated by the employer in accordance with the requirements of this code. The name of the employer, including any "doing business as" names used by the employer. The physical address of the employer's main office or principal place of business, and a mailing address, if different. The telephone number of the employer. The name, address, and telephone number of the employer's workers' compensation insurance carrier. That an employee: may accrue and use sick leave; has a right to request and use accrued paid sick leave; may not be terminated or retaliated against for using or requesting the use of accrued paid sick leave; and has the right to file a complaint against an employer who retaliates. Any other information the Labor Commissioner deems material and necessary.

Merakey Allos failed to accurately provide aggrieved employees with the requisite notice in violation of California Labor Code section 2810.5.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Merakey Allos did not provide Ms. Fry and other aggrieved employees with the minimum wages to which they were entitled for work performed “off-the-clock.”

California Labor Code section 1198 provides that “The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful.” The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001 and 5-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee’s usual or scheduled day’s work, the employee shall be paid for half the usual or scheduled day’s work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee’s regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee’s regular rate of pay. During the relevant time period, Merakey Allos failed to pay Ms. Fry and other aggrieved employees half the usual or scheduled day’s work in an amount no less than two (2) hours nor more than four (4) hours at the employee’s regular rate of pay for workdays in which Ms. Fry and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day’s work. During the relevant time period, Merakey Allos failed to pay Ms. Fry and other aggrieved employees for two (2) hours at the employee’s regular rate of pay on days in which Ms. Fry and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Fry and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Merakey Allos.

Therefore, on behalf of all aggrieved employees, Ms. Fry seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

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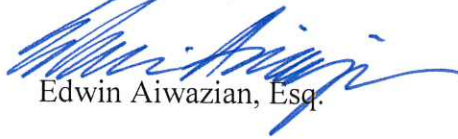
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If you have any questions or require additional information, please do not hesitate to contact us.
Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Edwin Aiwarzian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Merakey Allos
c/o Mark Mitchell Geyer
Agent for Service of Process
4202 Village, 4
Camarillo, CA 93012

EXHIBIT 2

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Felissia Fry (“Plaintiff” or “Class Representative”), individually and on behalf of all others similarly situated and aggrieved employees, and Defendant Merakey Allos (“Defendant”) (collectively with Plaintiff, the “Parties”).

This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined herein), PAGA Group Members (as defined herein), and Defendant, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On August 11, 2022, Plaintiff commenced a putative class action entitled *Felissia Fry v. Merakey Allos*, Superior Court of California for the County of San Diego, Case No. 37-2022-00032123-CU-OE-CTL (the “Action”) against Defendant, alleging nine (9) causes of action under the California Labor Code for alleged failure to pay minimum wages, failure to pay overtime wages, failure to provide meal periods and associated premiums, failure to provide rest periods and associated premiums, failure to pay timely wages during employment, failure to timely pay final wages, failure to keep compliant payroll records, failure to keep compliant wage statements, and failure to reimburse business expenses, and a tenth cause of action for violations of California Business and Professions Code Section 17200 *et seq.*, based on alleged violations of multiple provisions of the California Labor Code and Industrial Welfare Commission Wage Orders. On July 20, 2022, Plaintiff provided written notice to the Labor and Workforce Development Agency (“LWDA”) and Defendant giving notice of her intent to pursue civil penalties under the California Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* (“PAGA”), on behalf of herself and the State of California, as well as on behalf of a proposed group of aggrieved employees for alleged violations of multiple provisions of the California Labor Code and Industrial Welfare Commission Wage Orders (“LWDA Notice”).

2. On October 20, 2022, Plaintiff filed a First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.*, adding a cause of action under PAGA. Contemporaneously with the execution of this Agreement, the Parties

1 agree that leave will be sought to file a Second Amended Class Action Complaint for Damages &
2 Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* (“Operative
3 Complaint”), by stipulation or motion, alleging causes of action against Defendant for violations of the
4 California Labor Code, including *inter alia*, for failure to pay minimum wages, failure to pay overtime
5 wages, failure to provide meal periods and associated premiums, failure to provide rest periods and
6 associated premium payments, failure to pay timely wages during employment, failure to timely pay final
7 wages and associated waiting-time penalties, failure to keep compliant payroll records, failure to keep
8 compliant wage statements, failure to reimburse business expenses, failure to provide one day’s rest in
9 seven, for violations of the Wage Theft Protection Act, for violations of California Business and
10 Professions Code Section 17200 *et seq.*, and for civil penalties pursuant to PAGA, on behalf of all current
11 and former hourly-paid or non-exempt employees who worked for Defendant within the State of
12 California at any time during the period from August 11, 2018 through final judgment.

13 3. Defendant denies all material allegations set forth in the Action and has asserted
14 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
15 Defendant desires to fully and finally settle the Action, all claims in the Operative Complaint and
16 Released Claims.

17 4. The Parties have conducted extensive investigation of facts and law, including any and
18 all applicable defenses and the applicable law. Through informal discovery methods, Plaintiff and Class
19 Counsel obtained, reviewed, and considered extensive information, data, and documents to assess the
20 claims and allegations.

21 5. On November 2, 2023, the Parties participated in mediation with Deborah Saxe, Esq. (the
22 “Mediator”), a respected mediator experienced in mediating complex wage and hour actions. The
23 settlement discussions were conducted at arm’s-length, and the Settlement is the result of an informed
24 and detailed analysis of Defendant’s alleged potential liability and alleged total exposure in relation to
25 the costs and risks associated with continued litigation. Based on the documents and data produced, as
26 well as Class Counsel’s own independent investigation and evaluation, Class Counsel believes that the
27 settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement
28 is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known

1 facts and circumstances, including the risk of significant delay and uncertainty associated with litigation
2 and various defenses asserted by Defendant.

3 6. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
4 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
5 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
6 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

7 **DEFINITIONS**

8 7. The following definitions are applicable to this Settlement Agreement. Definitions
9 contained elsewhere in this Settlement Agreement will also be effective:

10 a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for
11 Class Counsel’s litigation and resolution of this Action, which shall not exceed 35% of the Gross
12 Settlement Amount (i.e., \$630,000 if the Gross Settlement Amount remains \$1,800,000) and
13 reimbursement of all actual costs and expenses incurred and to be incurred by Class Counsel in the
14 Action, as set forth in Paragraph 11 below.

