

CLASS ACTION AND PAGA

SETTLEMENT AGREEMENT AND CLASS NOTICE

Subject to court approval, this Class Action and PAGA Settlement Agreement (“Agreement” or “Settlement” or “Settlement Agreement”) is made by and between JOSHUA ALTHAGE and JHONATHAN VELAZQUEZ, individually and on behalf of all others similarly situated (collectively, “Plaintiffs” “Class Representatives,” or “Representative Plaintiffs”), and Defendant THE SANTALUZ CLUB (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties” or individually as a “Party.”

1. DEFINITIONS.

1.1. “Action” means the Second Amended Class Complaint, Case No.: 37-2024-00014824 CU-OE-CTL (San Diego County Superior Court) containing Class Action and PAGA causes of action (and any subsequent amended complaint thereto).

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

1.3. “Administration Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator’s bid to be submitted to the Court. The Administration Expenses shall not exceed \$13,500, except for a showing of good cause and as approved by the Court.

1.4. “Class” or “Class Member(s)” means all non-exempt individuals who worked for Defendant during the Class Period.

1.5. “Class Counsel” means captioned counsel of record from Wilshire Law Firm.

1.6. “Class Counsel Attorneys’ Fees Payment” and “Class Counsel Litigation Costs Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action. Class Counsel Attorneys’ Fees shall not exceed 1/3rd of the Gross Settlement Amount of \$ 775,000.00 and Class Counsel’s Litigation Costs Payment shall be for actual costs incurred, not to exceed \$33,000.00.

1.7. “Class Data” means the following Class Member identifying information in the possession of Defendant: Class Member’s name, last-known mailing address, Social Security number, number of Class Period Workweeks, and number of PAGA Period Pay Periods.

1.8. “Class Member Address Search” means the Administrator’s search for Class Member mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.9. “Class Notice” means the Notice of Class Action Settlement, attached as **Attachment A**, and including the Request for Exclusion, attached as **Attachment B**, to be mailed to Class Members and incorporated by reference into this Agreement.

1.10. “Class Period” means the period from October 3, 2019, through June 23, 2025.

1.11. “Class Representatives” refers to the Plaintiffs JOSHUA ALTHAGE and JHONATHAN VELAZQUEZ.

1.12. “Class Representatives’ Service Payments” means the payments to the Class Representatives for initiating and providing services in support of the Actions in the amount of \$10,000 each for a total of \$20,000.00, subject to Court approval (in addition to any Individual Class Payments and any Individual PAGA Payments the Class Representatives are entitled to receive as a Participating Class Member).

1.13. “Court” means the San Diego County Superior Court.

1.14. “Defense Counsel” means captioned counsel of record from the law firm of Gordon Rees Scully Mansukhani.

1.15. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its order granting final approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.16. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.17. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.18. “Gross Settlement Amount” means **\$775,000.00**, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below and employer side taxes on the wages portion of the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Attorneys’ Fees Payment, Class Counsel Litigation Costs Payment, Class Representatives’ Service Payments, and the Administration Expenses.

1.19. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks worked during the Class Period.

1.20. “Individual PAGA Payment” means the PAGA Members’ pro rata share of 35% of the PAGA Payment, calculated according to the number of Pay Periods worked during the PAGA Period.

1.21. “Judgment” means the judgment entered by the Court based upon granting final approval of the Settlement.

1.22. “LWDA” means the California Labor Workforce and Development Agency the agency entitled, under Labor Code section 2699, subdivision (i).

1.23. “LWDA PAGA Payment” means the 65% share of the PAGA Payment paid to the LWDA under Labor Code section 2699(i).

1.24. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representatives’ Service Payments, Class Counsel Attorneys’ Fees Payment, Class Counsel Litigation Costs Payment, and the Administration Expenses. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.25. “Non-Participating Class Member” means any Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.26. “Operative Complaint” means the Second Amended Class Action Complaint (containing a PAGA cause of action) (and any subsequent amended complaint), together with the PAGA Notices.

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

1.28. “PAGA” means California’s Private Attorneys General Act of 2004.

