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individually and on behalf of all others similarly situated*

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Attorneys for Defendant

26 CALIFORNIA WHOLESALE (erroneously sued as Kittrich Corporation dba 26 California Bazar Wholesale) and AMERICAN CONSUMER PRODUCTS CORP

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

LOS ANGELES COUNTY SUPERIOR COURT

JUAN CARLOS LARA HERNANDEZ, an
individual on behalf of himself and all
similarly situated employees,

Plaintiffs,

vs.

KITTRICH CORPORATION DBA 26
CALIFORNIA BAZAR WHOLESALE, a
California Corporation; AMERICAN
CONSUMER PRODUCTS CORP, a
California Corporation; ROBERT J.
FRIEDLAND, an individual; and DOES 1
through 100, inclusive,

Defendant

) Case No: 21STCV44705
) Hon.: HON. SAMANTHA JESSNER
) Dept.: 7 (SSC)
)

**) JOINT STIPULATION OF SETTLEMENT
) AND RELEASE OF CLASS AND PAGA
) ACTIONS**

) Date Filed: December 8, 2021
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1 This Joint Stipulation of Settlement and Release of Class and PAGA Action (“Agreement”)
2 is made and entered into between Plaintiff Juan Carlos Lara Hernandez (“Plaintiff”), individually
3 and on behalf of the proposed Settlement Class, the State of California, the Labor and Workforce
4 Development Agency, and allegedly aggrieved employees (defined below), and defendant 26
5 California Bazar Wholesale (“Defendant”). This Agreement is subject to approval of the Court,
6 pursuant to the California Rules of Court (“CRC”), Rule 3.769(c), (d) and (e), and California Labor
7 Code § 2698 et seq. and made for the sole purpose of attempting to consummate settlement of the
8 Action (as defined below) on a class-wide and representative basis subject to the following terms
9 and conditions. As detailed below, if the Court does not enter an order granting final approval of
10 the Class and PAGA Settlement (as defined below) and enter judgment, or the conditions precedent
11 are not met for any reason, this Agreement is void and of no force or effect whatsoever.

12 **1. DEFINITIONS**

13 As used in this Agreement, the following terms shall have the meanings specified below.
14 To the extent terms or phrases used in this Agreement are not specifically defined below, but are
15 defined elsewhere in this Agreement, they are incorporated by reference into this definition section.

16 1.1 **Action**. “Action” shall mean: (a) the lawsuit titled *Juan Carlos Lara Hernandez*
17 *v. 26 California Bazar, et al.*, Case No. 21STCV44705, pending in the Superior Court of
18 California, County of Los Angeles, and (b) the notice letter sent to the Labor and Workforce
19 Development Agency (“LWDA”) on or about December 8, 2021 alleging violations of the Labor
20 Code premised upon similar theories of liability, including, but not limited to, alleged violations of
21 Labor Code sections 200-204, 210, 226, 226.2, 226(a), 226(e), 226.2, 226.3, 226.7, 226.8, 350,
22 351, 403, 404, 510, 512, 558, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198,
23 2802 and corresponding Wage Orders (“PAGA Letter”). The operative First Amended Complaint
24 alleges the following causes of action: (1) failure to provide required meal periods; (2) failure to
25 provide required rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wage;
26 (5) failure to timely pay wages; (6) failure to pay all wages due to discharged and quitting
27 employees; (7) failure to maintain required records; (8) failure to furnish accurate itemized
28 statements; (9) failure to indemnify employees for necessary expenditures incurred in discharge of

duties; (10) unfair and unlawful business practices; and (11) Private Attorneys General Act (PAGA).

1.2 **Administration Expenses.** “Administration Expenses” shall mean the amount that will be paid to the Settlement Administrator for the administration of this Settlement in an amount not to exceed \$6,000.00.

1.3 **Class Counsel.** “Class Counsel” shall mean Grant Savoy and Shoham Solouki of Solouki and Savoy, LLP, 316 W. 2nd Street, Suite 1200, Los Angeles, CA 90012.

1.4 **Class Counsel’s Attorneys’ Fees and Expenses.** “Class Counsel’s Attorneys’ Fees and Expenses” shall mean Class Counsel’s attorneys’ fees and expenses to be requested and subject to approval by the Court at the time of the Final Approval and Fairness Hearing (as defined below).

1.5 **Class List and Data.** “Class List and Data” shall mean the information for each Settlement Class Member that Defendant shall compile from their business records and provide to the Administrator for purposes of providing notice of the Settlement to the Settlement Class. The Class List and Data shall be in a readable, ready to use, Microsoft Excel spreadsheet, which will provide the following information for each Settlement Class Member: (a) full name; (b) last-known mailing address; (c) telephone numbers; (d) Social Security Number; (e) number of pay periods worked during the PAGA Period; and (f) number of workweeks worked during the Class Period. The Class List and Data shall be provided to the Settlement Administrator within 21 days of receiving notice that the Court entered the order preliminarily approving the settlement.

1.6 **Class Period.** “Class Period” shall mean the period from December 8, 2017 to October 30, 2024.

1.7 **Class Representative.** “Class Representative” shall mean Plaintiff.

1.8 **Court.** “Court” shall mean the Superior Court of California, County of Los Angeles.

1.9 **Defendant(s).** “Defendant(s)” shall mean 26 California Bazar DBA 26 California Bazar Facility Services, Inc.

1.10 **Defense Counsel.** “Defense Counsel” shall mean Jennifer N. Lutz, Esq., and Alex F. Dea, Esq., of Pettit Kohn Ingrassia Lutz & Dolin PC.

1.11 **Effective Date.** “Effective Date” shall be the later of the time when: (a) the date of final affirmance of the Judgment on an appeal of the Judgment, the expiration of the time for, or the denial of, a petition to review the Judgment, or if review is granted, the date of final affirmance of the Judgment following review pursuant to that grant; (b) the date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment, provided that the Judgment is affirmed and/or not reversed in any part; (c) the final resolution (or withdrawal) of any filed appeal in a way that affirms the Final Approval Order and Judgment in a form substantially identical to the form of the Final Approval Order entered by the Court, and the time to petition for review with respect to any appellate decision affirming the Final Approval Order has expired; or (d) if no appeal is filed, the sixty-first (61st) day after the Court enters final approval of the settlement and the Judgment approving this Agreement.

1.12 **Employee’s Taxes and Required Withholding.** “Employee’s Taxes and Required Withholding” shall mean the Participating Settlement Class Member’s share of any and all applicable federal, state, or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (“FICA”), FUTA and/or SUTA on the portion of the Participating Settlement Class Member’s Individual Settlement Payment that constitutes wages.

1.13 **Employer’s Taxes.** “Employer’s Taxes” shall mean and refer to Defendant’s share of corporate, federal, state, and/or local payroll taxes that is owed on the portion of the Participating Settlement Class Member’s Individual Settlement Payment that constitutes wages. The Employer’s Taxes shall be separately paid by Defendant in addition to the Gross Settlement Amount.

1.14 **Final Approval and Fairness Hearing.** “Final Approval and Fairness Hearing” shall mean the final hearing held to consider the Class reaction to notice of the Settlement, and to ascertain the fairness, reasonableness, and adequacy of the Class Settlement. At this hearing, the Court will consider Class Counsel’s application for the Class Counsel’s Attorneys’ Fees and

Expenses, the Administration Expenses, the Enhancement Payment to Plaintiff, and approval of the
PAGA Payment.

1.15 **Final Approval Date.** “Final Approval Date” shall mean the date upon which the
Court enters an order granting final approval of the Class Action Settlement and enters Judgment.

1.16 **Gross Settlement Amount.** “Gross Settlement Amount” means the agreed upon
settlement amount totaling One Hundred and Fifty Thousand Dollars and Zero
Cents(\$150,000.00), to be paid by Defendant in full settlement of the Released Class Claims and
Released PAGA Claims asserted in this case, which includes the Administration Expenses to the
Settlement Administrator, Employee’s Taxes and Required Withholdings, Class Counsel’s
Attorneys’ Fees and Expenses, the Enhancement Payment to Plaintiff, PAGA Payment to the
LWDA and PAGA Members. The Gross Settlement Amount is non-reversionary, meaning no
amount will revert to Defendant. In no event shall Defendant be required to pay more than the
Gross Settlement Amount (excluding the employer’s share of payroll taxes on the “wages” portion
of the settlement for Participating Settlement Class Members). The Parties agree that Code of Civil
Procedure section 384 does not apply to this Settlement and the amount of any uncashed checks
will be deposited to the California State Controller in the Unclaimed Property Fund in the name of
the employee.

1.17 **Individual Settlement Payment.** “Individual Settlement Payment” means the
proportionate share of the Net Settlement Amount to be distributed to each Participating Class
Member based on the number of his or her Workweek Total during the Class Period and the
number of his or her Pay Periods Worked during the PAGA Period in relation to the aggregate
number of Weeks Worked by all Participating Settlement Class Members, and Pay Periods by all
PAGA Members, respectively, less any Employee’s Taxes and Required Withholdings.

1.18 **Net Settlement Amount.** “Net Settlement Amount” or “NSA” shall mean the
Gross Settlement Amount, minus the Court-approved amounts awarded for the Class Counsel’s
Attorneys’ Fees and Expenses, Administration Expenses, Enhancement Payment to Plaintiff, and
PAGA Payment.

