

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT**

2 This Class Action and Private Attorneys General Act (“PAGA”) Settlement Agreement
3 of the case entitled *Nathan R. Tavegia v. Riverside Pizza, Inc.*, Riverside Superior Court Case No.
4 CVRI2300581, is entered into by and between Plaintiff Nathan R. Tavegia (“Plaintiff” or “Class
5 Representative”), individually, on behalf of all others similarly situated, and as the PAGA
6 representative of the State of California, and Defendant Riverside Pizza, Inc., subject to the terms
7 and conditions herein and the Court’s approval.

8 **A. Definitions**

9 1. “Action” or “Lawsuit” means and refers to the case entitled *Nathan R. Tavegia v.*
10 *Riverside Pizza, Inc.*, Case No. CVRI2300581, filed in Riverside Superior Court.

11 2. “Agreement,” “Settlement Agreement,” “Settlement,” or “Stipulation” shall mean
12 this Class Action and PAGA Settlement Agreement, including any attached Exhibits.

13 3. “Class Claims” or “Released Class Claims” will include all claims that were
14 asserted or that could have been asserted based on the facts alleged in Plaintiff’s original
15 Complaint and First Amended Complaint, including claims arising out of any alleged failure to
16 pay all overtime wages, failure to pay all sick wages, failure to provide meal periods and premium
17 payments in lieu thereof, failure to provide rest periods and premium payments in lieu thereof,
18 failure to reimburse business expenses, failure to provide accurate itemized wage statements
19 (based on both direct and derivative theories of liability), failure to timely pay all wages due at
20 separation, violation of California Business & Professions Code, sections 17200 *et seq.*, and any
21 and all related penalties that arose during the Class Period.

22 4. “Class Counsel” refers to Mehrdad Bokhour of Bokhour Law Group, P.C. and
23 Joshua Falakassa of Falakassa Law, P.C.

24 5. “Class Data” means a complete list that Defendant will diligently and in good faith
25 compile from its records and provide to the Settlement Administrator on one Confidential
26 spreadsheet and shall include the Settlement Class Members’ full names; last known addresses;
27 Social Security Numbers; and dates of employment during the Class Period and PAGA Period
28 and/or number of Pay Periods Worked as non-exempt or hourly employees of Defendant during

the Class Period and the PAGA Period for each Settlement Class Member.

6. “Class Member” refers to individual members of the Class.

7. “Class” and “Class Members” refers to all persons who are or were previously employed by Defendant in California and classified as a non-exempt employee during the Class Period.

8. “Class Period” shall mean February 3, 2019 through November 25, 2023.

9. “Class Representative” or “Plaintiff” means and refers to Nathan R. Tavegia.

10. “Complaint” refers to Plaintiff’s original Complaint and the operative First Amended Complaint filed in the Riverside County Superior Court action entitled *Nathan R. Tavegia v. Riverside Pizza, Inc.*, Case No. CVRI2300581.

11. “Court” means the California Superior Court, County of Riverside.

12. “Defendant” means and refers to Riverside Pizza, Inc.

13. “Defendant’s Counsel” or “Defense Counsel” means and refers to Brook J. Carroll of Clark Everson, LLP.

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

15. “Final” means that the Settlement has been granted “Final Approval” by the Court and the “Effective Date” has occurred.

16. “Final Approval” or “Final Approval Order” refers to the order of the Court granting final approval of this Settlement Agreement and entering a judgment approving this Settlement.

17. “Final Settlement Class” means, collectively, all Participating Class Members and all PAGA Employees.

1 18. “Gross Settlement Amount” is the maximum amount that will be paid by
2 Defendant as a result of this Settlement, which is One Million Seven Hundred Fifty Thousand
3 Dollars and Zero Cents (\$1,750,000.00), which includes the Individual Settlement Amounts,
4 attorneys’ fees of Class Counsel, costs and expenses, the Service Award to Plaintiff, all Settlement
5 Administration Costs, employee-side tax withholdings for the wage component of the Individual
6 Settlement Amounts, and the PAGA Award, including all payments to PAGA Employees and the
7 Labor Workforce Development Agency (LWDA). With the sole exception of employer-side
8 taxes due on individual settlement payments to Participating Class Members (which Defendant
9 will pay in addition to the Gross Settlement Amount), the Gross Settlement Amount is the
10 maximum amount that Defendant will pay for any reason in connection with this Settlement.

11 19. “Individual Settlement Amount” or “Individual Settlement Payment” means the
12 amount payable from the Net Settlement Amount (defined below) that the Settlement
13 Administrator will pay to each Participating Class Member and/or PAGA Employee, as calculated
14 pursuant to Paragraph 56(d) below.

15 20. “Net Settlement Amount” or “Net Distribution Fund” is the Gross Settlement
16 Amount minus the amounts allotted to: (1) Class Counsel’s fees (up to \$583,333.33), (2) Class
17 Counsel’s litigation costs (up to \$20,000.00); (3) the Service Award for Plaintiff (up to
18 \$10,000.00), (5) the 75% of the PAGA Award to be paid to the LWDA (\$15,000.00); (6) the 25%
19 of the PAGA Award to be paid to PAGA Employees (\$5,000); and (7) Settlement Administration
20 Costs (up to \$10,000.00).

21 21. “Notice” means the Notice of Class Action and PAGA Settlement that will be sent
22 to the Class Members consistent with the terms of this Settlement and substantially the same as
23 the Proposed Notice attached to this Settlement as Exhibit “A” (or as may be modified by
24 subsequent agreement of the Parties or order of the Court).

25 22. “Notice Response Deadline” is forty-five (45) calendar days from the date the
26 Notice is mailed to the Class Members.

27 23. “Objecting Class Member” means a Class Member, other than Plaintiff, who
28 submits a valid and timely objection to the terms of this Agreement with respect to the Class

1 Claims pursuant to Paragraph 78(c) below.

2 24. "PAGA" shall refer to the California Private Attorneys General Act, California
3 Labor Code 2698 et seq.

