

ALEXANDER M. CHEMERS, CA Bar No. 263726
alexander.chemers@ogletree.com
DANIEL N. ROJAS, CA Bar No. 326115
daniel.rojas@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.
400 South Hope Street, Suite 1200
Los Angeles, CA 90071
Telephone: 213-239-9800
Facsimile: 213-239-9045

Attorneys for Defendant
PEET'S COFFEE, INC.

[Additional counsel on following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

MARISOL MAGANA, individually and on
behalf of all other similarly situated employees,

Plaintiff,

vs.

PEET'S COFFEE, INC., and DOES 1-25,

Defendants.

Case No. 23CV026139

**AMENDED JOINT STIPULATION OF
CLASS ACTION SETTLEMENT AND
RELEASE**

[Assigned for all purposes to
The Honorable Julia Spain, Dept. 520]

Action Filed: January 23, 2023
Trial Date: None

1 ALEXEI KUCHINSKY, CA Bar No. 279405
2 ak@kuchinskylawoffice.com
3 KUCHINSKY LAW OFFICE, P.C.
4 220 Montgomery Street, Suite 2100
5 San Francisco, CA 94104
6 Telephone: 628-200-0902
7 Facsimile: 628-200-0907

8
9 Attorney for Plaintiff
10 MARISOL MAGANA
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE**

2 IT IS HEREBY STIPULATED, by and between plaintiff MARISOL MAGANA
3 (“Plaintiff”), on behalf of herself and the Settlement Class Members on the one hand, and
4 defendant PEET’S COFFEE, INC. (“Defendant”), and subject to the approval of the Court, that the
5 above-captioned action is hereby being compromised and settled pursuant to the terms and
6 conditions set forth in this Joint Stipulation of Class Action Settlement and Release (the
7 “Settlement”).

8 **1. DEFINITIONS**

9 Capitalized terms used in this Settlement shall have the meanings set forth below:

10 1.1. “Action” means the lawsuit entitled *MARISOL MAGANA; et al. v. PEET’S*
11 *COFFEE, INC.*, pending in the Superior Court of the State of California, County of Alameda, and
12 designated as Case No. 23CV026139.

13 1.2. “Claims Administrator” means Simpluris, Inc. (“Simpluris” or “Settlement
14 Administrator”).

15 1.3. “Claims Administration Costs” means the amount to be paid to the third-party
16 Claims Administrator from the Gross Settlement Amount for the administration of the Settlement.
17 The Claims Administration Costs amount is not to exceed Ten Thousand Dollars and Zero Cents
18 (\$10,000.00). Any portion of the requested Claims Administration Costs that are not awarded to
19 the Claims Administrator shall be part of the Net Settlement Amount.

20 1.4. “Class Counsel” means Alexei Kuchinsky of Kuchinsky Law Office, P.C.

21 1.5. “Class Counsel Award” means reasonable attorneys’ fees for Class Counsel’s
22 litigation and resolution of this Action in a maximum amount of Two Hundred Sixty-Six Thousand
23 Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$266,666.67) (1/3rd of the Gross
24 Settlement Amount). The Court shall determine the amount of the Class Counsel Award, and it
25 shall be paid from the Gross Settlement Amount. Any portion of the requested Class Counsel
26 Award that is not awarded to Class Counsel shall be part of the Net Settlement Amount.

27 1.6. “Class Counsel Costs” means expenses incurred by Class Counsel for Class
28 Counsel’s litigation and resolution of this Action, not to exceed Fifteen Thousand Dollar and Zero

1 Cents (\$15,000.00). The Court shall determine the amount of the Class Counsel Costs, and it shall
2 be paid from the Gross Settlement Amount. Any portion of the requested Class Counsel Costs that
3 is not awarded to Class Counsel shall be part of the Net Settlement Amount.

4 1.7. "Class Information" means information regarding Settlement Class Members that
5 Defendant will in good faith compile from its records and provide to the Claims Administrator.
6 Class Information shall be provided as a Microsoft Excel spreadsheet and shall include: each
7 Settlement Class Member's full name; last known address; last known home telephone number;
8 social security number; start and end dates of employment, and the total number of weeks each
9 Settlement Class Member worked for Defendant during the Class Period. Because social security
10 numbers are included in the Class Information, the Claims Administrator shall maintain the Class
11 Information in confidence; access shall be limited to those with a need to use the Class Information
12 as part of the administration of the Settlement; and transmission shall be through use of a secure,
13 password-protected file.

14 1.8. "Class Period" means the period from January 23, 2019 through August 18, 2024.

15 1.9. "Class Representative Enhancement Award" means the amount that the Court
16 authorizes to be paid to Plaintiff, not to exceed Ten Thousand Dollars and Zero Cents
17 (\$10,000.00), in recognition of Plaintiff's efforts and risks in assisting with the prosecution of the
18 Action. The Class Representative Enhancement Award shall be paid from the Gross Settlement
19 Amount. Any portion of the requested Class Representative Enhancement Award that is not
20 awarded to Plaintiff shall be part of the Net Settlement Amount.

21 1.10. "Court" means the Superior Court of the State of California for the County of
22 Alameda.

23 1.11. "Defendant" means *PEET'S COFFEE, INC.*, and all of its past, present and/or
24 future, direct and/or indirect, officers, directors, members, managers, employees, agents,
25 representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent
26 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

27 1.12. "Defense Counsel" means Alexander M. Chemers and Daniel N. Rojas of Ogletree,
28 Deakins, Nash, Smoak & Stewart, P.C.

1.13. “Effective Date” means the date that the Final Judgment is entered by the Court assuming that no Settlement Class Members have appeared or otherwise objected at the Final Approval Hearing; in the event that any such objections have been raised, the Effective Date shall be sixty-one (61) days after the date that the Final Judgment is entered and assuming no appeals are taken from it; in the event that any appeals are taken from the Final Judgment, the Effective Date shall be thirty days (30) after any appeal concludes and the Final Judgment is affirmed and not subject to further appeal. In the event Final Judgment or another order triggering deadlines under this Agreement is issued but not immediately served upon the Parties, the Effective Date will run from when the Parties knew that Final Judgment was entered or when some other triggering event occurred.

1.14. “Employee Taxes” means the employee’s share of any and all applicable federal, state, and local payroll taxes on the portion of Participating Class Members’ Individual Settlement Payment that constitutes wages. The Employee Taxes will be paid out of the Net Settlement Amount.

1.15. “Employer Taxes” means the employer’s share of any and all applicable federal, state, and local payroll taxes on the portion of Participating Class Members’ Individual Settlement Payment that constitutes wages. The Employer Taxes will be paid by Defendant and not out of the Gross Settlement Amount or Net Settlement Amount.

1.16. “Final Approval Date” means the date which the Court grants final approval of the Settlement.

1.17. “Final Approval Hearing” means the hearing held on the motion for final approval of the Settlement.

1.18. “Final Judgment” means the Court’s entry of an order of judgment in this Action following the Court’s final approval of the Settlement.