15 b. “Class Counsel” means Arby Aiwazian, Joanna Ghosh, and Helene Mayer of
16 Lawyers *for* Justice, P.C., counsel for Plaintiff, who will seek to be appointed counsel for the Class.

17 c. “Class Data and List” means a complete list of all Class Members that Defendant
18 will diligently and in good faith compile from its records and provide to the Settlement Administrator
19 within twenty-one (21) calendar days after Preliminary Approval. The Class Data and List will be
20 password protected and formatted in a readable Microsoft Office Excel spreadsheet and will include
21 each Class Member’s (1) full name, (2) last-known mailing address, (3) last-known telephone number,
22 (4) Social Security Number, (5) the start and end dates of employment as an hourly-paid or non-exempt
23 employee of Defendant in California, and (6) such other information as is necessary for the Settlement
24 Administrator to calculate Workweeks and PAGA Pay Periods.

25 d. “Class Member(s)” or “Class” means all individuals who worked for Defendant
26 as hourly-paid or non-exempt employees in the State of California at any time during the Class Period (as
27 defined below).

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1 e. "Class Notice" means the Notice of Class Action Settlement, substantially in the
2 form attached as "**Exhibit A.**"

3 f. "Class Period" means the period from August 11, 2018, through March 4, 2024,
4 or the Settlement End Date (defined below in Paragraph 38), whichever is earlier.

5 g. "Class Representative," or "Plaintiff," means Felissia Fry.

6 h. "Court" means the Superior Court of the State of California for the County of San
7 Diego.

8 i. "Defendant" means Merakey Allos.

9 j. "Defendant's Counsel" means Pascal Benyamini and Amanda Semaan, of Faegre
10 Drinker Biddle & Reath LLP.

11 k. "Effective Date" means the later of (1) the date of final affirmance on appeal of
12 the judgment, (2) the date of final dismissal with prejudice of the last pending appeal of the judgment,
13 or (3) if no appeal is filed, the expiration date of the time for the filing or noticing any form of valid
14 appeal from the judgment (i.e., sixty (60) calendar days after the entry of judgment, pursuant to
15 California Rules of Court 8.104 and California Code of Civil Procedure section 904.1).

16 l. "Employer Taxes" means the employer's share of taxes and contributions in
17 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant
18 separately and in addition to the Gross Settlement Amount.

19 m. "Incentive Award" means the amount approved by the Court to be paid to Plaintiff
20 Felissia Fry in recognition of her efforts and work in prosecuting the Action on behalf of Class Members,
21 as set forth in Paragraph 12 below. The Incentive Award payable to Plaintiff shall not exceed \$7,500
22 and shall be payable from the Gross Settlement Amount.

23 n. "Final Approval" means the determination by the Court that the Settlement is
24 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

25 o. "Final Approval Hearing" means the hearing at which the Court will consider and
26 determine whether the Settlement should be granted Final Approval.

27 p. "Individual PAGA Payment" means the amount payable to each PAGA Group
28 Member from the 25% portion of the PAGA Penalties that is allocated to the PAGA Group, as provided

1 in Paragraph 15(b).

2 q. “Individual Settlement Payment” means the net payment of each Settlement Class
3 Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
4 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
5 Paragraph 26 below.

6 r. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
7 Amount that a Class Member may be eligible to receive under the Settlement Agreement, to be
8 calculated in accordance with Paragraph 15(a).

9 s. “Gross Settlement Amount” means the amount of One Million Eight Hundred
10 Dollars (\$1,800,000), subject to increase as provided in Paragraph 38, to be paid by Defendant in full
11 resolution of all Released Claims and the Action, which is inclusive of the Attorneys’ Fees and Costs,
12 Incentive Award, PAGA Penalties (which comprise of both the LWDA Payment and the Individual
13 PAGA Payments), Net Settlement Amount to be paid to the Settlement Class Members, and Settlement
14 Administration Costs. Defendant shall pay the Employer Taxes separately and in addition to the Gross
15 Settlement Amount.

16 t. “LWDA Payment” means the amount that the Parties have agreed to pay the
17 LWDA as set forth in Paragraph 14.

18 u. “Net Settlement Amount” means the portion of the Gross Settlement Amount that
19 is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less
20 the Court-approved Attorneys’ Fees and Costs, Incentive Award, LWDA Payment, Individual PAGA
21 Payments, and Settlement Administration Costs.

22 v. “Notice of Objection” means a Class Member’s written objection to the
23 Settlement Agreement, which must include: (a) the case name and number of the Action; (b) the
24 objector’s full name, signature, address, and telephone number; (c) a written statement of all grounds
25 for the objection accompanied by any legal support for such objection; and (d) copies of any papers,
26 briefs, or other documents upon which the objection is based.

27 w. “PAGA Group” or “PAGA Group Member(s)” means all individuals who worked
28 for Defendant as non-exempt employees in the State of California at any time during the PAGA Period

(as defined below).

x. “PAGA Pay Periods” means the number of pay periods each PAGA Group Member worked for Defendant, for at least one day, as an hourly-paid or non-exempt employee within the State of California during the PAGA Period, which will be calculated by the Settlement Administrator by using the Class Data and List furnished by Defendant.

y. “PAGA Penalties” means a total payment of One Hundred Fifty Thousand Dollars (\$150,000) to settle all claims under the Private Attorneys General Act. From this amount, 75% will be paid to the LWDA (“LWDA Payment”) and 25% will be distributed to PAGA Group Members. The PAGA Penalties shall be payable from the Gross Settlement Amount.

z. “PAGA Period” means the period from July 20, 2021 through March 4, 2024, or the Settlement End Date (defined below in Paragraph 38), whichever is earlier.

aa. “PAGA Settlement” means the settlement and resolution of the Released PAGA Claims.

bb. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either Plaintiff or Defendant.

cc. “Preliminary Approval” means entry by the Court of an order granting preliminary approval of the Settlement Agreement.

dd. “Released Class Claims” means any and all claims, actions, causes of action, rights, demands, liabilities, penalties, damages, restitution, losses, disgorgement, liquidated damages, interest, attorneys’ fees, fines, debts, obligations, costs, and expenses, that were alleged, or could have been alleged, whether known or unknown, contingent or accrued, based upon or arising out of the facts and/or claims alleged in the Operative Complaint during the Class Period.

ee. “Released PAGA Claims” means all claims or causes of action for penalties under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* that were alleged, or could have been alleged in the Operative Complaint and the LWDA Notice, whether known or unknown, contingent or accrued, based upon or arising out of the facts and/or claims alleged in the Operative Complaint and the LWDA Notice during the PAGA Period.

