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11 INC., et al.12
13
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA

15 COUNTY OF LOS ANGELES, CENTRAL DISTRICT

16 ANITA HARRIS, an individual, and on behalf
of all others similarly situated

17 Plaintiff,

18 v.

19 KHANNA ENTERPRISES GENERAL
20 PARTNERSHIP d/b/a CUSTOM HOTEL, a
business form unknown; KHANNA
21 ENTERPRISES, LTD, a business form
unknown; KHANNA ENTERPRISES - II,
22 LIMITED PARTNERSHIP, a California
Limited Partnership; KHANNA HOLDINGS,
23 LLC, a business form unknown; KHANNA
ENTERPRISES, INC., a California
24 Corporation; KHANNA ENTERPRISES,
LTD., A LIMITED PARTNERSHIP; a
25 California Limited Partnership; KHANNA
ENTERPRISES, LTD.- III, LP, a California
26 Limited Partnership; and DOES 1 through 50,
inclusive,27 Defendants.
28

Case No. BC607861

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

Action Filed: January 21, 2016

Trial Date: No Date Set

Assigned for All Purposes to The Hon. Amy
D. Hogue, Dept. SS7

INTRODUCTION

Plaintiff Anita Harris (“Named Plaintiff”) and defendants Khanna Enterprises, Inc.; Khanna Enterprises General Partnership dba Custom Hotel; Khanna Enterprises II, Limited Partnership; Khanna Enterprises LTD, a Limited Partnership; and Khanna Enterprises LTD. III – LP (collectively, “Defendants” or “Khanna”), hereby submit this Joint Stipulation for Class Action Settlement (“Stipulation” or “Agreement”) to the Court for its consideration. It is filed in conjunction with Plaintiff’s Motion for Preliminary Approval of Class Action Settlement which Khanna does not oppose. Named Plaintiff’s class action is premised on claims for (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized wage statements, (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (9) violations of Business & Professions Code section 17200. Named Plaintiff’s representative action seeks penalties under the Labor Code Private Attorneys General Act.

STIPULATION AND SETTLEMENT AGREEMENT
OF CLASS ACTION CLAIMS

This Stipulation is made by the Named Plaintiff on behalf of herself and each member of the “Class” as defined herein, on the one hand, and defendant Khanna, on the other hand, in the above-captioned action (“Class Action” or “Action”) pending in the Superior Court for the State of California, County of Los Angeles, and subject to the approval of the Court. The Class Plaintiffs comprise all potential class plaintiffs as alleged in the Complaint (“Complaint”) who worked for Khanna at any time during the Claims Period, as defined herein, and who do not properly elect to exclude themselves from the terms of this Agreement.

I. Class Certification.

Solely for purposes of this Settlement, Named Plaintiff and Khanna (the “Parties”) stipulate and agree to settle the Action as a class action. The Parties stipulate and agree to the certification of the Class Action for purposes of this Settlement only. Should for whatever reason the Settlement not become final, the fact that the Parties were willing to stipulate to class

1 certification as part of the Settlement shall have no bearing on, and shall not be admissible in
2 connection with, the issue of whether a class should be certified in a non-settlement context in this
3 Action and shall have no bearing on, and shall not be admissible in connection with, the issue of
4 whether a class should be certified in any other lawsuit. Khanna expressly reserves its right to
5 oppose class certification should this Settlement not become final.

6 **II. Procedural History.**

7 Named Plaintiff filed her Complaint as a representative action (under Private Attorneys
8 General Act, Cal. Labor Code § 2698, et seq. ("PAGA") and putative class action against
9 Defendants Khanna Enterprises, Inc.; Khanna Enterprises General Partnership dba Custom Hotel;
10 Khanna Enterprises II, Limited Partnership; Khanna Enterprises LTD, a Limited Partnership; and
11 Khanna Enterprises LTD. III –LP on behalf of herself, and all similarly situated employees of
12 defendants.

13 On December 14, 2015, pursuant to Labor Code section 2698, et seq., Named Plaintiff
14 served, via U.S. Certified Mail, upon the California Labor and Workforce Development Agency
15 ("LWDA") and Khanna with her notification letter for wage and hour violations and penalties.
16 More than 33 days passed since Named Plaintiff served notice via Certified Mail to the LWDA
17 and her former employer, and the LWDA did not provide notice of its intent to investigate Named
18 Plaintiff's claims. Therefore, Named Plaintiff exhausted her obligation to provide administrative
19 notice and seeks penalties on behalf of herself and others who she alleges are current and former
20 California employees of Defendant.

21 On January 21, 2016, Named Plaintiff filed her Complaint in the above captioned court.

22 On January 6, 2017, Defendants served their answer to Named Plaintiff's Complaint.

23 Defendants are represented by Travis M. Gemoets and Taylor Burras of the law firm Jeffer
24 Mangels Butler & Mitchell LLP.

25 **III. Investigation in the Action.**

26 The Parties have conducted significant formal discovery and investigation of the facts and
27 law during the three-plus year prosecution of this Action. Such investigation has included, *inter*
28 *alia*, the deposition of defendant's Person Most Knowledgeable, the exchange of both formal and

1 informal written discovery and several thousand pages of documents. Class Counsel has further
2 investigated the applicable law as applied to the facts discovered regarding the alleged claims,
3 damages, and potential defenses thereto. In pertinent part, the investigation has yielded the
4 following: Named Plaintiff generally alleges that Class Plaintiffs have suffered damages; that
5 Khanna did not pay Class Plaintiffs all wages owed to them; that Khanna did not pay Class
6 Plaintiffs all wages and overtime premiums owed to them; that Khanna did not pay Class Plaintiffs
7 all premium wages for meal and rest period violations; that Khanna did not provide Class
8 Plaintiffs with legally compliant accurate itemized wage statements; that Khanna failed to
9 maintain employment records as required by law; that Khanna failed to indemnify Class Plaintiffs
10 for necessary expenditures incurred in discharge of duties; that Khanna owes wages, penalties,
11 liquidated damages, waiting time penalties, interest, attorneys' fees or other damages of any kind
12 based on a failure to fully or timely compensate Class Plaintiffs for all hours worked at any time
13 on or before the last day of the Class Period while working for Khanna (whether based on
14 contract, the California Wage Orders, the California Labor Code, or any other applicable law); that
15 Khanna engaged in alleged unlawful, unfair and/or fraudulent business practices under California
16 and Business and Professions Code 17200 *et seq.*; that Khanna violated the Labor Code Private
17 Attorney General's Act of 2004 ("the PAGA Claim") and that Class Plaintiffs were harmed by the
18 conduct alleged in the Action. Thus, Named Plaintiff demands various amounts for wages,
19 penalties, interest, costs, attorneys' fees, and other damages, on behalf of herself and all Class
20 Plaintiffs.

21 Based upon a thorough review of the law and facts of this case, Khanna contends that there
22 is no basis for damages, attorneys' fees, liquidated damages, waiting time penalties, and/or any
23 other penalties to be assessed against it pursuant to California state law because Class Plaintiffs
24 were at all times properly paid all wages owed (including overtime) and were properly provided
25 all meal and rest periods as required under California law. As such, all amounts properly owed to
26 Class Plaintiffs were timely paid to them, and Khanna disputes that Class Plaintiffs are owed any
27 additional wages. Khanna denies that it failed to pay meal period or rest period premium wages at
28 the regular rate under applicable law, including the legal precedent of *Brinker Restaurant Corp. v.*

1 *Superior Court*, 53 Cal.4th 1004 (2012). Khanna denies that it did not provide legally compliant
2 accurate itemized wage statements; that it did not maintain employment records as required by
3 law; that it failed to indemnify Class Plaintiffs for necessary expenditures incurred in discharge of
4 duties; that it did not properly pay all wages to Class Plaintiffs upon their separation from their
5 engagement with Khanna, and that it owed or owes wages, penalties, interest, attorneys' fees or
6 other damages related only to the underlying PAGA claims during the Class Period. Nevertheless,
7 given the risks inherent in litigation and in the spirit of compromise, Khanna, Named Plaintiff and
8 Class Members hereby agree to compromise all claims and forego any and all claims for
9 liquidated damages and/or penalties against Khanna pursuant to applicable law, the California
10 Labor Code and California Wage Orders, and any other applicable law, in return for payments
11 made pursuant to this Stipulation.

12 **IV. Benefits of Settlement to Class Members.**

13 Named Plaintiff recognizes the expense and length of continued proceedings necessary to
14 continue the litigation against Khanna through trial and through any possible appeals. Named
15 Plaintiff has also taken into account the uncertainty and risk of denial of motion for class
16 certification and the outcome of further litigation, and the difficulties and delays inherent in such
17 litigation. Named Plaintiff is also aware of the burdens of proof necessary to establish liability for
18 the claims asserted in the Action, Defendant's defenses thereto, and the difficulties in establishing
19 damages for the Named Plaintiff and Class Members. Named Plaintiff has also taken into account
20 the settlement negotiations to date and a lengthy mediation occurring on December 5, 2018 before
21 the Hon. Louis B. Meisenger (Ret.), an expert mediator of class actions, representative actions,
22 and collective actions, especially those in the wage and hour arena such as the Action and the fact
23 that the Settlement is the product of a mediator's proposal. Based on the foregoing, Named
24 Plaintiff has determined that the Settlement set forth in this Agreement is a fair, adequate and
25 reasonable settlement, and is in the best interests of the Class Members.

26 **V. Khanna's Reasons for Settlement.**

27 Khanna has concluded that further defense of this litigation would be protracted and
28 expensive for all Parties. Substantial amounts of time, energy and resources of Khanna have been

1 and, unless this Settlement is made, will continue to be devoted to the defense of the claims
2 asserted by Named Plaintiff on behalf of herself and the putative class. Khanna has also assessed
3 the risk of a finding of liability against it, and has taken into account the settlement negotiations to
4 date. Khanna has, therefore, agreed to settle in the manner and upon the terms set forth in this
5 Agreement to put to rest the Claims as set forth in the Action.

6 **VI. Khanna's Denials of Wrongdoing.**

7 Khanna has denied and continues to deny each of the claims and contentions alleged by
8 Named Plaintiff in the Action. Khanna has repeatedly asserted and continues to assert defenses
9 thereto and has expressly denied and continues to deny any wrongdoing or legal liability arising
10 out of any of the facts or conduct alleged in the Action. Khanna also has denied and continues to
11 deny, *inter alia*, that Named Plaintiff and the Class Members have suffered damages; that Khanna
12 did not pay Named Plaintiff and the Class Members all wages owed to them; that Khanna did not
13 pay Named Plaintiff and the Class Members all overtime premiums owed; that Khanna did not pay
14 Named Plaintiff and the Class Members all premium wages for missed meal and rest period
15 violations at the proper rate of pay or at all; that Khanna did not provide legally compliant
16 accurate itemized wage statements; that Khanna owes wages, penalties, liquidated damages,
17 waiting time penalties, interest, attorneys' fees or other damages of any kind based on a failure to
18 fully or timely compensate Named Plaintiff and the Class Members for all hours worked at any
19 time on or before the last day of the Class Period while working for Khanna (whether based on
20 contract, the California Wage Orders, or the wage and hour laws which would be applicable to any
21 Class Member's employment with Released Parties during the Class Period, or otherwise); that
22 Khanna engaged in alleged unlawful, unfair and/or fraudulent business practices under California
23 and Business and Professions Code 17200 *et seq.*; that Khanna violated the Labor Code Private
24 Attorneys General Act of 2004 and that Named Plaintiff and the Class Plaintiffs were harmed by
25 the conduct alleged in the Action.