1.19 **Notice Packet.** “Notice Packet” means the Notice of Class Action Settlement advising Class Members of the Settlement and their options under the Settlement. Attached hereto as **Exhibit A** is a true and correct copy of the Notice Packet.

1.20 **Opt-Out.** “Opt-Out(s)” shall mean a Settlement Class Member’s timely and valid request for exclusion from the Settlement Class portion of the Settlement in accordance with the terms of this Agreement and as set forth in the Notice Packet. If a Settlement Class Member validly and timely opts out of the Class portion of the Settlement, to the extent the Settlement Class Member is eligible as a PAGA Member, they will still receive a portion of the PAGA penalty payment allocated to the PAGA Members based on the number of Pay Periods employed during the PAGA Period and will release the claims alleged under PAGA.

1.21 **PAGA.** PAGA refers to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, *et seq.*

1.22 **PAGA Member(s):** “PAGA Member(s)” means all current and former hourly-paid employees who worked for Defendant within the State of California at any time during the PAGA Period.

1.23 **PAGA Payment:** “PAGA Payment” shall mean allocation of Ten Thousand Dollars and Zero Cents (\$10,000.00) to be paid from the Gross Settlement Amount, designated by the Parties as PAGA civil penalties, seventy-five percent (75%) of which (\$7,500.00) shall be remitted to the LWDA for its statutorily set portion of the PAGA penalties (“LWDA Payment”) and the remaining twenty-five percent (25%) (\$2,500.00) shall be distributed to the PAGA Members on a proportionate basis based on the number of Pay Periods employed during the PAGA Period.

1.24 **PAGA Period.** “PAGA Period” means the period from December 8, 2020 to October 30, 2024.

1.25 **Participating Settlement Class Member(s).** “Participating Settlement Class Members” shall mean Settlement Class Members who do not timely and validly opt-out of the Settlement Class in the manner set forth in this Agreement and described in the Notice Packet.

1.26 **Parties.** “Parties” shall mean Plaintiff (as defined below) and Defendant.

1.27 **Pay Periods Total.** “Pay Period Total” means the number of pay periods a PAGA Member worked during the PAGA Period.

1.28 **Plaintiff.** “Plaintiff” shall mean Plaintiff Juan Carlos Lara Hernandez.

1.29 **Preliminary Approval Date.** “Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Agreement, conditionally certifying the Class, approving the Notice Packet, appointing Plaintiff as the Class Representative, Plaintiff’s Counsel as Class Counsel, and ILYM Group, Inc. as the Settlement Administrator, and setting a Final Approval Hearing date.

1.30 **Released Class Claims.** “Released Class Claims” shall mean all claims, rights, demands, liabilities, damages, penalties, attorneys’ fees, costs, and causes of action of every nature and description, arising from any and all claims which were asserted in the FAC, or reasonably could have been asserted based on the facts alleged in the FAC, including statutory, constitutional or common law claims for wages, damages, unpaid costs, liquidated damages, penalties, interest, attorneys’ fees, litigation costs, restitution, equitable relief, or other relief based on the following claims: all claims 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 wage; (5) failure to timely pay wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to maintain required records; (8) failure to furnish accurate itemized statements; (9) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (10) unfair and unlawful business practices.

1.31 **Released PAGA Claims.** “Released PAGA Claims” or “PAGA Released Claims” shall mean all claims, theories, and causes of action alleged or that could have been alleged or otherwise raised based on the factual allegations set forth in Plaintiff’s letter to LWDA dated December 8, 2021 and FAC. This includes theories under Labor Code sections 200-204, 210, 226, 226.2, 226(a), 226(e), 226.2, 226.3, 226.7, 226.8, 350, 351, 403, 404, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and corresponding Wage Orders, including theories 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 wage; (5) failure to

1 timely pay wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure
2 to maintain required records; (8) failure to furnish accurate itemized statements; (9) failure to
3 indemnify employees for necessary expenditures incurred in discharge of duties. The PAGA
4 Released Claims will bind the PAGA Members even if they timely and validly opt out of the
5 Settlement Class.

6 1.32 **Released Parties.** “Released Parties” shall mean Defendant and their officers,
7 directors, managers, owners, executives, partners, employees, shareholders, agents, attorneys, and
8 any other successors, assigns, or legal representatives, and any of Defendant’s former and present
9 parents, subsidiaries, successors, and affiliates, and their officers, directors, managers, owners,
10 executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns,
11 or legal representatives.

12 1.33 **Response Deadline.** “Response Deadline” shall mean forty-five (45) calendar
13 days following the date on which the Settlement Administrator first mails the Notice Packet to all
14 Settlement Class Members. Settlement Class Members who receive a remailed Notice Packet
15 fifteen (15) days or less before the Response Deadline shall have fifteen (15) days from the date the
16 Notice Packet is remailed to postmark an Opt-Out request, object to the Agreement, or dispute the
17 information on which their Individual Settlement Payment is calculated.

18 1.34 **Settlement.** “Settlement” shall mean the settlement, which is memorialized in this
19 Agreement, including any attached exhibits, and subject to Court approval.

20 1.35 **Settlement Administrator.** “Settlement Administrator” shall mean ILYM Group,
21 Inc., the third-party settlement administrator selected by the Parties and to be approved by the
22 Court, which the Parties have agreed will be responsible for administration of the Settlement and
23 related matters. The qualifications and experience of the Settlement Administrator will be provided
24 pursuant to a declaration submitted by the Settlement Administrator that will be filed concurrently
25 with Plaintiff’s motion for preliminary approval. The Administration Expenses are estimated to not
26 exceed \$6,000.00.

1.36 **Settlement Class.** “Settlement Class” shall mean all current and former hourly-paid employees who worked for Defendant within the State of California at any time during the Class Period.

1.37 **Settlement Class Member.** “Settlement Class Member” means a member of the Settlement Class. If the Class Member is incompetent or deceased, the individual’s legal guardian, executor, heir, or successor-in-interest, may submit the proper documentation to the Administrator to claim such Settlement Class Member’s Individual Settlement Payment.

1.38 **Workweek Total.** “Workweek Total” means any workweek during the Class Period in which a Settlement Class Member worked at least one day in that workweek.

2. FACTUAL AND PROCEDURAL BACKGROUND OF ACTION

2.1 On or about December 8, 2021, Plaintiff filed the Action titled *Juan Carlos Lara Hernandez v. 26 California Bazar, et al.*, Case No. 21STCV44705, in the Superior Court of California, County of Los Angeles.

2.2 On or about December 8, 2021, Plaintiff submitted a letter to the California Labor and Workforce Development Agency alleging violations of the Private Attorneys General Act, California Labor Code section 2698, et seq. (“PAGA”), alleging similar violations to those alleged in the Action, including but not limited to alleged violations of Labor Code sections 200-204, 210, 226, 226.2, 226(a), 226(e), 226.2, 226.3, 226.7, 226.8, 350, 351, 403, 404, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and corresponding Wage Orders. As part of this agreement, Plaintiff will amend his complaint to add an eleventh cause of action under PAGA (“FAC”).

2.3 The Parties agreed to explore the possibility of mediation. Upon agreement to attend mediation and to prepare for a meaningful and informed session, Class Counsel requested, and Defense Counsel produced, time and payroll records, relevant policies, and information regarding the putative class and the potentially aggrieved employees.

2.4 With sufficient discovery conducted to evaluate the viability of the claims and theories alleged, and Defendant’s potential liability on class wide and PAGA bases and its defenses, on October 30, 2024, the Parties participated in an all-day mediation with Chris Barnes

Esq., an experienced and respected mediator of wage and hour class and PAGA actions. The Parties did not settle at the mediation but did continue negotiations. After months of additional discussions, the Parties agreed to settle the Action.

2.5 The Parties and their respective counsel believe this Agreement reflects a fair, adequate, and reasonable settlement of the Action and have arrived at this Agreement because of arm's-length negotiations, facilitated by an experienced and neutral mediator, considering all relevant factors, present and potential.

3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF CLASS SETTLEMENT

3.1 The investigation and extensive exchange of information in this matter, as well as discussions between counsel have been adequate to give Class Counsel an understanding of the merits of the Parties' respective positions and to evaluate the worth of the claims of the Settlement Class. The information and data exchanged by the Parties prior to and during mediation and settlement negotiations are sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis.

3.2 The Parties recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendant through trial and through appeals. Class Counsel have considered the uncertain outcome of the litigation, the risk of continued litigation in complex actions such as this, as well as difficulties and delays inherent in such litigation, the potential difficulty of obtaining certification of the Action, as well as trying the claims of the Settlement Class. Class Counsel believe that the Settlement set forth in this Agreement confers substantial benefits upon Plaintiff and the Settlement Class Members and that an independent review of this Agreement by the Court in the approval process will confirm this conclusion. Based on their own independent investigation and evaluation, Class Counsel have determined that the Settlement set forth in the Agreement is in the best interests of Plaintiff and the Settlement Class Members.