1.19. “Gross Settlement Amount” means the maximum amount Defendant shall have to pay in connection with this Settlement, by way of a common fund, which shall be inclusive of all Individual Settlement Amounts to Participating Class Members, Class Counsel Award, Class Counsel Costs, Claims Administrator Costs, Class Representative Enhancement Award, and PAGA

Allocation. Subject to Court approval and the terms of this Settlement, the Gross Settlement Amount Defendant shall be required to pay is Eight Hundred Thousand Dollars and Zero Cents (\$800,000.00). No portion of the Gross Settlement Amount will revert to Defendant, and the Settlement does not require Participating Class Members to submit claims as a prerequisite to receiving their Individual Settlement Payment. Under no other circumstances shall Defendant be required to pay more than the Gross Settlement Amount except as provided for in Paragraph 3.18 or in connection with Defendant's payment of the Employer Taxes.

1.20. "Individual Settlement Payment" means the amount payable to each Participating Class Member, as calculated pursuant to Paragraph 3.22 of the Settlement, from the Net Settlement Amount. Checks for Individual Settlement Payments will specifically indicate that they are void if not negotiated within one hundred eight (180) days of their issuance.

1.21. "LWDA PAGA Allocation" means Thirty-Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$33,750.00), representing 75% of the PAGA Allocation, and is the amount payable from the Gross Settlement Amount to California's Labor & Workforce Development Agency.

1.22. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel Award, the Class Counsel Costs, the Class Representative Enhancement, the Claims Administration Costs, and the PAGA Allocation. The Net Settlement Amount shall be distributed in its entirety to Participating Class Members.

1.23. "Notice of Objection" means a written statement of objection to the Settlement made and signed by a Settlement Class Member or his or her representative and includes the following: (1) the full name of the Settlement Class Member; (2) the dates of employment of the Settlement Class Member; (3) the last four (4) digits of the Settlement Class Member's Social Security number and/or the Employee ID number; (4) the basis for the objection; and, (5) whether the Settlement Class Member intends to appear at the Final Approval Hearing.

1.24. "Notice of Settlement" means the Notice of Proposed Class Action Settlement (substantially in the form attached hereto as **Exhibit "A"**).

1.25. "PAGA Allocation" means Forty-Five Thousand Dollars and Zero Cents

1 (\$45,000.00), allocated from the Gross Settlement Amount for the compromise of claims for civil
2 penalties brought under the Labor Code Private Attorneys General Act of 2004 (“PAGA”). Per
3 California Labor Code section 2699(i), Thirty-Three Thousand Seven Hundred Fifty Dollars and
4 Zero Cents (\$33,750.00), representing 75% of the PAGA Allocation, will be paid to California’s
5 Labor & Workforce Development Agency. The remaining Eleven Thousand Two Hundred Fifty
6 Dollars and Zero Cents (\$11,250.00), representing 25% of the PAGA Allocation, shall be part of
7 the Net Settlement Amount to be distributed to PAGA Members.

8 1.26. “PAGA Claims” means claims based on the Private Attorneys General Act (2004)
9 asserted in Plaintiff’s notice letters to the LWDA, dated January 17, 2023 (“PAGA Notice”),
10 including PAGA claims under Labor Code sections 201-203, 226, 226.3, 226.7, 512, 558, 1174,
11 the Industrial Welfare Commission Wage Orders, and any resulting claim for attorneys’ fees and
12 costs and civil penalties under PAGA, Labor Code section 2698 et seq.

13 1.27. “PAGA Member(s)” means all current and former non-exempt employees of
14 Defendant who worked at the Roasting Plant, located at 2001 Harbor Bay Pkwy, Alameda,
15 California from January 17, 2022 through August 18, 2024.

16 1.28. “PAGA Member Allocation” means Eleven Thousand Two Hundred Fifty Dollars
17 and Zero Cents (\$11,250.00) representing 25% of the PAGA allocation, and is the amount payable
18 to PAGA Members. The PAGA Member Allocation shall be distributed in its entirety to PAGA
19 Members pursuant to Paragraph 3.23.

20 1.29. “PAGA Period” means the period from January 17, 2022 through August 18, 2024.

21 1.30. “Participating Class Members” means all Settlement Class Members who do not
22 submit a valid and timely Request for Exclusion.

23 1.31. “Parties” means Plaintiff and Defendant collectively, and “Party” shall mean any
24 Plaintiff or any Defendant, individually.

25 1.32. “Plaintiff” means MARISOL MAGANA.

26 1.33. “Preliminary Approval Date” means the date the Court enters the Preliminary
27 Approval Order for the Settlement.

28 1.34. “Preliminary Approval Order” means the Proposed Order (filed concurrently with

1 this Settlement) for preliminary approval of the Settlement.

2 1.35. “Released Class Claims” means all causes of action and factual or legal
3 theories/allegations that were alleged in the operative complaints in the Action, , including but not
4 limited to all of the following claims for relief: (a) failure to provide proper meal periods, and to
5 properly provide premium pay in lieu thereof; (b) failure to authorize and permit rest breaks, and
6 to properly provide premium pay in lieu thereof; (c) improper and/or inaccurate wage statements;
7 (d) waiting time penalties for untimely final pay; (e) unfair business practices; (f) any other claims
8 or penalties under the wage and hour laws pleaded in the Action; and (g) all damages, penalties,
9 interest and other amounts recoverable under said causes of action or primary rights under
10 California and federal law, to the extent permissible, including but not limited to the California
11 Labor Code, the applicable Wage Orders, the California Unfair Competition Law, and the Fair
12 Labor Standards Act (collectively, the “Released Class Claims”). The release period for
13 Settlement Class Members covers the period from January 23, 2019 through the date of August
14 18, 2024. The *res judicata* effect of the Judgment will be the same as that of the Release.

15 1.36. “Released PAGA Claims” means any and all causes of action and factual or legal
16 theories/allegations for civil penalties that were alleged in Plaintiff’s PAGA Notice, dated January
17 17, 2023, and the operative complaint in the Action, including but not limited to all of the
18 following claims for civil penalties based on the following alleged violations: (a) failure to
19 provide proper meal periods, and to properly provide premium pay in lieu thereof (Cal. Lab. Code
20 §§226.7, 512, 558, and 2699); (b) failure to authorize and permit rest breaks, and to properly
21 provide premium pay in lieu thereof (Cal. Lab. Code §§226.7, 512, 558, 2699 and Section 12
22 (Rest Period Requirements) of the applicable Industrial Welfare Commission Wage Order); (c)
23 improper and/or inaccurate wage statements (Cal. Lab. Code §§226, 226.3, and 2699); (d) failure
24 to pay wages upon separation (Cal. Lab. Code §§201-203, and 2699); (e) any and all claims for
25 attorneys’ fees and costs arising out of or related to California Labor Code § 2699(g)(1) in
26 connection with the alleged violations; (f) any other claims or penalties under the wage and hour
27 laws pleaded in the Action; and (g) all damages, penalties, interest and other amounts recoverable
28 under said causes of action or primary rights under California and federal law, to the extent

permissible, including but not limited to the California Labor Code, the applicable Wage Orders (collectively, the “Released PAGA Claims”). The release period for Settlement Class Members covers the period from January 17, 2022 through the date of August 18, 2024. The *res judicata* effect of the Judgment will be the same as that of the Release.