26 **VII. Class Claims.**

27 Named Plaintiff, on behalf of herself and all Class Plaintiffs, has claimed and continues to
28 claim that the Released Claims (as defined below) have merit and give rise to liability on the part

1 of Khanna. Neither this Agreement nor any documents referred to herein, nor any action taken to
 2 carry out this Agreement, will be construed or used as an admission by or against any Party
 3 (Khanna, Named Plaintiff, Class Plaintiffs, counsel, or Released Parties as defined below) as to
 4 the merits or lack thereof of the claims asserted except as to the Released Claims of the Named
 5 Plaintiff and Class Members.

6 NOW, THEREFORE, IT IS HEREBY STIPULATED, by and among Named
 7 Plaintiff, on behalf of herself and the Class Members on the one hand, and Khanna on the other
 8 hand, and subject to the approval of the Court, that the Class Action is hereby being compromised
 9 and settled pursuant to the terms and conditions set forth in this Agreement upon the Effective
 10 Date (as defined below), subject to the recitals set forth herein above, which by this reference
 11 become an integral part of this Agreement, and subject to the following terms and conditions:

12 1. **Definitions:**

13 (a) “**Class Plaintiffs**” is defined as each nonexempt employee of Khanna who
 14 performed work for Khanna in California and was paid at an hourly rate of pay during the Class
 15 Claims Period. Class Plaintiffs comprise all putative class members as alleged in the Complaint.

16 (b) “**Action**” or “**Class Action**” refers to the action entitled *Anita Harris, on*
 17 *behalf of herself and all others similarly situated, Plaintiffs, vs. Khanna Enterprises General*
 18 *Partnership dba Custom Hotel, et al., Defendants* (the “Complaint”), Superior Court of the State
 19 of California, County of Los Angeles, Case No. BC 607861, filed on January 21, 2016.

20 (c) “**Class Members**” comprise all Class Plaintiffs who do not affirmatively
 21 opt out of and exclude themselves from the Settlement in a timely manner, as defined herein.

22 (d) “**Claims Period**” is defined as the period from January 21, 2012 through
 23 April 6, 2019.

24 (e) “**Defendants**” or “**Khanna**” means defendants Khanna Enterprises, Inc.;
 25 Khanna Enterprises General Partnership dba Custom Hotel; Khanna Enterprises II, Limited
 26 Partnership; Khanna Enterprises LTD, a Limited Partnership; and Khanna Enterprises LTD. III –
 27 LP.

1 (f) **The "Effective Date"** is defined as follows: If no objection to this
2 Settlement or to any of the terms and or conditions of the Stipulation are filed by a Class Member
3 or any intervenor to this action, the Effective Date shall occur on the day that the Court enters an
4 order of final approval of this settlement and enters judgment; however, if any objection to this
5 Settlement or to any of the terms and or conditions of the Stipulation is filed by any Class Member
6 or intervenor to the Action, the Effective Date shall occur upon the expiration of the time for the
7 filing any appeal of the order of final approval of this settlement and/or the judgment. If an appeal
8 is filed or any writ granted, then the Effective Date shall occur after the appeal has been dismissed
9 or the writ dissolved and when there is no further time to appeal the dismissal of the appeal or the
10 dissolution of the writ.

11 (g) **"Enhancement Award"** means the sum to be paid to the Named Plaintiff, as
12 an enhancement for her singular role in undertaking this Action, and for the risks and work
13 attendant to this role, which award shall be deducted from the "Settlement Fund."

14 (h) **"Named Plaintiff"** means Anita Harris.

15 (i) **"Payment Date"** means the date by which Class Members receive payment
16 of their individual Settlement Payments.

17 (j) **"Settlement Fund"** means Eight Hundred Fifty Thousand Dollars and Zero
18 Cents (\$850,000.00), which is the maximum amount Khanna shall be required to pay under this
19 Agreement (with the exception of certain payroll taxes noted below), and is inclusive of all
20 attorneys' fees, attorneys' costs, incentive awards, claims administration expenses, alleged
21 damages, and PAGA Claim amounts. The employer's share of all state and federal payroll taxes
22 such as FICA, FUTA, UI, ETT, and SDI ("Payroll Taxes") on Settlement Payments made pursuant
23 to this Agreement to Class are to be paid by Defendants separately and apart from the Settlement
24 Fund;

25 (k) **"Net Settlement Amount"** means the Settlement Fund, less all of the
26 following: (i) Named Plaintiff's Enhancement Award; (ii) Class Counsel's attorneys' fees; (iii)
27 Class Counsel's litigation costs and expenses; (iv) all third party administrator's expenses incurred
28 by CPT Group, Inc. (the "Settlement Administrator"), the third party claims administer selected by

1 the Parties; and (v) PAGA Claim penalties payable to the California Labor and Workforce
2 Development Agency (the "LWDA"). The total sum of the Net Settlement Amount plus the
3 Named Plaintiff Enhancement Award, Class Counsels' attorneys' fees and costs, the claims
4 administration expenses, and PAGA Claim payments payable to the LWDA shall not exceed the
5 Settlement Fund of \$850,000.00.

6 (l) **"Settlement Payment(s)"** mean the individual amounts to be paid to Class
7 Members pursuant to the terms of this Settlement.

8 (m) **Complaint ("Complaint")** means the Complaint filed with the Court.

9 2. **Full Investigation.** Plaintiff has fully investigated the factual and legal bases for
10 the causes of action asserted in the Class Action. Given the disagreement between the Parties as to
11 the viability of the claims raised by Plaintiff in the Class Action, the Parties believe the Settlement
12 provided for herein is a fair, adequate and reasonable settlement.

13 3. **Release As To All Class Members.** As of the Effective Date, the Class Members,
14 including Named Plaintiff, release Khanna, Inc., all of its affiliates, and each of their past or
15 present officers, directors, members, shareholders, employees, agents, principals, heirs,
16 representatives, accountants, auditors, consultants, insurers and reinsurers, and its and their
17 respective successors and predecessors in interest, subsidiaries, affiliates, joint ventures, parents
18 and attorneys and each of their respective company-sponsored employee benefit plans and all of
19 their respective officers, directors, employees, administrators, fiduciaries, trustees and agents (the
20 "Released Parties"), from the "Released Claims." This release is subject to court approval. For
21 purposes of this Agreement, the "Released Claims" are defined as:

22 (a) All claims, demands, rights, liabilities, and causes of action of every nature
23 and description whatsoever, known or unknown, asserted or that were or could have reasonably
24 been asserted from the allegations in the Action, whether in tort, contract, or for violation of any
25 state or federal constitution, statute, rule, regulation, including the California Labor Code and the
26 California Wage Orders, whether for economic damages, non-economic damages, restitution,
27 penalties, liquidated damages, or interest, arising out of, relating to, or appertaining to the
28 following claims that Khanna:

1 did not pay the Class Members all amounts owed for work performed by
2 Class Members for Khanna;

3 failed to pay the Class Members all overtime amounts owed (including
4 weekly overtime, daily overtime, and double time) for work performed by Class Members for
5 Khanna;

6 failed to pay the Class Members the applicable state or local minimum
7 wage for all hours worked;

8 failed to provide meal periods and rest breaks to the Class Members;

9 failed to pay or timely pay the Class Members for all hours worked;

10 did not provide legally compliant accurate itemized wage statements;

11 did not properly pay all wages to the Class Members upon the Class
12 Members' separation from employment;

13 did not reimburse Class Members for all business-related expenses; and

14 owes or owes wages, penalties, interest, attorneys' fees or other damages
15 arising pursuant to the California Private Attorneys General Act, Cal. Lab. Code Section 2698 et
16 seq.

17 (b) All causes of action asserted in the Complaint, including any and all claims
18 for alleged failure to pay wages or overtime to the Class Members while allegedly employed by
19 Khanna, for alleged failure to provide unpaid meal periods and paid rest breaks to the Class
20 Members, for alleged failure to provide itemized wage statements to the Class Members while
21 employed by Khanna, for waiting time penalties, for unreimbursed business expenses, for alleged
22 PAGA penalties and, as related to the foregoing, for alleged unlawful, unfair and/or fraudulent
23 business practices under California and Business and Professions Code sections 17200, et seq. for
24 alleged wage and hour violations while employed by Khanna.

25 4. **Released Claims Extends to All Known and Unknown Claims.** Released
26 Claims include any unknown claims *but only to the extent that they relate to the facts and claims*
27 *alleged in the Operative Complaint* that the Class Members do not know or suspect to exist in
28 their favor at the time of the release, which, if known by them, might have affected their

1 settlement with, and release of, the Released Parties or might have affected their decision to object
2 to this Settlement. With respect to the Released Claims only, upon the Effective Date, the Class
3 Members shall be deemed to have, and by operation of the Final Judgment shall have, with respect
4 to the Released Claims only, expressly waived and relinquished, to the fullest extent permitted by
5 law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other
6 similar provision under federal or state law, which provides:

7 **A general release does not extend to claims that the creditor or**
8 **releasing party does not know or suspect to exist in his or her**
9 **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.

10 The Class Members may hereafter discover facts in addition to or different from
11 those they now know or believe to be true with respect to the subject matter of the Released
12 Claims, but upon the Effective Date shall be deemed to have, and by operation of the Final
13 Judgment shall have, fully, finally, and forever settled and released any and all of the Released
14 Claims, whether known or unknown, suspected or unsuspected, contingent or not contingent,
15 which now exist, or heretofore have existed, upon any theory of law or equity now existing,
16 including, but not limited to, conduct that is negligent, intentional, with or without malice, or a
17 breach of any duty, law or rule, without regard to the subsequent discovery or existence of such
18 different or additional facts.