4. NO ADMISSION OF ANY LIABILITY AND CONDITIONAL CERTIFICATION.

4.1 This Agreement represents a compromise and settlement of highly disputed claims.

1 This Agreement does not constitute, is not intended to constitute, and will not be deemed to
2 constitute, an admission of liability by Defendant as to the merits, validity, or accuracy of any of
3 the allegations or claims made against Defendant in the Action or the appropriateness of class or
4 conditional certification. Defendant deny each and all of Plaintiff's allegations in their entirety and
5 allege that Plaintiff and all other Settlement Class Members were paid all wages owed, including
6 straight time, minimum and overtime wages, were properly paid all for hours worked, received
7 proper rest and meal breaks, received accurate itemized wage statements, were timely paid all
8 wages due, timely received all pay due at termination, were reimbursed for all necessary business
9 expenses, that Defendant did not engage in unfair or unlawful business practices, that Defendant
10 kept accurate records, and otherwise complied with the law regarding Plaintiff's allegations.

11 4.2 Nothing in this Agreement nor any action taken or made in implementation thereof,
12 nor any statements, discussions, or communications, nor any materials prepared, exchanged,
13 issued, or used during the course of the negotiations leading to the Agreement, is intended by the
14 Parties to, nor will any of the foregoing constitute, be introduced, be used, or be admissible in any
15 way in this case or any other judicial, arbitral, administrative, investigative or other forum or
16 proceeding as evidence of any violation of any federal, state, or local law, statute, ordinance,
17 regulation, rule, or executive order, or any obligation or duty at law or in equity. The Agreement
18 may be used in any proceeding in the Court for the interpretation, implementation, or enforcement
19 of the Agreement or any orders or judgments of the Court entered in connection therewith.

20 4.3 The Parties agree that Plaintiff's motion for preliminary approval of the Settlement
21 seeking certification of a class action and Defendant's agreement thereto is for purposes of the
22 Settlement only. Solely for the purpose of this Agreement, including effectuating its terms, the
23 Parties stipulate to conditional certification of the Settlement Class. If, for any reason, the
24 Settlement is not approved, the stipulation for certification will have no force or effect. The Parties
25 agree that certification for purposes of the Settlement is in no way an admission that class
26 certification or conditional certification of a collective action is proper under the standard applied
27 to contested certification motions and that this Agreement will not be admissible in this or any
28 other proceeding as evidence that: (a) a class or representative action should be certified as Plaintiff

proposed; or (b) Defendant are liable to Plaintiff or the Settlement Class Members as Plaintiff alleged. Further, neither this Agreement nor the Court's actions regarding this Agreement will be admissible in any court or other tribunal regarding the propriety of class certification for purposes other than the settlement of this Action. If this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Defendant will not be deemed to have waived, limited, or affected in any way any of their objections or defenses in the Action, including, but not limited to, its ability to move to compel arbitration, raise defenses in opposition to certification, contest the merits of the claims and theories alleged, etc.

5. CLASS SETTLEMENT CONSIDERATION

5.1 **Gross Settlement and Net Settlement Amounts and Distribution.** Subject to terms and conditions of this Agreement, and subject to Court approval, the claims of all Settlement Class Members are settled for a Gross Settlement Amount of One Hundred and Fifty Thousand Dollars and Zero Cents (\$150,000.00). The Gross Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate consideration for the Settlement and will be made in full and final settlement of: (a) the Released Class Claims and Released PAGA Claims, (b) Class Counsel's Attorneys' Fees and Expenses, (c) Administration Expenses, (d) Enhancement Payment to Plaintiff; (e) PAGA Payment, and (f) the Individual Settlement Payments to Participating Settlement Class Members, and any other obligation of Defendant under this Agreement (other than the Employer's Taxes).

5.2 **Payments to Participating Settlement Class Members.** Each Participating Settlement Class Member shall be eligible to receive an Individual Settlement Payment based on their tenure, *i.e.*, the Workweek Total during the Class Period, in relation to the number of Workweeks Worked by all Participating Class Members. The Individual Settlement Payment will be subject to the Employee Taxes and Required Withholdings. Plaintiff and Participating Settlement Class Members who receive an Individual Settlement Payment pursuant to this Agreement shall be solely responsible for any and all other individual tax obligations associated the payment.

5.3 **Payments to PAGA Group Members.** Each PAGA Group Member shall be

1 eligible to receive an Individual Settlement Payment based on their tenure, *i.e.*, the Pay Period
2 Total, in relation to the number of PAGA Periods Worked by all PAGA Group Members. Plaintiff
3 and Participating Settlement Class Members who receive an Individual Settlement Payment
4 pursuant to this Agreement shall be solely responsible for any and all other individual tax
5 obligations associated the payment.

6 5.4 **Allocation of Individual Settlement Payment.** The Parties agreement that the
7 Individual Settlement Payment shall be allocated as follows: (a) twenty percent (20%) to wages and
8 reported on an IRS W-2 basis; (b) thirty percent (30%) to interest to be reported on an IRS form
9 1099; and (c) fifty percent (50%) to penalties to be reported on an IRS form 1099. PAGA
10 Members' portion of the PAGA Payment will be allocated one hundred percent (100%) penalties to
11 be reported on an IRS form 1099. Defendant agree to pay the Employer's Taxes on that portion of
12 Individual Settlement Payment allocated to W-2 wages, which will be computed and paid by the
13 Administrator, but funded separately and in addition to the Gross Settlement Amount.

14 5.5 **No Effect on Employee Benefits.** Neither the Settlement nor any amounts paid
15 under the Settlement will modify any previously credited hours, days, or weeks or service under
16 any employee benefit plan, policy or bonus program sponsored by Defendant (or their affiliates).
17 Such amounts will not form the basis for additional contributions to, benefit under, or any other
18 monetary entitlement under Defendant's sponsored benefit plans, policies, or bonus programs, if
19 any. The payments made under the terms of this Settlement shall not be applied retroactively,
20 currently, or on a going forward basis, as salary, earnings, wages, or any other form of
21 compensation for the purposes of any of Defendant's benefit plans, policies or bonus programs, if
22 any. Defendant retain the right to modify the language of their benefits plans, policies and bonus
23 programs to effect this intent and to make clear that any amounts paid pursuant to this Agreement
24 are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as
25 defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit
26 accrual, or any other purpose, and that additional contributions or benefits are not required by this
27 Agreement. Defendant do not consider the Individual Settlement Payments "compensation" for
28 purposes of determining eligibility for, or benefit accrual within, any benefits plan, policy, or bonus

1 program, or any other plan or program sponsored by Defendant (or their affiliates), if any.

2 5.6 **Class Counsel Attorneys' Fees and Expenses.** As part of the motion for final
3 approval of the Settlement, Class Counsel may submit an application for an award of Class
4 Counsel's Attorneys' Fees and Expenses with the fee portion not to exceed Fifty Thousand Dollars
5 and Zero Cents (\$50,000.00), and the award of reasonable, actual documented costs or expenses,
6 not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00). Defendants agree not to
7 object to any such fee, cost, or expense application up to those amounts. As a condition of this
8 Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this Section.
9 Any Class Counsel Attorneys' Fee and Expenses awarded by the Court shall be paid from the
10 Gross Settlement Amount. If the Class Counsel voluntarily reduces the request for Class Counsel's
11 Attorneys' Fees and Expenses or the Court's award is less than set forth above, the difference shall
12 remain with the Net Settlement Amount.

13 The Class Counsel's Attorneys' Fees and Expenses approved by the Court shall encompass:
14 (a) all work performed and costs and expenses incurred by, or at the direction of, any attorney
15 purporting to represent the Settlement Class through the date of this Agreement; (b) all work to be
16 performed and costs to be incurred in connection with approval by the Court of the Settlement set
17 forth in this Agreement; (c) all work to be performed and costs and expenses, if any, incurred in
18 connection with administering the Class Settlement through the Effective Date; and (d) may be
19 based on the Catalyst Theory and/or Common Fund Doctrine.

20 5.7 **Payment of Class Counsel's Attorneys' Fees and Expenses and Enhancement**
21 **Payment.** Class Counsel's Attorneys' Fees and Expenses and Plaintiff's Enhancement Payment,
22 as awarded by the Court shall be paid by the Settlement Administrator from the Gross Settlement
23 Amount within thirty (30) calendar days of the Effective Date.

24 5.8 **Enhancement to Plaintiff.** Plaintiff's Counsel will request, and Defendant will
25 not oppose, an Enhancement Payment of Ten Thousand Dollars and Zero Cents (\$10,000.00) to
26 Plaintiff, to be paid out of the Gross Settlement Payment. Should the Court award less than the
27 requested amount, the difference shall revert to the Net Settlement Amount.