1.29. “PAGA Members” means all non-exempt individuals who worked for Defendant in California during the PAGA Period.

1.30. “PAGA Notices” mean original plaintiff Francisco Sanchez Perez’s June 20, 2024, letter to Defendant and the LWDA and plaintiff Jhonathan Velazquez’s March 28, 2025, letter to Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.31. “PAGA Period” means August 30, 2023, through June 23, 2025.

1.32. “PAGA Payment” means the sum of \$40,000.00, which shall be allocated from the Gross Settlement Amount to pay all applicable penalties under PAGA. 65% of the total PAGA Payment (\$26,000.00) shall be paid to the LWDA, and 35% of the total PAGA Payment (\$14,000.00) shall be paid to the PAGA Members on a pro rata basis according to the number of pay periods worked by each PAGA Member. The PAGA Payment paid to PAGA Members shall be made regardless of whether a PAGA Member requested to be excluded from the Settlement Class.

1.33. “Pay Period” means any two week pay cycle during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.

1.34. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.35. “Release by Participating Class Members” is defined as: All Participating Class Members for the duration of the Class Period of October 3, 2019 through June 23, 2025, release Released Parties from: all claims, rights, demands, liabilities, and causes of action, reasonably arising from, or related to, the same set of operative facts as those set forth in the Operative Complaint against Defendant and/or Released Parties during the Class Period, including: 1. Failure to Pay Minimum and Straight Time Wages; 2. Failure to Pay Overtime Wages; 3. Failure to Provide Meal Periods; 4. Failure to Authorize and Permit Rest Periods; 5. Failure to Timely Pay Final Wages; 6. Failure to Provide Accurate Wage Statements; 7. Failure to Indemnify Employees for Business Expenditures; 8. Failure to Produce Employment Records; and 9. Unfair Business Practices.

1.36. “Release by PAGA Members” is defined as: All PAGA Members for the duration of the PAGA Period of August 30, 2023 through June 23, 2025, release Released Parties from: all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notices, including failure to pay all hours worked, including minimum, straight time, and overtime hours, off-the-clock work, failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked, failure to maintain accurate records of meal periods, failure to timely pay all wages, failure to furnish accurate, itemized wage statements, failure to indemnify for necessary business expenditures, and failure to produce employment records as to the PAGA Members.

1.37. “Released Parties” means: Defendant and its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.38. “Request for Exclusion” means a Class Member’s submission of a signed written request to be excluded from the Class Settlement, including on the form provided with the Class Notice.

1.39. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

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

1.41. “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

1.42. “Workweek Estimate” means, based on a review of Defendant’s records to date, a total of 53,000 Workweeks worked by Class Members during the Class Period.

2. RECITALS.

2.1 On March 28, 2204, original plaintiff Francisco Sanchez Perez filed a putative class action alleging wage and hour violations against Defendant. On March 28, 2025, Plaintiff Jhonathan Velazquez (“Velazquez”) provided written notice of alleged PAGA violations to the LWDA and Defendant. On May 8, 2025, Plaintiffs Joshua Althage (“Althage”) and Velazquez filed the First Amended Class Action Complaint, and on August 12, 2025, they filed the Second Amended Class Action Complaint.

2.2. On April 27, 2025, the Parties participated in an all-day mediation presided over by Gig Kyriacou, which led to this Agreement to settle the Action.

2.3. Prior to mediation, the Class Representatives obtained from Defendant, through informal discovery, extensive documents and information related to the claims asserted, including the wage and hour records for approximately twenty-five (25) percent of the Class Members (the “Sample Pool”). The Sample Pool was determined by alphabetizing the Class Members by last name and selecting every fourth name listed. Documents reflecting all policies, procedures, and/or practices of the Defendant in effect during the Class Period, and the personnel files, payroll records, and employment records of each Class Representative were also produced. In addition, the Class Representatives engaged economic experts to assist in the analysis of documents and information. The Class Representatives’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).