4 25. "PAGA Award" is the \$20,000 of the Gross Settlement Amount that is allocated
5 to PAGA penalties in this Settlement, 75% of which (\$15,000.00) will be remitted to the LWDA
6 and 25% of which (\$5,000.00) will go into a PAGA Distribution Fund and be distributed on a
7 prorated basis to all PAGA Employees based on their number of pay periods worked during the
8 PAGA Period as specified below

9 26. "PAGA Claims" or "Released PAGA Claims" shall include any and all claims for
10 civil penalties pursuant to PAGA that were alleged or that could have been alleged based on the
11 facts and underlying California Labor Code violations alleged in Plaintiff's January 3, 2023 Labor
12 and Workforce Development ("LWDA") notice letter, including for underlying claims based on
13 alleged failure to pay overtime wages, failure to pay sick wages, failure to provide meal periods
14 or premium payments in lieu thereof, failure to provide rest periods or premium payments in lieu
15 thereof, failure to provide accurate itemized wage statements (based on both direct and derivative
16 theories of liability), failure to timely pay all wages due at separation, failure to reimburse
17 incurred business expenses, and violation of California Business & Professions Code, sections
18 17200 *et seq.* Plaintiff and the State of California (acting through Plaintiff as its authorized PAGA
19 representative) release the Released Parties from the PAGA claims.

20 27. "PAGA Distribution Fund" is the 25% of the PAGA Award (i.e., \$5,000) allocated
21 for distribution on a prorated basis to all PAGA Employees based on their number of pay periods
22 worked during the PAGA Period as specified below.

23 28. "PAGA Employees" include all persons who are or were previously employed by
24 Defendant in California and classified as a non-exempt or hourly employee at any time from
25 January 3, 2022 through November 25, 2023 (*i.e.*, the "PAGA Period").

26 29. "PAGA Notice" or "LWDA notice letter" shall refer to the notice sent by Plaintiff,
27 by and through counsel, on or about January 3, 2023, to the LWDA and to Defendant, alleging
28 that Defendant engaged in violations of the California Labor Code and California Wage Order(s).

1 30. “PAGA Period” shall mean January 3, 2022 through November 25, 2023.

2 31. “Participating Class Member” means all Class Members who are deemed to
3 participate and receive an Individual Settlement Amount for the Class Claims and who do not
4 opt-out of the settlement of the Class Claims by submitting timely and valid Requests for
5 Exclusion.

6 32. “Parties” or “Settling Parties” mean Plaintiff, the Participating Class Members, the
7 PAGA Employees, and Defendant, collectively.

8 33. “Pay Periods Worked” for each Class Member and PAGA Employee means the
9 number of pay periods during the Class Period and/or the PAGA Period, as applicable, in which
10 the Class Member and/or PAGA Employee was employed by Defendant as a non-exempt
11 employee in California and worked at least one shift during the pay period for Defendant. Pay
12 Periods Worked will be calculated based on Defendant’s business records.

13 34. “Preliminary Approval Date” means the date the Court preliminarily approves the
14 Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval Order.

15 35. “Preliminary Approval Order” means the judicial Order to be entered by the Court,
16 upon the application or motion of the Plaintiff, preliminarily approving this Settlement and
17 providing for the issuance of the Notice of Class Action and PAGA Settlement, an opportunity to
18 opt out of settlement of the Class Claims, an opportunity to submit timely objections to the terms
19 of this Settlement related to the Class Claims, and setting a final approval hearing to address the
20 fairness of the terms of Settlement, including approval of Class Counsel’s fees and costs.

21 36. “QSF” means the Qualified Settlement Fund set up by the Settlement
22 Administrator for the benefit of the Final Settlement Class, and from which the settlement
23 payments shall be made.

24 37. “Release” shall mean the release and discharge of the Class Claims by Plaintiff
25 and all of the Participating Class Members and the release and discharge of the PAGA Claims by
26 Plaintiff and all of the PAGA Employees.

27 38. “Released Parties” shall refer to Defendant Riverside Pizza, Inc., together with its
28 current and former officers, employees, directors, agents and franchisor.

39. “Response Deadline” shall refer to the date by which Settlement Class Members must opt-out of or object to the settlement.

40. “Request for Exclusion” means a timely written request by a Class Member to exclude herself/himself from the Settlement, which must be completed and mailed in the manner set forth in this Settlement Agreement and the Notice of Settlement as further detailed in Paragraph 78(a) below.

41. “Service Payment” or “Service Award” means the amount approved by the Court to be paid to Class Representative (*i.e.*, Plaintiff) in addition to his Individual Settlement Amount as a Participating Class Member in an amount up to \$10,000. The Service Payment is subject to approval from the Court and will be paid from the Gross Settlement Amount. Any Service Award not awarded by the Court will be added to the Net Distribution Fund and distributed to Class Members who do not opt out of this Settlement.

42. “Settlement Administration Costs” means the costs payable from the Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, due diligence, reporting and remittance obligations, distributing the Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs shall be paid from the Settlement Amount.

43. “Settlement Administrator” means and refers to ILYM Group, Inc., that will provide the Notice to the Class Members and distribute the settlement amounts as described in this Agreement.

44. “Class Member” refers to individual members of the Settlement Class.

45. “Class” and “Class Members” refers to all persons who are or were previously employed by Defendant in California and classified as a non-exempt employee during the Class Period.

B. General Terms

46. On or about February 3, 2023, Plaintiff filed a class action complaint in this Court against Defendant, including allegations of: (1) failure to pay overtime wages, (2) failure to pay

1 sick time wages, (3) meal period violations, (4) rest period violations, (5) failure to reimburse
2 necessary business expenses, (6) wage statement violations, (7) waiting time penalties, and (8)
3 unfair competition. On or about October 5, 2023, Plaintiff filed a First Amended Complaint to
4 add a cause of action for PAGA penalties based on the foregoing Labor Code violations. Prior to
5 filing his lawsuit, Plaintiff submitted a notice letter to the LWDA on January 3, 2023 to exhaust
6 administrative remedies for bringing his PAGA claim.

7 47. Defendant denies all of Plaintiff's claims and allegations and contends that the
8 Action is not suitable for class certification and/or representative treatment outside of the context
9 of this Settlement.

10 48. Class Representative believes he can proceed with his class and representative
11 claims, that the Action is meritorious, and that class certification is appropriate.

12 49. The Parties have conducted a thorough investigation into the facts of the Action.
13 This includes conducting extensive exchange of informal discovery, including the relevant
14 written policies at issue, the production of significant amount of payroll and timekeeping records
15 for Class Members and PAGA Employees, a complete class list, and relevant data, including the
16 average hourly pay rate and pay period information for Class Members and PAGA Employees.
17 Defendant's productions included hundred pages of documents and data.

18 50. Based on the foregoing data and on their own independent investigation and
19 evaluation, Class Counsel is of the opinion that the settlement with Defendant for the
20 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and
21 adequate and is in the best interest of the Class Members and PAGA Employees in light of all
22 known facts and circumstances, including the risk of significant delay and uncertainty associated
23 with litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

24 51. Defendant agrees that the Settlement represents a good faith compromise of the
25 claims, which is fair, adequate, and reasonable.