28

1 **6. ADMINISTRATION COSTS AND EXPENSES**

2 6.1 **The Settlement Administrator's Costs and Expenses.** All costs and
3 expenses due to the Settlement Administrator in connection with its administration of the
4 Settlement described in the Agreement, including, but not limited to: (a) translating, formatting,
5 and mailing the Notice Packet by first class U.S. Mail; (b) performing a National Change of
6 Address Database ("NCOA") search to update Settlement Class Members' addresses prior to the
7 initial mailing of the Notice Packets; (c) performing skip-traces to locate and update Settlement
8 Class Members' address on the return of undelivered Notice Packets; (d) establishing a toll-free
9 number and post office box for the receipt of Class Member communications; (e) processing Opt-
10 Out requests (and sending those to counsel for Defendant), objections, and disputes; (f) calculating
11 and distributing Individual Settlement Payments to Participating Settlement Class Members and the
12 portion of the PAGA Payment to PAGA Members; (g) tax reporting; (h) providing the Parties'
13 counsel weekly status reports and declarations as needed and requested by the Parties or by the
14 Court; (i) sending the final Judgment to all Participating Settlement Class Members and PAGA
15 Members by first-class U.S. Mail (Cal. Rules of Court, rule 3.771(b)); and (j) performing any other
16 tasks that are reflected within this Agreement. The Settlement Administrator, upon request, will
17 send any Opt-Out forms received to Defense Counsel. The Administration Expenses shall be paid
18 by the Settlement Administrator to the Settlement Administrator from the Gross Settlement
19 Amount within thirty (30) calendar days of the Effective Date.

20 **7. NOTICE TO CLASS MEMBERS**

21 7.1 **Notice to Class Members.** Within twenty-one (21) calendar days of Defendant
22 receiving notice that the Court granted Preliminary Approval of the Settlement, Defendant shall
23 electronically transmit the Class List and Data to the Settlement Administrator. This information
24 will not be shared with and/or provided to Class Counsel. This confidentiality provision is in the
25 best interest of the Settlement Class because it will reduce the likelihood of Settlement Class
26 Members' personal information being leaked, thereby exposing them to identity theft. This
27 confidentiality provision will not impede Class Counsel's ability to discharge their fiduciary duties.

28 Within ten (10) calendar days of receipt of the Class List and Data from Defendant and after

1 the Settlement Administrator performs an NCOA search to update Settlement Class Members'
2 addresses, the Settlement Administrator will mail by first-class U.S. Mail the Notice Packet.

3 The Notice Packet will inform Settlement Class Members of the nature of the Action, the
4 allegations made, the claims being settled, and releases to be given, the employment information on
5 which their Individual Settlement Payment will be calculated, and of their right to request
6 exclusion, to object, and to dispute the information on which their payments will be paid and the
7 deadline for doing any of these acts. The Notice Packet will also inform Settlement Class Members
8 of the date, time, and place set for the Final Approval and Fairness Hearing and will advise them
9 that they may appear at the Final Approval and Fairness Hearing without first submitting a written
10 objection.

11 7.2 **Returned Notice Packet.** If a Notice Packet is returned to the Settlement
12 Administrator with a forwarding address affixed to the front, the Settlement Administrator will
13 resend the Notice Packet to the forwarding address affixed thereto. If a Notice Packet is returned
14 because of an incorrect mailing address, without a forwarding address affixed, the Settlement
15 Administrator will promptly, and not longer than three (3) days of receipt of the returned Notice
16 Packet, search for a more current address by way of skip-trace using the Settlement Class
17 Member's Social Security Number, and remail the Notice Packet to the Settlement Class Member
18 if an updated address is located. The Settlement Administrator will be responsible for taking
19 reasonable steps, consistent with its agreed-upon job parameters, Court orders, and fee, as agreed to
20 with the Parties to trace the mailing address of any Settlement Class Member for whom a Notice
21 Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include,
22 at a minimum: (a) the tracking of all undelivered mail; (b) performing address searches for all mail
23 returned without a forwarding address; and (c) promptly remailing to Settlement Class Members
24 for whom new addresses are found. If the Notice Packet is remailed, the Administrator will note
25 for its own records and notify to Counsel for the Parties of the date of each such re-mailing as part
26 of a weekly status report provided to the Parties. Settlement Class Members who receive a remailed
27 Notice Packet fifteen (15) days or less before the Response Deadline shall have fifteen (15) days
28 from the date the Notice Packet is remailed to postmark an Opt-Out request, object to the

1 Agreement, or dispute the information on which their Individual Settlement Payment is calculated.

2 7.3 **Disputing Information.** Settlement Class Members may dispute the information
3 on which their Individual Settlement Payment are calculated by returning a written statement to the
4 Settlement Administrator postmarked by the Response Deadline in the manner described in the
5 Notice Packet. The Settlement Class Member must provide information, documents, or other
6 evidence supporting his or her position.

7 Upon the timely receipt of a dispute, the Settlement Administrator will notify Defense
8 Counsel in writing (email constitutes a writing for this purpose) of the dispute. Defendant's
9 records will be presumed determinative, absent information, documents, or other evidence to rebut
10 Defendant's records, but the Settlement Administrator will evaluate the information submitted by
11 the Class Member and decide as to the validity of such evidence.

12 7.4 **Opt-Out Requests.** The Notice Packet will provide that Settlement Class
13 Members who wish to exclude themselves from the Settlement Class and Settlement must mail to
14 the Settlement Administrator a written request for exclusion postmarked by the Response Deadline
15 (and pursuant to the terms of the Response Deadline). The date of mailing on the envelope shall be
16 deemed the exclusive means for determining if a request for exclusion was timely received.

17 (i) To be valid, a request for exclusion must be timely and must comply with
18 the instructions detailed in the Notice Packet, including providing: (1) the name and address of the
19 Settlement Class Member; (2) a statement expressing that the Settlement Class Member elects to be
20 excluded from the Settlement; (3) the last four (4) digits of their Social Security Number (for
21 identity verification purposes only); and (4) a signature by the Settlement Class Member. If a
22 question is raised about the authenticity of a signed request for exclusion, the Settlement
23 Administrator will have the right to demand additional proof of the Settlement Class Member's
24 identity.

25 (ii) A Settlement Class Member who submits a valid and timely Opt-Out request
26 will not participate in or be bound by the Released Class Claims and the Judgment. However,
27 should this individual be a PAGA Member, they will still receive a portion of the PAGA Payment
28 allocated to the PAGA Members and will still be bound by the PAGA Released Claims. The

1 Settlement Administrator will determine the individual PAGA payment by comparing the number
2 of Pay Periods the PAGA Member was employed during the PAGA Period to the total number of
3 Pay Periods all PAGA Members were employed during the PAGA Period. In this instance, any
4 Class Member who submits a valid and timely Opt-Out request and who is also a PAGA Member
5 will only be bound by the PAGA Released Claims.

6 (iii) A Settlement Class Member who does not complete and mail a timely Opt-
7 Out request in the manner and by the Response Deadline will become a Participating Settlement
8 Class Member, will receive an Individual Settlement Payment, and will be bound by all terms and
9 conditions of the Settlement, including the Released Class Claims, if the Settlement is approved by
10 the Court, and by the Judgment.

11 7.5 In advance of mediation, Defendant disclosed there were approximately 17,550
12 workweeks through October 30, 2024 (“Data Period.”) The Parties agree that only this number of
13 workweeks will be released by this Settlement.

14
15
16 7.6 Objections to Settlement. The Notice Packet will provide instructions and the
17 manner for submitting written objections to the Settlement and will indicate that only Participating
18 Settlement Class Members may object to the Settlement. If a Settlement Class Member returns
19 both a written objection and an Opt-Out request, the Opt-Out request will be invalidated, and the
20 written objection will be accepted.

21 Written objections must be postmarked and returned to the Settlement Administrator no
22 later than the Response Deadline. The date of mailing on the envelope shall be deemed the
23 exclusive means for determining if the written objection was timely. Written objections must be
24 signed by the Settlement Class Member, state the last four (4) digits of their Social Security
25 Number [for identity verification purposes only] and should set forth: (a) the full name and address
26 of the objecting Settlement Class Member; (b) the grounds for each objection made; and (c)
27 whether the Settlement Class Member intends to appear at the Final Approval Hearing. Either or
28 both Parties may file a response to any objection before the Final Approval Hearing. Any attorney

1 who will represent an individual objecting to this Settlement who has not filed a written objection
2 must file a notice of appearance with the Court and serve Class Counsel and Defense Counsel with
3 this notice by the Response Deadline. Any Settlement Class Member who fails to submit a timely
4 written objection or to present an objection at the Final Approval Hearing shall be deemed to have
5 waived any objections and shall be foreclosed from making any objection to the Settlement
6 whether by appeal or otherwise. Settlement Class Members are not required to submit written
7 objections to be heard at the Final Approval Hearing.

8 **8. FUNDING AND DISTRIBUTION**

9 8.1 **Funding of the Gross Settlement Amount and the Employer's Taxes.** The
10 Settlement Administrator will calculate the Employer's Taxes and inform Defendant of the total
11 amount of the Employer's Taxes due. The Administrator shall also provide Defendant with its
12 bank wire instructions to establish the Qualified Settlement Fund ("QSF").

13 Within fifteen calendar (15) days (or the next available business day if the 15th day occurs
14 on a weekend) of the Effective Date, Defendant shall transmit the Gross Settlement Amount of One
15 Hundred and Fifty Thousand Dollars and Zero Cents (\$150,000.00) and the Employer's Taxes to
16 the Settlement Administrator to pay: (a) the Class Counsel's Attorneys' Fees and Expenses, as
17 approved by the Court; (b) the Administrative Expenses, as approved by the Court; (c) the PAGA
18 Payment, as approved by the Court; (d) the Enhancement Payment to Plaintiff, and (e) the
19 remaining Net Settlement Amount to be distributed entirely to Participating Class Members on a
20 proportionate basis. To the extent Participating Settlement Class Members worked during the
21 PAGA Period, they will receive a proportionate share of the PAGA Payment available to PAGA
22 Members. Defendant shall not be obligated to pay more than One Hundred and Fifty Thousand
23 Dollars and Zero Cents (\$150,000.00) with the exception of the employer share of the payroll taxes
24 and the possibility of section 7.5 above.

