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Attorneys for Plaintiff and the Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES, CENTRAL CIVIL WEST

MAYRA RAMIREZ, as an individual and
on behalf of all others similarly situated,

Plaintiffs,

vs.

SHERWOOD MANAGEMENT CO.,
INC., a California corporation; and DOES
1 through 50, inclusive,

Defendants.

Case No.: BC609901

[Assigned to the Honorable Kenneth R. Freeman,
Department 310]

**PLAINTIFF'S SUPPLEMENTAL BRIEF IN
SUPPORT OF MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Date: November 2, 2017
Time: 2:30 P.M.
Dept.: 310

**CONFORMED COPY
ORIGINAL FILED**
Superior Court of California
County of Los Angeles

OCT 19 2017

Sherri R. Carter, Executive Officer/Clerk
By: Veronica Hillard, Deputy

1 Plaintiff Mayra Ramirez (“Plaintiff”) hereby submits her supplemental brief in further
2 support of her Motion for Preliminary Approval pursuant to this Court’s September 22, 2017
3 Preliminary Approval Checklist (“Checklist”).

4 With respect to the Settlement Terms raised in the Checklist, the Parties have agreed to
5 amend each of the provisions highlighted by this Court, with the exception of the Class
6 Representative Enhancement (which is discussed further below). The Amended Joint Stipulation
7 of Class Action Settlement (“Amended Stipulation” or “Amended Settlement Agreement”),
8 which incorporates such changes, is being concurrently filed herewith. A redlined version of the
9 Amended Settlement Agreement as compared to the original Settlement Agreement is attached
10 hereto as Exhibit A.

11 With respect to the time limit for objections/opt-outs, the Response Deadline has been
12 extended to 60 days, and further extended for those Class Members who receive re-mailed
13 Notice Packets due to an updated address.

14 With respect to the objection procedure, it has been revised to allow objections to be
15 mailed to the settlement administrator and not filed with the Court. Further, the Amended
16 Settlement Agreement also allows Class Members to be heard at the final approval hearing
17 without having to comply with all objection procedures.

18 With respect to the unclaimed funds, the Amended Settlement Agreement now mandates
19 that such funds be paid as follows in accordance with CCP § 384: (a) 25% to the State Treasury
20 for deposit in the Trial Court Improvement and Modernization Fund, (b) 25% to the State
21 Treasury for deposit into the Equal Access Fund of the Judicial Branch, and (c) 50% to the Legal
22 Aid Employment Law Section.

23 With respect to the Class Notice, it has been revised to reflect all of the applicable
24 changes as set forth above. A copy of the revised Class Notice is attached as Exhibit A to the
25 Amended Settlement Agreement, and a redlined version as compared to the original Class Notice
26 is attached hereto as Exhibit B.

27 As to the font size of the Class Notice, it has now been increased to 12-point font (from
28 the prior 11-point font). Further, as to why an English-only Class Notice is sufficient, there has

1 been no evidence that the demographics of the Class Members cannot adequately
2 read/understand English, or that such Class Members utilized any non-English language as part
3 of their employment. Thus, the Parties believe that an English-only Notice is sufficient.

4 As to the notice of final judgment, the Parties have agreed that it will be posted on the
5 claims administrator's website. This will be identified in the Proposed Order Granting Final
6 Approval.

7 As to the proposed schedule of events, an amended Proposed Order has been
8 concurrently lodged herewith, which contains a proposed schedule of events, which will still
9 require this Court's input as various events will be based off of when this Court grants
10 preliminary and final approval.

11 As to the Class Representative enhancement, the Amended Settlement Agreement
12 continues to allow the Class Representative to seek up to \$12,500 as the enhancement amount. It
13 does not mean that if the enhancement is ultimately reduced, that the class settlement would be
14 nullified. Plaintiff is well aware that it is within this Court's decision to ultimately decide the
15 enhancement amount and that this Court has the discretion to decrease the requested
16 enhancement amount. As such, Plaintiff does not believe that the potential maximum
17 enhancement amount Plaintiff may seek needs to be revised. Rather, Plaintiff will brief this
18 issue as part of the final approval motion, with the understanding that the ultimate amount to be
19 awarded is within this Court's discretion.

20 Finally, with respect to the attorneys' fees, the fee split will be 65% to Diversity Law
21 Group and 35% to Polaris Law Group, which the Plaintiff has previously agreed to in writing.
22 See Supplemental Declarations of Larry W. Lee and William Marder filed concurrently
23 herewith.

24 Based on the foregoing, it is requested that the Motion be granted in its entirety. An
25 amended proposed order is also lodged herewith pursuant to the Court's Checklist request.

1 DATED: October 18, 2017

DIVERSITY LAW GROUP, P.C.

2
3 By:



4 Larry W. Lee

Attorneys for Plaintiff and the Class

EXHIBIT A

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES, CENTRAL CIVIL WEST

MAYRA RAMIREZ, as an individual and
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[Assigned to the Honorable Kenneth R. Freeman,
Department 310]

**AMENDED JOINT STIPULATION OF CLASS
ACTION SETTLEMENT**

AMENDED JOINT STIPULATION OF CLASS ACTION SETTLEMENT

This Amended Joint Stipulation of Class Action Settlement (“Agreement” or “Settlement”) is made and entered into by and between Plaintiff Mayra Ramirez (“Ramirez” or “Plaintiff”) and Defendant Sherwood Management Co., Inc (“Sherwood” or “Defendant”) (collectively with Ramirez, the “Parties”).