26 52. On September 25, 2023, the Parties participated in mediation before Judge Carl J.
27 West (Ret.), a highly experienced class action mediator. After a full day mediation, the Parties
28 reached a settlement.

53. No Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that it has: violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees or any other person or entity. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, or proceedings, payouts or other events associated with it, shall be construed as an admission or concession by Defendant of any such violation(s) or failure(s) to comply with any applicable law by Defendant or any Released Parties. Except as necessary in a proceeding to approve, interpret, or enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of the Released Parties or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local, or other applicable law.

54. Stipulation for Class Certification and Representative Treatment for Settlement Purposes. For settlement purposes only, Defendant will stipulate that the Class Members described herein who do not submit a Request for Exclusion from the Class may be conditionally certified as a settlement class and that the PAGA Employees are appropriate for representative treatment for purposes of settlement. This stipulation to certification and representative treatment for settlement purposes is in no way an admission that class action certification and/or representative treatment is proper in a non-settlement context and shall not be admissible in this or in any other action except for the sole purpose of enforcing this Agreement. Should, for whatever reason, the Court not grant Final Approval consistent with the terms of this Settlement or if the Settlement does not become Effective, the Parties' stipulation to class certification and representative treatment as part of the Settlement shall become null and void *ab initio* and shall have no bearing on and shall not be admissible in connection with the issue of whether or not

1 class certification and/or representative treatment would be appropriate in a non-settlement
2 context. Defendant expressly reserves its right to and declare that it will continue to oppose class
3 certification, representative treatment, and the substantive merits of the case should the Court not
4 grant Final Approval. Plaintiff expressly reserves his rights and declares that he will continue to
5 pursue class certification and representative treatment and a trial should the Court not grant Final
6 Approval.

7 **C. Terms of Settlement**

8 55. The financial terms of the Settlement are as follows:

9 (a) Gross Settlement Amount: The Parties agree to settle this Action for the total
10 maximum amount of One Million Seven Hundred Fifty Thousand Dollars and Zero Cents
11 (\$1,750,000) (“the Settlement Amount” or “Gross Settlement Amount”). With the sole exception
12 of employer-side taxes due on settlement payments to Class Members, the Gross Settlement
13 Amount is the maximum amount that Defendant will pay for any reason in connection with this
14 Settlement. The Gross Settlement Amount will be used to pay: (1) Individual Settlement
15 Payments to Participating Class Members; (2) the PAGA Award, with 75% of the PAGA Award
16 going to the LWDA and 25% being distributed on a prorated basis based on pay periods worked
17 to PAGA Employees as further described below; (3) Plaintiff’s Counsel’s attorneys’ fees; (4)
18 Plaintiff’s Counsel’s costs; (5) Settlement Administration Costs; (6) the Service Award to
19 Plaintiff Tavegia (as specified in the Service Award paragraphs below); and (7) employee-side
20 taxes for the wage component of Individual Settlement Payments to Class Members.

21 (b) The Settlement is based on Defendant’s representation that there are
22 approximately 53,000 work weeks from February 3, 2019 through September 25, 2023. In the
23 event that the actual number of pay periods worked by all Class Members during the Class Period
24 increases by 10% or more, then Defendant shall increase the Gross Settlement Amount on a
25 proportional basis (i.e., if there was a 12% increase in the number of workweeks, Defendant will
26 increase the maximum settlement amount by 2%).

27 (c) Net Settlement Amount: The “Net Settlement Amount” or “Net Distribution
28 Fund” is the Gross Settlement Amount minus the amounts allotted to: (1) Class Counsel’s fees (

up to \$583,333.33), (2) Class Counsel's litigation costs (up to \$20,000.00); (3) the Service Award for Plaintiff (up to \$10,000.00), (4) the 75% of the PAGA Award to be paid to the LWDA (\$15,000.00); (5) the 25% of the PAGA Award to be paid to PAGA Employees (\$5,000) and (6) Settlement Administration Costs (up to \$10,000.00). In the event that the Court reduces the attorneys' fees and litigation costs or Service Award or either increases or decreases the amount allocated to the PAGA Award or Settlement Administration Costs, the Net Settlement Amount shall be increased or decreased accordingly. In the event that the Court approves amounts for attorneys' fees and costs, the Service Award, the PAGA Award or Settlement Administration Costs that are different than the amounts requested, the maximum Gross Settlement Amount that Defendant must pay in accordance with the terms of this Settlement will remain the same as this is a non-reversionary settlement.

(d) Individual Settlement Amounts for the Settlement Class and PAGA Employees:

The Settlement Administrator will use the Class Data provided by Defendant to calculate each Participating Class Member's and PAGA Employee's Individual Settlement Amounts. Individual Settlement Payments will be distributed to Participating Class Members and/or PAGA Employees based on the following formulas:

- a. Payments to Participating Class Members: The Settlement Administrator will calculate the total number of pay periods that all Class Members who do not opt out (*i.e.*, "Participating Class Members") worked during the Class Period ("Total Class Pay Periods"). The value of each pay period shall be determined by the Settlement Administrator by dividing the Net Distribution Fund by the total number of Pay Periods Worked by Participating Class Members during the Class Period ("Class Pay Period Value"). To determine each Participating Class Member's settlement payment, the Settlement Administrator will multiply the individual's Total Class Pay Periods Worked by the Class Pay Period Value (if the Class Member is a Participating Class Member). These payments will be subject to any legally required tax withholdings or deductions as calculated by the Settlement Administrator.

1 b. PAGA Employee Calculations: For PAGA Employees, the Settlement
2 Administrator will calculate the total number of pay periods that each PAGA
3 Employee worked during the PAGA Period (“Total PAGA Pay Periods”). The
4 value of each PAGA Pay Period shall be determined by the Settlement
5 Administrator by dividing the 25% of the PAGA Award allocated for PAGA
6 Employees (*i.e.*, \$5,000) by the Total PAGA Pay Periods for all PAGA Employees
7 (“PAGA Pay Period Value”). To determine each PAGA Employee’s payment for
8 their prorated portion of the PAGA Distribution Fund (*i.e.*, \$5,000), the Settlement
9 Administrator will multiply the PAGA Employee’s Total PAGA Pay Periods by
10 the PAGA Pay Period value. A Class Member who is also a PAGA Employee
11 will receive a payment under this section for their prorated portion of the PAGA
12 Award even if they opt-out of the Class settlement and will be bound by the release
13 of the PAGA claims released through this Settlement.