25 8.2 **Distribution of the Gross Settlement Amount.** Within thirty (30) calendar days
26 of the Effective Date, the Administrator will calculate and pay to Participating Settlement Class
27 Members their Individual Settlement Payments via first-class regular U.S. Mail. Within thirty (30)
28 calendar days of the Effective Date, the Administrator will pay to Class Counsel the Court-awarded

Class Counsel's Attorneys' Fees and Expenses and Plaintiff's Enhancement Payment; to the PAGA Members and LWDA the Court-approved PAGA Payment; and to the Administrator the Court-awarded Administration Expenses.

8.3 **Calculation of the Individual Settlement Payments.** Participating Class Members will receive a pro-rated share of the NSA based on the total number of weeks worked as a Settlement Class Member any time during the Class Period, in relation to the aggregate number of weeks worked by all Participating Settlement Class Members, based on the following formula:

$$\text{Individual Settlement Payment} = \text{NSA} \times (\text{Individual's Workweek Total} \div \text{Aggregate Weeks Worked by all Participating Settlement Class Members During the Class Period})$$

The Pay Period Total (if applicable) and Workweek Total will be inserted into each individual's Notice Packet.

If a Settlement Class Member is also a PAGA Member, they will also receive a proportionate share of Ten Thousand Dollars (\$2,500.00) (25% of the PAGA Payment), in addition to the Individual Settlement Payment, based on the following formula:

$$\text{Individual PAGA payment} = \$2,500.00 \times (\text{Individual's Pay Period Total} \div \text{Aggregate Pay Periods Worked by all PAGA Members During the PAGA Period})$$

Defendant shall have no responsibility for deciding the accuracy of the Individual Settlement Payments or any other payments made pursuant to this Agreement. Furthermore, as the Settlement Administrator shall calculate the Employer's Taxes and Required Withholdings, and reporting such amounts to the appropriate governmental authorities, Defendant shall have no responsibility for the determination or payment of Employee's Taxes and Required Withholdings. The Notice Packet will inform Settlement Class Members that they will be solely responsible for any and all tax obligation associated with their respective Individual Settlement Payments.

8.4 **Time for Payment of Taxes and Required Withholding and Individual Settlement Payments.** The Settlement Administrator shall make every effort to pay the Employee's Taxes and the Required Withholding associated with each Participating Settlement Class Member's Individual Settlement Payment as required by law upon the mailing of the Participating Settlement Class Member's Individual Settlement Payments. If the Settlement

1 Administrator is not able to do so within the time period set forth above, it shall so inform Class
2 Counsel and Defense Counsel and provide an approximate date by which Employee's Taxes and
3 Required Withholding shall be paid.

4 8.5 **Non-Cashed Settlement Checks.** Participating Settlement Class Members and
5 PAGA Group Members shall have one hundred eighty days (180) to cash their checks. Any funds
6 associated with uncashed checks after one hundred eighty (180) days shall be deposited with the
7 California State Controller in the Unclaimed Property Fund in the name of the employee.

8 8.6 **Time for Payment of PAGA Payment to the LWDA.** The Settlement
9 Administrator shall distribute to the LWDA the PAGA Payment approved by the Court no later
10 than thirty (30) calendar days after the Effective Date.

11 **9. NULLIFICATION OF THIS AGREEMENT**

12 9.1 **Non-Approval of the Agreement.** If (a) the Court should for any reason fail to
13 approve this Agreement in the form agreed to by the Parties, or (b) the Court should for any reason
14 fail to enter a judgment on this Action, or (c) the approval of the Settlement and judgment is
15 reversed, modified or declared or rendered void, then the Settlement and conditional class
16 certification shall be considered null and void, and neither the Settlement, conditional class
17 certification, nor any of the related negotiations or proceedings shall be of any force or effect, and
18 all Parties to the Settlement shall stand in the same position, without prejudice, as if the Settlement
19 has been neither entered into nor filed with the Court. Notwithstanding the foregoing, the Parties
20 may attempt in good faith to cure any perceived defects in the Agreement to facilitate approval. If
21 the Court awards less than the requested amounts for Administration Expenses, Class Counsel's
22 Attorneys' Fees and Expenses, the Enhancement Payment to Plaintiff, or PAGA Payment, the
23 difference shall become part of the Net Settlement Amount.

24 9.2 **Right to Void Class Settlement.** If five percent (5%) or more of the Settlement
25 Class Members opt out, Defendant may, at their election, rescind the Settlement and all actions
26 taken in its furtherance of it will be thereby null and void. Defendant must exercise this right of
27 rescission, in writing, to Class Counsel, within twenty-one (21) calendar days after the
28 Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is

exercised, Defendant shall be responsible for all costs of the administration accrued to that point.

Defendant also have the right to withdraw from the Settlement if the Court: (1) does not approve the material terms set forth in this Agreement after efforts to satisfy the Court's concerns are made by the Parties; (2) does not conditionally certify the Settlement Class; (3) does not conditionally certify a class releasing the Released Class Claims; or (4) does not grant final approval of the Settlement or enter Judgment. If this occurs, the Parties will be restored to their positions as of the date prior to the Agreement being fully executed, and they shall be equally responsible for all costs of Administration accrued to that point.

9.3 **Invalidation.** Invalidation of any material portion of the Settlement shall invalidate the Settlement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions of the Settlement are to remain in full force and effect.

9.4 **Stay Upon Appeal.** In the event of a timely appeal from the approval of the Class Settlement and Judgment, the Judgment shall be stayed, and Defendant shall not be obligated to fund the Gross Settlement Amount or take any other actions required by this Agreement until all appeal rights have been exhausted by operation of law.

10. MOTION FOR COURT APPROVAL

10.1 **Preliminary Approval.** Class Counsel will submit this Agreement to the Court along with a Motion for Order Granting Preliminary Approval of the Settlement. Each Party shall cooperate to present the Settlement to the Court for preliminary approval in a timely fashion. Prior to the filing of the Preliminary Approval Motion, Class Counsel will provide the Preliminary Approval Motion to Defendant for review and comment.

10.2 **Final Approval.** Following the close of the Response Deadline, and upon a date set by the Court as set forth in the Order Granting Preliminary Approval, Plaintiff shall move the Court for the entry of the final order certifying the Class for settlement purposes only and approving the Settlement as being fair, reasonable and adequate to the Participating Settlement Class Members within the meaning of California Rules of Court, Rule 3.769(c), (d) and (e) and for the entry of a final judgment of the Action consistent with the terms of the Class Settlement and California Rule of Court 3.769(h). Class Counsel and/or Defense Counsel shall submit to the Court

such pleadings and/or evidence as may be required for the Court's consideration in ruling on the motion.

11. RELEASES AND WAIVERS

11.1 Release of Claims by Plaintiff and the Participating Class Members.

Upon the date Defendant fully fund the Gross Settlement Amount, Plaintiff and Settlement Class Members will be bound by the Judgment entered and will release the Released Parties, and each of them, of and from any and all Released Class Claims for the Class Period. It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever settle, compromise, and discharge the Released Class Claims during the Class Period. Each Settlement Class Member, except those who timely Opt-Out, will be bound to the release of Released Class Claims as a result of the Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.

Settlement Class Members who do not opt out will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Settlement Payment constitutes payment of all sums allegedly due to them. Class Members will be deemed to have acknowledged and agreed that Labor Code Section 206.5 is not applicable to the Individual Settlement Payment. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

11.2 Release by the LWDA, Plaintiff, and PAGA Members. Upon the date Defendant fully fund the Gross Settlement Amount, the LWDA, the State of California, Plaintiff, and the PAGA Members shall be deemed to have released the Released Parties, and each of them, of and from any and all PAGA Released Claims during the PAGA Period.