2.4. The Court has not granted class certification.

2.5. Original plaintiff Francisco Sanchez Perez also filed a separate PAGA action on August 30, 2024, in San Diego Superior Court, case no. 24CU008959C. On October 3, 2025, the Parties filed a Joint Stipulation for Dismissal of Action Without Prejudice and [Proposed] Order. The [Proposed] Order remains pending at this time, but the Parties anticipate dismissal of that action prior to the Hearing for Preliminary Approval, described in Section 6 below. The Parties, Class Counsel and Defense Counsel represent that they are not otherwise aware of any pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$775,000.00 as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members and/or PAGA Members to submit any claim as a condition of payment. The Gross Settlement Amount is non-reversionary.

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

3.2.1. To Class Representatives: The Class Representatives' Service Payments of not more than \$10,000.00 each for a total of \$20,000.00, subject to Court approval (in addition to any Individual Class Payments and any Individual PAGA Payments the Class Representatives are entitled to receive as a Participating Class Members). If the Court approves a Class Representatives' Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representatives' Service Payments using IRS Form 1099. An award of less than the requested amount for the Class Representatives' Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Class Representatives' Service Payment, at its discretion at the final approval stage.

3.2.2. To Class Counsel: Class Counsel Attorneys' Fees shall not exceed 33.3% of the Gross Settlement Amount, which, unless increased pursuant to paragraph 8 of this Agreement, is currently estimated to be \$ 258,333.33 and Class Counsel's Litigation Costs shall not exceed \$33,000.00. Defendant will not oppose requests for these payments, provided the requests do not exceed the amounts specified herein. If the Court approves a Class Counsel Attorneys' Fees and/or a Class Counsel Litigation Costs Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Defendant and Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Costs. The Administrator will pay the Class Counsel Attorneys' Fees and Class Counsel Expenses Payment using one or more IRS 1099 Forms.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$10,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$10,000, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To the LWDA: 65% (\$26,000) of the PAGA Payment (\$40,000.00). The Court has authority under this Agreement to increase or reduce the PAGA Payment up to and including at the final approval stage, and the Parties respectfully reserve the right to increase or reduce the PAGA Payment up to and including at the final approval stage, which may be done only through written amendment fully executed by all Parties. If the Court approves a PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.5. To the PAGA Members: 35% (\$14,000.00) of the PAGA Payment (\$40,000.00). This amount shall be paid regardless of whether a PAGA Member is a Non-Participating Class Member. The Individual PAGA Payments are calculated by (a) dividing the Individual PAGA Payment by the total number of Pay Periods worked by all PAGA Members during the PAGA Period; and (b) multiplying the result by each PAGA Member's number of Pay Periods. If the Court approves a PAGA Payment of less than the amount requested, the

Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRA 1099 forms.

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

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

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Delivery of Class Data to Administrator. Not later than 7 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if they, or any of them, discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the foregoing deadline the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.2. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and fund the amounts necessary to fully pay their share of payroll taxes by transmitting the funds to the Administrator no later than 65 days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within 10 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Costs Payment, and the Class Representatives' Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class

Representatives' Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.3.1. The Administrator will issue checks for the Individual Class Payments and for the Individual PAGA Payments, and send them via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.3.3. For anyone whose Individual Class Payment check or Individual PAGA Payment is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of that person, to the State of California's Unclaimed Property Division.

4.3.4. The payment of Individual Class Payments or Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

4.3.5. Within its own discretion and election, the Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment.

4.4. Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendant's portions of payroll taxes, equal to the amount of payroll taxes that would be due by the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

5. RELEASES OF CLAIMS.

Effective on the date when Defendant fully funds the Gross Settlement Amount and all associated employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the following releases of claims will take effect:

5.1. Class Representative Althage's General Release. Althage and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators,

successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint, PAGA Notices, and/or ascertained during the Actions; (b) any claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with his alleged employment with a Released Party or the separation of such employment except as specifically excluded below; (c) any claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with any contract, including without limitation any written, oral, express, or implied contract, to which Released Parties, or any of them, are a party, including without limitation any claims asserted as a third party beneficiary to any such contract; and (d) any other act, omission or event occurring between Althage and any of the Released Parties at any time prior to the date that Ridge executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment except as specifically excluded below; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide premium pay for missed meal periods of rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, conversion, and any claim based upon third party beneficiary status; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. This General Release by Ridge does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Ridge acknowledges that she may discover facts or law different from, or in addition to, the facts or law that she now knows or believes to be true but agrees, nonetheless, this General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