19 5. **General Release By Named Plaintiff Only.** In addition to the release made by the
20 Class Members set forth in Paragraphs 3 and 4 hereof, Named Plaintiff, in exchange for receipt of
21 an Enhancement Award, as of the Payment Date makes the additional following general release of
22 all claims, known or unknown: Named Plaintiff releases the Released Parties from all claims,
23 demands, rights, liabilities and causes of action of every nature and description whatsoever, known
24 or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of
25 any state or federal statute, rule or regulation arising out of, relating to, or in connection with any
26 act or omission by or on the part of any of the Released Parties committed on or prior to the
27 execution hereof, with the exception of claims for wrongful termination, sexual harassment,
28 retaliation, and engagement in protected activity (sex and gender) under the Fair Employment and

1 Housing Act (“FEHA”) which are not waived or compromised via this class action settlement.
2 (The release set forth in this Paragraph 5 shall be referred to hereinafter as the “General Release.”)
3 The General Release includes any unknown claims relating to the subject matter of the Released
4 Claims Named Plaintiff does not know or suspect to exist in his or her favor at the time of the
5 General Release, which, if known by Named Plaintiff might have affected his/her settlement with,
6 and release of, the Released Parties by Named Plaintiff or might have affected his or her decision
7 not to object to this Settlement or the General Release.

8 With respect to the General Release, Named Plaintiff shall be deemed to have, and
9 by operation of the Final Judgment shall have, expressly waived and relinquished, to the fullest
10 extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil
11 Code, or any other similar provision under federal or state law, which provides:

12 **A general release does not extend to claims that the creditor or**
13 **releasing party does not know or suspect to exist in his or her**
14 **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.

15 Named Plaintiff may hereafter discover facts in addition to or different from those
16 she now knows or believes to be true with respect to the subject matter of the General Release, but
17 Named Plaintiff, upon the Effective Date, shall be deemed to have, and by operation of the Final
18 Judgment shall have, fully, finally, and forever settled and released any and all of the claims
19 released pursuant to the General Release, whether known or unknown, suspected or unsuspected,
20 contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law
21 or equity now existing, including, but not limited to, all claims, actions, suits or charges arising out
22 of Named Plaintiff’s employment or contractual relationships with Released Parties and
23 separation/cessation of these relationships, such as claims for wrongful termination, wrongful
24 demotion, breach of contract, unpaid wages, accrued but unused vacation pay, claims under the
25 Labor Code of the State of California or similar laws of any other jurisdiction, and claims for
26 discrimination, harassment, or retaliation based on any protected category, including the Age
27 Discrimination in Employment Act (“ADEA”), conduct that is negligent, intentional, with or
28 without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or

1 existence of such different or additional facts. However, as stated above, this release and waiver
2 does not extend to any claims Named Plaintiff may have against Defendants, or any of them, for
3 wrongful termination, sexual harassment, retaliation, and engagement in protected activity (sex
4 and gender) under FEHA.

5 **6. Allocation of Settlement Funds.**

6 (a) Class Counsel intends to move the Court for an award of attorneys' fees
7 compensating Class Counsel for its representation of the Class Members in this matter in an
8 amount not to exceed thirty-three percent (33%) of the Settlement Fund, equal to Two Hundred
9 Eighty-Three Thousand Three Hundred and Thirty-Three Dollars and 33/100 (\$283,333.33), of
10 which the entire amount granted by the Court is to be deducted from the Settlement Fund. Class
11 Counsel also intends to move the Court for an Order reimbursing actual litigation costs and
12 expenses in an amount not to exceed Forty Thousand Dollars (\$40,000), claims administration
13 fees and costs incurred by the Settlement Administrator, in an amount not to exceed Twenty-Five
14 Thousand Dollars (\$25,000.00), and an Enhancement Award in an amount not to exceed Twelve
15 Thousand Five Hundred Dollars (\$12,500.00) to the Named Plaintiff. The attorneys' fees,
16 litigation costs, claims administration costs and Enhancement Awards are to be paid out of the
17 Settlement Fund as explained below and shall not be an additional cost to Khanna. Twenty
18 Thousand Dollars (\$20,000.00) of the Settlement Fund shall be allocated to the PAGA Claim
19 pursuant to California Labor Code sections 2698, et. seq. From the \$20,000.00 attributed to the
20 PAGA Claim, 75% (\$15,000.00) shall be paid to the LWDA and 25% (\$5,000.00) shall be
21 distributed back into the Settlement Fund for the benefit of the Class Members.

22 (b) If the Court does not approve any of the awards as requested and described
23 above, then the difference not awarded shall be added to the Settlement Fund and distributed
24 between the Class Members on a pro rata basis based on a percentage of each individual Class
25 Member's Settlement Award.

26 (c) The Settlement Funds shall equal the amount available to pay all Settlement
27 Payments to the Class Members, Class Counsel's Fees Award; Class Counsel's litigation costs and
28

1 expenses; claims administration fees and costs; Enhancement Award to Named Plaintiff; and
2 PAGA Claim penalties.

3 7. **Allocation of Net Settlement Amount.** The amount remaining from the
4 Settlement Funds after the award of the attorneys' fees and costs, enhancement awards, claims
5 administration expenses and PAGA Claim penalties payable to the LWDA, shall be referred to as
6 the "Net Settlement Amount" from which all Class Members will receive a Settlement Payment.
7 There shall be no requirement that any Class Plaintiff submit a claim form to become a Class
8 Member. Class Plaintiffs who do not negotiate the settlement payment shall be subject to the
9 release of claims as set forth in Paragraph 4 above. The Net Settlement Amount will be
10 distributed to Class Members. The Net Settlement Amount will be allocated to the Class for
11 distribution to the Class Members on a pro rata based on each participating Class Members' total
12 earned compensation during the Class Claims Period. Class Plaintiffs who opt out cannot be Class
13 Members and therefore will not receive a distribution. Class Plaintiffs who do not opt out in a
14 timely manner automatically become Class Members and need not submit a claim form in order to
15 receive a distribution from the Net Settlement Amount.

16 8. **Basis for Distribution.** Settlement payments will be made on a pro-rata basis to
17 all Class Members who do not opt out in a timely manner as described in Paragraph 7 above. The
18 Settlement amounts paid to the Class Members will be allocated between penalties and interest
19 (80%), and wages (20%). Taxes, if any, will be withheld on any wage portions paid to Class
20 Members, though the employer's share of any and all state and federal Payroll Taxes on these
21 settlement payments shall be paid by Defendants separately and apart from these payments. The
22 amount allocated as penalties and interest paid to each Class Member shall be paid without
23 deduction or offset to reflect payment of alleged interest, penalties, and other non-wage amounts,
24 although Khanna may issue an IRS Form 1099-Misc and/or IRS Form 1099-Int to reflect these
25 payments for penalties and interest.

26 9. **Additional Distribution Details.**

27 (a) **Time for Distribution of the Settlement Payments.** Settlement Payments
28 shall be made on a one-time basis. Within thirty (30) calendar days after the Effective Date,

1 Khanna shall fund the Settlement Fund directly from its funds, which shall comprise Eight
2 Hundred Fifty Thousand Dollars (\$850,000.00). This amount shall be paid to the Settlement
3 Administrator for proper distribution under the terms of this Settlement. The Parties agree that all
4 Settlement Payments will be allocated as recommended by the Settlement Administrator in
5 conformance with applicable tax laws with IRS Forms issued accordingly, as required by law.
6 Class Members shall take full and complete responsibility for any and all tax liability incurred by
7 them resulting from sums paid to them pursuant to this settlement and Agreement.

8 (b) **Opt-Outs.** Excluded from receiving a Settlement Payment under the terms
9 of this Agreement are all Class Plaintiffs who submit a valid and timely Request for Exclusion
10 from the class action settlement.

11 (c) **Class Members Who Fail to Negotiate Settlement Payment.** It is
12 anticipated, but not certain, that one or more Class Members who receive the Settlement Payment
13 will fail to negotiate this payment within the one hundred and eighty (180) day negotiation period
14 described in Section 8(d) below. Such individuals will remain Class Members and the amount of
15 the Settlement Payment made to them will be treated as Unclaimed Funds as described in Section
16 8(d) below.

17 (d) **Disposition of Unclaimed Funds.** All unclaimed Settlement Payments shall
18 become null and void one hundred and eighty (180) days following the issuance date on the
19 settlement checks. Thereafter, the funds represented by any uncashed or undeliverable checks
20 shall be distributed, subject to approval by the Court, to Safe Place for Youth (“SPY”)—a
21 501(c)(3) nonprofit providing services, including but not limited to legal services, to homeless
22 youth in Los Angeles.

23 10. **Fees Award, Costs, and Enhancement Award.**

24 (a) Class Counsel shall petition the Court for an award of attorneys’ fees (“Fees
25 Award”) in an amount not to exceed thirty-three percent (33%) of the Settlement Fund, to be paid
26 from the Settlement Fund. Khanna shall not, directly or indirectly, oppose or contest this request.
27 Class Counsel shall not request any additional fees or costs related to this action outside those
28 requested as part of this settlement agreement.

1 (b) Class Counsel shall petition the Court for an award of actual Costs
2 reimbursements, in an amount not to exceed \$40,000, to be paid from the Settlement Fund.
3 Khanna shall not, directly or indirectly, oppose or contest this request.

4 (c) Class Counsel may apply for an Enhancement Award to the Named Plaintiff
5 in an amount not to exceed Twelve-Thousand Five Hundred Dollars (\$12,500.00) for her time and
6 effort spent pursuing the Action, and for the risks undertaken for fees and costs in the event of an
7 unsuccessful outcome in this Action. Khanna agrees not to oppose such an application, so long as
8 it is consistent with the provisions of this Agreement. The Enhancement Award shall be paid out
9 of the Settlement Funds and shall not constitute an additional expense for Khanna. In addition to
10 the Enhancement Award, Named Plaintiff is eligible to receive a Settlement Payment. The
11 Enhancement Award will not be taxed as wages. For such award, Named Plaintiff will receive an
12 IRS 1099 Form.

13 11. **Time for Distribution.** Class Counsel's Fee Award and awarded costs, as well as
14 Named Plaintiff's Enhancement Award shall be paid by Khanna from the Settlement Funds, and
15 shall not constitute an additional expense for Khanna. The Enhancement Award and Class
16 Counsel's awarded Fees and Costs shall be paid to Class Counsel via the Settlement
17 Administrator, as set forth in Section 9(a) and 9(b) above.

18 12. **Responsibilities of Khanna.** Within 14 calendar days after Preliminary Approval,
19 Khanna will provide the Settlement Administrator (and *only* the Settlement Administrator) with an
20 electronic spreadsheet containing the names, most current mailing addresses, social security
21 numbers if available, telephone numbers if available, and total income earned as nonexempt
22 employees of Khanna in California during the Class Claims Period for each Class Plaintiff from
23 Khanna's records. Before receipt of this data, the Settlement Administrator will agree to maintain
24 this information as confidential and not to disclose it to anyone or any person, including Named
25 Plaintiff or her counsel except as necessary for the administration and distribution of the
26 Settlement. In the event of a dispute as to the calculation of income earned for time worked,
27 Khanna will provide backup information to Class Counsel and the Settlement Administrator
28 regarding the dispute. Khanna will cooperate with the Settlement Administrator to locate Class

1 Plaintiffs whose original Notice packets have been returned to the Settlement Administrator as
2 undeliverable and if the Settlement Administrator has been unsuccessful in locating an updated
3 address by way of social security computer search or other means available to the Settlement
4 Administrator.