11.3 Release of Claims by Plaintiff. Upon the date Defendant fully fund the Gross Settlement Amount, Plaintiff, on behalf of himself and his heirs, executors, administrators, and representatives, shall and does forever release, discharge and agrees to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements,

1 controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debt and
2 expenses (including attorney fees and costs), known or unknown, at law or in equity, which he may
3 now have or may have after the signing of this Stipulation, arising out of or in any way connected
4 with his employment or assignment with Defendant including, the Released Class Claims and
5 Released PAGA Claims, claims that were asserted or could have been asserted in the Complaint,
6 FAC, Action, and any and all transactions, occurrences, or matters between the Parties. Without
7 limiting the generality of the foregoing, this release shall include, but not be limited to, any and all
8 claims under the (a) Americans with Disabilities Act, as amended; (b) Title VII of the Civil Rights
9 Act of 1964, as amended; (c) the Civil Rights Act of 1991; (d) 42 U.S.C. § 1981, as amended; (e)
10 the Age Discrimination in Employment Act, as amended; (f) the Fair Standards Act, as amended;
11 (g) the Equal Pay Act; (h) the Employee Retirement Income Security Act, as amended; (i) the
12 Consolidated Omnibus Budget Reconciliation Act; (j) the Rehabilitation Act of 1973; (k) the
13 Family and Medical Leave Act; (l) the Civil Rights Act of 1966; (m) the California Fair
14 Employment and Housing Act; (n) the California Constitution; (o) the California Labor Code; (p)
15 the California Government Code; (q) the California Civil Code; and (r) any and all other federal,
16 state and local statutes, ordinances, regulations, rules and other laws, and any and all claims based
17 on constitutional, statutory, common law or regulatory grounds as well as any other claims based
18 on the theories of wrongful or constructive discharge, breach of contract or implied contract, fraud,
19 misrepresentation, promissory estoppel or intentional and/or negligent infliction of emotional
20 distress, or damages under any other federal, state or local statutes, ordinances, regulations, rules or
21 laws. This release is for any and all relief, no matter how denominated, including, but not limited
22 to, overtime, wages, back pay, front pay, vacation pay, bonuses, compensatory damages, tortious
23 damages, liquidated damages, punitive damages, damages for pain and suffering, and attorneys'
24 fees and costs, and Plaintiffs hereby forever releases, discharges and agrees to hold harmless
25 Defendant and the Released Parties from any and all claims for attorney fees and costs arising out
26 of the matters released in this Stipulation.

27 Plaintiff acknowledges that he is aware and familiar with the provisions of section 1542 of
28 the Civil Code, or any other similar provision under federal or state law, which provides:

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

6 Plaintiff, being aware of section 1542, hereby expressly waives and relinquishes all rights
7 and benefits he may have under section 1542 as well as any other statutes or common law
8 principles of a similar effect. Plaintiff may hereafter discover facts in addition to or different from
9 those which he now knows or believes to be true with respect to the subject matter of all the claims
10 referenced herein, but stipulates and agrees that, upon the funding of the Gross Settlement Amount,
11 Plaintiff shall and hereby does fully, and forever settle and release any and all claims against the
12 Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent, that
13 were asserted or could have been asserted upon any theory of law or equity without regard to the
14 subsequent discovery existence of such different or additional facts.

14 **12. DUTIES OF THE PARTIES**

15 12.1 **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another
16 to accomplish and implement the terms of this Agreement. Such cooperation shall include, but not
17 be limited to, execution of such other documents and the taking of such other actions as may
18 reasonably be necessary to fulfill the terms of this Settlement. The Parties shall use their best
19 efforts, including all effects contemplated by this Agreement and any other efforts that may become
20 necessary by Court order or otherwise, to effectuate the terms of this Agreement. As soon as
21 practicable after execution of this Agreement, Class Counsel, with the cooperation of Defendant
22 and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final
23 approval of this Agreement.

24 12.2 **Duty to Support and Defend the Settlement.** The Parties agree to abide by all
25 the terms of the Settlement in good faith and to support the Class Settlement fully and to use their
26 best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral
27 attack.
28

1 **13. MISCELLANEOUS PROVISIONS**

2 13.1 **Different Facts.** The Parties hereto, and each of them, acknowledge that, except
3 for matters expressly represented herein, the facts in relation to the dispute and all claims released
4 by the terms of this Agreement may turn out to be other than or different from the facts now known
5 by each party and/or its counsel, or believed by such Party or counsel to be true, and each Party
6 therefore expressly assumes the risk of the existence of different or presently unknown facts, and
7 agrees that this Agreement shall be in all respects effective and binding despite such difference.

8 13.2 **No Prior Assignments.** The Parties represent, covenant, and warrant that they
9 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
10 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
11 action, or right herein released and discharged except as set forth herein.

12 13.3 **Non-Admission.** Nothing in this Agreement shall be construed as or deemed to be
13 an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other
14 Party, or any other person, and the Parties specifically disclaim any culpability, negligence, or
15 wrongdoing toward each other or any other person. Each of the Parties has entered into this
16 Agreement with the intention to avoid further disputes and litigation with the attendant
17 inconvenience, expenses, and contingencies. Nothing herein shall constitute any admissions by
18 Defendant of wrongdoing or liability, or of the truth of any factual allegations in the Action.
19 Nothing herein shall constitute any admission by Defendant regarding the merits of the Claims in
20 this Action, including but not limited to claims for unpaid wages under California and/or federal
21 law. Nothing herein shall constitute an admission by Defendant that the Action was properly
22 brought as a class or representative action other than for settlement purposes. To the contrary,
23 Defendant have denied and continue to deny each and every material factual allegation and all
24 Claims. To this end, the Settlement of the Action, the negotiation and execution of this Agreement,
25 and all acts performed or documents executed pursuant to or in furtherance of this Agreement or
26 the Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence
27 of any wrongdoing or liability on the part of Defendant or of the truth of any of the factual
28 allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be

1 used as, an admission or evidence of any fault or omission on the part of Defendant in any civil,
2 criminal or administrative proceeding in any court, administrative agency or other tribunal.

3 13.4 **Media or Press.** Plaintiff and Defendant, and their respective counsel, agree to
4 limit public comment on this Class Settlement, the Action, and claims in the Action, stating that the
5 matter has been resolved to the satisfaction of the Parties. Neither Plaintiff nor Defendant shall
6 initiate public comment and/or discuss with or present to the media or press.

7 13.5 **Non-Retaliation.** Defendant understand and acknowledge that they have a legal
8 obligation not to retaliate against any Settlement Class Member who elects to participate in the
9 Settlement or elects to Opt-Out of the Class. Defendant will refer any inquiries regarding this
10 Settlement to the Administrator or to Class Counsel and will not discourage, directly or indirectly,
11 Class Members from opting out or objecting to the Settlement.

12 13.6 **Construction.** The Parties hereto agree that the terms and conditions of this
13 Agreement are the result of lengthy, intensive, arms-length non-collusive negotiations between the
14 Parties and that this Agreement is not to be construed in favor of or against any party by reason of
15 the extent to which any Party or their counsel participated in the drafting of this Agreement. If any
16 of the dates in the Agreement fall on a weekend, bank or court holiday, the time to act shall be
17 extended to the next business day.

18 13.7 **Governing Law.** This Agreement is intended to and shall be governed by the laws
19 of the State of California, without regard to conflict of law principles, in all respects, including
20 execution, interpretation, performance, and enforcement.

21 13.8 **Notices.** Except for the mailing of the Notice Packet to Settlement Class Members
22 by the Administrator, any and all notices or other communications required or permitted under this
23 Agreement shall be in writing and shall be sufficiently given if delivered in person to the Party or
24 their counsel by U.S. certified mail, postage pre-paid, e-mail, facsimile, or overnight delivery
25 addressed to the address of the Party appearing in this Agreement.

26 13.9 **Captions and Interpretations.** Section titles or captions contained herein are
27 inserted as a matter of convenience and for reference only and in no way define, limit, extend, or
28 describe the scope of this Agreement or any provision thereof.

1 13.10 Modification. This Agreement may not be changed, altered, or modified, except in
2 writing signed by the Parties and approved by the Court. This Agreement may not be discharged
3 except by performance in accordance with its terms or by a writing signed by the Parties.

4 13.11 Integration Clause. This Agreement contains the entire agreement between the
5 Parties relating to the Settlement of the Action and the transactions contemplated thereby, and all
6 prior or contemporaneous agreements, understandings, representations, and statements, whether
7 oral or written, and whether by a party or such party's legal counsel, are hereby superseded. No
8 rights under this Agreement may be waived except in writing as provided above.

9 13.12 Successors and Assigns. This Agreement shall be binding upon and inure to the
10 benefit of the Parties and Settlement Class Members (excluding only persons who timely opt-out)
11 and their respective present and former heirs, trustees, executors, administrators, representatives,
12 officers, directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors,
13 advisors, consultants, pension and welfare benefit plans, fiduciaries, parent companies,
14 subsidiaries, affiliates, related companies, joint ventures, predecessors, successors, and assigns.

15 13.13 Corporate Signatories. Any person executing this Agreement or any such related
16 document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and
17 promises, for the benefit of all Parties hereto, that such person has been duly authorized by such
18 corporation or partnership to execute this Agreement or any such related document.

19 13.14 Execution in Counterparts. This Agreement shall become effective upon its
20 execution by all the undersigned. The Parties may execute this Agreement in counterparts, and
21 execution of counterparts shall have the same force and effect as if all Parties had signed the same
22 instrument.

23 13.15 Attorneys' Fees, Costs and Expenses. Except as otherwise specifically provided
24 for herein, each Party shall bear their, his or its own attorneys' fees, costs, and expenses, taxable or
25 otherwise, incurred by them in or arising out of the Action and shall not seek reimbursement
26 thereof from any other Party to this Agreement.

27 ///

28 ///

1 IN WITNESS WHEREOF, the Parties and their counsel have executed this Agreement on
2 the date below their signatures of their representatives. The date of the Agreement shall be the date
3 of the latest signature.

4
5 Date: February 11, 2026

SOLOUKI | SAVOY LLP

6 By: Shoham J. Solouki

Shoham J. Solouki, Esq.

Grant Joseph Savoy, Esq.