RECITALS

This Settlement is made and entered into by and between Ramirez and Defendant, and is subject to the terms and conditions hereof, and to the Court’s approval. The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If, for any reason, the Settlement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

The following definitions are applicable to this Agreement. Definitions contained elsewhere in this Agreement shall also be effective:

1. “Action” means *Ramirez v. Sherwood Management Co.*, Case No. BC609901 (filed on February 10, 2016).
2. “Class Counsel” means Larry W. Lee and Kristen Agnew of Diversity Law Group, P.C. and William L. Marder of Polaris Law Group, LLP.
3. “Class Counsel’s Award” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all reasonable costs incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs associated with documenting the Settlement, securing the Court’s approval of the Settlement, obtaining entry of the Judgment terminating the Action, and any other expenses. Defendant agrees not to oppose Class Counsel’s request for an award of fees up to one-third of the Class Settlement Amount (\$305,000.00) and costs in the amount of up to \$25,000.00, subject to the Court finally approving this Settlement. Any portion of the Class Counsel Award not awarded

1 to Class Counsel shall be added to the Net Settlement Amount.

2 4. "Class List and Data" means a complete list of all Class Members that Defendant
3 will diligently and in good faith compile from its records and provide to the Settlement
4 Administrator within thirty (30) calendar days after Preliminary Approval of this Settlement. The
5 Class List shall be formatted in Microsoft Office Excel and shall include each Class Member's full
6 name, most recent mailing address, Social Security Number, and the number of weeks worked by
7 each Class Member during the Class Period.

8 5. "Class Member(s)" or "Settlement Class" means all current and former non-
9 exempt employees who were employed by Defendant in the State of California at any time during
10 the Class Period. Defendant represents there are approximately 1,646 individuals that comprise
11 the Settlement Class.

12 6. "Class Period" means the period from February 10, 2012 through December 1,
13 2016.

14 7. "Class Representative Enhancement Payment" means the amount to be paid to
15 Plaintiff in recognition of her effort and work in prosecuting the Action on behalf of Class
16 Members. Subject to Court approval, the Parties agree that Plaintiff shall be paid up to Twelve
17 Thousand Five Hundred Dollars (\$12,500.00) from the Class Settlement Amount, subject to the
18 Court granting final approval of this Agreement.

19 8. "Class Settlement Amount" means the maximum settlement amount of Nine
20 Hundred Fifteen Thousand Dollars (\$915,000.00) to be paid by Defendant in full satisfaction of
21 all claims arising from the Action, which includes all Individual Settlement Payments to
22 Participating Class Members, and the employees' shares of payroll taxes, the Class Representative
23 Enhancement Payment to Plaintiff, Settlement Administration Costs to the Settlement
24 Administrator, as defined below, the PAGA Payment, and Class Counsel's Award. This Class
25 Settlement Amount has been agreed to by Plaintiff and Defendant based on the aggregation of the
26 agreed-upon settlement value of individual claims. In no event will Defendant be liable for more
27 than the Class Settlement Amount, other than the employer's share of payroll taxes for which
28 Defendant shall be separately responsible. Defendant maintains no reversionary right to any

1 portion of the Class Settlement Amount. The entire Class Settlement Amount will be distributed
2 and no part of the Class Settlement Amount will revert to Defendant.

3 9. "Complaint" means the operative Class Action Complaint for Damages filed in the
4 Action.

5 10. "Counsel for Defendant" or "Defense Counsel" means Kirstin E. Muller of the
6 law firm of Hirschfeld Kraemer LLP, 233 Wilshire Boulevard, Suite 600, Santa Monica,
7 California 90401.

8 11. "Court" means the Los Angeles County Superior Court or any other court taking
9 jurisdiction of the Action.

10 12. "Defendant" means Defendant Sherwood Management Co., Inc., including its
11 predecessors, if any, as well as their current and former subsidiaries, affiliates, fiduciaries, insurers,
12 agents, employees, assigns, subrogees, privies, officers, officials, directors, administrators,
13 attorneys, and shareholders, except insofar as these individuals are Class Members.

14 13. "Effective Date" means the later of (a) the date the Court grants final approval of
15 this Settlement and enters judgment thereon, (b) the date on which the time for all appeals from
16 objections to the Settlement has passed, if one or more objections to the Settlement are filed
17 made and not subsequently withdrawn or (c) if an appeal is taken, the date on which any
18 reviewing court issues a decision, and the time for further appeal has expired.

19 14. "Individual Settlement Payment" means each Participating Class Member's share,
20 as defined below, of the Net Settlement Amount (defined below).

21 15. "PAGA Payment" means the portion of the Class Settlement Amount that the
22 Parties have agreed will be allocated and paid to settle all claims and remedies under the Labor
23 Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). The
24 amount of the PAGA Payment is subject to Court approval pursuant to California Labor Code
25 section 2699(l). The Parties have agreed that Five Thousand Dollars (\$5,000.00) of the Class
26 Settlement Amount shall be allocated to the resolution of any Class Members' claims arising under
27 PAGA. Pursuant to the PAGA, 75%, or Three Thousand Seven Hundred and Fifty Dollars
28 (\$3,750.00), of the PAGA Settlement Amount shall be paid to the California Labor and Workforce

1 Development Agency ("LWDA"), and 25%, or One Thousand Two Hundred and Fifty Dollars
2 (\$1,250.00), of the PAGA Settlement Amount shall be part of the Net Settlement Amount to be
3 distributed to Participating Class Members.

4 16. "Net Settlement Amount" means the portion of the Class Settlement Amount
5 remaining after deduction of the approved Class Representative Enhancement Payment,
6 Settlement Administration Costs, the LWDA portion of the PAGA Payment, and the Class Counsel
7 Award. The entire Net Settlement Amount will be distributed to Participating Class Members.

8 17. "Notice of Objection" means a Class Member's valid and timely written objection
9 to the Settlement. For the Notice of Objection to be valid, it must ~~include~~ be: (a) the objector's full
10 name, signature, address, and telephone number ~~signed by the Class Member~~, (b) a written
11 statement of grounds for the objection, and (c) any copies of papers, briefs, or documents upon
12 which the objection is based. The Notice of Objection must be mailed to the Settlement
13 Administrator at the specified address indicated in the Notice Packet, filed with the Court and
14 served on all parties, and be (e) postmarked on or before the Response Deadline.

15 18. "Notice Packet" means the Notice of Proposed Class Action Settlement,
16 substantially in the form attached as Exhibit A.