1.37. “Released Parties” means PEET’S COFFEE, and all of its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

1.38. “Request for Exclusion” means a written statement mailed to the Claims Administrator that: (1) must contain the name, address, and the last four (4) digits of the Social Security number of the Settlement Class Member requesting exclusion, (2) must state “Please exclude me from the Settlement in the *MARISOL MAGANA; et al. v. PEET’S COFFEE, INC.* matter,” or similar language, (3) must be signed by the Settlement Class Member or his or her legal representative; and (4) must be postmarked by the Response Deadline and returned to the Claims Administrator at the specified address.

1.39. “Response Deadline” means the date sixty (60) days after the Claims Administrator mails Notices of Settlement to Settlement Class Members, and shall be the last date on which Settlement Class Members may: (a) postmark Requests for Exclusion from the Settlement, or (b) postmark Objections to the Settlement.”

1.40. “Settlement” means this Joint Stipulation of Class Action Settlement and Release.

1.41. “Settlement Class Member(s)” or “Settlement Class” means all current and former non-exempt employees of Defendant who worked at the Roasting Plant, located at 2001 Harbor Bay Pkwy, Alameda, California from January 23, 2019 through August 18, 2024.

2. RECITALS

2.1. Class Certification. The Parties stipulate and agree to the certification of this Action for purposes of this Settlement only. Should the Settlement not become final and effective, class certification shall immediately be set aside (subject to further proceedings on motion of any party

1 to certify or deny certification thereafter). The Parties' willingness to stipulate to class certification
2 as part of the Settlement shall have no bearing on and shall not be admissible in or considered in
3 connection with, the issue of whether a class should be certified in a non-settlement context in this
4 Action, and shall have no bearing on and shall not be admissible or considered in connection with
5 the issue of whether a class should be certified in any other lawsuit.

6 2.2. Procedural History. On January 23, 2023, Plaintiff filed the Action in the Superior
7 Court of California for the County of Alameda as a proposed class action on behalf of all current
8 and former non-exempt employees of Defendant who worked at the Roasting Plant, located at 2001
9 Harbor Bay Pkwy, Alameda, California from January 23, 2019 through the final disposition of this
10 case. Plaintiff alleged that Defendant: (1) failed to provide meal periods; (2) failed to provide rest
11 breaks; (3) failed to provide accurate wage statements; (4) waiting time penalties; (5) penalties
12 pursuant to PAGA; and (6) unfair competition. Plaintiff sought recovery under the California
13 Labor Code, the applicable Industrial Welfare Commission Wage Order, and the California
14 Business & Professions Code.

15 2.3. Settlement Negotiations. On May 14, 2024, the Parties participated in a private
16 mediation session with mediator Lisa Klerman, Esq., a well-respected, experienced mediator in the
17 field of wage and hour class actions. Prior to the mediation, Class Counsel conducted extensive
18 informal discovery and investigation during the prosecution of the Action. The informal discovery
19 and investigation included, among other things: (1) inspection and analysis of employee documents
20 and data, including personnel files, time and payroll records, employment policies and procedures,
21 and other relevant documents; (2) evaluation of legal positions taken by Defendant; (3) evaluation
22 of potential class-wide damages and PAGA penalties; and (4) review and research of applicable
23 law with respect to the claims and potential defenses brought by Defendant. Class Counsel has
24 vigorously prosecuted this Action, and Defendant has vigorously defended it. The Parties have
25 engaged in sufficient discovery and investigation to assess the relative merits of the claims and
26 contentions of the Parties. Based on this information and the settlement discussions during the
27 mediation conducted at arm's length and settlement discussions, the Parties came to an agreement
28 on May 2, 2024. The settlement is the result of an informed and detailed evaluation of the potential

1 liability of total exposure in relation to the costs and risks associated with continued litigation of
2 the Class Action.

3 2.4. Benefits of Settlement to Settlement Class Members. Plaintiff and Class Counsel
4 recognize the length of continued proceedings necessary to litigate their disputes through
5 certification, trial, and any possible appeal. Plaintiff and Class Counsel have also taken into
6 account the uncertainty and risk of the outcome of further litigation, the difficulties and delays
7 inherent in such litigation, including, but not limited to, the risks related to a contested motion for
8 class certification, risk of Defendant being able to fund a Class-wide judgement, and the risks
9 related to liability raised by the issues in this case. Plaintiff and Class Counsel are also aware of
10 the burdens of proof necessary to establish liability for the claims asserted in the Action and the
11 difficulties in establishing damages for the Settlement Class Members. Plaintiff and Class Counsel
12 have also taken into account Defendant's agreement to enter into a settlement that confers
13 substantial relief upon Settlement Class Members. Based on the foregoing, Plaintiff and Class
14 Counsel have determined that this Settlement is fair, adequate, and reasonable, and is in the best
15 interests of the Settlement Class Members.

16 2.5. Defendant's Denial of Wrongdoing and Liability and Reasons for Settlement.
17 Defendant contends that the Settlement Class Members were properly were provided meal and rest
18 periods as required under California law. However, Defendant has concluded that any further
19 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
20 time, energy and resources of Defendant has been and, unless this Settlement is made, will
21 continue to be devoted to the defense of the claims asserted by Plaintiff and Settlement Class
22 Members. Defendant has also taken into account the risks of further litigation in reaching their
23 decision to enter into this Settlement. Nonetheless, Defendant has concluded that further
24 proceedings in the Action would be protracted and expensive and that it is desirable that the Action
25 be fully and finally settled in the manner and upon the terms and conditions set forth in this
26 Settlement in order to dispose of burdensome and protracted litigation, to permit the operation of
27 Defendant's business without further expensive litigation and the distraction and diversion of its
28 personnel with respect to matters at issue in the Action. Defendant has also taken into account the

1 uncertainty and risks inherent in any litigation, especially in complex cases such as this Action.
2 Defendant has therefore determined that it is desirable and beneficial to them that the Action be
3 settled in the manner and upon the terms and conditions set forth in this Settlement.

4 2.6. No Admissions. The Parties understand and agree that this Settlement is the result
5 of a good faith compromise of disputed claims and allegations, and Defendant is entering into this
6 Settlement Agreement solely to resolve doubtful and disputed matters. No part of this Settlement
7 Agreement or any conduct or written or oral statements made in connection with this Settlement,
8 whether or not the Settlement Agreement is finally approved and/or consummated, may be offered
9 as or construed to be an admission or concession of any kind by either of any of the Parties. In
10 particular, but without limiting the generality of the foregoing, nothing about this Settlement or
11 Settlement Agreement shall be offered or construed as an admission that Defendant has violated
12 any of their obligations under the California Labor Code, or of liability in general, or any
13 wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or
14 Released Parties. In addition, this Settlement Agreement shall not be offered or be admissible in
15 evidence against any of the Parties or any of the Released Parties, except in any action or
16 proceeding brought by or against Plaintiff, Settlement Class Members, or Defendant to enforce its
17 terms, or by Defendant in defense of any claims brought by Plaintiff or the Settlement Class
18 Members. The provision of this paragraph shall become effective when this Settlement is signed
19 and shall be binding on the Parties and their counsel regardless of whether the Settlement
20 Agreement is preliminarily and/or finally approved or terminated for any reason or rendered null
21 and void.