5 13. **Operation of the Settlement Fund.**

6 (a) Khanna represents that it currently maintains sufficient assets to pay all
7 claims, fees, costs, payments, enhancement awards, claims administration fees and expenses.
8 Khanna shall pay amounts from the Settlement Fund as directed by the Court and/or the
9 Settlement Administrator.

10 (b) Khanna shall not be obligated to segregate the Settlement Funds from its
11 general funds, and shall forward all amounts required to be paid to the Settlement Administrator
12 for distribution as indicated above.

13 (c) Payment of the individual Settlement Payments shall not be admissible as
14 evidence in any other proceeding nor shall it be deemed an admission of the validity of any part of
15 the Class Member's claims or of any liability on the part of Khanna.

16 (d) The Settlement Administrator, in conjunction with Khanna and Class
17 Counsel, will calculate the amounts to be paid to the Class Members in accordance with the terms
18 and provisions of this Agreement. Each individual Class Member's payment shall be based upon a
19 pro-rata comparison of each Class Member's total earned income from Defendants as nonexempt
20 employees of Khanna in California during the Class Claims Period. Class Counsel will be
21 provided access to all calculations and all data forming the basis for such determinations. The
22 Court shall retain jurisdiction over the correctness of such calculations and the amount of payment
23 due, and the parties shall submit any disagreements regarding these issues to the Court for
24 determination.

25 (e) The Settlement Administrator shall have the authority and obligation to
26 make payments and disbursements in the manner set forth herein, to Class Members from the
27 Settlement Fund calculated in accordance with the methodology set out in this Agreement and
28 orders of the Court and subject to verification by Class Counsel.

(f) No person shall have any claim against Khanna, Khanna's Counsel, Named Plaintiff, the Class, Class Members, Class Counsel or the Settlement Administrator based on distributions and payments made in accordance with this Agreement, once approved by the Court.

14. **No Injunctive Relief.** As part of this Settlement, Khanna shall not be required to enter into any consent decree, nor shall Khanna be required to agree to any provision for injunctive relief. Khanna shall not be required as part of the Settlement to modify or eliminate any of its personnel, compensation or payroll practices, or adopt any new personnel, compensation or payroll practices.

15. **Notice/Approval of Settlement and Settlement Implementation.** As part of this Settlement, the Parties agree to the following procedures for obtaining Preliminary Approval of the Settlement, certifying a Class, notifying all Class Plaintiffs, obtaining final Court approval of the Settlement and processing the individual Settlement Payments.

(a) **Preliminary Settlement Approval.** Counsel for Named Plaintiff will file, concurrently herewith, a motion for an order of preliminary approval of the Settlement, certification of the Class for settlement purposes only and setting a date for Final Fairness Hearing to obtain final approval of the Settlement ("Preliminary Approval Order" or "Order") (in a form substantially similar to Exhibit 1 attached hereto). In support of the application for an order of preliminary approval, the Parties shall submit this Agreement, which sets forth the terms of this Settlement, and will include proposed forms of the class notice and other documents necessary to implement the Settlement. The proposed Order on Preliminary Approval shall provide for notice of the Settlement and related matters to be sent to Class Plaintiffs as specified herein.

16. **Notice to Class Plaintiffs.** Notice of the Settlement shall be provided to the Class Plaintiffs who may opt out of the Class, submit objections to the Settlement, and/or requests for exclusion from the California Class, using the following procedures:

(a) **Settlement Administrator.** The Settlement Administrator shall be retained to serve as Settlement Administrator. Subject to Khanna's and Class Counsel's agreement to perform some or all of said tasks, as set forth in this Agreement, the Settlement Administrator shall be responsible for preparing, printing and mailing the "Notice Packet" consisting of the

1 Notice of Class Action Settlement (“Notice”) (in the form substantially similar to Exhibit 2
2 attached hereto) and Individual Class Member Information Sheet (“Information Sheet”) (in the
3 form substantially similar to Exhibit 3 attached hereto) as directed by the Court to all Class
4 Plaintiffs; determining the amount of all payments to Class Members, along with the amount of all
5 payroll tax deductions to be withheld, if any; monitoring the opt-outs and objections to the
6 Settlement; advising Class Counsel and Counsel for Khanna on a no less than bi-weekly basis of
7 the status; drafting and mailing Settlement Payment checks to Class Members; sending EDD
8 payments to the EDD if applicable, addressing questions from Class Members regarding the
9 Settlement; and for such other tasks as the Parties mutually agree or the Court orders the
10 Settlement Administrator to perform. The Parties each represent they do not have any financial
11 interest in Settlement Administrator or otherwise have a relationship with Settlement
12 Administrator that could create a conflict of interest. Khanna shall also be responsible for paying
13 over to the Settlement Administrator at such times as requested by this Agreement and/or the
14 Settlement Administrator those amounts necessary to enable the Settlement Administrator to pay
15 Settlement Class Members, Class Counsel, and the Settlement Administrator.

16 (b) **Notice By First-Class Mail.** Within twenty-five calendar days after entry of
17 the Preliminary Approval Order as provided herein, the Settlement Administrator shall send a
18 Notice to all Class Plaintiffs via First Class regular U.S. mail, using the most current mailing
19 address information for Class Plaintiffs as provided by Khanna to the Settlement Administrator
20 from Khanna’s records. Any Notices returned to the Settlement Administrator as non-delivered
21 before the Objection/Exclusion Deadline Date specified below shall be sent to the forwarding
22 address affixed thereto. If no forwarding address is provided, then the Settlement Administrator
23 shall promptly attempt to determine a correct address and shall re-mail the Notice to the address
24 that is located, if any. Khanna will cooperate with the Settlement Administrator in efforts to locate
25 Class Plaintiffs should the Settlement Administrator be unable to obtain a better forwarding
26 address.

27 17. **Procedure for Opting In, Objecting to or Requesting Exclusion from Class**
28 **Action Settlement.**

1 (a) **Procedure for Participating in the Class.** Class Plaintiffs who do not opt
2 out will automatically participate in the Class; Class Plaintiffs do not need to opt in or return any
3 claim form in order to participate in the Settlement.

4 (b) **Procedure for Objecting.** The Notice shall provide that Class Members
5 who wish to object to the Settlement must mailed or otherwise serve the Settlement Administrator
6 with a written statement objecting to the Settlement and reasons therefore. Such written statement
7 must be mailed or otherwise served on counsel for the Parties no later than fifty-five (55) days
8 after the original Notice is mailed and no later than seventy-five (75) days after the original Notice
9 is mailed for those objectors who received a second mailing of the Notice because the initial
10 mailing was returned as undeliverable (the “Objection/Exclusion Deadline Date”). Objecting
11 Class Members who fail to serve timely written objections in the manner specified above shall be
12 deemed to have waived any objections and shall be foreclosed from making any objection
13 (whether by appeal or otherwise) to the Settlement.

14 (c) **Procedure for Requesting Exclusion.** Class Plaintiffs who wish to exclude
15 themselves from the Class must submit a written statement requesting exclusion from the Class on
16 or before the Objection/Exclusion Deadline Date, as provided on the Notice. Such written request
17 for exclusion must contain the name, address, and telephone number, as stated in the Notice, of the
18 person requesting exclusion, must be returned by mail to the Settlement Administrator at the
19 specified address and must be postmarked on or before the Objection/Exclusion Deadline Date.
20 The date of the postmark on the return mailing envelope shall be the exclusive means used to
21 determine whether a request for exclusion has been timely submitted. Any Class Plaintiff who
22 opts out of the Class will be identified in the Court’s final order, will not be entitled to any
23 recovery under the Settlement, will not release any claims, and will have no right to object to the
24 Settlement or appeal from a final judgment approving the Settlement.

25 (d) Class Plaintiffs who fail to submit a valid and timely request for exclusion on
26 or before the Objection/Exclusion Deadline Date shall be bound by all terms of the Settlement and
27 any Final Judgment entered in this Class Action if the Settlement is approved by the Court,
28 regardless of whether or not they have made an objection to the Settlement, with respect only to

1 their claims under California law. No later than five calendar days after the Objection/Exclusion
2 Deadline Date, the Settlement Administrator shall provide Khanna's Counsel and Class Counsel
3 with a supportive declaration and complete list of: 1) all Class Plaintiffs who have timely
4 requested exclusion, 2) the number of Class Members who excluded themselves from the
5 settlement, 3) the gross and average settlement amount to be paid to each Class Plaintiff; and 4)
6 the Settlement Administrator's total costs to finalize administration of the settlement.

7 (e) The Parties agree to use their best efforts to carry out the terms of this
8 Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise
9 encourage Class Members to submit written objections to the Settlement or requests for exclusion
10 from the Settlement Class, or appeal from the Court's Final Judgment. At its option, Khanna is
11 permitted to circulate and post memoranda on company letterhead encouraging and soliciting
12 Class Plaintiffs' participation to become a Class Member and share in the Settlement Fund. At its
13 option, Khanna may also verbally solicit participation from Class Plaintiffs and advise Class
14 Plaintiffs verbally and/or in writing that no person will be retaliated against for participating in the
15 Settlement Fund. Khanna shall not retaliate against any Class Plaintiff who participates in, or who
16 opts out of, this Settlement.

17 18. **Defendants' Option to Terminate Settlement.** If, after the Objection/Exclusion
18 Deadline Date and before the Final Approval Hearing date, persons who otherwise would be
19 members of the Class have filed with the Court timely requests for exclusion from the Settlement
20 Class in accordance with Paragraph 17(d) above, and such persons total in number greater than
21 7.5% of the Class Plaintiffs, Khanna shall have, in its sole discretion, the option to terminate this
22 Settlement. If Khanna chooses to exercise this discretion, Khanna shall provide Class Counsel
23 with written notice of the termination and file a notice thereof with the Court at least ten court
24 days following notification of same by the Settlement Administrator. Khanna shall also be solely
25 responsible for all settlement administration costs if it terminates the settlement under this
26 provision.

27 19. **Named Plaintiff's Option to Terminate Settlement.** Prior to the hearing on the
28 Motion for Preliminary Approval of Class Action Settlement, Defendant shall provide Class

1 Counsel with the total number of workweeks that Class Members worked for Defendant during
2 the Claims Period (“Employee Workweeks”). On or prior to Preliminary Approval of this
3 Settlement by the Court, in the event the total Employee Workweeks during the Claims Period
4 exceed 72,025, Class Counsel shall have, in their sole discretion, the option to terminate this
5 Settlement. If Class Counsel chooses to exercise this discretion, Class Counsel shall provide
6 defense counsel with written notice of the termination and file a notice thereof with the Court.