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1 ff. “Released Parties” means Defendant and any of its past and present directors,
2 officers, shareholders, owners, attorneys, insurers, reinsurers, employees, predecessors, successors,
3 assigns, parent companies, subsidiaries, and affiliated entities.

4 gg. “Request for Exclusion” means a timely letter submitted by a Class Member
5 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) contain
6 the case name and number of the Action; (b) be signed by the Class Member; (c) contain the full name,
7 address, telephone number, and the last four digits of the Social Security Number of the Class Member
8 requesting exclusion; (d) clearly state that the Class Member does not wish to be included in the
9 Settlement; and (e) be returned by fax or mail to the Settlement Administrator at the address and/or
10 facsimile number specified in the Class Notice, postmarked or faxed on or before the Response
11 Deadline. The date of the postmark on the return mailing envelope or fax-stamp on the submission will
12 be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A
13 Class Member who does not request exclusion from the Settlement will be deemed a Settlement Class
14 Member and will be bound by all terms of the Settlement Agreement if the Settlement is granted Final
15 Approval by the Court.

16 hh. “Response Deadline” means the deadline by which Class Members must submit
17 a Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks credited to them, which
18 shall be the date that is sixty (60) calendar days from the initial mailing of the Class Notice by the
19 Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the
20 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. In the
21 event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member
22 shall be extended fifteen (15) calendar days.

23 ii. “Settlement Administrator” means Simpluris, Inc. (“Simpluris”), or any other
24 third-party class action settlement administrator agreed to by the Parties and approved by the Court for
25 purposes of administering this Settlement. The Parties each represent that they do not have any financial
26 interest in the Settlement Administrator or otherwise have a relationship with the Settlement
27 Administrator that could create a conflict of interest.

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jj. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount, subject to Court approval, to the Settlement Administrator for administering the Settlement, as set forth in Paragraph 13 below. The Settlement Administration Costs are currently estimated not to exceed Eleven Thousand Dollars (\$11,000).

kk. “Settlement Class Members” means all Class Members who do not submit a valid and timely Request for Exclusion from the Settlement (collectively referred to as “Settlement Class”).

11. “Workweeks” means the number of weeks each Class Member worked for Defendant, for at least one day, as a non-exempt employee in California during the Class Period, which will be calculated by the Settlement Administrator by using the Class Data and List furnished by the Defendants.

CLASS CERTIFICATION

8. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit.

9. The Parties agree that class certification and representative treatment is for the purpose of settlement only. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context. Further, should, for whatever reason, the Court not grant Final Approval, Defendant reserves the right to contest certification of any class for any reasons, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses.

TERMS OF AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, and in consideration of the mutual covenants, promises and agreements set forth herein below, the Parties agree, subject to the Court's approval, as follows:

1 10. Funding and Disbursement of the Gross Settlement Amount.

2 a. Within fifteen (15) calendar days after the entry of the Final Approval Order and
3 Judgment, the Settlement Administrator will provide the Parties with an accounting of the amounts to
4 be paid by Defendant pursuant to the terms of the Settlement and establish a Qualified Settlement Fund
5 (“QSF”) pursuant to IRS rules and regulations in which the Gross Settlement Amount will be placed and
6 from which payments required by the Settlement Agreement will be made.

7 b. Within fifteen (15) calendar days of the Effective Date, Defendant will make a
8 deposit of the full Gross Settlement Amount (i.e., \$1,800,000) into the QSF to be established by the
9 Settlement Administrator.

10 c. Within seven (7) calendar days of the full funding of the Gross Settlement Amount,
11 the Settlement Administrator will issue payments due under the Settlement and approved by the Court,
12 as follows: (a) Individual Settlement Payments to Settlement Class Members; (b) LWDA Payment to
13 the LWDA; (c) Individual PAGA Payments to PAGA Group Members; (d) Incentive Award to Plaintiff;
14 (e) Attorneys’ Fees and Costs to Class Counsel; and (f) Settlement Administration Costs to itself (the
15 Settlement Administrator). The Settlement Administrator will also undertake filings and remittances in
16 connection with the employee’s share of taxes on the wages portion of Individual Settlement Shares and
17 the Employer Taxes, that are necessary for administration of the Settlement.

18 11. Attorneys’ Fees and Costs. Class Counsel will request and Defendant will not oppose
19 attorneys’ fees of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., up to Six
20 Hundred Thirty Thousand Dollars (\$630,000 if the Gross Settlement Amount remains \$1,800,000)) and
21 reimbursement of actual costs and expenses associated with Class Counsel’s litigation and settlement
22 of the Action, in an amount not to exceed Eighteen Thousand Dollars (\$18,000), both of which will be
23 paid from the Gross Settlement Amount subject to Court approval. These amounts will cover any and
24 all work performed and any and all costs incurred by Class Counsel in connection with the litigation of
25 the Action, including without limitation all work performed and costs incurred to date, and all work to
26 be performed and all costs to be incurred in connection with obtaining the Court’s approval of this
27 Settlement, as well as any objections raised and any appeals necessitated by those objections. Class
28 Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax

purposes and for paying any taxes on the amounts received. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount to be distributed to Settlement Class Members.

12. Incentive Award. In recognition of her efforts and work in prosecuting the Action, Defendant agrees not to oppose or impede any application or motion for an Incentive Award in an amount up to Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff Felissia Fry. The Incentive Award, which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to Plaintiff's Individual Settlement Payment and Individual PAGA Payment that is to be paid pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff for the Incentive Award, and Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest thereon arising as a result of the Incentive Award. Should the Court approve the Incentive Award to Plaintiff in an amount that is less than that set forth above, the difference between the lesser amount approved by the Court and the amount as allocated above shall be a part of the Net Settlement Amount to be distributed to Settlement Class Members.

13. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Eleven Thousand Dollars (\$11,000). These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter alia*, printing, distributing, and tracking Class Notices and other documents for this Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. To the extent actual Settlement Administrations Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Gross Settlement Amount, subject to Court approval upon a showing of good cause. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator

to undertake the required settlement administration duties shall be a part of the Net Settlement Amount to be distributed to Settlement Class Members.