14
15 (e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts
16 to Participating Class Members will be allocated for tax purposes based on the allegations in the
17 Action as follows: one-third (33.33%) will be allocated to allegedly unpaid wages subject to
18 withholding of all applicable local, state, and federal taxes; and two-thirds (66.67%) will be
19 allocated to interest and alleged civil penalties (pursuant to, e.g., California Labor Code sections
20 203, 226) from which no taxes will be withheld. The Settlement Administrator will issue to each
21 Participating Class Member an Internal Revenue Service Form W-2 and comparable state forms
22 with respect to the wage allocation and a Form 1099 with respect to the civil penalties and interest
23 allocations.

24 (f) Service Payment to Class Representative: The amount awarded to Class
25 Representative as a Service Payment will be set by the Court in its discretion, not to exceed
26 \$10,000. Defendant agrees not to oppose this request. The Service Payment to Class
27 Representative will be paid out of the Gross Settlement Amount. Class Representative will be
28 issued IRS Form 1099 in connection with this payment. Plaintiff shall be solely and legally
 responsible to pay any and all applicable taxes on this payment. The Parties agree that any amount

1 awarded by the Court as the Service Payment to Plaintiff less than the requested amount shall not
2 be a basis for Plaintiff or Class Counsel to void this Stipulation. Should the Court approve a lesser
3 amount for the Service Payment, the difference shall be added to the Net Settlement Amount to
4 be distributed to the Participating Class Members. In the event of any appeal of the amount of the
5 service award (if any) approved by the Court, if, after the exhaustion of any such appellate review,
6 additional amounts not awarded to Class Representative shall be added to the Net Settlement
7 Amount to be distributed to the Participating Class Members.

8 (g) Attorneys' Fees and Costs: Defendant agrees not to oppose a request by Class
9 Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Gross Settlement
10 Amount (*i.e.*, up to \$583,333.33), plus reasonable litigation costs not to exceed \$20,000
11 ("Attorneys' Fees and Cost Award"). The Attorneys' Fees and Cost Award shall be paid from
12 the Gross Settlement Amount. Should the Court approve a lesser amount than what is sought by
13 Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to
14 the Participating Class Members. Any Court order awarding less than the amount sought by Class
15 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the
16 Settlement. The Settlement Administrator shall issue to Class Counsel an IRS Form 1099
17 reflecting the amount of attorneys' fees and costs awarded by the Court. Class Counsel agrees
18 that any allocation of fees between or among Class Counsel and any other attorney representing
19 or claiming to represent the Class Members shall be the sole responsibility of Class Counsel.

20 (h) Settlement Administration Costs: The fees and other charges of the Settlement
21 Administrator will be paid from the Gross Settlement Amount, not to exceed \$10,000 subject to
22 Court approval, unless approved by all Parties and the Court. The Settlement Administration
23 Costs shall be paid entirely from the Gross Settlement Amount. Any Settlement Administration
24 Costs not incurred by the Settlement Administrator or awarded by the Court will be added to the
25 Net Distribution Fund and will be distributed to Participating Class Members.

26 (i) PAGA Penalties: The Parties agree that \$20,000 is allocated to alleged PAGA
27 Penalties and is to be paid from the Gross Settlement Amount, subject to Court approval. Of this
28 amount, \$15,000 (75%) shall be paid to the LWDA in satisfaction of Plaintiff's claims for civil

1 penalties under the PAGA and \$5,000 (25%) will be included in the Individual Settlement
2 Amounts, payable to the PAGA Employees as set forth in Paragraph 56(d)(b).

3 (j) Tax Liability: Class Counsel, Defendant, and Defendant's Counsel make no
4 representations as to the tax treatment or legal effect of Individual Settlement Amounts called for
5 hereunder, and Plaintiff and the Class Members and PAGA Employees are not relying on any
6 statement or representation by Class Counsel, Defendant, or Defendant's Counsel in this regard.
7 Plaintiff and Participating Class Members will be solely responsible for the payment of any taxes
8 and penalties assessed on their respective Individual Settlement Amounts described herein.
9 Income tax withholding will also be made pursuant to applicable federal, state, and/or local
10 withholding codes or regulations as determined by the Settlement Administrator. Forms W-2
11 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue
12 Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations
13 promulgated thereunder, or other applicable tax law, are changed after the date of this Agreement,
14 the processes set forth in this Section may be modified in a manner to bring Defendant into
15 compliance with any such changes.

16 56. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. No
17 portion of the Gross Settlement Amount will revert to Defendant once the Settlement is funded
18 provided that Final Approval is granted, and the Settlement becomes final and effective in
19 accordance with the terms of this Settlement. Participating Class Members will not have to make
20 a claim to receive an Individual Settlement Amount. Distributions, in the form of Individual
21 Settlement Amounts, will be made directly to each Participating Class Member. The Settlement
22 Administrator shall be responsible for accurately and timely reporting any remittance obligations
23 with respect to unclaimed funds as a result of a Plaintiff, Participating Class Members, or PAGA
24 Employees not cashing an Individual Settlement Amount by the check cashing deadline, as set
25 forth herein.

26 57. Class Counsel and Plaintiff believe that the Settlement is fair and reasonable, and
27 adequate, and will so represent same to the Court.
28

D. Release by Participating Class Members and PAGA Employees

58. Upon the Effective Date of this Settlement, Plaintiff and each Participating Class Member, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will forever completely release and discharge the Released Parties from the Released Class Claims for the beginning of the Class Period through the Response Deadline (*i.e.*, the deadline for Class Members to object or opt out of the Settlement). The Released Class Claims include all claims that were asserted or that could have been asserted based on the facts alleged in Plaintiff's original Complaint and Amended Complaint, whether known or unknown, including without limitation all known and unknown claims arising out of any alleged failure to pay all minimum, regular, and overtime wages, failure to provide meal periods or premium payments in lieu thereof, failure to provide rest periods or premium payments in lieu thereof, failure to provide accurate itemized wage statements (based on both direct and derivative theories of liability), failure to timely pay all wages due at separation, violation of California Business & Professions Code, sections 17200 *et seq.*, and any and all related penalties.

59. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

60. Upon the Effective Date of this Settlement, Plaintiff, the LWDA and State of California (acting through Plaintiff as its deputized representative), for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will forever completely release and discharge the Released Parties from the Released PAGA Claims for the PAGA Period.