22 2.7. Settlement Class Members' Claims. Plaintiff claims that the Released Claims have
23 merit and give rise to liability on the part of Defendant. This Settlement is a compromise of
24 disputed claims. Nothing contained in this Settlement and no documents referred to herein, nor
25 any action taken to carry out this Settlement may be construed or used as an admission by or
26 against the Settlement Class Members or Class Counsel as to the merits or lack thereof of the
27 claims asserted.

28 2.8. Defendant's Defenses. Defendant has denied and continues to deny each and all of

the allegations, claims, and contentions alleged by Plaintiff in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing or liability against it and the Released Parties arising out of any of the conduct, statements, acts, or omissions alleged in the Action. Defendant contends that it complied in good faith with California and federal wage-and-hour laws and has dealt legally and fairly with Plaintiff and Settlement Class Members. Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for class or representative treatment.

2.9. Gross Amount Payable by Defendant. Under the terms of this Settlement, the gross amount payable by Defendant shall not exceed the Gross Settlement Amount of Eight Hundred Thousand Dollars and Zero Cents (\$800,000.00), except as provided in this Settlement.

3. TERMS OF SETTLEMENT

The Parties agree as follows:

3.1. Binding Settlement. This Settlement shall bind the Parties and all Participating Class Members, subject to the terms and conditions hereof and the Court's approval.

3.2. Release As To Plaintiff and All Settlement Class Members. As of the Effective Date, all Settlement Class Members, including Plaintiff, who do not opt out of the Settlement, will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties from the Released Claims for the period of January 23, 2019 through August 18, 2024.

3.3. Tax Liability. The Parties understand and agree that the Parties are not providing tax or legal advice. Defendant is responsible for any Employer Taxes. These payments shall not be made from the Gross Settlement Amount or the Net Settlement Amount. Participating Class Members will remain responsible for any Employee Taxes. Participating Class Members will assume any employee tax obligations or consequences that may arise from this Settlement and should consult with a tax expert if they have questions. However, Individual Settlement Payments will be allocated as follows: one third as wages (a W-2 will be issued) and two thirds as interest and penalties (a 1099 will be issued). Any required payroll deductions will be based on this apportionment. The Parties agree that, in the event that any taxing body determines that additional

1 employee taxes are due from any Participating Class Member, such Participating Class Member
2 assumes all responsibility for the payment of such taxes.

3 3.4. Circular 230 Disclaimer. The Parties acknowledge and agree that (1) no provision
4 of this Settlement, and no written communication or disclosure between or among the Parties,
5 Class Counsel or Defense Counsel and other advisers, is or was intended to be, nor shall any such
6 communication or disclosure constitute or be construed or be relied upon as, tax advice within the
7 meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the
8 acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax
9 counsel for advice (including tax advice) in connection with this Settlement, (b) has not entered
10 into this Settlement based upon the recommendation of any other party or any attorney or advisor
11 to any other party, and (c) is not entitled to rely upon any communication or disclosure by any
12 attorney or adviser to any other party to avoid any tax penalty that may be imposed on the
13 acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation
14 that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of
15 whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax
16 treatment or tax structure of any transaction, including any transaction contemplated by this
17 Settlement.

18 3.5. Settlement Approval and Implementation Procedures. As part of this Settlement,
19 the Parties agree to the following procedures for obtaining the Court's preliminary approval of the
20 Settlement, certifying the Settlement Class, notifying Settlement Class Members of the Settlement,
21 obtaining the Court's final approval of the Settlement, and processing the Individual Settlement
22 Payments.

23 3.6. Preliminary Approval and Certification. As soon as practicable after execution of
24 this Settlement, but no later than thirty (30) days, the Parties will jointly submit this Settlement to
25 the Court for its preliminary approval. Such submission will include this Settlement, the proposed
26 Notice of Settlement, the proposed Preliminary Approval Order, and any, memoranda and evidence
27 as may be necessary for the Court to determine that this Settlement is fair, adequate, and
28 reasonable. The Parties agree to request the Court to enter an order conditionally certifying the

Settlement Class after the preliminary approval hearing, in accordance with California Rules of Court, Rule 3.769(c).

3.7. Class Information. No more than thirty (30) calendar days after the entry of the Preliminary Approval Order, Defendant shall provide the Claims Administrator with the Class Information for purposes of mailing Notice of Settlement to Settlement Class Members.

3.8. Notice by First Class U.S. Mail. Upon receipt of the Class Information, the Claims Administrator will perform a search on the National Change of Address database to update the Settlement Class Members' addresses. No more than ten (10) calendar days after receiving the Class Information from Defendant, as provided herein, the Claims Administrator shall mail copies of the Notice of Settlement to all Settlement Class Members by regular First-Class U.S. Mail. The Claims Administrator shall exercise its best judgment to determine the current mailing address for each Settlement Class Member. The address identified by the Claims Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member. Efforts to locate an updated address for Settlement Class Members with returned notices will continue throughout the sixty (60) day response period.

3.9. Undeliverable Notices. Any Notices of Settlement returned to the Claims Administrator as undeliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto.

3.10. Skip Tracing and Supplemental Notices. For each Settlement Class Member whose Notice of Settlement is returned, there will be one (1) skip trace by the Claims Administrator. If an updated mailing address is identified, the Claims Administrator shall resend the Notice of Settlement to the Settlement Class Member. One (1) supplemental Notice of Settlement shall be mailed to each Settlement Class Member whose original Notice of Settlement is returned as undeliverable to the Claims Administrator. Such re-mailing shall be made within five (5) business days of the Claims Administrator receiving notice that the respective Notice of Settlement was undeliverable. Any requests by the Claims Administrator for documents or information from Defendant must be responded to within a reasonable amount of time by counsel for Defendant. It is the intent of the Parties that reasonable means be used to locate the Settlement Class Members

1 and apprise them of their rights.

2 3.11. Settlement Class Members to whom Notices of Settlement are resent after having
3 been returned undeliverable to the Claims Administrator shall have fourteen (14) calendar days
4 thereafter, or until the Response Deadline has expired, whichever is later, to mail the Request for
5 Exclusion or a Notice of Objection. Notices of Settlement that are resent shall inform the recipient
6 of this adjusted deadline. The date of the postmark on the return envelope shall be the exclusive
7 means used to determine whether a Settlement Class Member has returned his or her Request for
8 Exclusion on or before the adjusted deadline. It will be conclusively presumed that if an envelope
9 so mailed has not been returned within twenty (20) days of the mailing, that the Settlement Class
10 Member received the Notice of Settlement. If a Settlement Class Member's Notice of Settlement is
11 returned to the Claims Administrator more than once as undeliverable, then an additional Notice of
12 Settlement shall not be re-mailed.