14. LWDA Payment. Subject to approval by the Court, the Parties agree that the amount of One Hundred Fifty Thousand Dollars (\$150,000) from the Gross Settlement Amount will be allocated toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.*, of which seventy-five percent (75%), or \$112,500, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$37,500, will be distributed to Settlement Class Members as part of the Net Settlement Amount.

15. Individual Settlement Share and Individual PAGA Payment Calculations. Class Members shall not be required to submit a claim in order to receive a share of the Net Settlement Amount, and PAGA Group Members shall not be required to submit a claim in order to receive a share of the 25% portion of the PAGA Penalties that is allocated to the PAGA Group, and no portion of the Gross Settlement Amount shall revert to Defendant. Individual Settlement Shares and Individual PAGA Payments will be calculated and apportioned based on the Workweek and PAGA Pay Periods, respectively, as follows:

a. Individual Settlement Shares.

i. After Preliminary Approval of the Settlement, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiply each Class Member’s individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement.

ii. After Final Approval of the Settlement, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Member to yield the “Final Workweek Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

b. Individual PAGA Payments.

i. To determine the Individual PAGA Payment for each PAGA Group Member, the Settlement Administrator will divide the 25% portion of the PAGA Penalties that is

1 allocated to the PAGA Group, i.e., \$37,500, by the total number of PAGA Pay Periods worked by all
2 PAGA Group Members during the PAGA Period (“Total PAGA Pay Periods”) resulting in the PAGA
3 Pay Period Value and then multiplying the PAGA Pay Period Value by the number of PAGA Pay
4 Periods worked by each individual PAGA Group Member during the PAGA Period.

5 16. Settlement Awards Do Not Trigger Additional Benefits. All payments to Plaintiff,
6 Settlement Class Members and PAGA Group Members shall be deemed to be income to Plaintiff,
7 Settlement Class Members and PAGA Group Members solely in the year in which such payments
8 actually are received by them. It is expressly understood and agreed that payments made under this
9 Settlement shall not in any way entitle Plaintiff, any Settlement Class Member or any PAGA Group
10 Member to additional compensation or benefits under any new or additional compensation or benefits,
11 or any bonus, contest or other compensation or benefit plan or agreement in place during the Class
12 Period or, if applicable, the PAGA Period, nor will it entitle them to any increased retirement, 401K
13 benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary
14 language or agreement in any benefit or compensation plan document that might have been in effect
15 during the Class Period or, if applicable, the PAGA Period).

16 17. Delivery of the Class Data and List. Within twenty-one (21) calendar days of Preliminary
17 Approval, Defendant will provide the Class Data and List to the Settlement Administrator.

18 18. Notice by First Class U.S. Mail.
19 a. Within ten (10) business days after receiving the Class Data and List from
20 Defendant, the Settlement Administrator will perform a search based on the National Change of Address
21 Database or any other similar services available, such as provided by Experian, for information to update
22 and correct for any known or identifiable address changes, and will mail a Class Notice (in the form
23 attached as Exhibit A to this Settlement Agreement) to all Class Members via First-Class U.S. Mail,
24 using the most current, known mailing addresses identified by the Settlement Administrator.

25 b. With respect to Class Notices that are returned as undeliverable and received by
26 the Settlement Administrator on or before the Response Deadline, the Settlement Administrator will
27 search for an alternate address by way of skip-trace and re-mail the Class Notice within five (5) calendar
28 days.

1 19. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute the
2 number of Workweeks to which they have been credited, as reflected in their respective Class Notices.
3 In order to dispute Workweeks, Class Members must submit a written letter to the Settlement
4 Administrator that: (a) states the case name and number of the Action; (b) is signed by the Class
5 Member; (c) states the full name, address, telephone number, and the last four digits of the Social
6 Security Number of the disputing Class Member; (d) clearly states that the Class Member disputes the
7 number of Workweeks credited to him or her and what he or she contends is the correct number to be
8 credited to him or her; (e) includes information and/or attaches documentation demonstrating that the
9 number of Workweeks that he or she contends should be credited to him or her are correct; and (f) is
10 returned by fax or mail to the Settlement Administrator at the specified address and/or facsimile number,
11 postmarked or fax-stamped on or before the Response Deadline. The date of the postmark on the return
12 mailing envelope or fax-stamp on the submission will be the exclusive means to determine whether a
13 dispute has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and
14 data as they pertain to the number of Workweeks to be credited to a disputing Class Member,
15 Defendant's records will be presumed correct and determinative of the dispute. However, if a Class
16 Member produces information and/or documents to the contrary, the Settlement Administrator will
17 evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve
18 and determine the number of eligible Workweeks that the disputing Class Member should be credited
19 with under the Settlement. The Settlement Administrator shall notify Class Counsel and Defendant's
20 Counsel of the fact that a Class Member has made a dispute and advise them of the outcome.

21 20. Settlement Checks. The Settlement Administrator will be responsible for undertaking
22 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments to the
23 Settlement Class Members, and Individual PAGA Payments to PAGA Group Members, via First-Class
24 U.S. Mail in accordance with this Settlement Agreement. Each Individual Settlement Payment and
25 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar
26 days from the date the checks are issued, and thereafter, shall be cancelled. After the 180-day check-
27 cashing deadline, the Parties shall file a stipulation to amend the Final Approval Order and Judgment
28 that sets forth the total amount to be paid to Settlement Class Members and the amount of unpaid residue,

1 plus any interest on such funds. All funds associated with such cancelled checks will be transferred to
2 the State of California's Unclaimed Property Division in the name of the Settlement Class Member
3 and/or Aggrieved Employee, subject to the requirements of California Code of Civil Procedure Section
4 384, subd. (b)., after the Court enters an order approving the Parties' stipulation to amend the Final
5 Approval Order and Judgment. Within sixty (60) calendar days of the distribution to the State of
6 California's Unclaimed Property Division, the Settlement Administrator will provide written certification
7 of completion of settlement administration to Class Counsel and to Defendant's Counsel. The Settlement
8 Administrator may, as necessary, undertake amended and/or supplemental tax filings and reporting,
9 required under applicable local, state, and federal tax laws, that are necessitated due to the cancellation of
10 any Individual Settlement Payment or Individual PAGA Payment checks. Settlement Class Members
11 whose Individual Settlement Payment checks are cancelled shall, nevertheless, be bound by this
12 Settlement Agreement. Similarly, PAGA Group Members whose Individual PAGA Payment checks are
13 cancelled shall, nevertheless, be bound by this Settlement Agreement.