61. The LWDA will be deemed to have made the foregoing Release as if by manually signing it.

62. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action,

1 arbitration, demand, or other action of any kind, by each and all of the Participating Class
2 Members to obtain a recovery based on, arising out of, and/or related to any and all of the Released
3 Class Claims. The Class Members shall be so notified in the Notice. This paragraph is a statement
4 of the Parties' intent in agreeing to this Settlement that it will be given *res judicata* effect with
5 respect to the Released Class Claims.

6 63. Plaintiff and Defendant intend that the Settlement described in this Agreement will
7 release and preclude any further claim, whether by lawsuit, administrative claim or action,
8 arbitration, demand, or other action of any kind, by each and all of the PAGA Employees and the
9 LWDA to obtain a recovery based on, arising out of, and/or related to any and all of the Released
10 PAGA Claims. The PAGA Employees and the LWDA shall be so notified in the Notice and via
11 the submission of a copy of this Settlement, which Class Counsel will provide to the LWDA
12 concurrently with the filing of Plaintiff's motion requesting preliminary approval of this
13 Settlement. This paragraph is a statement of the Parties' intent in agreeing to this Settlement that
14 it will be given *res judicata* effect with respect to the Released PAGA Claims.

15 64. Class Representative, on behalf of himself and the Participating Class Members,
16 acknowledges and agrees that the claims for unpaid wages and all other amounts sought through
17 this Action are disputed, and that the payments set forth herein constitute payment of all sums
18 allegedly due to them. Class Representative, on behalf of himself and the Participating Class
19 Members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable
20 to the Parties hereto. Section 206.5 provides in pertinent part as follows: "An employer shall not
21 require the execution of any release of any claim or right on account of wages due, or to become
22 due, or made as an advance on wages to be earned, unless payment of those wages has been
23 made."

24 **E. General Release by Plaintiff**

25 65. As a material inducement to Defendant to enter into this Settlement Agreement, in
26 addition to Plaintiff's release of the Released Class Claims and Released PAGA Claims, as
27 discussed above, Plaintiff Tavegia does hereby, for himself and for his respective spouses,
28 domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors,

beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for alleged back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Plaintiff's employment with Defendant or the remuneration for or termination of such employment (collectively, the "Class Representative's Claims").

66. Without limiting the generality of the foregoing, Plaintiff expressly releases all past, present and future claims or rights against Released Parties for any and all charges, complaints, claims, causes of action, debts, sums of money, controversies, agreements, promises, damages and liabilities of any kind or nature whatsoever, both at law and equity, known or unknown, suspected or unsuspected, arising from conduct including without limitation all actions, claims and grievances, whether actual or potential, known or unknown, related, incidental to or arising out of any act or omission committed or omitted by Defendant or the Released Parties including, but not limited to, a release of all claims under (a) the California Civil Code, (b) the California Fair Employment and Housing Act, (c) Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e et. seq., (d) the Age Discrimination in Employment Act of 1967, (e) the Civil Rights Act of 1991, (f) the Civil Rights Act of 1866 and 1870, (g) 42 U.S.C. § 1981, as amended, (h) Executive Order 11246, (i) the Americans with Disabilities Act 42 U.S.C. § 12101, et. seq., as amended, (j) the Family and Medical Leave Act, as amended, (k) the Equal Pay Act of 1963, as amended, (l) the Immigration and Reform Control Act, as amended, (m) any other state, federal, and local law, regulation and ordinance dealing with discrimination in employment, disability, wrongful discharge, and retaliation for exercising any right or participating or engaging in any activity, (n) the Occupational Safety and Health Act, as amended, (o) the Sarbanes-Oxley Act of 2002, as amended, (p) the Employment Retirement Income Security Act of 1974, as

1 amended (except vested benefits), (q) the Worker Adjustment and Benefit Protection Act of 1990,
2 as amended, (r) the Worker Adjustment and Retraining Notification Act, as amended, (s) any
3 federal, state or common law claim or cause of action for breach of contract, wrongful discharge,
4 constructive discharge, retaliation, defamation, slander, libel, intentional or negligent infliction
5 of emotional distress, misrepresentation, fraud, promissory estoppel, any other tort or negligence
6 claim, or obligations arising out of any of Defendant's employment policies or practices,
7 employee handbooks, and/or any statements by any employee or agent of Defendant whether oral
8 or written, (t) the California Labor Code, (u) any applicable California Industrial Welfare
9 Commission Wage Orders, (v) the California Government Code section 12940 *et seq.*, (w) the
10 California Constitution, (x) the Fair Labor Standards Act, and (y) any federal, state or common
11 law claim or cause of action for reinstatement, back pay, bonus, attorneys' fees or costs,
12 compensatory damages, consequential damages, front pay, any form of equitable or declaratory
13 relief, liquidated damages, emotional distress, personal injury, punitive damages, pain and
14 suffering, medical expenses, damage to reputation, damage for personal, emotional or economic
15 injury or damage of any kind. This provision is intended by the Parties to be all-encompassing
16 and to act as a full and total release of any claims, whether specifically enumerated herein or not,
17 that Plaintiff might have or have had, that exists or ever has existed, on or prior to the Response
18 Deadline.

19 67. Plaintiff expressly waives and relinquishes all rights and benefits afforded by
20 Section 1542 of the Civil Code of the State of California and does so understanding and
21 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of
22 the State of California states:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
24 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
25 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
26 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
27 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
28 DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Plaintiff, and Class Counsel, expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Plaintiff knew of, as well as all claims that he did not know or suspect to exist in his favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such Plaintiff's claims to the maximum extent permitted by law.

F. Interim Stay of Proceedings

68. Pending completion of all of the prerequisites necessary to effectuate this Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action except those necessary to effectuate the Settlement.

G. Notice Process

69. Appointment of Settlement Administrator. The Parties have agreed to the appointment of the Settlement Administrator to perform the duties of a settlement administrator, including mailing the Notice, using standard methods to obtain forwarding addresses, addressing questions from Class Members and PAGA Employees, independently reviewing and verifying documentation associated with any objections or opt-out requests, as needed, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Amounts, drafting and mailing the settlement checks to Participating Class Members and PAGA Employees, issuing Forms W-2 and 1099, handling all required tax reporting and filings related to the Settlement, disbursing payments in accordance with the Settlement and the Court's orders, and performing such other tasks as set forth herein or as the Parties mutually agree or that the Court orders.