17 19. "Parties" means Plaintiff and Defendant collectively.

18 20. "Participating Class Members" means all Class Members who do not submit valid
19 Requests for Exclusion.

20 21. "Plaintiff" means Mayra Ramirez.

21 22. "Preliminary Approval" means the Court's order granting preliminary approval of
22 the Settlement.

23 23. "Released Claims" means, any and all of Class Members' claims, causes of
24 action, damages, wages, benefits, expenses, penalties, debts, rights, demands, liabilities,
25 obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or
26 whatever kind or nature, whether known or unknown, suspected or unsuspected, that accrued
27 during the Class Period arising from, or related to (1) failure to timely pay all earned wages
28 pursuant to California Labor Code sections 201-204; (2) failure to provide accurate itemized

1 wage statements pursuant to Labor Code section 226; (3) failure to provide meal and rest breaks
2 and premiums pursuant to Labor Code section 226.7; (4) failure to pay overtime wages pursuant
3 to Labor Code sections 510, 558, and 1194; (5) Unfair Business Practices pursuant to Business
4 and Professions Code section 17200 et seq. based on the afore-referenced Labor Code violations;
5 and (6) violation of the Private Attorney General Act pursuant to Labor Code section 2698 *et*
6 *seq.* ("PAGA") predicated on the afore-referenced Labor Code violations as well as any and all
7 wage and hour claims that were asserted or could have been asserted based on the factual or legal
8 allegations contained in the Complaint, arising at any time during the Class Period.

9 24. "Released Parties" means Defendant, and any of its former and present parents,
10 subsidiaries, affiliates, divisions, corporations in common control, predecessors, successors, and
11 assigns, as well as all past and present officers, directors, employees, partners, shareholders and
12 agents, attorneys, insurers, and any other successors, assigns, or legal representatives.

13 25. "Request for Exclusion" means a timely letter submitted by a Class Member
14 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) set
15 forth the name, address, telephone number and last four digits of the Social Security Number of
16 the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned by
17 mail, email, or fax to the Settlement Administrator at the specified address indicated in the Notice
18 Packet; (d) clearly state that the Class Member does not wish to be included in the Settlement; and
19 (e) be postmarked on or before the Response Deadline.

20 26. "Response Deadline" means ~~forty-fivesixty~~ (60/45) days following the date of initial
21 mailing of the Notice Packet by the Settlement Administrator.

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

27 28. "Settlement Administration Costs" means the costs payable from the Class
28 Settlement Amount to the Settlement Administrator for administering this Settlement, including,

1 but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting,
2 distributing the Class Settlement Amount, and providing necessary reports and declarations, as
3 requested by the Parties. The Settlement Administration Costs shall be paid from the Class
4 Settlement Amount, including, if necessary, any such costs in excess of the amount represented by
5 the Settlement Administrator as being the maximum costs necessary to administer the Settlement.
6 The Settlement Administration Costs are currently estimated to be Eleven Thousand Dollars
7 (\$11,000). To the extent actual Settlement Administration Costs are greater than \$11,000, such
8 excess amount shall be taken out of the Class Settlement Amount.

9 29. "Settlement Payment Check" means the payment to Class Members pursuant to this
10 Settlement (who do not submit a Request for Exclusion from the Settlement).

11 **TERMS OF AGREEMENT**

12 Plaintiff, on behalf of herself and the Settlement Class, and Defendant agree as follows:

13 30. Funding of the Class Settlement Amount. Within ten business days after the
14 Effective Date, Defendant shall make a one-time deposit of the Class Settlement Amount into a
15 Qualified Settlement Account to be established by the Settlement Administrator. The Class
16 Settlement Amount shall be used to pay: (1) Individual Settlement Amounts, including the
17 employees' shares of payroll taxes; (2) the Class Counsel Award; (3) the Class Representative
18 Enhancement Payment; (4) Settlement Administration Costs; and (5) the PAGA Payment.

19 31. Class Counsel's Award. Defendant agrees not to oppose or impede any application
20 or motion by Class Counsel for attorneys' fees of not more than Three Hundred Five Thousand
21 Dollars (\$305,000.00) and costs in the amount of up to Twenty Five Thousand Dollars
22 (\$25,000.00), which shall be paid from the Class Settlement Amount. The Settlement
23 Administrator (and not the Defendant) shall issue an IRS Form 1099 to Class Counsel reflecting
24 the awarded attorneys' fees, costs and expenses. Any portion of Class Counsel's Award not
25 awarded to Class Counsel shall be added to the Net Settlement Amount.

26 32. Class Representative Enhancement Payment. In recognition of her efforts and work
27 in prosecuting the Action on behalf of Class Members, Defendant agrees not to oppose or impede
28 an application or motion by Plaintiff for a Class Representative Enhancement Payment of up to

Twelve Thousand Five Hundred Dollars (\$12,500.00) to Ramirez. The Class Representative Enhancement Payment, which shall be paid from the Class Settlement Amount, shall be in addition to Plaintiff's Individual Settlement Payment paid pursuant to the Settlement. The Settlement Administrator (and not the Defendant) shall issue an IRS Form 1099 to Plaintiff reflecting the class representative payment. Any portion of the Class Representative Enhancement Payment not awarded to Plaintiff shall be added to the Net Settlement Amount.

33. Settlement Administration Costs. The Settlement Administrator shall be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Class Settlement Amount, which are currently estimated to be Eleven Thousand Dollars (\$11,000). These costs, which shall be paid from the Class Settlement Amount, shall include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of W2 and 1099 IRS Forms, distributing the Notice Packet, responding to inquiries by Class Members, calculating and distributing the Class Settlement Amount and Class Counsel's Award, and providing necessary reports and declarations. Any portion of the Settlement Administration Costs not allowed shall be added to the Net Settlement Amount.