14 21. Procedure for Requesting Exclusion from the Settlement. Any Class Member wishing to
15 be excluded from the Settlement must submit a timely and valid Request for Exclusion to the Settlement
16 Administrator. A Request for Exclusion must: (1) contain the case name and number of the Action; (2)
17 contain the Class Member's full name, address, telephone number, and last four digits of his or her
18 Social Security number; (3) be signed by the Class Member; (4) contain a clear statement that the Class
19 Member requests to be excluded from the Settlement; and (5) be sent to the Settlement Administrator
20 by mail or fax, postmarked or fax-stamped by no later than the Response Deadline. The Class Notice
21 shall contain instructions on how to opt out. The date of the fax-stamp or the postmark on the return
22 mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been
23 timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
24 Counsel the Requests for Exclusion that were timely submitted, and also identify the individuals who
25 have submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the
26 Court in advance of the Final Approval Hearing. Any Class Member who submits a Request for
27 Exclusion is prohibited from making any objection to the Settlement Agreement. Any Class Member
28 who validly requests to be excluded from the Settlement will not be a Settlement Class Member and

will not have any right to object, appeal, or comment on the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, PAGA Group Members are deemed to release the claims identified in Paragraph 7.ee of this Agreement and are eligible for an Individual PAGA Payment.

22. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class Member who does not affirmatively request exclusion from the Settlement by submitting a timely and valid Request for Exclusion is deemed to be a Settlement Class Member under this Agreement, entitled to all benefits and bound by all of the terms and conditions of the Settlement, including and not limited to those pertaining to the Released Class Claims, as well as the Final Approval Order and Judgment that may be entered by the Court if it grants Final Approval to the Settlement.

23. Procedures for Objecting to the Settlement. To object to the Settlement, Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) may present their objection orally at the Final Approval Hearing and/or submit a timely and complete Notice of Objection to the Settlement Administrator, by mail, on or before the Response Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain the required information as set forth in Paragraph 7.v of this Settlement Agreement. The date of the postmark on the return mailing envelope or fax-stamp on the submission of the Notice of Objection will be deemed the exclusive means for determining that the Notice of Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to the Settlement or appeal from the Final Approval Order and Judgment.

24. Reports By the Settlement Administrator Regarding Settlement Administration. The Settlement Administrator will provide Defendant's Counsel and Class Counsel weekly reports which certify: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the number of Class Members who have submitted timely and valid Requests for Exclusion or timely and complete Notices of Objection; and (c) the number of undeliverable and re-mailed Class Notices. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, and immediately notify Defendant's Counsel and Class Counsel when it receives a request from an individual or any other entity regarding

inclusion in the Class and/or settlement.

25. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

26. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: thirty percent (30%) wages and seventy percent (70%) as penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portion allocated to interest, penalties, and non-wage damages will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payment (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The employer's share of taxes and contributions on the wages portion of Individual Settlement Shares will be paid by Defendant separately and in addition to the Gross Settlement Amount. Individual PAGA Payments will be reported on an IRS Form-1099 by the Settlement Administrator.

27. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by this Settlement Agreement and by law for all amounts paid pursuant to the Settlement. The Settlement Administrator will also be responsible for forwarding all taxes, contributions, and withholdings with respect to the wages portion of Individual Settlement Shares to the appropriate government authorities.

28. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff and Settlement Class Members understand and agree that Plaintiff, Settlement Class Members and PAGA Group Members will be solely responsible for correctly characterizing any compensation received under the Settlement on his/her personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

1 29. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR
2 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
3 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
4 PARTY”) ACKNOWLEDGES AND AGREES THAT (a) NO PROVISION OF THIS SETTLEMENT
5 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
6 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
7 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
8 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
9 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
10 AMENDED); (b) THE ACKNOWLEDGING PARTY (i) HAS RELIED EXCLUSIVELY UPON HIS,
11 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING
12 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (ii) HAS NOT
13 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION
14 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
15 (iii) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
16 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY
17 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (c) NO ATTORNEY OR ADVISER TO
18 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
19 CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES
20 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
21 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
22 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
23 BY THIS SETTLEMENT AGREEMENT.

24 30. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
25 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
26 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
27 of action or right herein released and discharged.

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1 31. Release of Claims by Settlement Class Members. Upon the Effective Date and full
2 funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members (i.e., Class
3 Members who do not submit a valid and timely Request for Exclusion), on behalf of themselves and
4 their respective former and present representatives, agents, attorneys, heirs, administrators, successors,
5 and assigns, will be deemed to have fully, finally and forever released, settled, compromised,
6 relinquished, and discharged the Released Parties of all Released Class Claims they may have or had.
7 Settlement Class Members do not release any other claims (except for the Released PAGA Claims to
8 the extent that they are also PAGA Group Members), including claims for vested benefits, wrongful
9 termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability,
10 social security, workers' compensation, or claims based on facts occurring outside the Class Period.

11 32. General Release of Claims by Plaintiff. In addition, upon the Effective Date and full
12 funding of the Gross Settlement Amount, Plaintiff will be deemed to have fully released, settled,
13 compromised, relinquished, and discharged the Released Parties of and from all claims arising from
14 Plaintiff's employment with Defendant, separation of employment from Defendant, and any acts that have
15 or could have been asserted in any legal action or proceeding against Defendant, whether known or
16 unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under
17 the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the
18 Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act,
19 California Corporations Code, California Business and Professions Code, California Fair Employment
20 and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for
21 discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment
22 compensation, emotional distress, medical expenses, other economic and non-economic damages,
23 attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect
24 to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and
25 all rights and benefits available under California Civil Code Section 1542, which provides:

26 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR
27 OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR
28 HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF
 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER
 SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

1 Plaintiff understands and agrees that claims or facts in addition to or different from those which are now
2 known or believed by her to exist may hereafter be discovered. It is Plaintiff's intention to settle fully
3 and release all claims she now has against the Released Parties, whether known or unknown, suspected
4 or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for
5 workers' compensation benefits, claims for unemployment benefits, or other claims that may not be
6 released by law.