5.1.1. Althage's Section 1542 Waiver. For purposes of this General Release, Althage expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2. Class Representative Velazquez's General Release. Velazquez and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint, PAGA Notices, and/or ascertained during the Actions; (b) any claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their alleged employment with a Released Party, the separation of such employment, (c) any claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with any contract, including without limitation any written, oral, express, or implied contract, to which Released Parties, or any of them, are a party, including without limitation any claims asserted as a third party beneficiary to any such contract; and (d) any other act, omission or event occurring between the Parties at any time prior to the date the Class Representative(s) executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide premium pay for missed meal periods of rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, conversion, and any claim based upon third party beneficiary status; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties

and/or benefits; and (6) all claims for attorneys' fees and costs. Class Representative's General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Class Representative(s) acknowledge that they may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Class Representative's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

5.2.1. Velazquez's Section 1542 Waiver. For purposes of Class Representative's General Release, Velazquez expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.3. Release by Participating Class Members: All Participating Class Members for the duration of the Class Period, release Released Parties from: all claims, rights, demands, liabilities, and causes of action, reasonably arising from, or related to, the same set of operative facts as those set forth in the Operative Complaint and/or PAGA Notices against Defendant and/or Released Parties during the Class Period, including: 1. Failure to Pay Minimum and Straight Time Wages; 2. Failure to Pay Overtime Wages; 3. Failure to Provide Meal Periods; 4. Failure to Authorize and Permit Rest Periods; 5. Failure to Timely Pay Final Wages; 6. Failure to Provide Accurate, Itemized Wage Statements; 7. Failure to Indemnify Employees for Expenditures; and 8. Unfair Business Practices in Violation of Bus. & Prof. Code § 17200, et seq. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period from October 3, 2019, through June 23, 2025.

5.4. Release by PAGA Members: All PAGA Members for the duration of the PAGA Period of August 30, 2023 through June 23, 2025 release Released Parties from: all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the PAGA Complaint and the PAGA Notices, including failure to pay all hours worked, including minimum, straight time, and overtime hours, off-the-clock work, failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked, failure to maintain accurate records of meal periods, failure to timely pay all wages, failure to furnish accurate, itemized wage statements, failure to indemnify for necessary business expenditures, and failure to produce employment records as to the PAGA Members, but expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period. The time period for this release is the PAGA Period of August 30, 2023, through June 23, 2025.

6. MOTION FOR PRELIMINARY APPROVAL.

6.1. Preliminary Approval. Plaintiffs shall move for an order conditionally certifying the Class for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice. Defendant shall accept service of the Motion for Preliminary Approval (and any other motions, declarations, proposed orders, exhibits, or other documents filed therewith) via electronic service at the addresses set forth in this Agreement or, if an electronic service agreement is already in place, pursuant to the Parties' electronic service agreement.

6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming Motion for Preliminary Approval, Class Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it, provided, however, that Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Any order or proceeding relating to an application for the Class Counsel Attorneys' Fees, Class Counsel Litigation Costs, Administration Expense Payment, and Class Representatives' Service Payments shall not operate to terminate this Settlement Agreement.

7. SETTLEMENT ADMINISTRATION.

7.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. The Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to calculate payroll tax withholdings and report to state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.

7.4. Notice to Class Members.

7.4.1. No later than 3 business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members and Workweeks in the Class Data.

7.4.2. Using best efforts to perform as soon as possible, and no later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Attachment A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment payable to the Class Member, and the number of Workweeks used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

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

7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks, and Requests for Exclusion will be extended an additional 14 days beyond the time otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

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

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member’s election to be excluded from the Settlement and includes the Class Member’s name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member’s desire to be excluded. The

Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases as set forth in section 5 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment, nor shall they have the right to object to the class action components of the Settlement.