34. PAGA Payment. Subject to Court approval, the Parties agree that the amount of Five Thousand Dollars (\$5,000.00) from the Class Settlement Amount shall be designated for satisfaction of Plaintiff's and Class Members' PAGA claims. Pursuant to PAGA, Seventy-Five Percent (75%), or Three Thousand Seven Hundred and Fifty Dollars (\$3,750.00), of the PAGA Payment shall be paid to the LWDA and Twenty-Five Percent (25%), or One Thousand Two Hundred and Fifty Dollars (\$1,250.00), shall be distributed to all Participating Class Members as part of the Net Settlement Amount.

35. Net Settlement Amount. The Net Settlement Amount shall be used to satisfy Individual Settlement Payments including the employees' share of payroll taxes to Participating Class Members from the Settlement Class in accordance with the terms of this Agreement. The Settlement Administrator will allocate the Individual Settlement Payments to the Participating Class Members by first dividing the Net Settlement Amount by the total number of weeks worked by all Participating Class Members during the Class Period, resulting in a dollar value

1 per pay period, and then multiplying said value to the number of weeks worked by each
2 Participating Class Member during the Class Period. Participating Class Members are entitled
3 to 100% of the Net Settlement Amount. Defendant maintains no reversionary right to any
4 portion of the Net Settlement Amount. If there are any timely submitted Requests for Exclusion,
5 the Settlement Administrator shall proportionately increase the Individual Settlement Payments
6 for each Participating Class Member so that the amount actually distributed to Participating Class
7 Members equals 100% of the Net Settlement Amount.

8 36. Acknowledgment of Potential Administration Cost Increases. The Parties hereby
9 acknowledge that Settlement Administration Costs may increase above the current estimate of
10 Eleven Thousand Dollars (\$ 11,000) and that any such additional Settlement Administration Costs
11 shall be taken out of the Class Settlement Amount. Any portion of the estimated or designated
12 Settlement Administration Costs that are not in fact required to fulfill the total Settlement
13 Administration Costs shall become part of the Net Settlement Amount.

14 37. Calculation of Class Settlement Amount. The Class Settlement Amount was
15 calculated with, and is premised on, the understanding that there are approximately 1,646 Class
16 Members eligible to participate in the Settlement. If the total number of Class Members exceeds
17 the original estimates by 10% or more, then Plaintiff may rescind this Agreement.

18 38. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
19 Participating Class Members under this Agreement, as well as any other payments made pursuant
20 to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans
21 to which any Class Members may be eligible, including, but not limited to: profit-sharing plans,
22 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and
23 any other benefit plan. Rather, it is the Parties' intention that this Settlement will not affect any
24 rights, contributions, or amounts to which any Class Members may be entitled under any benefit
25 plans.

26 39. Settlement Administration Process. The Parties agree to cooperate in the
27 administration of the Settlement and to make all reasonable efforts to control and minimize the
28 costs and expenses incurred in the administration of the Settlement. The Settlement Administrator

1 will provide the following services:

2 a. Establish and maintain an interest bearing Qualified Settlement Fund
3 account.

4 b. Calculate the amount of the Settlement each Class Member is eligible to
5 receive.

6 c. Prior to mailing the Class Members Notices of Proposed Class Action
7 Settlement and Final Fairness and Approval Hearing ("Class Notice" or "Notice Form" or
8 "Notice"), the Settlement Administrator will verify the last known address for each Class Member
9 through a generally utilized, national address update database.

10 d. Printing and mailing the Class Members Notice.

11 e. Establishing and maintaining a toll free informational telephone support
12 line to assist Class Members who have questions regarding the Notice.

13 f. Conducting additional address searches for mailed Notices that are returned
14 as undeliverable. These searches may be done through a class action locator service. To the extent
15 new and more current addresses are found, the Settlement Administrator will also reprint and re-
16 mail Notices accordingly.

17 g. Calculating Participating Class Members settlement share, fielding
18 inquiries from Class Members, and administration of any requests for exclusion. This service will
19 include settlement proceed calculations, printing and issuance of checks, and preparation of W2
20 and 1099 Forms. Basic accounting for and payment of employee tax withholdings will also be
21 included as part of this service.

22 h. Informing Defendant of its employer-side tax liability.

23 i. Providing declarations and/or other information to the Court as requested.

24 40. Delivery of the Class List and Data. Within thirty (30) calendar days of Preliminary
25 Approval, Defendant shall provide the Class List and Data to the Settlement Administrator.

26 41. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the
27 Class List and Data from Defendant, the Settlement Administrator shall mail a Notice Packet to
28 all Class Members via regular First-Class U.S. Mail, using the most current, known mailing

addresses identified in the Class List.

42. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement Administrator shall perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator shall indicate the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing. Those Class Members who receive a re-mailed Notice Packet shall have the later of (i) an additional fifteen (15) days from the re-mailing or (ii) the Response Deadline, whichever is later, to submit a Request for Exclusion or ~~file and serve~~ a Notice of Objection to the Settlement. The Parties agree to cooperate with the Settlement Administrator to locate a more recent address for Class Members, where necessary.

43. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet will provide: (1) information regarding the nature of the Action, (2) a summary of the Settlement's principal terms, (3) the Settlement Class definition, (4) each Class Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments, (5) the dates which comprise the Class Period, (6) instructions on how to submit valid Requests for Exclusion, or objections, (7) the deadlines by which the Class Member must submit Request for Exclusions or ~~file and serve~~ Notices of Objection to the Settlement, (8) the date for the final approval hearing, and (9) the claims to be released.

44. Request for Exclusion Procedures. Any Class Member may opt-out from the Settlement by submitting a written Request for Exclusion to the Settlement Administrator postmarked within the Response Deadline. Requests for Exclusion must: (1) contain the name, signature, address, telephone number and the last four digits of the Social Security number of the person requesting exclusion; (2) clearly state that the Class Member does not wish to be included

1 in the Settlement; (3) be returned by mail, email, or fax to the Settlement Administrator at the
2 specified address; and (4) be postmarked on or before the Response Deadline, or 15 days after the
3 re-mailing, whichever is later. The date of the postmark on the return mailing ~~envelope~~ shall be
4 the exclusive means to determine whether a Request for Exclusion has been timely submitted. By
5 submitting such a Request for Exclusion, a Class Member shall be deemed to have exercised his
6 or his option to opt out of the class action lawsuit and not be bound by this Agreement.
7 Accordingly, a Class Member that timely submits a valid Request for Exclusion will not be entitled
8 to any money under this Settlement. A Class Member who does not request exclusion from the
9 Settlement shall be deemed a Class Member and will be bound by all terms of the Settlement, if
10 the Settlement is granted final approval by the Court.