70. Disputes Regarding Settlement Administration. Any and all disputes relating to administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data) shall be referred to the Court, if necessary. The Court will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify

the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity of Court intervention. The Settlement Administrator shall also be responsible for issuing to Plaintiff, Participating Class Members, PAGA Employees, and Class Counsel any Forms W-2, Forms 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

71. Class Data. Within fourteen (14) days after entry of the Preliminary Approval Order, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. The Class Data provided to the Settlement Administrator must be safeguarded and will not be provided to Class Counsel unless specific disclosure is both required to effectuate Class Counsel's duties as specified in this Agreement and pursuant to the express written permission of Defendant's counsel or order of the Court. The Class Data will remain confidential, it shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone, except as required by applicable tax authorities, pursuant to Defendant's express written consent, or by order of the Court.

72. Notice. The Notice, as approved by the Court, shall be sent by the Settlement Administrator to the Class Members, by first class mail, in English and Spanish, within ten (10) calendar days following the Settlement Administrator's receipt of the Class Data. The Settlement Administrator shall use standard methods, including a skip trace, to obtain forwarding addresses of Class Members if any envelopes with the Notice are returned.

73. Returned Notices. The Settlement Administrator will take steps to ensure that the Notice is received by all Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices will be re-mailed to any Class Member for whom an updated address is located within ten (10) calendar days following both the Settlement

1 Administrator learning of the failed mailing and its receipt of the updated address. The Notice
2 shall be identical to the original Notice, except that it shall notify the Class Member that the
3 exclusion (opt-out) request or objection must be returned by the later of the Response Deadline
4 or fifteen (15) days after the remailing of the Notice.

5 74. Presumption Regarding Receipt of Notice. It will be conclusively presumed that
6 if an envelope has not been returned within thirty (30) days of the mailing that the Class Member
7 received the Notice.

8 75. Disputes Regarding Class Data. Class Members are deemed to participate in the
9 Settlement unless they opt-out. The Notice will inform Class Members of his/her/their estimated
10 Individual Settlement Amount and the number of Pay Periods Worked during the Class Period
11 and during the PAGA Period. Class Members may dispute their Pay Periods Worked if they feel
12 they were employed more pay periods in the Class Period in California than Defendant's records
13 show by timely submitting evidence to the Settlement Administrator. Defendant's records will be
14 presumed determinative absent reliable evidence to rebut Defendant's records, but the Settlement
15 Administrator will evaluate the evidence submitted by the Class Member and provide the
16 evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good
17 faith about the evidence to determine the Class Member's actual number of Pay Periods Worked
18 and estimated Individual Settlement Amount. If Class Counsel and Defense Counsel are unable
19 to agree, they agree to submit the dispute to the Settlement Administrator to render a final
20 decision. Class Members will have until the Notice Response Deadline to dispute Pay Periods
21 Worked, object, or opt out, unless extended by the Court. The Response Deadline shall be 45
22 days after the original mailing date of the Notice by the Settlement Administrator. In the event
23 that the Settlement Administrator increases the number of Pay Periods Worked for any Class
24 Member, then the Settlement Administrator will recalculate the Participating Class Members'
25 Individual Settlement Amounts; accordingly, in no event will Defendant be required to increase
26 the Gross Settlement Amount.

27 76. Declaration of Due Diligence. The Settlement Administrator shall provide counsel
28 for the Parties, at least twenty-five (25) days prior to the final approval hearing, a declaration of

1 due diligence and proof of mailing with regard to the mailing of the Notice.

2 77. Class Members' Rights. Each Class Member will be fully advised of the
3 Settlement, the ability to object to the provisions in the Settlement related to the Class Claims,
4 and the ability to opt out or request exclusion from the Class Claims provisions of the Settlement.
5 The Notice will inform the Class Members of the Court-established deadlines for submitting
6 objections or requesting exclusion from the Class Claims provisions of the Settlement in
7 accordance with the following guidelines:

8 (a) Requests for Exclusion from Class Members. Any Class Member, other
9 than Plaintiff, may request to be excluded from the Class by submitting a "Request for Exclusion"
10 to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The
11 Request for Exclusion should state in words substantially to this effect:

12 "I WISH TO BE EXCLUDED FROM THE CLASS IN THE *RIVERSIDE*
13 *PIZZA* SETTLEMENT. I UNDERSTAND THAT IF I ASK TO BE
14 EXCLUDED FROM THE CLASS, I WILL NOT RECEIVE ANY
15 MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS
16 LAWSUIT.

17 Any Request for Exclusion must include the full name, address, telephone number,
18 employee number or last four digits of the social security number or date of birth, and the
19 signature of the Class Member requesting exclusion. The Request for Exclusion must be returned
20 by mail to the Settlement Administrator at the specified address for the Settlement Administrator
21 in the Notice. Any such Request must be made in accordance with the terms set forth in the Notice.
22 A Request for Exclusion will be timely if postmarked by the Notice Response Deadline unless
23 the Parties otherwise agree in writing. Any Class Member who timely requests exclusion in
24 compliance with these requirements: (i) will not have any rights under this Agreement with
25 respect to the Class Claims, including the right to object, appeal, or comment on the Settlement;
26 (ii) will not be entitled to receive any payments under this Agreement with respect to Class
27 Claims; and (iii) will not be bound by this Agreement, or the Judgment, with respect to the
28 Released Class Claims.

1 (b) Binding Effect on Participating Class Members. Except for those Class
2 Members who exclude themselves in compliance with the procedures set forth above, all Class
3 Members will: (i) be deemed to be Participating Class Members for all purposes under this
4 Agreement; (ii) will be bound by the terms and conditions of this Agreement, the Judgment, and
5 the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have
6 waived all objections and oppositions to the fairness, reasonableness, and adequacy of the
7 Settlement.