7 33. Release of Claims by PAGA Group Members. In addition, upon the Effective Date and
8 full funding of the Gross Settlement Amount, Plaintiff and all PAGA Group Members, will be deemed
9 to have fully, finally and forever released, settled, compromised, relinquished, and discharged, on behalf
10 of themselves and their respective former and present representatives, agents, attorneys, heirs,
11 administrators, successors, and assigns, the Released Parties of all Released PAGA Claims they may
12 have had or had.

13 34. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
14 Upon full execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for
15 Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will
16 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion
17 and also submit this Settlement Agreement to the LWDA. Class Counsel will provide Defendant's
18 Counsel a draft of the motion before filing the motion. Defendant agrees not to oppose the motion
19 consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an
20 order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the
21 following:

- 22 a. Conditionally certifying the class for settlement purposes only;
- 23 b. Granting Preliminary Approval of the Settlement;
- 24 c. Preliminary appointing Plaintiff as Class Representative;
- 25 d. Preliminary appointing Class Counsel as counsel for the Class;
- 26 e. Appointing Simpluris, Inc. as the Settlement Administrator;
- 27 f. Approving, as to form and content, the mutually-agreed upon and proposed Class
- 28 Notice and directing its mailing to the Class by First Class U.S. Mail;

g. Approving the manner and method for Class Members to request exclusion from the Settlement, dispute the number of Workweeks credited to them, or object to the Settlement as contained herein and within the Class Notice; and

h. Scheduling a Final Approval Hearing at which the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate as to the Settlement Class Members.

35. Duties of the Parties With Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for (a) Individual Settlement Payments; (b) LWDA Payment; (c) Individual PAGA Payments; (d) Attorneys' Fees and Costs; (e) Incentive Award; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the motion before filing the motion. By way of said motion, Plaintiff will apply for the entry of the mutually-agreed upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;

b. Certifying the class for settlement purposes;

c. Awarding Attorneys' Fees and Costs to Class Counsel;

d. Awarding an Incentive Award to Plaintiff;

e. Awarding Settlement Administration Costs to Settlement Administrator;

f. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and

g. Entering judgment in the Action, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

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1 36. Termination or Revocation of Settlement.

2 a. If five percent (5%) or more of the Class Members submit timely and valid
3 Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement by providing written
4 notice of exercising its right of rescission, to Class Counsel and to the Settlement Administrator within
5 fourteen (14) calendar days of the Response Deadline. If Defendant exercises this option, Defendant shall
6 pay any costs of settlement administration owed to the Settlement Administrator incurred up to that date.

7 37. Effects of Termination of the Settlement. Termination of the Settlement Agreement shall
8 have the following effects:

9 a. The Settlement Agreement shall be void and shall have no force or effect, and no
10 Party shall be bound by any of its terms;

11 b. In the event the Settlement Agreement is terminated, Defendant shall have no
12 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
13 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
14 Administrator is notified that the Settlement has been terminated;

15 c. The Preliminary Approval Order, Final Approval Order and Judgment, including
16 any order certifying the class, shall be vacated;

17 d. The Settlement Agreement and all negotiations, statements and proceedings
18 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored
19 to their respective positions in the Action prior to the execution of the Settlement Agreement;

20 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
21 statements, or filings in furtherance of the Settlement (including all matters associated with the mediation)
22 shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever;
23 and

24 f. Any documents generated to bring the Settlement into effect, will be null and
25 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
26 likewise be treated as void from the beginning; and

27 g. The Parties shall request that the Court reopen proceedings within thirty (30)
28 calendar days.

1 38. Escalator Clause. Defendant represented that for the period of August 11, 2018 through
2 November 2, 2023, there were approximately 36,000 total Workweeks. If it is determined that the total
3 number of Workweeks during the Class Period actually exceeds this amount by more than ten percent
4 (10%) (i.e., the Workweeks for the Class Period are actually more than 39,600), Defendant will have the
5 option of paying the increase to the Gross Settlement Amount on a pro rata basis (for example, if the
6 increase in Workweeks is 12% over 36,000 Workweeks, the Gross Settlement Amount will increase by
7 2%), or of timely electing to end the Class Period and PAGA Period as of the last date on which the
8 Workweeks do not exceed 39,600 (“Settlement End Date”). If Defendant elects to end the Class Period
9 and PAGA Period pursuant to this Paragraph, it must notify Class Counsel and the Settlement
10 Administrator of such decision at least three (3) business days prior to the mailing of the Class Notice so
11 that the Class Notice can be revised to include the accurate terms of the Settlement.

12 39. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
13 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
14 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
15 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
16 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

17 40. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
18 terms set forth in any attached exhibits, which are incorporated by this reference as though fully set
19 forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

20 41. Entire Agreement. Upon full execution of this Settlement Agreement by the Parties, this
21 Settlement Agreement and any attached exhibits constitute the entirety of the Parties’ settlement terms,
22 and no other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.
23 The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure §
24 1856(a), which provide that a written agreement is to be construed according to its terms and may not
25 be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or
26 written representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

27 42. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
28 Action, except such proceedings necessary to implement and complete the Settlement Agreement,

1 pending the Final Approval Hearing to be conducted by the Court.

2 43. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of
3 this Settlement Agreement except by written agreement signed by counsel for all Parties, and subject to
4 any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement
5 will not constitute a waiver of any other provision.

6 44. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
7 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
8 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
9 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
10 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
11 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
12 will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to
13 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
14 provisions that otherwise might apply under state or federal law.

15 45. Signatories. It is agreed that because the members of the Class are so numerous, it is
16 impossible or impractical to have each Settlement Class Member execute this Settlement Agreement.
17 The Class Notice will advise all Class Members of the binding nature of the release and contemplated
18 judgment as to the Settlement Class Members, and the release shall have the same force and effect as if
19 this Settlement Agreement were executed by each Settlement Class Member.

20 46. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
21 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

22 47. California Law Governs. All terms of this Settlement Agreement and attached exhibits
23 hereto will be governed by and interpreted according to the laws of the State of California.

24 48. Execution and Counterparts. This Settlement Agreement is subject only to the execution
25 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
26 executed counterparts and each of them, including facsimile, electronic, and scanned copies of the
27 signature page, will be deemed to be one and the same instrument.