11 45. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
12 Member who does not affirmatively opt-out of the Settlement by submitting a timely and valid
13 Request for Exclusion shall be bound by all of its terms, including those pertaining to the Released
14 Claims, as well as any Judgment that may be entered by the Court.

15 46. Objection Procedures. Any Class Member who does not opt-out of this Settlement
16 shall be entitled to object to the Settlement. To object to the Settlement, a Class Member ~~must~~
17 should return by mail file a valid Notice of Objection to the Settlement Administrator at the
18 specified address on or with the Court and serve copies of the Notice of Objection on the Parties
19 before the Response Deadline, or 15 days after the re-mailing, whichever is later. The Notice of
20 Objection must include: (a) the objector's full name, signature, address, and telephone number, (b)
21 a written statement of grounds for the objection, and (c) any copies of papers, briefs, or documents
22 upon which the objection is based, be signed by the Class Member and contain all information
23 required by this Settlement. The postmark date of the filing and service on the return mailing shall
24 be deemed the exclusive means for determining that the Notice of Objection is timely. Class
25 Members who fail to object in the manner specified above shall be deemed to have waived all
26 objections to the Settlement and shall be foreclosed from making any objections, whether by
27 appeal or otherwise, to the Settlement. Class Members who file and serve timely Notices of
28 Objection will have a right to appear at the Final Approval Hearing in order to have their objections

1 heard by the Court, at their own expense. At no time shall any of the Parties or their counsel seek
2 to solicit or otherwise encourage Class Members to submit written objections to the Settlement or
3 appeal from the Order and Judgment. Class Counsel shall not represent any Class Members with
4 respect to any such objections to this Settlement. Any Class Member who opts-out of this
5 Settlement shall not be allowed to object to this Settlement.

6 47. Defendant's Right To Rescind. If more than five percent (5%) of the Class
7 Members opt out of the settlement by submitting valid and timely requests for exclusion,
8 Defendant has the right in its sole discretion to rescind and void the Parties' Settlement by giving
9 written notice to Class Counsel at least ten (10) business days prior to the final approval hearing.
10 In the event Defendant exercises this option to rescind, Defendant shall be solely responsible for
11 all costs incurred by the Settlement Administrator.

12 48. Certification Reports Regarding Individual Settlement Payment Calculations. The
13 Settlement Administrator shall provide Defendant's counsel and Class Counsel a weekly report
14 which certifies the number of Class Members who have submitted valid Requests for Exclusion.
15 Additionally, the Settlement Administrator will provide to counsel for both Parties any updated
16 reports regarding the administration of the Settlement as needed or requested.

17 49. Distribution Timing of Individual Settlement Payments. Within 10 business days
18 of Defendant funding the Class Settlement Amount, the Settlement Administrator shall issue the
19 appropriate payments to (1) Participating Class Members; (2) the Labor and Workforce
20 Development Agency; (3) Plaintiff; and (4) Class Counsel. The Settlement Administrator shall
21 also issue a payment to itself for services performed in connection with the Settlement.

22 50. Uncashed Settlement Payment Checks. Any checks issued by the Settlement
23 Administrator to Class Members shall be negotiable for not less than one hundred twenty (120)
24 calendar days from issuance. The Parties agree that California Civil Procedure Code section 384
25 is applicable to un-cashed or undeliverable Settlement Payment Checks. Those funds represented
26 by Settlement Payment Checks returned as undeliverable and those Settlement Payment Checks
27 remaining un-cashed for more than 120 calendar days after issuance will constitute "unpaid
28 residuals in class action litigation" as described in *Cundiff v. Verizon California, Inc.*, 167 Cal.

1 App. 4th 718 (2008). Those funds represented by un-cashed checks which remain outstanding 120
2 calendar days after the mailing of the Settlement Payment Checks by the Settlement Administrator
3 shall be transmitted as follows: (a) 25% to the State Treasury for deposit in the Trial Court
4 Improvement and Modernization Fund. (b) 25% to the State Treasury for deposit in the Equal
5 Access Fund, and (c) 50% to the Legal Aid Employment Law Section. ~~escheat to the California~~
6 ~~Department of Industrial Relations. Unclaimed Wages Fund, in the name of the respective~~
7 ~~employee.~~ In such event, those Class Members will nevertheless remain bound by the Settlement.

8 51. Certification of Completion. Upon completion of administration of the Settlement,
9 the Settlement Administrator shall provide a written declaration under oath to certify such
10 completion to the Court and counsel for all Parties.

11 52. Administration Costs if Settlement Fails or is Delayed. If a Notice of Objection is
12 mailed to the Settlement Administrator, ~~n objection to the Settlement is filed with the Court,~~
13 regardless of the ultimate outcome of any appeals taken, or if the Settlement is voided or rescinded,
14 any costs incurred by the Settlement Administrator shall be borne equally by Defendant and
15 Plaintiff, unless otherwise specified in this Agreement. If there are no ~~objections-Notices of~~
16 Objection to the Settlement filed with the Court and the Settlement is not finally approved by the
17 Court or is otherwise voided, any costs incurred by the Settlement Administrator shall be paid by
18 Class Counsel.

19 53. Treatment of Individual Settlement Payments. All Individual Settlement Payments
20 will be allocated as follows: 20% shall be allocated as wages and 80% shall be allocated as interest
21 and penalties. The amount of payments shall be reported on applicable IRS Forms W2 and 1099
22 by the Settlement Administrator. In addition to the Class Settlement Amount, Defendant agrees
23 that it shall be separately responsible for the payment of the employer's share of the payroll taxes
24 applicable to each Individual Settlement Payment.