13 3.12. Compliance with the procedures specified in Paragraphs 3.8 through 3.11 of this
14 Settlement shall constitute due and sufficient notice to Settlement Class Members of this
15 Settlement and shall satisfy the requirement of due process. Nothing else shall be required of, or
16 done by, the Parties, Class Counsel, and Defense Counsel to provide notice of the proposed
17 Settlement.

18 3.13. Disputes. Settlement Class Members will have the opportunity during the sixty (60)
19 day response period, should they disagree with Defendant's records regarding their days worked
20 during the Class Period, to provide documentation and/or an explanation to show contrary days
21 worked. If there is a dispute, the Claims Administrator will consult with the Parties to determine
22 whether an adjustment is warranted. The Claims Administrator shall determine the eligibility for,
23 and the amounts of, any Individual Settlement Payments under the terms of this Settlement. The
24 Claims Administrator's determination of the eligibility for and amount of any Individual
25 Settlement Payment shall be binding upon the Settlement Class Member and the Parties.

26 3.14. Exclusions (Opt-Outs). The Notice of Settlement shall state that Settlement Class
27 Members who wish to exclude themselves from the Settlement must submit a Request for
28 Exclusion by the Response Deadline. The Request for Exclusion: (1) must contain the name,

address, and the last four (4) digits of the Social Security number of the Settlement Class Member requesting exclusion, (2) must state the reason for the exclusion, (3) must be signed by the Settlement Class Member or his or her legal representative; and (4) must be postmarked by the Response Deadline and returned to the Claims Administrator at the specified address. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from this Settlement. 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 Settlement Class Member who requests to be excluded from the Settlement will not be entitled to any recovery under the Class Settlement and will not be bound by the terms of the Settlement. Pursuant to Paragraphs 3.8 through 3.12, Settlement Class Members who receive the Notice of Settlement, but fail to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of the Settlement and any Final Judgment entered in this Action if the Settlement is approved by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Settlement Class to submit Requests for Exclusion from the Settlement. Class Counsel shall not represent any Settlement Class Member with respect to any such Requests for Exclusion. Settlement Class Members who submit a valid Request for Exclusion may not submit a Notice of Objection to the non-PAGA portion of the Settlement. Even if a Class Member requests to be excluded from the Class Settlement, he or she may still receive a PAGA Allocation payment if the Class Member worked during the PAGA period. Any Class Member who worked during the PAGA Period shall be deemed to have released all claims under PAGA based on Plaintiff's notice to the LWDA and as alleged in the operative complaint.

3.15. Objections. The Notice of Settlement shall state that Settlement Class Members who wish to object to the Settlement must not submit a Request for Exclusion and must submit a written statement of objection ("Notice of Objection") by the Response Deadline to the Claims Administrator. The Notice of Objection must be signed by the Settlement Class Member or his or her legal representative and state: (1) the full name of the Settlement Class Member; (2) the dates of employment of the Settlement Class Member; (3) the last four (4) digits of the Settlement Class

Member's Social Security number and/or the Employee ID number; (4) the basis for the objection; and, (5) whether the Settlement Class Member intends to appear at the Final Approval Hearing. Pursuant to Paragraphs 3.8 through 3.12, the Notice of Objection must be postmarked by the Response Deadline and returned to the Claims Administrator at the specified address. Within five (5) days of receiving a notice of objection from a Settlement Class Member, the Claims Administrator shall forward the Notice of Objection to Class Counsel and Defense Counsel. The Parties, through a declaration from the Claims Administrator, will lodge any Notice of Objection submitted by a Settlement Class Member with the Court at least twenty-one (21) days before the Final Approval Hearing. Settlement Class Members, regardless of whether or not they submit a timely Notice of Objection, will have a right to appear at the Final Approval Hearing, with or without an attorney, in order to have their objections heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to file or serve written objections to the Settlement or appeal from the Final Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such objections.

3.16. Plaintiff's Participation. By executing this Settlement, Plaintiff hereby stipulates they will not object to or exclude themselves from the Settlement in anyway.

3.17. No Solicitation of Settlement Objections or Exclusions. The Parties and their counsel agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit either written objections to the Settlement or Requests for Exclusion from the Settlement, or to appeal from the Court's Final Judgment.

3.18. Potential Increase To Gross Settlement Amount. This settlement sum is based on Defendant's representation that Settlement Class Members worked 40,000 workweeks between January 23, 2019 and March 13, 2024. Defendant shall not be required to pay more than the Gross Settlement Amount as long as the amount of workweeks between January 23, 2019 and March 13, 2024 does not increase by more than five percent (5%). Should the number of workweeks between January 23, 2019 and March 13, 2024 increase by more than five percent (5%), the Gross Settlement Amount shall increase in proportion to the increase in the number of workweeks above

42,000—*e.g.*, if the workweeks increase by six percent (6%) or to 42,400 workweeks, the Gross Settlement Amount shall also increase by one percent (1%). For purposes of these calculations, a “workweek” represents a week where a Settlement Class Member recorded at least one minute of work in Defendant’s timekeeping systems. If it can be readily determined without undue burden, Defendant may exclude weeks where a Settlement Class Member was employed by Defendant but did not perform any work.

3.19. Funding of the Gross Settlement Amount. This is a non-reversionary Settlement in which Defendant is required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant. Defendant is separately and solely responsible for any employer payroll taxes owed as a result of the Settlement. By no later than thirty (30) days after the Effective Date, Defendant shall provide to the Claims Administrator the Gross Settlement Amount in the amount Eight Hundred Thousand Dollars and Zero Cents (\$800,000.00). No payments from the Gross Settlement Amount shall be made before the Gross Settlement Amount is fully funded. No release in this Settlement shall be effective until the Gross Settlement Amount is fully funded. If Defendant defaults, Plaintiff and all Participating Class Members will be able to pursue all claims, and the Settlement becomes null and void.

3.20. No more than five (5) business days after the Gross Settlement Amount is fully funded, the Claims Administrator will provide the Parties with an accounting of all anticipated payments from the Gross Settlement Amount. The Net Settlement Amount shall be calculated by deducting from the Gross Settlement Amount payments for (1) Class Representative Enhancement Award, as specified in this Settlement and approved by the Court; (2) Class Counsel Award, as specified in this Settlement and approved by the Court; (3) Class Counsel Costs, as specified in this Settlement and approved by the Court; (4) Claims Administration Costs, as specified in this Settlement and approved by the Court; and (5) the PAGA Allocation, as specified in this Settlement and approved by the Court. The Net Settlement Amount shall be distributed in Individual Settlement Payments in accordance with Paragraph 3.21.