7 20. **Final Settlement Approval Hearing and Entry of Final Judgment.** The Final
8 Settlement Approval Hearing shall be conducted to determine final approval of the Settlement at
9 which time the Court will also hear motions addressing the amounts properly payable for (i) the
10 Class Counsel’s attorneys’ fee and litigation costs and expenses awards, and (ii) Named Plaintiff’s
11 Enhancement Award. Upon final approval of the Settlement by the Court at or after the Final
12 Settlement Approval Hearing, the Parties shall present an Order Granting Final Approval and
13 Judgment (“Final Approval Order” substantially in the form attached as Exhibit 4 hereto). After
14 entry of the Final Judgment, the Court shall have continuing jurisdiction pursuant to Code of Civil
15 Procedure Section 664.6 for purposes of addressing: (i) settlement administration matters and (ii)
16 such post-Final Judgment matters as may be appropriate under court rules or as set forth in this
17 Agreement.

18 21. **Costs.** All of Khanna’s own legal fees, costs and expenses incurred in this Action
19 shall be borne by Khanna. The Parties agree to cooperate in the Settlement administration process
20 and to make all reasonable efforts to control and minimize the costs and expenses incurred in
21 administration of the Settlement, noting that the cost of administering the settlement shall be
22 deducted from the Settlement Fund upon approval by the Court.

23 22. **Nullification of Settlement Agreement.** In the event: (i) the Court does not enter
24 the Order specified herein; (ii) the Court does not finally approve the Settlement and does not
25 enter a Final Judgment as provided herein which becomes final as a result of the occurrence of the
26 Effective Date; or (iii) the Settlement does not become final for any other reason, this Settlement
27 Agreement shall be null and void and any order or judgment entered by the Court, in furtherance
28 of this Settlement shall be treated as void *ab initio*. Should event (i), (ii), or (iii) above occur, the

1 Parties and any funds yet to be awarded under this Settlement shall be returned to their respective
2 statuses as of the date and time immediately prior to the execution of this Agreement, and the
3 Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except
4 that any fees already incurred by the Settlement Administrator shall be paid for by Khanna and
5 shall not be repaid to Khanna. All other administration of the Settlement shall be stayed pending
6 final resolution of the appeal or other appellate review.

7 **23. Appraisal and Certification By Settlement Administrator.** The Settlement
8 Administrator shall keep Khanna, Khanna's counsel and Class Counsel apprised of all
9 distributions from the Settlement Fund (to the extent the Settlement Administrator is responsible
10 for any such distribution) and upon completion of administration of that portion of the Settlement,
11 the Settlement Administrator shall provide written certification of such completion to the Court
12 and counsel for all Parties.

13 **24. Privacy of Documents and Information.** Named Plaintiff and her counsel agree
14 that none of the documents and information provided to them by Khanna as part of settlement and
15 approval thereof shall be used for any purpose other than in furtherance of the settlement of this
16 Class Action. Within 75 days after the Settlement Payment has been paid by Khanna, Class
17 Counsel and Named Plaintiff shall destroy or return to Khanna all materials in their possession
18 pertaining to this Action, with the exception that Class Counsel may return archival copies for
19 their records, which shall not be disclosed to any third parties except as may be required by law.

20 **25. No Admission By the Parties.** Khanna and the Released Parties deny any and all
21 claims alleged in this Class Action and deny all wrongdoing whatsoever. This Agreement is not a
22 concession or admission, and shall not be used against Khanna or any of the Released Parties as an
23 admission or indication with respect to any claim of any fault, concession or omission by Khanna
24 or any of the Released Parties. Whether or not the Settlement is finally approved, neither the
25 Settlement, nor any document, statement, proceeding or conduct related to this Agreement, nor
26 any reports or accounts thereof, shall in any event be:

27 (a) construed as, offered or admitted in evidence as, received as, or deemed to
28 be evidence for any purpose adverse to the Released Parties, including, but not limited evidence of

1 a presumption, concession, indication or admission by any of the Released Parties of any liability,
2 fault, wrongdoing, omission, concession or damage; or

3 (b) disclosed, referred to or offered or received in evidence against any of the
4 Released Parties, in any further proceeding in the Class Action, or any other civil, criminal or
5 administrative action or proceeding except for purposes of settling this Class Action or obtaining
6 Court approval pursuant to this Agreement.

7 26. **Exhibits and Headings.** The terms of this Agreement include the terms set forth
8 in the attached Exhibits 1-4, which are incorporated by this reference as though fully set forth
9 herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive
10 headings of any paragraphs or sections of this Agreement are inserted for convenience of reference
11 only and do not constitute a part of this Agreement.

12 27. **Interim Stay of Proceedings.** The Parties agree to stay all proceedings in the
13 Class Action, except such proceedings necessary to implement and complete the Settlement,
14 pending the Final Settlement Hearing to be conducted by the Court.

15 28. **Amendment or Modification.** This Agreement may be amended or modified only
16 by a written instrument signed by counsel for all Parties or their successors-in-interest.

17 29. **Entire Agreement.** This Agreement and any attached Exhibits constitute the
18 entire agreement among these Parties, and no oral or written representations, warranties or
19 inducements have been made to any Party concerning this Agreement or its Exhibits other than the
20 representations, warranties and covenants contained and memorialized in such documents.

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

1 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve
2 such disagreement. The persons signing this Agreement on behalf of Khanna represent and
3 warrant that they are authorized to sign this Agreement on behalf of Khanna.

4 31. **Binding on Successors and Assigns.** This Agreement shall be binding upon, and
5 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

6 32. **Counterparts.** This Agreement may be executed in one or more counterparts. All
7 executed counterparts and each of them shall be deemed to be one and the same instrument
8 provided that counsel for the Parties to this Agreement shall exchange among themselves original
9 signed counterparts.

10 33. **This Settlement is Fair, Adequate and Reasonable.** The Parties believe this
11 Settlement is a fair, adequate and reasonable settlement of this Class Action and have arrived at
12 this Settlement in arms-length negotiations, taking into account all relevant factors, present and
13 potential. This Settlement was reached after extensive negotiations and review of portions of
14 Khanna's business records, payroll records, timekeeping records, and employment policies and as
15 further described in the declarations of counsel submitted in support of Preliminary Approval of
16 Settlement.

17 34. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to
18 interpretation, implementation and enforcement of the terms of this Agreement and all orders and
19 judgments entered in connection therewith, and the parties and their counsel hereto submit to the
20 jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement
21 embodied in this Agreement and all orders and judgments entered in connection therewith.

22 35. **Cooperation and Drafting.** Each of the parties has cooperated in the drafting and
23 preparation of this Agreement. Hence, in any construction made to this Agreement, same shall not
24 be construed against any of the parties.

25 36. **Invalidity of Any Provision.** Before declaring any provision of this Agreement
26 invalid, the Court shall first try to construe the provision as valid to the extent possible under the
27 law so as to render all provisions of this Agreement valid and enforceable.

28

1 37. **Limitation on Publicity.** Counsel for Named Plaintiff and the Class shall not
2 publicize this settlement in any way, nor shall they be permitted to contact or respond to any
3 requests from the press (including print, television, radio, internet, or any other media) regarding
4 this settlement, except to refer them to the Court's file for further information. Except for the
5 agreed-upon motions and notices and as otherwise stated in this Stipulation, the Parties shall not at
6 any time make any announcement of the settlement of this case or otherwise publicize such
7 settlement. Counsel for Named Plaintiff will keep strictly confidential all terms of the settlement
8 in this action, and will not disclose any information pertaining to the terms or conditions of this
9 Agreement or any other information concerning this settlement to any person or entity of any kind
10 whatsoever, unless specifically authorized to do so in the notice or compelled to do so by a state or
11 federal court having jurisdiction to so order. Class Counsel will be permitted to respond to
12 questions from Class members concerning the Settlement and this agreement. Named Plaintiff
13 shall not respond to any inquiries directed to her by Class Plaintiffs or any other person or entity.
14 Named Plaintiff must refer all such inquiries to Class Counsel.

15 **Named Plaintiff's Waiver of Right to be Excluded and Object.** Named Plaintiff agrees
16 to sign this Agreement and by signing this Agreement is bound by the terms herein stated
17 and further agrees not to request to be excluded from the Settlement Class and agrees not
18 to object to any of the terms of this Agreement. Non-compliance by Named Plaintiff with
19 this paragraph shall be void and of no force or effect. Any such request for exclusion or
20 objection shall therefore be void and of no force or effect.

21 **IT IS SO STIPULATED, THROUGH ALL PARTIES AND COUNSEL OF RECORD.**

22
23 Date: August ¹³____, 2019

Anita Harris

Anita Harris, *Named Plaintiff*

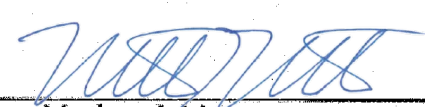
1 Date: August 13th, 2019

KHANNA ENTERPRISES, INC.; KHANNA
ENTERPRISES GENERAL PARTNERSHIP DBA
CUSTOM HOTEL; KHANNA ENTERPRISES II,
LIMITED PARTNERSHIP; KHANNA ENTERPRISES
LTD, A LIMITED PARTNERSHIP; AND KHANNA
ENTERPRISES LTD, III

2
3
4
5 By: 
6 Ashwin Khanna, Authorized Representative

7 Date: August 13, 2019

MATTERN LAW GROUP, PC

8
9
10 By: 
11 Matthew J. Matern
12 Attorneys for Plaintiff & Putative Class

13 Date: August 13, 2019

JEFFER, MANGELS, BUTLER & MITCHELL, LLP

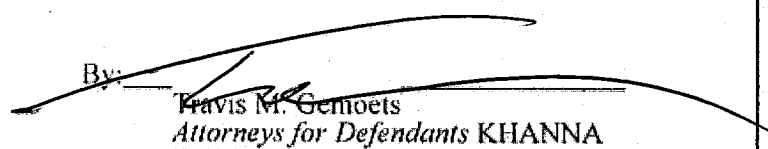
14
15 By: 
16 Travis M. Gemoets
17 Attorneys for Defendants KHANNA
18 ENTERPRISES, INC., et al.
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25
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27
28

EXHIBIT 1

MATERN LAW GROUP, PC
MATTHEW J. MATERN (SBN 159798)
TAGORE SUBRAMANIAM (SBN 280126)
DEBRA J. TAUGER (SBN 143726)
1230 Rosecrans Avenue, Suite
200 Manhattan Beach, CA 90266
Tel: (310) 531-1900
Facsimile: (310) 531-1901

Attorneys for Plaintiff ANITA HARRIS,
individually, and on behalf of others
similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ANITA HARRIS, an individual, and on behalf
of others similarly situated

Plaintiff,

vs.