25 54. Administration of Taxes by the Settlement Administrator. The Settlement
26 Administrator shall be responsible for issuing to Plaintiff, Participating Class Members, and Class
27 Counsel, W2 and 1099 forms or other tax forms as may be required by law for all amounts paid
28 pursuant to this Agreement.

1 55. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
2 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
3 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
4 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
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 SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
8 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
9 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR
10 PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
11 EXCLUSIVELY UPON HIS, HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX
12 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
13 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
14 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
15 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
16 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
17 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
18 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
19 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
20 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF
21 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
22 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
23 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
24 AGREEMENT.

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

1 57. Release of Claims by Class Members. Upon the Effective Date, Plaintiff and all
2 Class Members, as well as their spouses, heirs, executors, administrators, trustees, and/or permitted
3 assigns, hereby do and shall be deemed to have fully, finally and forever released, settled,
4 compromised, relinquished and discharged any and all of the Released Parties of and from any and
5 all Released Claims.

6 58. General Release by Plaintiff. As to Plaintiff herself only, upon the Effective Date,
7 and in consideration of the payment to Plaintiff of the Class Representative Enhancement Payment
8 Plaintiff and all persons purporting to act on her behalf or purporting to assert a claim under or
9 through her, including, but not limited to, her dependents, heirs and assigns, beneficiaries,
10 devisees, legatees, executors, administrators, trustees, conservators, guardians, personal
11 representatives, and successors-in-interest, whether individual, class, representative, legal,
12 equitable, direct or indirect, or any other type or in any other capacity, and each of them, hereby
13 release, acquit, and forever discharge Released Parties, and each and all of them, of and from any
14 and all obligations, debts, claims, liabilities, demands, and causes of action of every kind, nature
15 and description whatsoever, whether or not now known, suspected or claimed, which they ever
16 had, now have, or may hereafter acquire by reason of employment with Defendant, accruing from
17 the beginning of time until the date that the final approval of the Settlement is granted, including
18 all claims, known or unknown. The foregoing release shall be effective as a bar to any and all
19 claims of any character, nature or kind, known or unknown, suspected or unsuspected specified
20 herein. Plaintiff expressly waives any and all rights and benefits conferred upon her by the
21 provisions of Section 1542 of the California Civil Code or similar provisions of applicable law
22 which are as follows:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE
24 CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HIS
25 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF
26 KNOWN BY HIM OR HIS MUST HAVE MATERIALLY AFFECTED HIS OR
HIS SETTLEMENT WITH THE DEBTOR.

27 59. Nullification of Settlement. In the event that the Settlement does not become final
28 for any reason, then this Agreement, and any documents generated to bring it into effect, shall be

1 null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall
2 likewise be treated as void from the beginning.

3 60. Preliminary Approval Hearing. Plaintiff shall obtain a hearing before the Court to
4 request the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval Order:
5 (i) approving of the proposed Settlement, and (ii) setting a date for a Final Approval/Settlement
6 Fairness Hearing. The Preliminary Approval Order shall provide for the Notice Packet to be sent
7 to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing,
8 Plaintiff shall submit this Agreement, which sets forth the terms of this Settlement, and will include
9 the proposed Notice Packet, attached to this Agreement as Exhibit A.

10 61. Final Settlement Approval Hearing. Upon expiration of the deadlines to submit
11 Requests for Exclusion or Notices of Objections to the Settlement, and with the Court's
12 permission, a Final Approval/Settlement Fairness Hearing shall be conducted to determine the
13 Final Approval of the Settlement along with the amounts properly payable for (i) Individual
14 Settlement Payments and the employees' shares of payroll taxes; (ii) the Labor and Workforce
15 Development Agency Payment; (iii) the Class Counsel's Award; (iv) the Class Representative
16 Enhancement Payment; and (v) all Settlement Administration Costs. The Final
17 Approval/Settlement Fairness Hearing shall not be held earlier than thirty (30) days after the
18 Response Deadline. Class Counsel will be responsible for drafting all documents necessary to
19 obtain final approval. Class Counsel will also be responsible for drafting the attorneys' fees and
20 costs application to be heard at the final approval hearing.

21 62. Continued Jurisdiction. After entry of the Judgment, the Court shall have
22 continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of
23 the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment
24 matters as may be appropriate under court rules or as set forth in this Agreement.

25 63. Exhibits Incorporated by Reference. The terms of this Agreement include the terms
26 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
27 herein. Any Exhibits to this Agreement are an integral part of the Settlement.

28 64. Confidentiality Preceding Preliminary Approval. Plaintiff and Class Counsel agree

1 that they have not and will not publicize the settlement. Plaintiff, in response to any press inquiries,
2 will state that the Lawsuit was resolved. Class Counsel shall not report the settlement on their
3 website, and shall not contact the press, reporters or general media regarding the settlement. As
4 used herein, "press, reporters, or general media" shall refer to and include newspapers, periodicals,
5 magazines, online publications, and television and radio stations and programs, and any
6 representative of the foregoing. Notwithstanding the foregoing, Class Counsel may refer on their
7 website, after final approval, to the fact that they were appointed class counsel and settled a
8 wage/hour class action against a national employer, but without identifying this action, the
9 employer, or Defendant in any way. Nothing herein shall prevent Class Counsel from
10 communicating with Plaintiff and Class Members regarding the terms of this settlement, or prevent
11 Class Counsel from specifically referring to the settlement in adequacy declarations or other court
12 filings.

13 65. Entire Agreement. This Agreement and any attached Exhibits constitute the
14 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
15 agreements may be deemed binding on the Parties.

16 66. Amendment or Modification. This Agreement may be amended or modified only
17 by a written instrument signed by the Parties or their successors-in-interest.