8 (c) Objections to Settlement of Class Claims. Provided they do not opt out,
9 any Class Member, other than Plaintiff, may object to the terms of this Agreement with respect
10 to the Class Claims and may appear at the Final Approval Hearing and object whether or not they
11 have submitted a written objection as outlined herein (“Objecting Class Member”). To object, a
12 Class Member can inform the Settlement Administrator, in writing, of his/her/their objection,
13 which must be postmarked by the Notice Response Deadline at the address set forth in the Notice.
14 Such objection shall include the full name, address, telephone number, dates of employment with
15 Defendant of the Objecting Class Member, the case name and number, the basis for the objection,
16 including any legal support and each specific reason in support of the objection, as well as any
17 documentation or evidence in support thereof, and, if the Objecting Class Member is represented
18 by counsel, the name and address of his/her/their counsel. If any Objecting Class Member wishes
19 to speak at the Final Approval Hearing with respect to the Class Claims, that Objecting Class
20 Member’s written submission should include a request to be heard, and the Court will determine
21 whether Objecting Class Members will be permitted to speak. The Settlement Administrator shall
22 provide objections, if any, to Class Counsel and Defense Counsel within three (3) days of receipt,
23 and the Settlement Administrator shall attach the same to its declaration of due diligence
24 described in Paragraph 77. Any Class Member who files an objection must not opt out and will
25 remain eligible to receive monetary compensation from the Settlement if it becomes final and
26 binding. Where a Class Member submits both a timely objection and a timely request for
27 exclusion, the request for exclusion will be deemed void, the objection will be duly noted as
28 described in this Paragraph, and the Class Member will remain eligible to receive monetary

1 compensation from the Settlement if it becomes final and binding. Plaintiff and Defendant shall
2 not be responsible for any fees, costs, or expenses incurred by any Class Member and/or
3 his/her/their counsel related to any objections to the Settlement. PAGA Employees may not
4 object to or opt out of the Settlement with respect to the PAGA Claims.

5 (d) Failure to Object. Any Class Member who desires to object with respect to
6 the Class Claims but fails to timely submit a written objection waives any right to object in writing
7 and will be foreclosed from making any written objection to this Settlement.

8 (e) Responses to Objections. Counsel for the Parties may file a response to any
9 objections submitted by Objecting Class Members at least five (5) court days before the date of
10 the Final Approval Hearing.

11 78. Class Members will have until the Notice Response Deadline to object or submit
12 a Request for Exclusion to the Settlement Administrator by U.S. Mail using the address provided
13 in the Notice. The Settlement Administrator shall disclose jointly to Class Counsel and
14 Defendant's counsel the written objections that were timely submitted and provide the number of
15 Requests for Exclusion that were submitted on a weekly basis throughout the notice period, and
16 upon the request of Class Counsel or Defense Counsel. Within five (5) calendar days of the
17 Notice Response Deadline, the Settlement Administrator shall provide counsel for the Parties a
18 report containing (1) the total number of Class Members to whom notices were mailed, (2) the
19 total number of notices that were returned and total notices that were remailed, (3) the date of the
20 last notice remailed, (3) the total number of exclusions requests received and whether the requests
21 were timely, and (4) the total number of objections received and whether the objections were
22 timely.

23 79. Funding of the Settlement Amount. Payment will be provided by Defendant as
24 follows:

- 25 • First Payment of \$588,333.33 made within 30 days of preliminary approval;
- 26 • Second Payment of \$588,333.33 made within 30 days of final approval; and
- 27 • Third Payment of \$588,333.34 along with the employer's share of the payroll taxes
- 28 made within 180 days of final approval.

1 80. Distribution of Funds. No later than seven (7) calendar days after deposit of the
2 final payment into the QSF, the Settlement Administrator will mail the Individual Settlement
3 Payments to the Participating Class Members, the payment for the attorneys' fees and costs to
4 Class Counsel, any Service Award to the Class Representative (*i.e.*, Plaintiff), the payment to the
5 LWDA for its portion of the PAGA Award and will pay itself the Settlement Administration
6 Costs.

7
8 81. Deadline for Cashing Settlement Checks. Participating Class Members shall have
9 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks.
10 If any Participating Class Member's check is not cashed within that period, the check will be void
11 and a stop-payment will be issued. All unclaimed funds after the 180-day deadline shall be sent
12 to the California Unclaimed Property Fund in the name of the class member. The release will be
13 binding upon all Participating Class Members regardless of whether or not they cash their checks
14 within the 180-day period. In the event that any settlement check is returned to the Settlement
15 Administrator within 180 days of mailing, the Settlement Administrator will, within five (5)
16 business days of receipt of the returned settlement check, perform a skip trace to try to locate the
17 individual. If a new address is located by these means or if a forwarding address is available, the
18 Administrator will have ten (10) business days to re-issue the check. Neither Defendant, Defense
19 Counsel, Class Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost
20 or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation
21 of settlement checks. Without limiting the foregoing, in the event a Participating Class Member
22 notifies the Settlement Administrator that he/she/they believe that a settlement check has been
23 lost or stolen, the Settlement Administrator shall immediately stop payment on such check. If the
24 check in question has not been negotiated prior to the stop payment order, the Settlement
25 Administrator will issue a replacement check.

26 82. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff,
27 Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or
28 reports made in accordance with or pursuant to this Agreement. This provision does not, however,

1 prevent a Party from seeking enforcement of this Agreement.

2 **H. Duties of the Parties Prior to the Court's Approval**

3 83. Plaintiff will move the Court for Preliminary Approval of this Settlement and entry
4 of the Preliminary Approval Order accomplishing the following:

5 (a) Scheduling the Final Approval Hearing on the issue of whether this
6 Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members
7 and a hearing on fees, costs, and the Service Award;

8 (b) Approving as to form and content the proposed Notice;

9 (c) Directing the mailing of the Notice by first class mail to the Class
10 Members;

11 (d) Preliminarily approving this Settlement in accordance with this Agreement
12 and by submitting the Proposed Preliminary Approval Order; and

13 (e) Preliminarily certifying the class for purposes of this Settlement.

14 84. Good Faith Efforts and Cooperation to Secure Approval. In the event the Court
15 declines to approve this Agreement on its first hearing or subsequent hearings, the Parties agree
16 to meet and confer in good faith to address the Court's concerns and to work together in good
17 faith to evaluate potential revisions and/or additional submissions of information, declarations,
18 etc., to address the Court's concerns and renew a motion for approval.

19 **I. Duties of the Parties Following Court's Final Approval**

20 85. In connection with the Final Approval Hearing provided for in this Settlement
21 Agreement, Class Counsel shall submit the proposed Final Approval Order:

22 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
23 adequate, and directing consummation of its terms and provisions;

24 (b) Approving Class Counsel's application for an award of attorneys' fees and
25 reimbursement of litigation costs and expenses, the Service Award to the Class Representative,
26 the PAGA Award, and the payment to the Settlement Administrator for costs of administering the
27 settlement; and

28 (c) Entering judgment approving the Settlement, thereby permanently barring all

Participating Class Members from prosecuting any Released Class Claims against any of the Released Parties and permanently barring all PAGA Employee and the State of California and LWDA from prosecuting any Released PAGA Claims against any of the Released Parties.

J. Voiding the Agreement

86. If the Court fails or refuses to issue the Final Approval Order or fails to approve any material condition of this Settlement Agreement which effects a fundamental change of the Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to all Parties herein at the option of either Party.