KHANNA ENTERPRISES GENERAL
PARTNERSHIP d/b/a CUSTOM HOTEL, a
business form unknown; KHANNA
ENTERPRISES, LTD, a business form
unknown; KHANNA ENTERPRISES – II,
LIMITED PARTNERSHIP, a California
Limited Partnership; KHANNA HOLDINGS,
LLC, a business form unknown; KHANNA
ENTERPRISES, INC., a California Corporation;
KHANNA ENTERPRISES, LTD., A LIMITED
PARTNERSHIP; a California Limited
Partnership; KHANNA ENTERPRISES, LTD.
– III, LP, a California Limited Partnership; and
DOES 1 through 50, inclusive,

Defendants.

CASE NO. BC607861

(Assigned to Judge Amy D. Hogue for all
purposes)

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
REPRESENTATIVE ACTION AND
CLASS ACTION SETTLEMENT**

DATE:
TIME:
DEPT: SSC-7

Complaint Filed: January 21, 2016
Trial Date: None Set

1 Plaintiff Anita Harris's ("Plaintiff") Motion for Preliminary Approval of Representative
2 Action and Class Action Settlement ("Motion") came on regularly for hearing on
3 _____, 2019. Having reviewed Plaintiff's Motion, the Declaration of Matthew J.
4 Matern and exhibits thereto, including the Joint Stipulation of Class Action Settlement
5 ("Settlement Agreement"), and good cause appearing therefore, the Court hereby finds and orders
6 as follows:

7 1. The Court finds on a preliminary basis that the Settlement memorialized in the
8 Settlement Agreement appears to be fair, adequate, and reasonable, falls within the range of
9 reasonableness, and therefore meets the requirements for preliminary approval.

10 2. The Court provisionally certifies for settlement purposes only the following class
11 ("Class"):

12 Each nonexempt employee of Defendants who performed work for
13 Defendants in California and was paid at an hourly rate of pay
14 from January 21, 2012 through April 6, 2019.

15 3. The Court finds, for Settlement purposes only, that the Class meets the
16 requirements for certification under California Code of Civil Procedure § 382 in that: (1) the
17 Class is so numerous that joinder is impractical; (2) there are questions of law and fact that are
18 common to all Class Members which predominate over individualized issues; (3) Plaintiff's
19 claims are typical of the claims of the Class; (4) Plaintiff and Plaintiff's counsel will fairly and
20 adequately protect the interests of the Class; and (5) a class action is superior to other available
21 methods for the fair and efficient adjudication of the controversy.

22 4. The Court appoints, for Settlement purposes only, Plaintiff Anita Harris as class
23 representative.

24 5. The Court appoints, for Settlement purposes only, Matthew J. Matern and Tagore
25 Subramaniam of Matern Law Group, PC as Class Counsel.

26 6. The Court appoints CPT Group, Inc. as the Settlement Administrator.

27 7. The Parties are ordered to carry out the Settlement according to the terms of the
28 Settlement Agreement.

8. The Court approves, as to form and content: (1) the Notice of Class Action Settlement (“Class Notice”), attached as Exhibit 2 to the Settlement Agreement; and (2) the Information Sheet, attached as Exhibit 3 to the Settlement Agreement. The Court finds that the notice plan is the best means practicable under the circumstances for providing notice to the Class Members, and when contemplated, shall constitute due and sufficient notice of the class action, proposed settlement, and the final approval hearing to all persons entitled to such notice, in full compliance with due process and the notice requirements of Code of Civil Procedure § 877.6.

9. The Court orders the following implementation schedule:

Last day for Defendants to provide the Class Information to the Settlement Administrator	_____, 2019 (14 days after entry of the Preliminary Approval Order)
Last day for Settlement Administration to mail Notice Packets to Class Plaintiffs	_____, 2019 (25 days after entry of the Preliminary Approval Order)
Response Deadline	_____, 2019 (55 days after the Notice Packets are mailed)
Response Deadline for Class Plaintiffs who received a second mailing of the Notice because the first mailing was returned as undeliverable	_____, 2019 (75 days after original Notice Packets are mailed)
Last day to file and serve the Motion for Final Approval of Class Action Settlement	_____, 2019
Final Approval Hearing	_____, 2019 at _____ . m. in Department SSC-7

IT IS SO ORDERED.

DATED: _____

HON. AMY D. HOGUE
JUDGE OF THE SUPERIOR COURT

EXHIBIT 2

NOTICE OF CLASS ACTION SETTLEMENT

Harris v. Khanna Enterprises General Partnership, et al.
Superior Court of the State of California, County of Los Angeles, Case No. BC607861

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

If you are or were employed by Khanna Enterprises, Inc., Khanna Enterprises General Partnership dba Custom Hotel, Khanna Enterprises II, Limited Partnership, Khanna Enterprises LTD, a Limited Partnership, or Khanna Enterprises LTD. III –LP (collectively, "Defendants" or "Khanna" as a non-exempt employee of Khanna who performed work for Khanna in California and was paid at an hourly rate at any time during the period from period from January 21, 2012 through April 6, 2019, this class action settlement may affect your rights.

Why should you read this Notice?

A proposed settlement ("Settlement") has been reached in a class action lawsuit styled *Harris v. Khanna Enterprises General Partnership, et al.*, Superior Court of the State of California, County of Los Angeles, Case Number BC607861 (the "Action"). Defendants' records show that you worked as a non-exempt employee for Khanna in California during the period from January 21, 2012 through April 6, 2019 (the "Class Period"), and therefore, you are a Class Member in this Action. The purpose of this Notice of Class Action Settlement ("Notice") is to describe the Action and the Settlement, and to inform you of your rights and options in connection with the Settlement.

A hearing will be held to determine whether the Settlement is fair, reasonable, and adequate ("Final Approval Hearing"). The Final Approval Hearing will be held on **[DATE]** at **[TIME]** before the Honorable Amy D. Hogue in Department Spring Street 7 (SS7) of the Los Angeles Superior Court, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, CA 90012.

As a Class Member, you are eligible to receive a payment under the Settlement, and unless you timely submit a request for exclusion, you will be bound by the release of claims described in this Notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will remain a Class Member and you will receive a payment under the Settlement. You will also give up rights to pursue a separate legal action against Defendant for the claims alleged in the Action, as explained more fully below.
EXCLUDE YOURSELF FROM THE SETTLEMENT	You have the option to pursue separate legal action against Defendant regarding the claims alleged in this Action and forego any benefits you could be entitled to as a Class Member. If you choose to do so, you must exclude yourself from the settlement by completing and submitting a request for exclusion.
OBJECT	To object to the Settlement, you must submit a letter to the Settlement Administrator about why you don't like the Settlement. This option is only available if you do not exclude yourself from the Settlement.

Who is affected by the Settlement?

The Court has certified the following class ("Class") for settlement purposes:

- **All non-exempt employees of Khanna who performed work for Khanna in California and were paid at an hourly rate of pay from January 21, 2012 through April 6, 2019 ("Class Period")**

According to Defendant's records, you are a member of the Class ("Class Member").

What is this case about?

Plaintiff Anita Harris (“Plaintiff”) is a former employee of Defendants. This Action was commenced on January 21, 2016 in the Superior Court of the State of California, County of Los Angeles. The complaint asserted claims against Defendants, on behalf of herself and the Class Members (which includes you, according to Defendants’ records), for:

- (1) failure to provide required meal periods;
- (2) failure to provide required rest periods;
- (3) failure to pay overtime wages;
- (4) failure to pay minimum wages;
- (5) failure to pay all wages due to discharged or quitting employees;
- (6) failure to maintain required records;
- (7) failure to furnish accurate itemized wage statements;
- (8) failure to indemnify employees for necessary business expenditures incurred in the discharge of duties;
- (9) unfair and unlawful business practices; and
- (10) penalties under the California Labor Code Private Attorneys General Act (“PAGA”).

Plaintiff seeks unpaid wages, statutory penalties, civil penalties under PAGA, restitution, interest, attorneys’ fees, and costs.

Defendants deny all liability and are confident that they have strong legal and factual defenses to these claims. Defendants also recognize the risks and costs associated with litigation. Defendants contend that Plaintiff’s claims do not have merit and do not meet the requirements for class certification.

The Court has not ruled on the merits of Plaintiff’s claims or Defendants’ defenses. This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendants (the “Parties”) and is not an admission of liability on the part of Defendants. Both sides agree that, in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff also believes that this Settlement is in the best interests of all Class Members.

What is a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” sue on behalf of other people who have similar claims. The Class Representative(s) and all of the people whose claims are being pursued in the case are called the “Class” or “Class Members.” One court resolves the issues for everyone in the Class, except for those people who choose to exclude themselves from the Class.

Do I have a lawyer in this case?

On **[PRELIMINARY APPROVAL DATE]**, the Court granted preliminary approval of the Settlement. At that time, the Court also preliminarily approved the law firm of Matern Law Group, PC to serve as counsel for Plaintiff and the Class (“Class Counsel”). Class Counsel’s contact information is as follows:

MATERN LAW GROUP, PC
Matthew J. Matern
Tagore O. Subramaniam
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, California 90266
Telephone: (310) 531-1900 / Facsimile: (310) 531-1901

What are the Settlement terms?

Subject to approval by the Court, the Settlement provides that Defendant will pay a total amount of **\$850,000** in order to resolve the claims in the Action (the “Gross Settlement Amount”). This Gross Settlement Amount includes the following:

- **An award of reasonable attorneys’ fees to Class Counsel (not to exceed (\$283,333.33);**
- **Reimbursement of Class Counsel’s litigation costs and expenses (not to exceed \$40,000);**

- **A service payment to the Class Representative (not to exceed \$12,500);**
- **Settlement administration costs (estimated to not exceed \$25,000);**
- **Payment to the California Labor and Workforce Development Agency for its share of the PAGA penalties (in the amount of \$15,000); and**
- **Payments to Class Members (“Individual Settlement Awards”).**

The Gross Settlement Amount does not include the employer’s share of payroll taxes with respect to the portion of the Individual Settlement Awards that is allocated as wages, which shall be paid separately by Defendants.

Payments to Participating Class Members: The “Net Settlement Amount” means the Gross Settlement Amount, less the Court-approved amounts for attorneys’ fees and costs, service payment to the Class Representative, settlement administration costs, and the PAGA payment to the LWDA.

Each Class Member who does not submit a timely and valid Exclusion Form will receive a share of the Net Settlement Amount (an “Individual Settlement Award”) which, to the extent possible, will be distributed pro rata based on each participating Class Members’ total earned compensation during the Class Claims Period, as follows: The Settlement Administrator shall divide the Earnings for each Settlement Class Member during the Class Period by the Total Earnings for all Settlement Class Members, thereby determining the individual Earnings Percentage for each Settlement Class Member during the Class Period. The Settlement Administrator will then take the Net Settlement Amount and multiply it by each individual Earnings Percentage for each Settlement Class Member. This calculation will yield the amount of the Class Member’s estimated Individual Settlement Award.