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks, and its determination of the challenges, to Defense Counsel and Class Counsel.

7.7. Objections to Settlement.

7.7.1. Only Participating Class Members may object to the Settlement, including contesting the fairness of the Settlement.

7.7.2. Participating Class Members may send written objections to the Administrator, by email or mail. Alternatively, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

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

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails about the case.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the Response Deadline, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks received and/or resolved, and checks mailed for Individual Class Payments and for Individual PAGA Payments. The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4. Workweek Challenges. The Administrator has the authority to address and make final decisions, consistent with the terms of this Agreement, on all Class Member challenges over the calculation of Workweeks. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

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

7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, if applicable and if requested by any Party, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.

8. CLASS SIZE ESTIMATES AND ESCALATION CLAUSE. Based on its records, Defendant has provided a Workweek Estimate (53,000 Workweeks). In the event the

total Workweeks set forth in the Workweek Estimate increases by more than 10% between October 3, 2019 through June 23, 2025, the Parties agree that the Gross Settlement Amount shall be increased proportionately by the same percentage above 10%. For example, if the total Workweeks is in fact 11% higher than the Workweek Estimate, the Gross Settlement Amount will be increased by 1%. As an alternative to an increase in the Gross Settlement Amount as described in this clause, Defendant may elect to revert the end of the Class/PAGA period to a date on which the total number of actual Workweeks does not exceed the Workweek Estimate by more than 10%.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 15% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. If Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and no Party shall have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. To elect to withdraw, Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Response Deadline; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the Final Approval Hearing, the Class Representatives will file in Court a motion for final approval of the Settlement that includes a Proposed Final Approval Order and a proposed Judgment, which shall include a request for approval of the PAGA settlement under Labor Code § 2699, subd. (1) (collectively "Motion for Final Approval"). Class Counsel will provide drafts of these documents to Defense Counsel in advance of filing for Defense Counsel's review. Defendant shall accept service of the Motion for Final Approval (and any other motions, declarations, proposed orders, exhibits, or other documents filed therewith) via electronic service at the addresses set forth in this Agreement or, if an electronic service agreement is already in place, pursuant to the Parties' electronic service agreement.

10.1. Response to Objections. The Parties retain the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise by the Court.

10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.

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

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Attorneys' Fees and Class Counsel Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this

Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be stayed until such time as the appeal is finally resolved and the Judgment becomes final.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall agree to expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur.

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

12. ADDITIONAL PROVISIONS.

12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. 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 the Parties that any of the allegations in the Operative Complaint have merit or that there is any liability for any claim asserted. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If for any reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, all Parties reserve the right to prosecute and/or contest certification of any class and/or representation of aggrieved employees for any reason, reserve all available claims and defenses in the Action, among reservation of all other relevant rights. The Settlement, this Agreement, and the Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

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

12.4. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by the Parties, respectively, to take all appropriate

action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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

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

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

12.8. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or Class Counsel and Defense Counsel, as their legal representatives.

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

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

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

12.12. 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.

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

12.14. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given

as of the 3rd business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

To Plaintiffs:

Wilshire Law Firm, PLC

John G. Yslas

john.yslas@wilshirelawfirm.com

Eugene Zinovyev

eugene.zinovyev@wilshirelawfirm.com

John Brown

john.brown@wilshirelawfirm.com

Gabriella Solé

gabriella.sole@wilshirelawfirm.com

3055 Wilshire Blvd., 12th Floor

Los Angeles, CA 90010

To Defendant:

Gordon Rees Scully Mansukhani

Brandon D. Saxon

Lisa R. Crowley

101 W. Broadway, Suite 2000

San Diego, CA 92101

bsaxon@grsm.com

lcrowley@grsm.com

12.15. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Joshua Althage

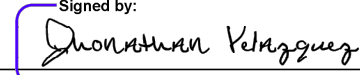
Date: 10/29/2025

Signed by:

F2487EF9963B43F
Joshua Althage

Plaintiff Jhonathan Velazquez

Date: 10/29/2025

Signed by:

3CDAB97E235F4B3
Jhonathan Velazquez

Defendant The Santaluz Club

Date: _____

Name: _____

Title: _____

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Joshua Althage

Date: _____
Joshua Althage

Plaintiff Jhonathan Velazquez

Date: _____
Jhonathan Velazquez

Defendant The Santaluz Club

Date: November 15, 2025
Signed by:

Debra Cooper
Name: Debra Cooper
Title: President Board of Directors

Attachment A

Notice of Class Action Settlement

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL

Francisco Sanchez Perez, et al. v. the Santaluz Club

Superior Court of the State of California for the County of San Diego
Case No. 37-2024-00014824-CU-OE-CTL

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

This notice is to the following individuals in connection with a pending class action settlement:

All non-exempt individuals who worked for The Santaluz Club in California during the Class Period.

Read this notice carefully. Your legal rights could be affected whether you act or not.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against The Santaluz Club (“Defendant”) for alleged wage and hour violations. The Action was filed by former employees Francisco Sanchez Perez, Joshua Althage, and Jhonathan Velazquez (“Class Representatives”) and seeks payment of (1) back wages for a class of hourly employees (“Class Members”) who worked for Defendant during the Class Period (October 3, 2019, to June 23, 2025). The proposed Settlement requires Defendant to fund Individual Class Payments.

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding)**. The actual amount you may receive likely will be different and will depend on a number of factors.

This estimate is based on Defendant’s records showing that **you worked [REDACTED] workweeks** during the Class Period. If you believe that you worked more workweeks, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Lawsuit is based on various allegations, including but not limited to Class Representatives’ claims that Defendant committed the following violations: 1. Failure to Pay Minimum and Straight Time Wages; 2. Failure to Pay Overtime Wages; 3. Failure to Provide Meal Periods; 4. Failure to Authorize and Permit Rest Periods; 5. Failure to Timely Pay Final Wages; 6. Failure to Provide Accurate, Itemized Wage Statements; 7. Failure to Indemnify Employees for Expenditures; 8. Unfair Business Practices in Violation of Bus. & Prof. Code § 17200, et seq.; and 9. any other wage and hour claims arising out of Participating Class Members’ alleged employment by Released Parties, or any of them, based on or arising out of the allegations of the Operative Complaint. Defendant denies all claims and maintains that they have each fully complied with the law.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.
OPT OUT OF THE CLASS SETTLEMENT THE OPT-OUT DEADLINE IS  [NOT LATER THAN 45 DAYS AFTER THE ADMINISTRATOR MAILS THE CLASS NOTICE (PLUS AN ADDITIONAL 14 DAYS FOR CLASS MEMBERS WHOSE CLASS NOTICE IS RE-MAILED)]	You may opt out of the Class Settlement by submitting a Request for Exclusion form. If you opt out, you may not object to the Settlement, you will not receive an Individual Class Payment, and you shall not be bound by the Class Release provisions in the settlement. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement.
OBJECT TO THE CLASS SETTLEMENT PARTICIPATING CLASS MEMBERS CAN OBJECT TO THE CLASS SETTLEMENT WRITTEN OBJECTIONS MUST BE SUBMITTED BY  [NOT LATER THAN 45 DAYS AFTER THE ADMINISTRATOR MAILS THE CLASS NOTICE (PLUS AN ADDITIONAL 14 DAYS FOR CLASS MEMBERS WHOSE CLASS NOTICE IS RE-MAILED)]	All Class Members who do not opt-out (“Participating Class Members”) can object to the Class Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and the Plaintiffs who brought the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff. You may object to the Settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.

You Can Participate in the [REDACTED] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [REDACTED]. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing.
You Can Challenge the Calculation of Your Workweeks Written Challenges Must be Submitted by [REDACTED] [not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed)]	The amount of your Individual Class Payment depends on how many workweeks you worked at least one day during the Class Period. The number of Class Period Workweeks you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by [REDACTED].