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1 49. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this
2 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
3 this settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
4 account all relevant factors, present and potential. The Parties further acknowledge that they are each
5 represented by competent counsel and that they have had an opportunity to consult with their counsel
6 regarding the fairness and reasonableness of this Settlement Agreement. In addition, the Mediator may
7 execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court
8 may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement
9 is objectively fair and reasonable.

10 50. Invalidity of Any Provision. Before declaring any provision of this Settlement
11 Agreement invalid, the Court will first attempt to construe the provision as valid and enforceable to the
12 fullest extent possible consistent with applicable precedents so as to define all provisions of this
13 Settlement Agreement valid and enforceable.

14 51. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement
15 Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

16 52. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
17 the dispute that has arisen between them and to avoid the burden, expense, and risk of continued
18 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically
19 denies, that it has violated any state, federal, or local law; violated any regulations or guidelines
20 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;
21 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
22 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
23 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
24 construed as an admission or concession by Defendant of any such violations or failures to comply with
25 any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
26 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as
27 evidence in any action or proceeding to establish any liability or admission on the part of Defendant or
28 to establish the existence of any condition constituting a violation of, or a non-compliance with state,

federal, local or other applicable law.

53. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

54. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

55. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full.

56. All Terms Subject to Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to Court approval.

57. Notices. All notices, demands, and other communications to be provided to counsel for the Parties concerning this Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiff and Class Counsel:

Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Helene Mayer, Esq.
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203

To Defendant:

Pascal Benyamini, Esq.
Amanda Semaan, Esq.
FAEGRE DRINKER BIDDLE & REATH LLP
1800 Century Park East, Suite 1500
Los Angeles, California 90067

58. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days. No individualized notice to the Class will be required.

59. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

60. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

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

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

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant:

IT IS SO AGREED.

PLAINTIFF FELISSIA FRY

Dated: 06/25/2024

Electronically Signed 2024-06-25 20:58:34 UTC - 97.190.46.244
33e6a3f5-5431-487a-bdb2-b19a015138d4
Fintex AssureSign®

Felissia Fry, Plaintiff

DEFENDANT MERAKEY ALLOS

Dated: June 25, 2024



Full Name: Jill Garfinkle Weitz

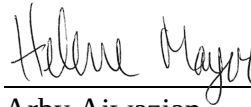
Title: General Counsel

On behalf of Merakey Allos, Defendant

APPROVED AS TO FORM:

LAWYERS for JUSTICE, PC

Dated: July 2, 2024



Arby Aiwazian

Joanna Ghosh

Helene Mayer

Attorneys for Plaintiff and Proposed Class Counsel

FAEGRE DRINKER BIDDLE & REATH LLP

Dated: June 27, 2024



Pascal Benyamini

Amanda Semaan

Attorneys for Defendant

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Felissia Fry v. Merakey Allos

Superior Court of California for the County of San Diego, Case No. 37-2022-00032123-CU-OE-CTL

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

This Class Notice is designed to advise you of your rights and options, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class action settlement has been reached between Felissia Fry ("Plaintiff") and Defendant Merakey Allos ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Felissia Fry v. Merakey Allos*, San Diego County Superior Court, Case No. 37-2022-00032123-CU-OE-CTL ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the time period from August 11, 2018 through March 4, 2024.

"Class Settlement" means the settlement and release of Released Class Claims (described in Section III.D below).

"PAGA Group Members" means all individuals who worked for Defendant as non-exempt employees in the State of California at any time during the PAGA Period.

"PAGA Settlement" means the settlement and resolution of Released PAGA Claims (described in Section III.D below).

"PAGA Period" means the time period from July 20, 2021 through March 4, 2024.

II. BACKGROUND OF THE ACTION

On July 20, 2022, Plaintiff provided written notice to the Labor and Workforce Development Agency ("LWDA") and Defendant giving notice of her intent to pursue civil penalties under the California Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("PAGA"), on behalf of herself and the State of California, as well as on behalf of a proposed group of aggrieved employees for alleged violations of multiple provisions of the California Labor Code and Industrial Welfare Commission Wage Orders ("LWDA Notice"). On August 11, 2022, Plaintiff filed a Class Action Complaint for Damages in the San Diego County Superior Court, Case No. 37-2022-00032123-CU-OE-CTL. On October 20, 2022, Plaintiff filed a First Amended Class Action Complaint for Damages & Enforcement Under the PAGA ("First Amended Complaint"). On September 24, 2024, Plaintiff filed a Second Amended Class Action Complaint for Damages & Enforcement Under the PAGA ("Second Amended Complaint" or "Operative Complaint"). Plaintiff alleges causes of action against Defendant for violations of the California Labor Code, including *inter alia*, failure to pay minimum wages, failure to pay overtime wages, failure to provide meal periods and associated premiums, failure to provide rest periods and associated premiums, failure to properly pay timely wages during employment, failure to timely pay final wages and associated waiting-time penalties, failure to keep compliant payroll records, failure to keep compliant wage statements, failure to reimburse business expenses, failure to provide one day's rest in seven, for violations of the Wage Theft Protection

Act, for violations of California Business and Professions Code Section 17200 *et seq.*, and for civil penalties pursuant to PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

After investigation and analysis of the claims, the Parties engaged in good faith, arms-length negotiations, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Simpluris, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Felissia Fry as representative of the Class ("Class Representative"), and the following counsel as counsel for the Class ("Class Counsel"):

Arby Aiwazian, Esq.
Joanna Ghosh, Esq.
Helene Mayer, Esq.
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Group Member, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Group Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members and PAGA Group Members. The Court has made no ruling on the merits of the claims asserted in the Action and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Nine Hundred and Three Thousand Dollars (\$1,953,000) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments subject to approval by the Court: (1) attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$683,550) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action, in an amount not to exceed Eighteen Thousand Dollars (\$18,000) ("Attorneys' Fees and Costs"); (2) Incentive Award in an amount up to Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff for her efforts and work in prosecuting the Action; (3) Settlement Administration Costs estimated not to exceed Eleven Thousand Dollars (\$11,000) to the Settlement Administrator; and (4) the amount of One Hundred Fifty Thousand Dollars (\$150,000) to settle all claims under the PAGA ("PAGA Penalties"). The PAGA Penalties will be distributed as follows: 75% (\$112,500) will be paid to the LWDA ("LWDA Payment") and 25% (\$37,500) will be distributed to PAGA Group Members.