Your estimated Earnings during the Class Period and your estimated Individual Settlement Award are listed on the Information Sheet that is enclosed with this Notice.

For tax purposes, each Class Member’s Individual Settlement Award will be allocated as follows: 20% as wages (the “wage portion”), and 80% as penalties, and interest. The wage portion of each Individual Settlement Award will be subject to payroll taxes and withholdings and will be reported on an IRS Form W-2. The remaining portion of the Individual Settlement Award will not be subject to payroll taxes or withholdings, and will be reported on an IRS Form 1099. The employer’s share of payroll taxes and withholdings with respect to the wage portion of the Individual Settlement Award will be paid by Defendants separately from the Gross Settlement Amount.

If a Participating Class Member fails to cash a check for his or her Individual Settlement Award within 180 calendar days after the check is issued, the check will be voided and, subject to approval by the Court, the funds represented by the uncashed check will be distributed to Safe Place for Youth (“SPY”)—a 501(c)(3) nonprofit providing services, including but not limited to legal services, to homeless youth in Los Angeles.

None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member.

What claims are being released by the proposed Settlement?

Upon the Effective Date of the Settlement, Plaintiff and Class Members who have not excluded themselves from the Settlement will be deemed to have released and discharged Khanna, Inc., all of its affiliates, and each of their past or present officers, directors, members, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its and their respective successors and predecessors in interest, subsidiaries, affiliates, joint ventures, parents and attorneys and each of their respective company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents (the “Released Parties”), from the “Released Claims.” The “Released Claims” are defined as:

- (a) All claims, demands, rights, liabilities, and causes of action of every nature and description whatsoever, known or unknown, asserted or that were or could have reasonably been asserted from the allegations in the Action,

whether in tort, contract, or for violation of any state or federal constitution, statute, rule, regulation, including the California Labor Code and the California Wage Orders, whether for economic damages, non-economic damages, restitution, penalties, liquidated damages, or interest, arising out of, relating to, or appertaining to the following claims that Khanna:

did not pay the Class Members all amounts owed for work performed by Class Members for Khanna;

failed to pay the Class Members all overtime amounts owed (including weekly overtime, daily overtime, and double time) for work performed by Class Members for Khanna;

failed to pay the Class Members the applicable state or local minimum wage for all hours worked;

failed to provide meal periods and rest breaks to the Class Members;

failed to pay or timely pay the Class Members for all hours worked;

did not provide legally compliant accurate itemized wage statements;

did not properly pay all wages to the Class Members upon the Class Members' separation from employment;

did not reimburse Class Members for all business-related expenses; and

owes or owes wages, penalties, interest, attorneys' fees or other damages arising pursuant to the California Private Attorneys General Act, Cal. Lab. Code Section 2698 et seq.

(b) All causes of action asserted in the Complaint, including any and all claims for alleged failure to pay wages or overtime to the Class Members while allegedly employed by Khanna, for alleged failure to provide unpaid meal periods and paid rest breaks to the Class Members, for alleged failure to provide itemized wage statements to the Class Members while employed by Khanna, for waiting time penalties, for unreimbursed business expenses, for alleged PAGA penalties and, as related to the foregoing, for alleged unlawful, unfair and/or fraudulent business practices under California and Business and Professions Code sections 17200, et seq. for alleged wage and hour violations while employed by Khanna.

Released Claims Extends to All Known and Unknown Claims. Released Claims include any unknown claims but only to the extent that they relate to the facts and claims alleged in the Operative Complaint that the Class Members do not know or suspect to exist in their favor at the time of the release, which, if known by them, might have affected their settlement with, and release of, the Released Parties or might have affected their decision to object to this Settlement. With respect to the Released Claims only, upon the Effective Date, the Class Members shall be deemed to have, and by operation of the Final Judgment shall have, with respect to the Released Claims only, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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.

The Class Members may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or not contingent, which now exist, or heretofore have existed, upon any theory of law or equity now existing, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

What are my options in this matter?

You have two options under this Settlement:

OPTION A: participate in the Settlement and receive a payment; or

OPTION B: exclude yourself from the Settlement.

If you choose option (A), you may also object to the Settlement, as explained below.

If you choose option (A), you will be represented at no cost by Class Counsel, and you will be subject to any 9 entered in the Action, including the release of the Released Claims, as described above.

OPTION A. Remain in the Settlement. If you wish to remain in the Settlement and be eligible to receive a payment under the Settlement, you do not need to take any action. If you remain in the Settlement, you will release the Released Claims, as described above.

OPTION B. If you do not want to be bound by the Settlement. If you do not want to be part of the Settlement, you must submit a written statement requesting exclusion from the Class postmarked no later than [Response Deadline]. Such written request for exclusion must contain the name, address, and telephone number of the person requesting exclusion, and must be returned by mail to the Settlement Administrator at the specified address at the following address *Harris v. Khanna Enterprises General Partnership, et al.* Settlement, c/o Settlement Administrator, P.O. Box [redacted], [City], [State] [Zip]. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. Any Class Plaintiff who opts out of the Class will have no further role in the Action, and will not be entitled to any benefit as a result of the Action and Settlement, and will not be entitled to or permitted to assert an objection to the Settlement.

Objecting to the Settlement: If you believe the Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you must mail a written statement of objection (“Notice of Objection”) to the Settlement Administrator at the following address, postmarked no later than [Response Deadline]: *Harris v. Khanna Enterprises General Partnership, et al.*, c/o Settlement Administrator, P.O. Box [redacted], [City], [State] [Zip]. You can also hire an attorney at your own expense to represent you in your objection. **You cannot object to the Settlement if you request exclusion from the Settlement. Even if you submit an objection, you will be bound by Settlement, including the Released Claims, unless the Settlement is not finally approved by the Court.**

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel’s request for attorneys’ fees and costs, the service payment to the Class Representative, the settlement administration costs, and the PAGA penalties on [DATE] at [TIME] before the Honorable Amy D. Hogue in Department Spring Street 7 (SS7) of the Los Angeles Superior Court, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, CA 90012. The Final Approval Hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing, but you may do so at your own expense.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are contained in the Stipulation of Class Action Settlement that (“Settlement Agreement”) is on file with the Court. The pleadings and other records in this matter, including a complete copy of the Settlement Agreement, may be examined during regular court hours at the Civil Records Department of Los Angeles Superior Court. Any questions regarding this Notice should be directed to the Class Counsel, whose contact information is listed on page 2 of this Notice. For more information, you may also call the Settlement Administrator toll-free at [Telephone Number].

What should I do if my address changes?

If you need to update your contact information, please promptly contact the Settlement Administrator toll-free at [Telephone Number]. This will ensure that you receive further notices about the Settlement and that you receive your Individual Settlement Award if the Settlement is approved by the Court.

**PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE
BY ORDER OF THE LOS ANGELES SUPERIOR COURT**

EXHIBIT 3

INFORMATION SHEET

Harris v. Khanna Enterprises General Partnership, et al.
Superior Court of the State of California, County of Los Angeles, Case No. BC607861

Calculation of Individual Settlement Awards: Each Class Member who does not properly request to be excluded from the Settlement will receive a pro rata share of the Net Settlement Amount based upon the he or she's total earnings for Defendants as a non-exempt employee in California during the period from January 21, 2012 through April 6, 2019 ("Class Period"). Individual Settlement Awards will be calculated as follows:

Defendants will provide the Settlement Administrator with the earnings for all Class Members during the Class Period ("Total Compensable Earnings"). The Settlement Administrator shall divide the Earnings for each Settlement Class Member during the Class Period by the Total Earnings for all Settlement Class Members, thereby determining the individual Earnings Percentage for each Settlement Class Member during the Class Period. The Settlement Administrator will then take the Net Settlement Amount and multiply it by each individual Earnings Percentage for each Settlement Class Member. This calculation will yield the amount of the Class Member's estimated Individual Settlement Award.

Your Compensable Workweeks and Estimated Individual Settlement Award:

According to Defendants' records, earned <<CompEarnings>> during the Class Period.

Based on your Compensable Earnings, **your estimated Individual Settlement Award is** <<EstSettAward>>. Please note that this is only an estimate; your actual payment may be greater or smaller than the amount reported above.

Procedure for Disputing Information: If you wish to dispute the amount of Compensable Earnings attributed to you, as listed above, you must mail a letter to the Settlement Administrator stating the reasons why you dispute your number of Compensable Earnings and provide any supporting documentation that you have (e.g., paystubs). Your letter should also include the estimated Compensable Earnings you claims to have earned from Defendants in California during the time period from January 21, 2012 through April 6, 2019.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the address listed below by First Class U.S. Mail, postmarked no later than [Response Deadline].

Harris v. Khanna Enterprises General Partnership, et al.

[Administrator]

Address]

[City, State Zip]

Defendants' records regarding the correct number of Compensable Earnings will be presumed correct, unless you provide documentation to the Settlement Administrator that establishes otherwise. The Settlement Administrator will evaluate the evidence submitted by you and will make the final decision as to the amount of Compensable Earnings that should be applied and/or the Individual Settlement Award to which you may be entitled. The Settlement Administrator's determination will be final and binding with no opportunity for further appeal.

EXHIBIT 4

MATERN LAW GROUP, PC
MATTHEW J. MATERN (SBN 159798)
TAGORE SUBRAMANIAM (SBN 280126)
DEBRA J. TAUGER (SBN 143726)
1230 Rosecrans Avenue, Suite
200 Manhattan Beach, CA 90266
Tel: (310) 531-1900
Facsimile: (310) 531-1901

Attorneys for Plaintiff ANITA HARRIS,
individually, and on behalf of others
similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ANITA HARRIS, an individual, and on behalf
of others similarly situated

Plaintiff,

vs.

KHANNA ENTERPRISES GENERAL
PARTNERSHIP d/b/a CUSTOM HOTEL, a
business form unknown; KHANNA
ENTERPRISES, LTD, a business form
unknown; KHANNA ENTERPRISES – II,
LIMITED PARTNERSHIP, a California
Limited Partnership; KHANNA HOLDINGS,
LLC, a business form unknown; KHANNA
ENTERPRISES, INC., a California Corporation;
KHANNA ENTERPRISES, LTD., A LIMITED
PARTNERSHIP; a California Limited
Partnership; KHANNA ENTERPRISES, LTD.
– III, LP, a California Limited Partnership; and
DOES 1 through 50, inclusive,

Defendants.