Counsel for Plaintiff

7
8
9 Date: 2-20-26

10 By: Juan Carlos Lara Hernandez

Juan Carlos Lara Hernandez

11
12
13 Date: April 29, 2026

14 PETTIT KOHN INGRASSIA LUTZ &
15 DOLIN PC

16 By: Jennifer N. Lutz

Jennifer N. Lutz, Esq.

Alex T. Dea, Esq.

Counsel for Defendant

17
18
19 Date: 4/29/26

20 By: Adam Schumacher

Adam Schumacher
on behalf of 26 California Bazar Wholesale

EXHIBIT “A”

Juan Carlos Lara Hernandez v. 26 California Bazar, et al.
Los Angeles County Superior Court, Case No. 21STCV44705
NOTICE OF PROPOSED CLASS ACTION SETTLEMENT (“Notice”)

I. WHY IT IS IMPORTANT TO READ THIS NOTICE

**PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY THE
LEGAL PROCEEDINGS IN THIS ACTION. YOU MAY BE ENTITLED TO
MONETARY COMPENSATION FROM THIS SETTLEMENT.**

YOU ARE NOT BEING SUED

You are being sent this Notice because records indicate that you were an hourly-paid employee of 26 California Bazar DBA 26 California Bazar Facility Services, Inc. (“**26 California Bazar**”) in California at any time from December 8, 2017 through October 30, 2024. This Notice relates to a proposed settlement (“**Settlement**”) of a Private Attorney General Act (“**PAGA**”) and class action litigation brought against 26 California Bazar (“**Defendant**”). If you are a Class Member, this Notice contains important information about your right to a payment from the Settlement or to be excluded from the class portion of the Settlement according to the procedures described below. If you are a PAGA Member, this Notice contains important information about your right to a payment from the PAGA portion of the Settlement.

Pursuant to the Order Granting Preliminary Approval of Class Action Settlement, the Superior Court for the State of California, County of Los Angeles, the Honorable Samantha Jessner, presiding, entered on [REDACTED], 2026, you are hereby notified as follows:

A proposed Settlement has been reached between the parties in the lawsuit titled *Juan Carlos Lara Hernandez v. 26 California Bazar Wholesale, et al.*, Los Angeles Superior Court Case No. 21STCV44705. The Settlement is on behalf of all persons employed by 26 California Bazar in the State of California as an hourly-paid employees at any time between December 8, 2017 through October 30, 2024, inclusive (the “**Class Period**”), (the “**Class**” or “**Class Members**”). Class Members’ individual recoveries may exclude recovery based on any release agreement with Defendant with respect to any wage and hour claim during the Class Period and based on the date the release agreement was entered into. You have received this notice because Defendant’s records indicate that you are a Class Member and/or PAGA Member, and therefore entitled to a payment from the settlement. The PAGA period runs from December 8, 2020 through October 30, 2024 (the “**PAGA Period**”).

In addition to conditionally approving the Settlement, the Court also conditionally approved Plaintiff Juan Carlos Lara Hernandez (“**Plaintiff**” or “**Named Plaintiff**”) to serve as a class representative, and Grant Savoy and Shoham Solouki of Solouki Savoy, LLP, to serve as Class Counsel.

The Court will decide whether to provide final approval of the Settlement at a court hearing schedule for [REDACTED] at [TIME], before the Honorable Samantha Jessner in Department 7 of the Superior Court of California, County of Los Angeles, which is located at 312 N. Spring St., Los Angeles, CA 90012 (the “**Final Approval Hearing**”). At the Final Approval Hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. At the Final Approval Hearing, the Court will also determine Class Counsel’s request for attorneys’ fees, litigation expenses, administrative costs, penalties under Labor Code §§ 2698 et seq. and the class representative incentive award. The Final Approval Hearing may be continued by the Court without further notice to the Class. It is not necessary for you to appear at this Final Approval Hearing, but you are welcome to do so.

II. WHAT THIS LITIGATION IS ABOUT

On December 8, 2021, Plaintiff filed the Action entitled *Juan Carlos Lara Hernandez v. 26 California Bazar, et al.*, Case No. 21STCV44705, in the Superior Court of California, County of Los Angeles, on behalf of herself and all others similarly situated. The operative complaint in this Action alleges claims including 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 wage; (5) failure to timely pay wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to maintain required records; (8) failure to furnish accurate itemized statements; (9) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (10) unfair and unlawful business practices; and (11) Private Attorneys General Act, premised on similar theories of liability (collectively, the “**Action**”).

Defendant deny and continue to deny, the allegations in the Action. Defendant contend that they have acted in compliance with the law at all times. There has been no finding of any wrongdoing or liability by Defendant. Defendant do not admit to any wrongdoing or liability. Defendant also do not admit that the Action can or should proceed as a PAGA and/or class action. There has been no trial in this case. Instead, both sides recognize the risks, expenses, and disruption associated with continued litigation and they have therefore chosen to resolve their differences by entering into a settlement. By doing so, the parties can avoid the cost of a trial, yet PAGA Members and Class Members, if the court grants final approval of the Settlement, are still entitled to receive payments. The parties entered into this settlement after arms-length negotiations while using the services of an experienced and neutral mediator. The Plaintiff and Class Counsel believe that the proposed settlement is fair and reasonable and is in the best interest of the PAGA Members and Class Members.

Plaintiff and Defendant (where appropriate, Plaintiff and Defendant will be collectively referred to as the “**Parties**”) have now reached the Settlement on behalf of the Class. Accordingly, the Parties have entered into a Joint Stipulation of Settlement and Release of Class Action (the “**Settlement Agreement**”), which the Court preliminarily approved on [DATE].

The Parties and their respective counsel recognize the inherent risk and expense of continued proceedings necessary to continue this Action. The Parties and their counsel have also taken into account the extensive settlement negotiations that have been conducted. Based on the foregoing, the Parties believe the Settlement confers substantial benefits to all Class Members, is a fair, adequate, and reasonable settlement, and is in the best interests of all Class Members. The Court finds only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final hearing.

III. SUMMARY OF THE SETTLEMENT TERMS

The Parties have agreed to settle the Action in exchange for the Class Settlement amount of no more than One Hundred and Fifty Thousand Dollars (\$150,000.00) (“**Gross Settlement Amount**”). The Gross Settlement Amount includes: (a) the Individual Settlement Payments to the Class Participants; (b) the attorneys’ fees award to Class Counsel of up to Fifty Thousand Dollars (\$50,000.0); (c) reimbursement of reasonable documented costs incurred by Class Counsel not to exceed of Twenty Thousand Dollars (\$20,000.00); (c) the Incentive Award to the Named Plaintiff, in an amount not to exceed Ten Thousand Dollars (\$10,000.00); (d) Administrative Expenses to ILYM Group, Inc. (the “**Settlement Administrator**”), in an amount no greater than Six Thousand Dollars (\$6,000.00); and (e) payment to the California Labor and Workforce Development Agency (“**LWDA**”) in the amount of \$7,500.00 as the LWDA’s share of the settlement of the PAGA penalties.

1 The balance that remains after the foregoing deductions for the Incentive Award to the Named Plaintiff,
2 attorneys' fees and costs to Class Counsel, payment to the LWDA, and the Administrative Expenses (the
3 **"Net Settlement Amount"**) will be paid to PAGA Members and Class Members who do not opt out of the
class portion of the settlement (**"Class Participants"**) as Individual Settlement Payments according to the
formula set forth below.

4 The Settlement Administrator will make Individual Settlement Payments to each Class Participant. All
5 PAGA Members will receive their share of the PAGA portion of the settlement regardless of whether they
choose to opt out of the class settlement. The Net Settlement Amount shall be divided between all PAGA
6 Members and Class Participants based on the number of workweeks for which they were employed by 26
California Bazar as hourly-paid employees in California during the Class Period.

7 The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by
8 the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result
by the number of Workweeks worked by each individual Participating Class Member.

9 The Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500.00 by the total number
10 of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of
PAGA Period Pay Periods worked by each individual Aggrieved Employee.

11 Based on the Settlement Administrator's review of Defendant's records, the Settlement Administrator
12 intends to credit YOU the following number of Class Workweeks and/or PAGA Pay Periods:

13 **Class Member Name: NAME Class Workweeks: # PAGA Pay Periods: #**

14 IRS Forms W-2 and/or 1099 will be distributed to PAGA Members and Class Participants and the
15 appropriate taxing authorities reflecting the payments that PAGA Members and Class Participants receive
under the Settlement. PAGA Members and Class Participants should consult their tax advisors concerning
16 the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement,
each Individual Settlement Payment: (1) for PAGA Members will be allocated 100% to penalties and, (2)
17 for Class Participants will be allocated as 20% to wages, 30% to interest and 50% to penalties. The wage
portion of each Class Participant's Individual Settlement Payment will be subject to applicable payroll taxes
18 and withholdings.

19 Checks made payable to PAGA Members and Class Participants shall remain negotiable for one hundred
20 eighty (180) days. To the extent that this Notice and/or the Individual Settlement Payment checks are
undeliverable, or the Individual Settlement Payment checks are uncashed 180 days after the date listed on
the check, the amount of those checks will be deposited with California State Controller for deposit in the
21 Unclaimed Property Fund in the name of the employee.