The Court’s final approval hearing is scheduled to take place on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** in Department C-74 of the San Diego Superior Court, SIXTH FLOOR 330 W Broadway San Diego, CA 92101. You do not have to attend but you do have the right to appear. ***For more information, please carefully read this notice.***

1. WHAT IS THE ACTION ABOUT?

The Class Representatives are non-exempt individuals who worked for the Defendant. The Class Representatives alleged Defendant violated California labor and employment laws through: 1. Failure to Pay Minimum and Straight Time Wages; 2. Failure to Pay Overtime Wages; 3. Failure to Provide Meal Periods; 4. Failure to Authorize and Permit Rest Periods; 5. Failure to Timely Pay Final Wages; 6. Failure to Provide Accurate, Itemized Wage Statements; 7. Failure to Indemnify Employees for Expenditures; 8. Unfair Business Practices in Violation of Bus. & Prof. Code § 17200, et seq.; 9. Civil Penalties Under PAGA Labor Code § 2699, et seq. The Class Representatives are represented by Wilshire Law Firm (“Class Counsel”). Defendant denies violating any laws and denies all allegations against it.

2. WHAT ARE PROPOSED SETTLEMENT TERMS?

The Class Action Complaint also alleges violations of California’s Private Attorneys General Act of 2004 (“PAGA”) against Defendant. The Settlement resolves the PAGA claims as well. Class Members who worked any pay period from August 30, 2023, to June 23, 2025, will receive an

Individual PAGA Payment in addition to an Individual Class Action Payment. The amount of the Individual PAGA Payment will be based upon the number of pay periods worked August 30, 2023, to June 23, 2025. Under California law, you may not opt out of the settlement of the PAGA claims.

At the Final Approval Hearing, the Class Representative, through Class Counsel, will ask the Court to approve a Gross Settlement Amount of \$775,000 to resolve the Action. They will request approval of the following deductions from the Gross Settlement Amount: Class Representatives' Service Payments (\$10,000.00 each for Plaintiffs Joshua Althage and Jhonathan Velazquez), Class Counsel Attorneys' Fees not to exceed 1/3rd of the Gross Settlement (currently estimated to be \$258,333.33), actual Class Counsel Litigation Costs not to exceed \$33,000.00, \$40,000 toward resolving the PAGA claims, to be split between the LWDA at 65% and the Individual PAGA Members at 25%, and the Administration Expenses to be paid to the third-party settlement administrator (not to exceed \$13,500.00).

After making the above deductions in amounts approved by the Court, the Administrator will calculate and distribute Individual Class Payments to Participating Class Members based on their Class Period Workweeks. 20% of each Individual Class Payment shall constitute taxable wages ("Wage Portion") and 80% shall constitute interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms.

Defendant will separately pay employer payroll taxes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

You will be treated as a Participating Class Member, participating fully in the settlement, unless you submit a signed Request for Exclusion by the **[[Response Deadline]]** "Response Deadline".

Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members for the duration of the Class Period of October 3, 2019 through June 23, 2025, release Released Parties from: all claims, rights, demands, liabilities, and causes of action, reasonably arising from, or related to, the same set of operative facts as those set forth in the Operative Complaint against Defendant and/or Released Parties during the Class Period, including: 1. Failure to Pay Minimum and Straight Time Wages; 2. Failure to Pay Overtime Wages; 3. Failure to Provide Meal Periods; 4. Failure to Authorize and Permit Rest Periods; 5. Failure to Timely Pay Final Wages; 6. Failure to Provide Accurate Wage Statements; 7. Failure to Indemnify Employees for Business Expenditures; 8. Failure to Produce Employment Records; and 9. Unfair Business Practices. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and

Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period October 3, 2019, through June 23, 2025.