18 67. Authorization to Enter Into Agreement. Counsel for all Parties warrant and
19 represent they are expressly authorized by the Parties whom they represent to negotiate this
20 Agreement and to take all appropriate action required or permitted to be taken by such Parties
21 pursuant to this Agreement to effectuate its terms and to execute any other documents required to
22 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each
23 other and use their best efforts to effect the implementation of the Settlement. If the Parties are
24 unable to reach agreement on the form or content of any document needed to implement the
25 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms
26 of this Settlement, the Parties may seek the assistance of the mediator, Steve Serratore, to resolve
27 such disagreement.

28 68. Binding on Successors and Assigns. This Agreement shall be binding upon, and

1 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

4 70. Execution and Counterparts. This Agreement is subject only to the execution of all
5 Parties. However, the Agreement may be executed in one or more counterparts. All executed
6 counterparts and each of them, including facsimile and scanned copies of the signature page, shall
7 be deemed to be one and the same instrument provided that counsel for the Parties shall exchange
8 among themselves original signed counterparts.

9 71. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe
10 this Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
11 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
12 account all relevant factors, present and potential. The Parties further acknowledge that they are
13 each represented by competent counsel and that they have had an opportunity to consult with their
14 counsel regarding the fairness and reasonableness of this Agreement.

15 72. Invalidity of Any Provision. Before declaring any provision of this Agreement
16 invalid, the Court shall first attempt to construe the provision as valid to the fullest extent possible
17 consistent with applicable precedents so as to define all provisions of this Agreement valid and
18 enforceable. Any invalid, illegal, or unenforceable provision determined by the Court shall in no
19 way affect any other provision if Defendant and Class Counsel, on behalf of the Parties and the
20 Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable
21 provision had never been included in this Agreement.

22 73. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
23 that Plaintiffs or Class Counsel may appeal any reduction in the Class Counsel's Award below the
24 amount Class Counsel requests, and either party may appeal any order that materially alters the
25 Agreement's terms.

26 74. Class Action Certification. The Parties are agreeing to class certification for
27 settlement purposes only. This Agreement shall not constitute, in this or any other proceeding, an
28 admission of any kind by Defendant, including without limitation, that certification of a class for

1 trial or any other purpose is appropriate or proper or that Plaintiff can establish any of the requisite
2 elements for class treatment of any of the claims in this Action. If, for any reason, the Settlement
3 is not approved, this Agreement will be void and the Parties will be restored to their respective
4 positions as if they had not entered into this Agreement. The Parties further agree that this
5 Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class
6 action should be certified or (ii) Defendant is liable to Plaintiffs or any Class Member. In the event
7 that the Settlement is not approved or otherwise voided, Defendant expressly reserves all rights to
8 challenge certification of a class for trial purposes in this Action.

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

23 76. Captions. The captions and section numbers in this Agreement are inserted for the
24 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
25 provisions of this Agreement.

26 77. Waiver. No waiver of any condition or covenant contained in this Agreement or
27 failure to exercise a right or remedy by any of the Parties hereto shall be considered to imply or
28 constitute a further waiver by such party of the same or any other condition, covenant, right or

1 remedy.

2 78. Enforcement Actions. In the event that one or more of the Parties institutes any
3 legal action or other proceeding against any other Party or Parties to enforce the provisions of this
4 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
5 Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'
6 fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

12 80. Representation By Counsel. The Parties acknowledge that they have been
13 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
14 and that this Agreement has been executed with the consent and advice of counsel. Further,
15 Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement.

16 81. Cooperation and Execution of Necessary Documents. All Parties shall cooperate
17 in good faith and execute all documents to the extent reasonably necessary to effectuate the terms
18 of this Agreement.

19 82. Binding Agreement. The Parties warrant that they understand and have full
20 authority to enter into this Agreement, and further intend that this Agreement shall be fully
21 enforceable and binding on all Parties, and agree that it shall be admissible and subject to
22 disclosure in any proceeding to enforce its terms.

SIGNATURES

READ CAREFULLY BEFORE SIGNING

MAYRA RAMIREZ

Dated: ~~June~~ October __, 2017

Plaintiff Mayra Ramirez

SHERWOOD MANAGEMENT CO., INC.

Dated: ~~June~~ October __, 2017

Please Print Name of Authorized Signatory

APPROVED AS TO FORM

DATED: ~~June~~ October __, 2017

DIVERSITY LAW GROUP, P.C.

By: _____
Larry W. Lee
Attorneys for Plaintiffs and the Class

DATED: ~~June~~ October __, 2017

HIRSCHFELD KRAEMER LLP

By: _____
Kirstin E. Muller
Attorneys for Defendant Sherwood Management
Co., Inc.

EXHIBIT B

Mayra Ramirez v. Sherwood Management Co. Inc., Case No. BC609901
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

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To: All current and former non-exempt California employees who were employed by Defendant Sherwood Management Co., Inc. ("Defendant") at any time between February 10, 2012 through December 1, 2016 ("Class" or "Class Members").

On _____, 2017, the Honorable Kenneth R. Freeman of the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant's records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at ____ a.m. on _____, 2017, in Department 310 of the Los Angeles County Superior Court located at 600 South Commonwealth Avenue, Los Angeles, California 90005. You are not required to attend the Hearing, but you are welcome to do so.

Summary of the Litigation

Plaintiff Mayra Ramirez ("Plaintiff"), on her behalf and on behalf of other current and former non-exempt California employees, allege that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) timely pay all earned wages pursuant to California Labor Code sections 201-204; (2) provide accurate itemized wage statements pursuant to Labor Code section 226; (3) provide meal and rest breaks and premiums pursuant to Labor Code section 226.7; and (4) to pay proper overtime wages pursuant to Labor Code sections 510, 558, and 1194.