3.21. Individual Settlement Payments. Each Participating Class Member shall be eligible to receive an Individual Settlement Payment, which is a share of the Net Settlement Amount, based

on the number of weeks worked by the Participating Class Member during the Class Period, as a proportion of all weeks worked by all Participating Class Members during the Class Period. Individual Settlement Payments shall be paid pursuant to the formula set forth in Paragraph 3.22 below. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to Participating Class Members' last known mailing address no later than fifteen (15) calendar days after the Gross Settlement Amount is fully funded. Individual Settlement Payments will specifically indicate that they are void if not negotiated within one hundred eight (180) days of their issuance. Individual Settlement Payments reflect settlement of a dispute regarding wages, interest, and penalties. Individual Settlement Payments will be allocated as follows: one third as wages and two thirds as interest and penalties. The "wage" portion of each Individual Settlement Payment will be reduced by any Employee Taxes. The Claims Administrator shall issue the appropriate tax documents associated with the Individual Settlement Payments, including an IRS Form W-2 for the amounts allocated as "wages" and an IRS Form 1099 for the amounts allocated as "interest" or "penalties."

3.22. Individual Settlement Payment Formula. After deducting the Class Counsel Award, Class Counsel Costs, the PAGA Allocation, Class Representative Enhancement Award, and Claims Administration Costs, the remaining funds (the "Net Settlement Amount"), will be distributed as follows: The Claims Administrator shall divide the Net Settlement Amount by the total number of weeks Participating Class Members worked during the Class Period in order to determine the amount each Participating Class Member is entitled to for each week he or she worked for Defendant in the Class Period (the "Weekly Amount"). The Claims Administrator will multiply the Weekly Amount by the estimated total number of weeks that each Participating Class Member worked during the Class Period. The product of each calculation represents the gross Individual Settlement Payment for the respective Participating Class Member. The Claims Administrator will then deduct Employee Taxes attributable to wages to arrive at the net Individual Settlement Payment for each respective Class Member. Within thirty (30) calendar days after Preliminary Approval, Defendant shall provide the Claims Administrator with the Class Information, and any other reasonably required information the Claims Administrator requests to perform the

calculations required under this Settlement. Defendant shall have no responsibility for deciding the validity of any Individual Settlement Payment or any other payments made pursuant to this Settlement, shall have no involvement in or responsibility for the determination or payment of Employee Taxes, and shall have no liability for any errors made with respect to such Employee Taxes.

3.23. PAGA Allocation & Related Release. Out of the Gross Settlement Amount that is ultimately preliminarily approved, Defendant shall pay a total of Forty-Five Thousand Dollars and Zero Cents (\$45,000.00) as the PAGA Allocation to resolve the PAGA Claims of the Settlement Class. Of this amount, 75% (*i.e.* \$33,750.00) will be paid as the LWDA PAGA Allocation and 25% (*i.e.* \$11,250.00) will be distributed on a pro rata per workweek basis to the PAGA Members who worked at any time from January 17, 2022 through August 18, 2024. Each PAGA Member's Individual PAGA Payment will be calculated based on the total number of weeks he or she worked during the PAGA Period. To establish the workweek value, the Claims Administrator will first determine the total number of weeks worked by PAGA Members during the PAGA Period. 25% of the PAGA Allocation will then be divided by the total number of weeks worked by PAGA Members during the PAGA Period to determine the per workweek value. The PAGA Member Allocation represents the portion of civil penalties awarded directly under PAGA, and shall be considered 100% penalties. PAGA Members will not be required to submit a claim form in order to be issued a check for their share of the PAGA Payment. The PAGA Members will not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims. PAGA Members shall be deemed to have released the PAGA claims for civil and statutory penalties, and any other interest, liquidated damages, attorney's fees and costs under PAGA.

3.24. Settlement Class Members are not eligible to receive any compensation other than the Individual Settlement Payment (and PAGA Payment for PAGA Members), and they may only receive an Individual Settlement Payment if they do not submit a valid and timely Request for Exclusion to opt out of the Settlement. Plaintiff, however, is also eligible to receive a Class Representative Enhancement Award.

3.25. No benefit, including but not limited to pension benefits, shall increase or accrue as

1 a result of any payment made pursuant to this Settlement.

2 3.26. Uncashed Checks. If a check for an Individual Settlement Payment is returned to
3 the Claims Administrator as undeliverable, the Claims Administrator shall promptly attempt to
4 obtain a valid mailing address by performing a skip trace search. If another address is identified,
5 the Claims Administrator shall mail the check to the newly identified address. If an Individual
6 Settlement Payment check is returned to the Claims Administrator a second time as undeliverable,
7 the Claims Administrator shall not attempt any further re-mailing of that check. Any settlement
8 checks that remain uncashed One Hundred Eighty (180) or more calendar days after issuance shall
9 be voided. The Claims Administrator shall forward all voided settlement checks to the State of
10 California Unclaimed Property Fund. The Claims Administrator shall also compile a list of the
11 Participating Class Members for whom their funds were deposited with the California State
12 Controller's Office's Unclaimed Property Division. In such an event, the Participating Class
13 Member shall nevertheless remain bound by the Settlement. The Parties agree that good cause
14 exists for the Court to approve this distribution because the unclaimed funds are unclaimed wages
15 of employees that will be held by the State of California for the benefit of these employees, who
16 may request receipt of payment from the California State Controller's Office's Unclaimed Property
17 Division.

18 3.27. Class Representative Enhancement Award. Defendant agrees not to oppose or
19 object to any application or motion by Plaintiff for a Class Representative Enhancement Award,
20 not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) for Plaintiff, as consideration for
21 Plaintiff's time and effort in bringing and prosecuting this matter. The Class Representative
22 Enhancement Award shall be paid to Plaintiff from the Gross Settlement Amount no later than
23 fifteen (15) calendar days after the Gross Settlement Amount is fully funded. The Claims
24 Administrator shall issue an IRS Form 1099 — MISC to Plaintiff for their Class Representative
25 Enhancement Award. Plaintiff shall be solely and legally responsible for payment of all applicable
26 taxes on their Class Representative Enhancement Award and shall hold Defendant harmless from
27 any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative
28 Enhancement Award. The Class Representative Enhancement Award shall be in addition to

1 Plaintiff's Individual Settlement Payment as a Participating Class Member. In the event that the
2 Court awards lesser amounts than the Class Representative Enhancement Award requested, then
3 any portion of the requested amounts not awarded to Plaintiff shall be added to the Net Settlement
4 Amount. Plaintiff shall not have the right to revoke her agreement to the Settlement on the grounds
5 the Court did not approve any or all of her request for a Class Representative Enhancement Award.

6 3.28. Class Counsel Award and Costs. Defendant agrees not to oppose or object to any
7 application or motion by Class Counsel for a Class Counsel Award not to exceed Two Hundred
8 Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$266,666.67) and
9 Class Counsel Costs not to exceed Fifteen Thousand Dollar and Zero Cents (\$15,000.00) from the
10 Gross Settlement Amount. The Class Counsel Award and Class Counsel Costs shall be paid no
11 later than fifteen (15) calendar days after the Gross Settlement Amount is fully funded. Class
12 Counsel shall be solely and legally responsible to pay all applicable taxes on the payments made
13 pursuant to this paragraph. The Claims Administrator shall issue an IRS Form 1099 — MISC to
14 Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent
15 upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any
16 amount requested by Class Counsel for the Class Counsel Award and Class Counsel Costs and not
17 granted by the Court shall be part of the Net Settlement Amount.