22 Any Class Participant who disagrees with the data used to calculate his or her claim as reflected in this
Notice shall be allowed to indicate and explain such disagreement by submitting a written statement
23 explaining your dispute to the Settlement Administrator. All Pay Period Dispute Forms and written disputes
must be postmarked, emailed or faxed to the Settlement Administrator no later than forty-five (45) days after
24 the date the Notice is first mailed (the **"Dispute Deadline Date"**). The Settlement Administrator shall
resolve the disagreement with the Class Participant using the employee records provided by Defendant and
25 the Class Participant. The date of the postmark on the envelope or the date of emails or fax confirmations
sent to the Settlement Administrator shall be the exclusive means used to determine whether a Class
26 Participant has "timely" disputed the calculation or application of the formula for determining Individual
Settlement Payments.
27
28

1 IV. YOUR OPTIONS UNDER THE SETTLEMENT

2 **Option 1 — Do Nothing: if you WANT to receive an Individual Settlement Payment**

3 Participation in this Settlement does not require the submission of a claim form. Accordingly, if the Court
4 grants final approval of the Settlement at the Final Approval Hearing, and you have not affirmatively opted-
5 out of the class portion of the Settlement by preparing and returning an opt-out request described in Option 2
6 below, you will be mailed a check for your Individual Settlement Payment, minus applicable withholdings,
by the Settlement Administrator. You will be bound by the Released Claims and all other terms of the
Settlement unless you follow Option 2 below. Defendant will not retaliate against any employee because he
or she chooses to participate in this Settlement.

7 **Option 2 — Opt Out of the Settlement: if you opt-out of the Settlement, you will NOT receive an
Individual Settlement Payment for the Class Portion of the Settlement.**

8 If you do not wish to participate in the Settlement, you may exclude yourself from participating in the class
9 portion of the settlement by submitting a written request to the Settlement Administrator expressly and
10 clearly indicating that you have received this Notice, have decided not to participate in the Settlement, and
11 desire to be excluded or that you “opt-out” from the Settlement. If you do not submit a timely written
12 request to opt-out, then you will be bound by the release of claims as set forth in Section V below
13 (“Released Claims”) and all other terms of the Settlement. Your written request (the “Opt-Out Statement”)
14 should state (or contain words substantially similar to) the following:

15 “I have received the Notice of Class Action Settlement of the Action titled *Juan Carlos
16 Lara Hernandez v. 26 California Bazar, et al.*, Los Angeles County Superior Court Case
17 No. 21STCV44705. I wish to opt out of the Settlement. I understand that by requesting to
18 be excluded from the Settlement Class, I will not receive any payment from the
19 Settlement approved by the Court in the Action.”

20 However, Class Members do not have to use the aforementioned specific language to exclude themselves
21 from the Settlement. The written Opt-Out Statement also must set forth your full name (including the name
22 you used while employed with Defendant, if different), address, last four digits of your Social Security
23 Number, and telephone number. You must sign, date, and either email, mail or fax the Opt-Out Statement to
24 the Settlement Administrator by First Class U.S. Mail to the address, fax number or email address below:

25 *Juan Carlos Lara Hernandez v. 26 California Bazar, et al.* Class Action Settlement
26 [ILYM Group Class Action Administration]
27 [street address/P.O. Box
28 [City, State, Zip Code]
[phone number]
[fax number]
[email address]

29 **If you wish to exclude yourself from this proposed Settlement, you must submit a written Opt-Out
Statement to the Settlement Administrator no later than [Response Deadline].**

30 If you submit an Opt-Out Statement that is not postmarked, emailed or faxed by [Response Deadline],
31 subject to the Court’s final determination, it may be rejected and you will be included in the Settlement
32 Class and bound by the Released Claims and all other terms of the Settlement, and you will receive the
33 appropriate Individual Settlement Payment. Similarly, should you receive and cash a check for your
34 Individual Settlement Payment and elect to opt-out of the Settlement, your attempt to opt-out may be
35 deemed void and you will be included in the Settlement Class and bound by the Released Claims and all

1 other terms of the Settlement. Similarly, if you submit both an Opt-Out Statement and an objection, your
2 Opt-Out Statement will be deemed void. Even if a Class Member opts out of the Settlement, the Class
3 Member shall still receive a share of the PAGA payment and release of that claim (if you worked any pay
4 periods during the PAGA period). There is no mechanism to opt out of the PAGA portion of this settlement.

5 ***Option 3 — Make an Objection With the Court and Remain a Member of the Settlement Class***

6 A Class Participant, who has not opted out and believes that the Settlement should not be finally approved
7 by the Court for any reason, may object to the class portion of the proposed Settlement. To object to the
8 Settlement, you must remain a member of the Class, and if the Court approves the Settlement, you will be
9 bound by the terms of the Settlement.

10 If you wish to object to the Settlement, then you may do so by submitting a written objection to the
11 Settlement Administrator. If you wish to submit a written objection to the Settlement, then you must submit
12 your written statement to the Settlement Administrator by either mail, fax or email. A written objection must
13 include your name, address, telephone number, last four digits of your Social Security number, and must
14 state with particularity the factual and legal basis on which any objections are asserted.

15 **All written objections must be submitted to the Settlement Administrator by either mail, email, or fax
16 not later than [Response Deadline]. The date of the postmark on the mailing envelope, or the date of
17 the fax or email transmission to the Settlement Administrator shall be the exclusive means used to
18 determine whether a written objection was timely submitted.**

19 The Court will hear from any class member who attends the final approving hearing and asks to speak.

20 **V. THE BINDING EFFECT OF THE SETTLEMENT**

21 Upon the date Defendant fully fund the Gross Settlement Amount, Plaintiff and Settlement Class Members
22 will be bound by the Judgment entered and will release Defendant and their officers, directors, managers,
23 owners, executives, partners, employees, shareholders, agents, attorneys, and any other successors, assigns,
24 or legal representatives, and any of Defendant's former and present parents, subsidiaries, successors, and
25 affiliates, and their officers, directors, managers, owners, executives, partners, employees, shareholders,
26 agents, attorneys, and any other successors, assigns, or legal representatives ("**Released Parties**"), and each
27 of them, of and from any and all Released Class Claims for the Class Period. It is the desire of the Parties
28 and the Settlement Class Members to fully, finally, and forever settle, compromise, and discharge the
Released Class Claims during the Class Period. Each Settlement Class Member, except those who timely
Opt-Out, will be bound to the release of all claims, rights, demands, liabilities, damages, penalties,
attorneys' fees, costs, and causes of action of every nature and description, arising from any and all claims
which were asserted in First Amended Complaint, or reasonably could have been asserted based on the facts
alleged in the First Amended Complaint, including statutory, constitutional or common law claims for
wages, damages, unpaid costs, liquidated damages, penalties, interest, attorneys' fees, litigation costs,
restitution, equitable relief, or other relief based on the following claims: all claims 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 wage; (5) failure to timely pay wages; (6) failure to pay all wages due to discharged
and quitting employees; (7) failure to maintain required records; (8) failure to furnish accurate itemized
statements; (9) failure to indemnify employees for necessary expenditures incurred in discharge of duties;
and (10) unfair and unlawful business practices ("**Released Class Claims**") as a result of the Class
Settlement and to the terms of the final judgment and the satisfaction of such judgment.

Upon the date Defendant fully fund the Gross Settlement Amount, the LWDA, the State of California,
Plaintiff, and the PAGA Members shall be deemed to have released the Released Parties, and each of them,
of and from any and all claims, theories, and causes of action alleged or that could have been alleged or
otherwise raised based on the factual allegations set forth in Plaintiff's letter to LWDA dated December 8,

2021 and First Amended Complaint. This includes theories under Labor Code sections 200-204, 210, 226, 226.2, 226(a), 226(e), 226.2, 226.3, 226.7, 226.8, 350, 351, 403, 404, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and corresponding Wage Orders, including theories 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 wage; (5) failure to timely pay wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to maintain required records; (8) failure to furnish accurate itemized statements; (9) failure to indemnify employees for necessary expenditures incurred in discharge of duties. (“**PAGA Released Claims**”) during the PAGA Period.

If the Settlement is not finally approved by the Court, or if any of its conditions are not satisfied, the Settlement will be voided, no money will be paid, and the Action will revert to litigation. However, if that happens, there is no assurance that: (a) any decision at trial would be in favor of any Class Members; (b) a favorable trial decision, if any, would be as favorable to any Class Members as the Settlement; or (c) any favorable trial decision would be upheld if an appeal was filed. The Court has expressed no opinion regarding the merits of the claims asserted in the Action.

VI. ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the pleadings, the Settlement Agreement, and other papers filed in the Action, which may be inspected at the Records public window of the Los Angeles Superior Court, 312 N. Spring St., Los Angeles, CA 90012, during regular business hours of each court day.

To the extent there are any conflicts between this Notice and the terms of Settlement Agreement, the terms of the Settlement Agreement will govern.

DO NOT CALL OR CONTACT THE CLERK OF THE COURT OR THE JUDGE FOR INFORMATION ABOUT THE SETTLEMENT.

If you have any questions about the Settlement, you may contact the Settlement Administrator at the following addressee or numbers:

[ILYM Group Class Action Administration]
[street address/P.O. Box]
[City, State, Zip]
[Phone Number]
[Fax Number]