Following the exchange of relevant information and evidence, the parties agreed to participate in settlement negotiations in an attempt to resolve the claims in the case. On December 1, 2016, the parties participated in a mediation and the parties were able to negotiate a complete settlement of the class claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Diversity Law Group and Polaris Law Group (collectively "Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiff's claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case. Defendant has agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendant have agreed to settle the underlying class claims in exchange for a Class Settlement Amount of \$915,000. This amount is inclusive of: (1) individual settlement payments to all Class Members; (2) Class Representative Enhancement Payment of up to \$12,500, to Mayra Ramirez; (3) up to \$305,000 in attorneys' fees and up to \$25,000 in litigation costs and expenses; (4) a \$3,750 payment to the California Labor and Workforce Development Agency ("LWDA") in connection and accordance with the Labor Code Private Attorney General Act of 2004 ("PAGA"), and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$11,000. After deducting the Class Representative Enhancement Payments, attorneys' fees and costs, the payment to the LWDA, and the Settlement

4833-1962-6571

Administrator's fees and expenses, a total of approximately \$557,750.00 will be allocated to Class Members who do not opt out of the settlement ("Net Settlement Amount").

Each Class Member's settlement payment will be based on the number of Workweeks each Class Member worked during the period from February 10, 2012 through December 1, 2016 ("Class Period").

- (a) Defendant will calculate the total aggregate number of Workweeks that all Class Members worked during the applicable Class Period ("Total Workweeks").
- (b) The value of each individual Workweek shall then be determined by dividing the proceeds of the Net Settlement Amount by the Total Workweeks amount, resulting in a dollar value per pay period ("Workweek Point Value").
- (c) An "Individual Settlement Payment" amount for each Class Member will then be determined by multiplying the individual Class Member's number of Workweeks by the Workweek Point Value.
- (d) The entire Net Settlement Amount will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion.

According to Defendant's records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment is approximately \$ ____.

If you believe the information provided above is incorrect, please contact the Settlement Administrator at _____. If you dispute the information stated above, Defendant's records will control unless you are able to provide documentation that establishes otherwise. In such an instance, the Settlement Administrator shall evaluate the evidence submitted and make the final decision as to which data should be applied.

IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each Individual Settlement Payment shall be allocated as wages for which IRS Forms W-2 will be issued; 80% will be allocated to alleged unpaid penalties and interest for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator. The written request for exclusion must clearly state that you do not wish to be included in the Settlement, and include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail, fax, or email the request for exclusion to the address below.

Settlement Administrator

c/o _____

_____ (fax)

_____ (email)

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

The written request to be excluded must be postmarked, emailed or faxed not later than _____, 2017, or 15 days from any re-mailed Notice, whichever is later. If you submit a request for exclusion which is not postmarked, emailed or faxed by _____, 2017, or 15 days from any re-mailed Notice, whichever is later, your request for exclusion will be rejected, and you will be included in the settlement class.

Option 3 – Object to the Settlement

If you wish to object to the settlement because you find it unfair or unreasonable, you may make a written objection must file an objection with the Court stating why you object to the settlement. Your objection must provide: (1) your full name, signature, address, and telephone number; (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; the grounds for your objection; and (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be returned by mail to the Settlement Administrator at the following address: Ramirez v. Sherwood.

All written objections should be postmarked on or before _____ 2017, or 15 days from any re-mailed Notice, whichever is later.

The objection must be filed with the Court at 600 S. Commonwealth Ave., Los Angeles, California, 90005. You must also mail a copy of your objection to counsel for the parties at the following addresses:

Larry W. Lee
Diversity Law Group
515 South Figueroa Street, Suite 1250
Los Angeles, California 90071
213-488-6555

William L. Marder
Polaris Law Group LLP
501 San Benito Street, Suite 200
Hollister, CA 95023
Tel: (831) 531-4214

Kirstin E. Muller
Hirschfeld-Kraemer LLP
233 Wilshire Boulevard, Suite 600
Santa Monica, CA 90401
Telephone: (310) 255-0705

All written objections must be postmarked on or before _____ 2017, filed with the Court by not later than _____ 2017, or 15 days from any re-mailed Notice, whichever is later. Late objections will not be considered.

You may also, if you wish, appear at the Final Approval Hearing set for _____, 2017, at _____ a.m. in the Los Angeles County Superior Court to object personally, or through your own counsel, paid for at your own expense, and discuss your objection with the Court and the parties at your own expense. At the Final Approval Hearing, the Court will be available to hear any objections and arguments concerning the settlement. If the Court rejects your objection, you will still be bound by the terms of the settlement, but you will also receive a check for your share of the settlement funds. You may also retain an attorney to represent you at the hearing.

By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described in Option 2 above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the following claims ("Released Claims"):

Any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, rights, demands, liabilities, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature, whether known or unknown, suspected or unsuspected, that accrued during the Class Period arising from, or related to (1) failure to timely pay all earned wages pursuant to California Labor Code sections 201-204; (2) failure to provide accurate itemized wage statements pursuant to Labor Code section 226; (3) failure to provide meal and

Questions? Contact the Settlement Administrator toll free at 1-***-***-****

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rest breaks and premiums pursuant to Labor Code section 226.7; (4) failure to pay overtime wages pursuant to Labor Code sections 510, 558, and 1194; (5) Unfair Business Practices pursuant to Business and Professions Code section 17200 et seq. based on the afore-referenced Labor Code violations; and (6) violation of the Private Attorney General Act pursuant to Labor Code section 2698 *et seq.* ("PAGA") predicated on the afore-referenced Labor Code violations as well as any and all wage and hour claims that were asserted or could have been asserted based on the factual or legal allegations contained in the Complaint, arising at any time during the Class Period.

If you choose **Option 2**, you will no longer be a Class Member, and you will (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Claims, (2) be barred from filing an objection to the settlement, and (3) not receive a payment from the settlement.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case.

All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Larry W. Lee
Diversity Law Group
515 South Figueroa Street, Suite 1250
Los Angeles, California 90071
Tel: (213)-488-6555

William L. Marder
Polaris Law Group LLP
501 San Benito Street, Suite 200
Hollister, CA 95023
Tel: (831) 531-4214

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANT OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.

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Questions? Contact the Settlement Administrator toll free at 1-***-***-****

(Code of Civil Procedure Sections 1013a, 2015.5)


Olympia Peña