87. If ten percent (10%) or more of the Class Members timely submit a Request for Exclusion, Defendant shall have the option of terminating or modifying this Agreement without prejudice to its pre-settlement positions and defenses in the Action. If Defendant exercises such option under this paragraph, they shall be relieved of any obligation to pay the Gross Settlement Amount or any other obligations from the Settlement by giving notice to Plaintiff's Counsel and the Settlement Administrator within ten (10) days after the Notice Response Deadline. If Defendant exercises its option under this paragraph, Defendant shall be solely responsible for all Settlement Administration Costs incurred.

88. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Settlement. In addition, the Parties will be placed in the same position they were in prior to reaching this Settlement with the same rights, including without limitation the right of Defendant to contest the merits of Plaintiff's claims, class certification and Plaintiff's pursuit of a representative action under PAGA.

89. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator shall be borne equally by Defendant and Plaintiff, unless otherwise specified in this Agreement.

K. Other Terms

90. Full and Complete Defense. This Agreement may be pleaded by any Released

1 Party as a full and complete defense to and may be used as the basis for an injunction against, any
2 action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted,
3 asserting any Released Class Claim or Released PAGA Claim.

4 91. Waiver. The waiver by one Party of any breach of this Agreement by another Party
5 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

6 92. Parties' Authority. The signatories hereto represent that they are fully authorized
7 to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions
8 hereof.

9 93. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
10 accomplish the terms of this Settlement Agreement, including but not limited to, execution of
11 such documents and to take such other action as may reasonably be necessary to implement the
12 terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best
13 efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that
14 may become necessary by order of the Court, or otherwise, to effectuate this Settlement
15 Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement
16 Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and
17 Defendant's Counsel, take all necessary steps to secure the Court's preliminary and final approval
18 of the settlement and the final entry of judgment.

19 94. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
20 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
21 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
22 cause of action, or rights released and discharged by this Settlement Agreement.

23 95. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
24 Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be
25 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
26 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
27 Settlement Agreement with the intention of avoiding further disputes and litigation with the
28 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and

it, along with all related documents such as the notices, and motions for preliminary and final approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

96. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To the Class Members and PAGA Employee:

Mehrdad Bokhour <i>mehrdad@bokhourlaw.com</i> 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (310) 975-1493; Fax: (310) 675-0861	Joshua Falakassa <i>josh@falakassalaw.com</i> 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (818) 456-6168; Fax: (888) 505-0868
---	---

To Defendant:

Brook J. Carroll <i>bcarroll@clarkeversonlaw.com</i> 4580 E. Thousand Oaks Blvd., Suite 160 Westlake Village, California 91362 Tel: (805) 322-4949; Fax: (805) 322-4958
--

97. Publicity. Plaintiff Tavegia and his Class Counsel agree to discuss the terms of this Settlement only in declarations submitted to a court or court hearings to establish their adequacy to serve as a class representative in this case, in declarations submitted to a court in support of a motion for attorney's fees in this case, and in discussions with Class Members in the context of administering this Settlement. Plaintiff and Class Counsel agree not to otherwise publicize this Settlement, including, but not limited to, issuing press releases, posting summaries online, or otherwise speaking to the press regarding the terms of this Settlement. If Plaintiff or

1 Class Counsel are contacted by members of the press, they will respond only that the lawsuit
2 exists and has been resolved.

3 98. Construction. The Parties hereto agree that the terms and conditions of this
4 Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the
5 Parties and that this Settlement Agreement shall not be construed in favor of or against any Party
6 by reason of the extent to which any Party or their counsel participated in the drafting of this
7 Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory
8 rule of construction that ambiguities should be construed against the drafter of an agreement and
9 further agree, covenant, and represent that the language in all parts of this Agreement shall be in
10 all cases construed as a whole, according to its fair meaning.

11 99. Captions and Interpretations. Paragraph titles or captions contained herein are
12 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
13 describe the scope of this Settlement Agreement or any provision hereof. Each term of this
14 Settlement Agreement is contractual and not merely a recital.

15 100. Modification. This Settlement Agreement may not be changed, altered, or
16 modified, except in writing and signed by the Parties hereto, and approved by the Court. This
17 Settlement Agreement may not be discharged except by performance in accordance with its terms
18 or by a writing signed by all of the Parties hereto.

19 101. Dispute Resolution. Prior to instituting legal action to enforce the provisions of
20 this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide
21 written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and
22 Plaintiff and Defendant agree to seek the help of the mediator identified in this Agreement to
23 resolve any dispute they are unable to resolve informally. During this period, the Parties shall
24 bear their own attorneys' fees and costs. This provision shall not apply to any legal action or other
25 proceeding instituted by any person or entity other than Plaintiff or Defendant.

26 102. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of
27 dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure
28 section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action

over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Agreement.

103. Enforceability. Pursuant to California Evidence Code section 1123(a) and (b), this Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in a court of law.

104. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

105. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

106. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

107. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Participating Class Member execute this Settlement Agreement. The Notice will advise all Participating Class Members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Participating Class Member.

108. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures and photocopies of signature pages shall have the same force and effect as an original.

APPROVAL AND EXECUTION BY PARTIES:

11/2/2023
Dated: _____, 2023

PLAINTIFF AND CLASS REPRESENTATIVE:

DocuSigned by:

Nathan Tavegia

0843FB5ED53D4AE...

Nathan R. Tavegia

10/31/2023
Dated: _____, 2023

DEFENDANT:

RIVERSIDE PIZZA, INC.:

DocuSigned by:

Hossein Mollaghasemi

271E14EC334A460...

Signature: _____

Hossein Mollaghasemi

Printed Name: _____

Position: _____ President

APPROVED AS TO FORM:

10/31/2023
Dated: _____, 2023

CLASS COUNSEL:

FALAKASSA LAW, P.C.

DocuSigned by:
Joshua Falakassa
15A628B2C5A149C...
Joshua Falakassa
Attorneys for Plaintiff

10/31/2023
Dated: _____, 2023

BOKHOUR LAW GROUP, P.C.

DocuSigned by:
Mehrdad Bokhour
D8D3643F271940F...
Mehrdad Bokhour
Attorneys for Plaintiff

DEFENDANT'S COUNSEL:

10/31/2023
Dated: _____, 2023

CLARK EVERSON LLP

DocuSigned by:
Brook Carroll
37BA96A93BD2425...
Brook J. Carroll
Attorneys for Defendant,
Riverside Pizza, Inc.