18 3.29. Defendant's Option to Terminate Settlement. If, after the Response Deadline and
19 before the Final Approval Hearing, more than five percent (5%) of the Settlement Class Members
20 submit timely and valid Requests for Exclusion from the Settlement, Defendant shall have, in its
21 sole discretion, the option to terminate this Settlement. Defendant shall exercise its option to
22 terminate, if it wishes, prior to the Final Approval Hearing. If Defendant decides to void the
23 Settlement, then the Settlement and conditional class certification shall be considered void, and
24 neither the Settlement, conditional class certification, nor any of the related negotiations or
25 proceedings, shall be of any force or effect, and the Parties shall stand in the same position, without
26 prejudice, as if this Settlement had been neither entered into nor filed with the Court. Should
27 Defendant void the Settlement under this paragraph, it shall be responsible for all Claims
28 Administration Costs.

1 3.30. Claims Administration Costs. The Claims Administrator shall be paid for the costs
2 of administration of the Settlement from the Gross Settlement Amount. Such costs of
3 administration are not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00), unless the
4 court approves a higher amount. No fewer than twenty (20) days prior to the Final Approval
5 Hearing, the Claims Administrator shall provide the Parties with a statement detailing the costs of
6 administration. The Claims Administrator, on Defendant's behalf, shall have the authority and
7 obligation to make payments, credits and disbursements, including payments and credits in the
8 manner set forth in this Settlement, to Participating Class Members, calculated in accordance with
9 the methodology set out in this Settlement and orders of the Court. The Parties agree to cooperate
10 in the administration of the Settlement and to make all reasonable efforts to control and minimize
11 the costs and expenses incurred in administration of the Settlement. The Parties each represent they
12 do not have any financial interest in the Claims Administrator or otherwise have a relationship with
13 the Claims Administrator that could create a conflict of interest. The Claims Administrator shall be
14 responsible for: processing and mailing all court-approved payments to the Plaintiff, Class
15 Counsel, Participating Class Members, and the LWDA; printing and mailing the Notices of
16 Settlement to the Settlement Class Members as called for in this Settlement and ordered by the
17 Court; receiving and reporting Notice of Objections and Requests for Exclusion submitted by
18 Settlement Class Members; providing declaration(s) as necessary in support of preliminary and/or
19 final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders
20 the Claims Administrator to perform. The Claims Administrator shall keep the Parties timely
21 apprised of the performance of all Claims Administrator responsibilities. Any legally mandated tax
22 reports, tax forms, tax filings, or other tax documents required by administration of this Settlement
23 shall be prepared by the Claims Administrator. Any expenses incurred in connection with such
24 preparation shall be Claims Administration Costs. The Claims Administrator shall be paid the
25 Claims Administration Costs no later than fifteen (15) calendar days after the Gross Settlement
26 Amount is fully funded.

27 3.31. Claims Administrator's Declaration. Not later than fourteen (14) days before the
28 date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the

1 Claims Administrator will provide to Class Counsel and Defense Counsel, a signed declaration
2 suitable for filing in Court attesting to its due diligence and compliance with all of its obligations
3 under this Settlement, including, but not limited to, its mailing of Notices of Settlement, the
4 Notices of Settlement returned as undelivered, the re-mailing of Notices of Settlement, attempts to
5 locate Class Members, the total number of Requests for Exclusion from Settlement it received
6 (both valid or invalid), the number of written objections and attach the Exclusion List. The Claims
7 Administrator will supplement its declaration as needed or requested by the Parties and/or the
8 Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

9 3.32. Final Report by Claims Administrator. Within 10 days after the Claims
10 Administrator disburses all funds in the Gross Settlement Amount, the Claims Administrator will
11 provide Class Counsel and Defense Counsel with a final report detailing its disbursements by
12 employee identification number only of all payments made under this Agreement. At least 15 days
13 before any deadline set by the Court, the Claims Administrator will prepare, and submit to Class
14 Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its
15 disbursement of all payments required under this Settlement. Class Counsel is responsible for
16 filing the Administrator's declaration in Court.

17 3.33. Final Approval Hearing. At a reasonable time following the Response Deadline, the
18 Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the Court
19 shall determine amounts properly payable for (i) the Class Counsel Award, (ii) the Class Counsel
20 Costs, (iii) the Class Representative Enhancement Award, (iv) the LWDA PAGA Allocation; and
21 (v) the Claims Administration Costs.

22 3.34. Entry of Final Judgment. If the Court approves this Settlement at the Final
23 Approval Hearing, the Parties shall request that the Court enter the Final Judgment after the Gross
24 Settlement Amount has been fully funded, with the Court retaining jurisdiction over the Parties to
25 enforce the terms of the judgment. If the Court grants final approval to the Settlement, notice of
26 Final Approval shall be posted on the Claims Administrator's website, at
27 <https://www.simpluris.com>.

28 3.35. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Participating

1 Class Members pursuant to this Settlement will not count as earnings or compensation for purposes
2 of any benefits (*e.g.*, pensions or retirement plans) sponsored by Defendant. It is expressly
3 understood and agreed that the receipt of the Individual Settlement Amount shall not entitle any
4 Participating Class Member to additional compensation or benefits under any collective bargaining
5 agreement or under any bonus, contest or other compensation or benefit plan or agreement in place
6 during the period covered by the Settlement, nor shall it entitle any Participating Class Member to
7 any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of
8 the Parties that Individual Settlement Amounts provided for in this Stipulation are the sole
9 payments to be made by Defendant to Participating Class Members in connection with this
10 Settlement, with the exception of Plaintiff, and that the Participating Class Members are not
11 entitled to any new or additional compensation or benefits as a result of having received the
12 Individual Settlement Awards.

13 3.36. Nullification of Settlement. In the event: (i) the Court does not enter the
14 Preliminary Approval Order as specified herein; (ii) the Court does not grant final approval of the
15 Settlement as provided herein; (iii) the Court does not enter a Final Judgment as provided herein;
16 or (iv) the Settlement does not become final for any other reason, this Settlement shall be null and
17 void and any order or judgment entered by the Court in furtherance of this Settlement shall be
18 treated as void from the beginning. In such a case, the Parties and any funds to be awarded under
19 this Settlement shall be returned to their respective statuses as of the date and time immediately
20 prior to the execution of this Settlement, and the Parties shall proceed in all respects as if this
21 Settlement had not been executed, except that any costs and fees already incurred by the Claims
22 Administrator shall be paid by Defendant. In the event an appeal is filed from the Court's Final
23 Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed
24 pending final resolution of the appeal or other appellate review, but any fees incurred by the
25 Claims Administrator prior to it being notified of the filing of an appeal from the Court's Final
26 Judgment, or any other appellate review, shall be paid to the Claims Administrator by Defendant
27 within thirty (30) days of said notification.

28 3.37. No Admission by the Parties. Defendant denies any and all claims alleged in this

1 Action and denies all wrongdoing whatsoever. This Settlement is not a concession or admission
2 and shall not be used against Defendant with respect to any claim, of any fault, concession, or
3 omission by Defendant. The Parties stipulate and agree to the certification of the proposed class
4 for settlement purposes only. The Parties further agree that this Settlement will not be admissible in
5 this or any other proceeding as evidence that either: (i) a class action should be certified or (ii)
6 Defendant is liable to Plaintiff or any Settlement Class Member, other than according to the terms
7 of this Settlement.