CASE NO. BC607861

(Assigned to Judge Amy D. Hogue for all
purposes)

**[PROPOSED] FINAL ORDER AND
JUDGMENT**

DATE:
TIME:
DEPT: SSC-7

Complaint Filed: January 21, 2016
Trial Date: None Set

1 On _____, this Court granted preliminary approval of the proposed class and
2 representative action settlement between Plaintiff Anita Harris (“Plaintiff”) and Defendants
3 Khanna Enterprises General Partnership d/b/a Custom Hotel; Khanna Enterprises, Ltd; Khanna
4 Enterprises – II, Limited Partnership; Khanna Enterprises, Inc.; Khanna Enterprises, Ltd.; and
5 Khanna Enterprises, Ltd. – III, LP (“Defendants”) (hereafter referred to as “the Action”). Due
6 and adequate notice having been given to the Class Members, as defined below, and the Court
7 having considered Plaintiff’s Notice of Motion and Motion for Final Approval of Representative
8 Action and Class Action Settlement and all documents in support thereof, including the Joint
9 Stipulation for Representative Action and Class Action Settlement (“Settlement Agreement”) and
10 all papers filed and proceedings had herein, and good cause appearing,

11 IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

12 1. The Court, for purposes of this Final Order and Judgment adopts all defined terms
13 as set forth in the Settlement Agreement.

14 2. The Court has jurisdiction over all claims asserted in this Action, Plaintiff, the
15 Class Members, and Defendants.

16 3. The Court finds that the Settlement Agreement was made and entered into in good
17 faith and approves the Settlement as fair, adequate and reasonable to all Settlement Class
18 Members.

19 4. Solely for purposes of effectuating the Settlement, this Court certifies a class
20 defined as follows:

21 Each nonexempt employee of Defendants who performed
22 work for Defendants in California and was paid at an
23 hourly rate of pay from January 21, 2012 through April 6,
24 2019.

25 5. The notice provided to the Class Members conforms with the requirements of
26 California Code of Civil Procedure section 382, California Civil Code section 1781, California
27 Rules of Court 3.766 and 3.769, the California and United States Constitutions, and any other
28 applicable law, and constitutes the best notice practicable under the circumstances, by providing
individual notice to all Class Members who could be identified through reasonable effort, and by

1 providing due and adequate notice of the proceedings and of the matters set forth therein. The
2 notice fully satisfies the requirements of due process.

3 6. The Court finds that ___ Class Members have requested exclusion from the
4 Settlement. The Court finds that ___ Class Members have objected to the Settlement.

5 7. All Class Members shall have, by operation of this Judgment, be deemed to have
6 expressly waived and relinquished the Released Parties from:

7 (a) all claims, demands, rights, liabilities, and causes of action of every nature and
8 description whatsoever, known or unknown, asserted or that were or could have reasonably been
9 asserted from the allegations in the Action, whether in tort, contract, or for violation of any state
10 or federal constitution, statute, rule, regulation, including the California Labor Code and the
11 California Wage Orders, whether for economic damages, non-economic damages, restitution,
12 penalties, liquidated damages, or interest, arising out of, relating to, or appertaining to the
13 following claims that Defendants (1) did not pay the Class Members all amounts owed for work
14 performed by Class Members for Defendants; (2) failed to pay the Class Members all overtime
15 amounts owed (including weekly overtime, daily overtime, and double time) for work performed
16 by Class Members for Defendants; (3) failed to pay the Class Members the applicable state or
17 local minimum wage for all hours worked; (4) failed to provide meal periods and rest breaks to
18 the Class Members; (5) failed to pay or timely pay the Class Members for all hours worked; (6)
19 did not provide legally compliant accurate itemized wage statements; (7) did not properly pay all
20 wages to the Class Members upon the Class Members' separation from employment; (8) did not
21 reimburse Class Members for all business-related expenses; and (9) owes or owes wages,
22 penalties, interest, attorneys' fees or other damages arising pursuant to the California Private
23 Attorneys General Act, Cal. Lab. Code Section 2698 et seq.; and

24 (b) all causes of action asserted in the Complaint, including any and all claims for
25 alleged failure to pay wages or overtime to the Class Members while allegedly employed by
26 Defendants, for alleged failure to provide unpaid meal periods and paid rest breaks to the Class
27 Members, for alleged failure to provide itemized wage statements to the Class Members while
28 employed by Defendants, for waiting time penalties, for unreimbursed business expenses, for

1 alleged PAGA penalties and, as related to the foregoing, for alleged unlawful, unfair and/or
2 fraudulent business practices under California and Business and Professions Code sections 17200,
3 et seq. for alleged wage and hour violations while employed by Defendants.

4 8. Released Claims include any unknown claims *but only to the extent that they*
5 *relate to the facts and claims alleged in the Operative Complaint* that the Class Members do not
6 know or suspect to exist in their favor at the time of the release, which, if known by them, might
7 have affected their settlement with, and release of, the Released Parties or might have affected
8 their decision to object to this Settlement. With respect to the Released Claims only, upon the
9 Effective Date, the Class Members shall be deemed to have, and by operation of the Final
10 Judgment shall have, with respect to the Released Claims only, expressly waived and
11 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section
12 1542 of the California Civil Code, or any other similar provision under federal or state law, which
13 provides:

14 A general release does not extend to claims that the creditor or
15 releasing party does not know or suspect to exist in his or her favor
16 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.

17 The Class Members may hereafter discover facts in addition to or different from those they now
18 know or believe to be true with respect to the subject matter of the Released Claims, but upon the
19 Effective Date shall be deemed to have, and by operation of the Final Judgment shall have, fully,
20 finally, and forever settled and released any and all of the Released Claims, whether known or
21 unknown, suspected or unsuspected, contingent or not contingent, which now exist, or heretofore
22 have existed, upon any theory of law or equity now existing, including, but not limited to,
23 conduct that is negligent, intentional, with or without malice, or a breach of any duty, law or rule,
24 without regard to the subsequent discovery or existence of such different or additional facts.

25 9. In addition to the release made by all Class Members set forth in paragraphs 7 and
26 8 above, Plaintiff, in exchange for receipt of an Enhancement Award, as of the Payment Date,
27 makes the additional following general release of all claims, known or unknown: Plaintiff
28 releases the Released Parties from all claims, demands, rights, liabilities and causes of action of

every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection with any act or omission by or on the part of any of the Released Parties committed on or prior to the execution hereof, with the exception of claims for wrongful termination, sexual harassment, retaliation, and engagement in protected activity (sex and gender) under the Fair Employment and Housing Act ("FEHA") which are not waived or compromised via this class action settlement. (The release set forth in this paragraph shall be referred to hereinafter as the "General Release.") The General Release includes any unknown claims relating to the subject matter of the Released Claims Plaintiff does not know or suspect to exist in his or her favor at the time of the General Release, which, if known by Plaintiff might have affected her settlement with, and release of, the Released Parties by Plaintiff or might have affected his or her decision not to object to this Settlement or the General Release.

10. With respect to the General Release, Plaintiff shall be deemed to have, and by operation of the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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.

11. Plaintiff may hereafter discover facts in addition to or different from those she now knows or believes to be true with respect to the subject matter of the General Release, but Plaintiff, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the claims released pursuant to the General Release, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law or equity now existing, including, but not limited to, all claims, actions, suits or charges arising out of Plaintiff's employment or contractual relationships with Released Parties and separation/cessation of these relationships, such as claims for wrongful termination, wrongful

1 demotion, breach of contract, unpaid wages, accrued but unused vacation pay, claims under the
2 Labor Code of the State of California or similar laws of any other jurisdiction, and claims for
3 discrimination, harassment, or retaliation based on any protected category, including the Age
4 Discrimination in Employment Act (“ADEA”), conduct that is negligent, intentional, with or
5 without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery
6 or existence of such different or additional facts. However, as stated above, this release and
7 waiver does not extend to any claims Plaintiff may have against Defendants, or any of them, for
8 wrongful termination, sexual harassment, retaliation, and engagement in protected activity (sex
9 and gender) under FEHA.

10 12. The Court finds that the Settlement Fund, the Net Settlement Amount, and the
11 methodology used to calculate and pay each Class Member’s Settlement Payment are fair and
12 reasonable and authorizes the Settlement Administrator to pay the Settlement Payments to Class
13 Members in accordance with the terms of the Settlement Agreement.

14 13. The Court finds that Class Counsel’s request for attorneys’ fees in the amount of
15 Two Hundred Eighty-Three Thousand, Three Hundred and Thirty-Three Dollars and 33/1000
16 (\$283,333.33), which is one-third of the Settlement Fund, is reasonable under the common fund
17 method. Additionally, the Court finds that the number of hours Class Counsel spent prosecuting
18 this Action is reasonable and Class Counsel’s hourly rates are reasonable and in line with rates
19 prevailing in the community. The Court also finds that, the application of a ___ multiplier to
20 Class Counsel’s lodestar is appropriate given the the contingent risk incurred by Class Counsel,
21 the delay in receipt of compensation, the substantial benefit conferred on the Class and State as a
22 result of the Settlement, the skill displayed by Class Counsel, the quality of its representation, and
23 the difficulty of the questions involved. The Court awards Class Counsel \$283,333.33 in
24 attorneys’ fees to be paid from the Settlement Fund.

25 14. The Settlement Agreement limits Class Counsel’s litigation costs to \$40,000.00.
26 The Court finds that Class Counsel has incurred \$_____ in costs and expenses which were
27 reasonably incurred in prosecuting this Action. The Court awards Class Counsel \$_____ in
28 costs and expenses to be paid from the Settlement Fund.

1 15. The Court approves an Enhancement Award in the amount of Twelve Thousand
2 Five Hundred Dollars (\$12,500.00) to Plaintiff for her service as Class Representative, to be paid
3 from the Settlement Fund.

4 16. The Court approves a PAGA payment to the Labor and Workforce Development
5 Agency ("LWDA") of Fifteen Thousand Dollars (\$15,000.00), which represents seventy-five
6 percent (75%) of the total PAGA Allocation of Twenty Thousand Dollars ("20,000.00").

7 17. The Court approves Settlement Administration Costs in the amount of Twenty-
8 Five Thousand Dollars (\$25,000.00) to be paid from the Settlement Fund.

9 18. The Parties shall implement the Settlement Agreement according to its terms.

10 19. This Judgment is intended to be a final disposition of this Action in its entirety
11 and is intended to be immediately appealable.

12 20. Without affecting the finality of this Order, this Court shall retain jurisdiction with
13 respect to all matters related to the administration and consummation of the Settlement
14 Agreement, and any and all claims, asserted in, arising out of, or related to the subject matter of
15 the lawsuit, including but not limited to all matters related to the settlement and the determination
16 of all controversies relating thereto.

17 21. The Court directs that judgment be entered in accordance with the terms of this
18 Order.

19
20 IT IS SO ORDERED.

21 DATED: _____

HON. AMY D. HOGUE
JUDGE OF THE SUPERIOR COURT