Class Members are entitled to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member worked for Defendant, for at least one day, as a non-exempt employee in California during the Class Period, which will be calculated by the Settlement Administrator by using the Class Data and List furnished by the Defendant ("Workweeks"). The Settlement Administrator

has divided the Net Settlement Amount by the total number of Workweeks of all Class Members (“Estimated Workweek Point Value”) and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to arrive at his or her Individual Settlement Share that he or she may be eligible to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their payment of their final Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share (the net payment is referred to as the “Individual Settlement Payment”).

Each Individual Settlement Share will be allocated as thirty percent (30%) wages, which will be reported on an IRS Form W-2, and seventy percent (70%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 by the Settlement Administrator. Each Individual Settlement Share shall be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of Individual Settlement Shares. The employer’s share of taxes and contributions in connection with the wages portion of the Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Group Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the 25% portion of the PAGA Penalties that is allocated to the PAGA Group Members (“Individual PAGA Payment”), based on the number of pay periods each PAGA Group Member worked for Defendant, for at least one day, as an hourly-paid or non-exempt employee within the State of California during the PAGA Period, which will be calculated by the Settlement Administrator by using the Class Data and List furnished by Defendant (“PAGA Pay Periods”). The Settlement Administrator has divided the 25% portion of the PAGA Penalties allocated to the PAGA Group Members by the total number of PAGA Pay Periods worked by all PAGA Group Members during the PAGA Period (“Total PAGA Pay Periods”) resulting in the PAGA Pay Period Value and then multiplied the PAGA Pay Period Value by the number of PAGA Pay Periods worked by each individual PAGA Group Member during the PAGA Period (which is listed in Section III.C below).

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, which will be reported on an IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Group Members at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendant’s Records

According to Defendant’s records:

From August 11, 2018, through March 4, 2024, (i.e., Class Period), you are credited as having worked [REDACTED] Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit a written dispute that: (a) states the name and case number of the Action (*Felissia Fry v. Merakey Allos*, 37-2022-00032123-CU-OE-CTL); (b) is signed by you; (c) states your full name, address, telephone number, and last four digits of your Social Security number; (d) clearly states that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (e) includes information and/or attaches documentation demonstrating that the number of Workweeks that you contend should be credited to you are correct; and (4) is returned by fax or mail to the Settlement Administrator at the specified address and/or facsimile number listed in Section IV.B below, postmarked or fax-stamped **no later than [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you. Your estimated Individual PAGA Payment is based on the number of PAGA Pay Periods credited to you.

**Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED].
The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payment.**

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED].

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

D. Released Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members waive, release, and discharge Released Parties of any and all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California, and PAGA Group Members, waive, release and discharge Released Parties of any and all Released PAGA Claims.

“Released Class Claims” means any and all claims, actions, causes of action, rights, demands, liabilities, penalties, damages, restitution, losses, disgorgement, liquidated damages, interest, attorneys’ fees, fines, debts, obligations, costs, and expenses, that were alleged, or could have been alleged, whether known or unknown, contingent or accrued, based upon or arising out of the facts and/or claims alleged in the Operative Complaint during the Class Period.

“Released PAGA Claims” means all claims or causes of action for penalties under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* that were alleged, or could have been alleged in the Operative Complaint and the LWDA Notice, whether known or unknown, contingent or accrued, based upon or arising out of the facts and/or claims alleged in the Operative Complaint and the LWDA Notice during the PAGA Period.

“Released Parties” means Defendant and any of its past and present directors, officers, shareholders, owners, attorneys, insurers, reinsurers, employees, predecessors, successors, assigns, parent companies, subsidiaries, and affiliated entities.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty five percent (35%) of the Gross Settlement Amount (i.e., \$683,550,000) and reimbursement of actual costs and expenses associated with Class Counsel’s litigation and Settlement of the Action, in an amount not to exceed Eighteen Thousand Dollars (\$18,000) (“Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Litigation Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Incentive Award to Plaintiff

Plaintiff will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500) (“Incentive Award”), in recognition of her efforts and work in prosecuting the Action. The Incentive Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to her Individual Settlement Payment and Individual PAGA Payment (if applicable) that she is entitled to under the Settlement.

G. Settlement Administration Costs to the Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Eleven Thousand Dollars (\$11,000.00) (“Settlement Administration Costs”) for the reasonable costs of the notice and settlement administration process, including and not limited to, printing, distributing, and tracking Class Notices and other documents for this Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth in the Settlement Agreement to process this Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Class Claims described in Section III.D above.

If you are a PAGA Group Member, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

Class Members and PAGA Group Members will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless they retain their own counsel, in which event they will be responsible for their own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written request (“Request for Exclusion”), which must: (a) contain the case name and number of the Action (*Felissia Fry v. Merakey Allos*, Case No. 37-2022-00032123-CU-OE-CTL); (b) be signed by you; (c) contain your full name, address, telephone number, and last four digits of your Social Security number; (d) clearly state that you do not wish to be included in the Settlement; and (e) be returned by fax or mail to the Settlement Administrator, postmarked or faxed on or by **no later than [Response Deadline]** at the following address and/or facsimile number:

[Settlement Administrator]

[Address]

[Fax Number]

If the Court grants final approval of the Settlement, any Class Member who submits a timely and validly Request for Exclusion will not be entitled to receive an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. All PAGA Group Members will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Notice of Objection”) to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

An objection must be signed by you and include: (a) the case name and number of the Action (*Felissia Fry v. Merakey*

Allos, Case No. 37-2022-00032123-CU-OE-CTL); (b) your full name, signature, address, and telephone number; (c) a written statement of all grounds for the objection accompanied by any legal support for such objection; and (d) copies of any papers, briefs, or other documents upon which the objection is based. Any Notice of Objection must be mailed to the Settlement Administrator at the address listed in Section IV.B above, postmarked **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department C-64 of the San Diego County Superior Court, Central Courthouse, located at 1100 Union St, San Diego, California 92101, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, the Incentive Award to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

Please visit the Court's website for the most up-to-date information regarding the impact of COVID-19 on the operations of the Court and any requirements that may apply for accessing Court facilities: <https://www.sdcourt.ca.gov/>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and documents filed in the Action for a fee by visiting the civil clerk's office, located at 1100 Union St, San Diego, California 92101, during business hours, or by online by visiting the following website: <https://odyroa.sdcourt.ca.gov/Cases>, and typing in the Court Case Number "37-2022-00032123-CU-OE-CTL."

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.