8 3.38. Exhibits and Headings. The terms of this Settlement include the terms set forth in
9 Exhibit A, which are attached to this Settlement and incorporated by this reference as though fully
10 set forth in this paragraph. Any Exhibits to this Settlement are an integral part of the Settlement.
11 The descriptive headings of any paragraphs or sections of this Settlement are inserted for
12 convenience of reference only and do not constitute a part of this Settlement.

13 3.39. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action
14 and thereafter implement and complete the Settlement.

15 3.40. Amendment or Modification. This Settlement may be amended or modified only by
16 a written instrument signed by all the Parties and counsel for all Parties or their successors-in-
17 interest.

18 3.41. Entire Settlement. This Settlement and any attached Exhibit constitute the entire
19 agreement among these Parties, and no oral or written representations, warranties or inducements
20 have been made to any Party concerning this Settlement or its exhibits, other than the
21 representations, warranties and covenants contained and memorialized in the Settlement and its
22 exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding on
23 the Parties.

24 3.42. Authorization to Enter into Settlement. Counsel for all Parties warrant and
25 represent they are expressly authorized by the Parties whom they represent to negotiate this
26 Settlement and to take all appropriate actions required or permitted to be taken by such Parties
27 pursuant to this Settlement to effectuate its terms, and to execute any other documents required to
28 effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each

1 other and use their best efforts to affect the implementation of the Settlement. The person signing
2 this Settlement on behalf of Defendant represents and warrants that he or she is authorized to sign
3 this Settlement on behalf of Defendant.

4 3.43. Binding on Successors and Assigns. This Settlement shall be binding upon, and
5 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

6 3.44. No Prior Assignments. The Parties and their counsel represent, covenant, and
7 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
8 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
9 action, cause of action or right herein released and discharged.

10 3.45. California Law Governs. All terms of this Settlement and the exhibits hereto shall
11 be governed by and interpreted according to the laws of the State of California.

12 3.46. This Settlement is Fair, Adequate and Reasonable. The Parties believe this
13 Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this
14 Settlement after extensive arms-length negotiations, taking into account all relevant factors, present
15 and potential.

16 3.47. Jurisdiction of the Court. In accordance with California Rule of Court 3.769(h), the
17 Parties agree that the Court shall retain jurisdiction with respect to the interpretation,
18 implementation, and enforcement of the terms of this Settlement and all orders and judgments
19 entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction
20 of the Court for purposes of interpreting, implementing, and enforcing this Settlement and all
21 orders and judgments entered in connection therewith.

22 3.48. Invalidity of Any Provision. Before declaring any provision of this Settlement
23 invalid, the Court shall first attempt to construe the provision to be valid to the fullest extent
24 possible, consistent with applicable precedents.

25 3.49. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
26 class certification for purposes of this Settlement only.

27 3.50. Cooperation. The Parties agree to cooperate fully with one another to accomplish
28 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,

1 execution of such other documents and the taking of such other action as may be reasonably
2 necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall use their best
3 efforts, including all efforts contemplated by this Settlement and any other efforts that may become
4 necessary by Court order, or otherwise, to effectuate this Settlement and its terms.

5 3.51. Publicity. Plaintiff and Class Counsel agree not to disclose or publicize the
6 Settlement, including this Agreement, the fact of the Settlement, its terms or contents, and the
7 negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person
8 or entity, except potential class members and as shall be contractually required to effectuate the
9 terms of the Settlement as set forth herein. For the avoidance of doubt, this section means Plaintiff
10 and Class Counsel will not issue press releases, communicate with, or respond to any media or
11 publication entities, publish information in manner or form, whether printed or electronic, on any
12 medium or otherwise communicate, whether by print, video, recording or any other medium, with
13 any person or entity concerning the Settlement, including the fact of the Settlement, its terms or
14 contents and the negotiations underlying the Settlement, except as shall be contractually required to
15 effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of
16 allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may
17 disclose the name of the Parties in this action and the venue/case number of this action (but not any
18 other settlement details) for such purposes.

19 3.52. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
20 and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly
21 against one party than another merely by virtue of the fact that it may have been prepared by
22 counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations
23 between the Parties, all Parties have contributed to the preparation of this Settlement.

24 3.53. Representation by Counsel. The Parties acknowledge that they have been
25 represented by counsel throughout all negotiations that preceded the execution of this Settlement,
26 and that this Settlement has been executed with the consent and advice of counsel, and reviewed in
27 full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
28 Settlement Agreement.

3.54. All Terms Subject to Final Court Approval. All amounts and procedures described in this Stipulation are subject to final Court approval.

3.55. Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement shall be: (1) in writing; (2) deemed given on the third business day after mailing; and (3) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff:

Alexei Kuchinsky, Esq.
KUCHINSKY LAW OFFICE, P.C.
220 Montgomery Street, Suite 2100
San Francisco, CA 94104
Telephone: (628) 200-0902
Facsimile: (628) 200-0907

To Defendant:

Alexander M. Chemers, Esq.
Daniel N. Rojas, Esq.
OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.
400 South Hope St. Suite 1200
Los Angeles, CA 90071
Telephone: (213) 239-9800
Facsimile: (213) 239-9045

3.56. Execution by Settlement Class Members. It is agreed that it is impossible or impractical to have each Settlement Class Member execute this Settlement. The Notice of Settlement will advise all Settlement Class Members of the binding nature of the release and such shall have the same force and effect as if each Settlement Class Member executed this Settlement.

3.57. Execution by Plaintiff and Defendant. Plaintiff and Defendant, by signing this Settlement, are bound by the terms herein.

3.58. Fair, Adequate and Reasonable Settlement. The Parties hereto agree that the terms and conditions of this Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any of the Parties by reason of their participation in the drafting of this Settlement.

3.59. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions

that otherwise might apply under federal or state law.

3.60. Counterparts. This Settlement shall become effective upon its execution by all of the undersigned. Plaintiff and Defendant may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if each had signed the same instrument. Copies of the executed Settlement shall be effective for all purposes as though the signatures contained therein were original signatures.

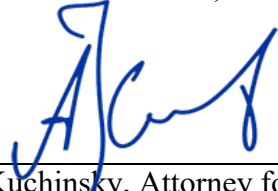
DATED: January 24, 2025

CLASS REPRESENTATIVE

By: 
Marisol Magana, Plaintiff and Class Representative

DATED: January 24, 2025

KUCHINSKY LAW OFFICE, P.C.

By: 
Alexei Kuchinsky, Attorney for Plaintiff Marisol Magana

DATED: January 24, 2025

DEFENDANT

DocuSigned by:
By: 
Kristin Ashurst

For Defendant Peet's Coffee

1 DATED: January 24, 2025
2
3

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

4 By: 
5 Alexander M. Chemers
6 Daniel N. Rojas

7 Attorneys for Defendant
8 PEET'S COFFEE, INC.
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28