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

PAGA Members' Release for Participating and Non-Participating Class Members are as follows:

All Non-Participating Class Members and Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, for the duration of the PAGA Period, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the PAGA Complaint and the PAGA Notices, including failure to pay all hours worked, including minimum, straight time, and overtime hours, off-the-clock work, failure to provide meal periods, failure to authorize and permit rest periods, failure to pay all earned wages twice per month, failure to maintain accurate records of hours worked, failure to maintain accurate records of meal periods, failure to timely pay all wages, failure to furnish accurate, itemized wage statements, failure to indemnify for necessary business expenditures, and failure to produce employment records as to the PAGA Members, but expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period. The time period for this release is the PAGA Period of August 30, 2023, through June 23, 2025.

3. HOW WILL THE ADMINISTRATOR CALCULATE MY INDIVIDUAL CLASS SETTLEMENT PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$14,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [REDACTED] [not later than 45 days after the Administrator mails the

Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed)] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

4. HOW CAN I CORRECT THE NUMBER OF WORKWEEKS?

The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [REDACTED] [not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed)] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

Administrator:

[REDACTED]

The Administrator will accept Defendant's calculation of Workweeks or pay periods as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you.

5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

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

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

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

You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, no later than [redacted] [not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed)], that you wish to opt-out. The easiest way to notify the Administrator is to complete the attached Request for Exclusion form, and mail it to the Administrator before the Response Deadline of [redacted].

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement by submitting a written objection to the Administrator before the Response Deadline. To object, please provide a written statement to the Administrator advising what you object to, why you object, and any facts that support your objection. Please sign the objection and identify the Action and include your name, current address, telephone number, and your approximate dates of employment.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but are not required to, attend the Final Approval Hearing on [[Final Approval Hearing Date]] at [[Final Approval Hearing Time]] in Department C-74 of the San Diego Superior Court, SIXTH FLOOR 330 W Broadway San Diego, CA 92101. At the hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to the LWDA, Class Counsel, the Class Representative(s), and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision.

It is possible the Court will reschedule the Final Approval Hearing. Please review the Court's online docket or contact the Administrator or Class Counsel to verify the date and time of the Final Approval Hearing if you believe it may have been continued or otherwise changed.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____'s website at [_____]. You can also telephone or send an email to the Administrator or to Class Counsel listed below. You may also consult the Superior Court website by going to <https://odyroa.sdcourt.ca.gov> and entering the Case Number for the Action, Case No. 37-2024-00014824-CU-OE-CTL. In addition, you can personally review court documents in the Clerk's Office at the by visiting 330 West Broadway, San Diego, CA 92101.

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

Class Counsel

Wilshire Law Firm, PLC

john.yslas@wilshirelawfirm.com

Eugene Zinovyev

eugene.zinovyev@wilshirelawfirm.com

John Brown

john.brown@wilshirelawfirm.com

Gabriella Solé

gabriella.sole@wilshirelawfirm.com

3055 Wilshire Blvd., 12th Floor

Los Angeles, CA 90010

10. WHAT IF I LOSE MY SETTLEMENT CHECK OR FAIL TO CASH IT?

If you lose or misplace your settlement check, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void or you have otherwise failed to cash it, it will be provided to the State of California's Unclaimed Property Division in your name. For more information, please review how to process a claim for your funds with the State of California, https://www.sco.ca.gov/upd_form_claim.html.

11. WHAT IF I CHANGE MY ADDRESS?

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

Attachment B

Request for Exclusion Form

Request for Exclusion Form

Francisco Sanchez Perez, et al. v. the Santaluz Club
Superior Court of the State of California for the County of San Diego
Case No. 37-2024-00014824-CU-OE-CTL

By signing and returning this form, I confirm that I do not want to be included in the Settlement or receive a settlement check in the class action lawsuit referenced above.

I understand that by opting out, I am giving up my right to receive any payments as a Participating Class Member in this Settlement. To “opt out,” this form must be postmarked no later than **[[Response Deadline]]** and mailed via U.S. Mail to the following address:



I confirm I have reviewed the Notice of Class Action Settlement. I have decided to be excluded from the class and **not** participate in the proposed settlement or receive an individual settlement check I am otherwise entitled to receive.

Dated: _____

(Signature)

(Last Four Digits of SSN)

(Type or print name and former name(s))

(Telephone Number)

(Address)