John G. Yslas (SBN 187324)
jyslas@wilshirelawfirm.com
Jeffrey C. Bils (SBN 301629)
jbils@wilshirelawfirm.com
Aram Boyadjian (SBN 334009)
aboyadjian@wilshirelawfirm.com
Andrew Sandoval (SBN 346996)
andrew.sandoval@wilshirelawfirm.com
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

2024 SEP 18 AM 11: 04

DANIELLE JEANDEBIEN

Attorneys for Plaintiff Yolundria Rooks, individually, and on behalf of all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN JOAQUIN

WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010-1137

YOLUNDRIA ROOKS, individually, and on behalf of all others similarly situated,

Plaintiff,

v.

HOT CAKES RESTAURANT GROUP, INC. DBA DENNY'S, a California corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: STK-CV-UOE-2022-0011056

Consolidated with Case No. STK-CV-UOE-2022-0008840

Assigned for all purposes to:
Hon. Robert T. Waters, Dept. 11B

DECLARATION OF JOHN G. YSLAS IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Date: OCT 22 2024
Time: 9:00 a.m.
Dept.: 11B

FILED BY FAX

I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC ("WLF"), counsel for Plaintiff Yolundria Rooks ("Plaintiff") in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On November 30, 2022, Plaintiff filed this action as a putative class action against Defendant Hot Cakes Restaurant Group, Inc. dba Denny's ("Defendant") alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices.

4. On February 3, 2023, Plaintiff provided written notice to the LWDA and Defendant of her intention to file a PAGA claim. The LWDA did not notify Plaintiff that intended to investigate within 65 days of this written notice. Therefore, on August 16, 2023, Plaintiff filed a separate action alleging a claim under PAGA, Case No. STK-CV-VOE-2023-0008840 (the "PAGA Action").

5. The Parties filed a stipulation to consolidate the two cases, which was granted on August 27, 2024.

6. The Parties participated in a private mediation with mediator Hon. Howard Broadman (Ret.) on February 6, 2024. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. Although the Parties did not reach a settlement that day, they continued negotiating with the mediator and reached an agreement in April 2024.

7. The parties negotiated the terms of the Settlement over the next several months, which was finalized in September 2024. A true and correct copy of the fully executed Settlement

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Agreement is attached hereto as **Exhibit 1**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice.

8. On September 9, 2024, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. Attached hereto as **Exhibit 2** is a true and correct copy of the confirmation of submission my office received from the LWDA.

Investigation and Exposure Analysis

9. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiff's Counsel assessed the value to the class claims using the documents and data Defendant produced in informal discovery, including class data providing the number of Class Members, the number of workweeks in the Class Period, the number of Aggrieved Employees, and the number of pay periods in the PAGA Period, Plaintiff's personnel file, employment policies, and a 15% random sampling of time and payroll records. Plaintiff's Counsel engaged an expert to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

10. Defendant's records show that there are approximately 369 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweighs any potential recovery

11. Plaintiff has alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. These allegations present common factual and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies to all Class Members, whether these policies and practices resulted in Labor Code violations, whether Defendant's conduct was intention, and whether Class Members are entitled to damages and/or penalties. These common questions could be resolved

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using Class Members' time records, payroll records, testimony from Defendant's designated representative(s), and Class Members' testimony.

12. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes.

13. Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims were based on the allegation that Defendant required Class Members to perform work duties before clocking in. Based on Plaintiff's estimate that she worked a total of 1 hour off-the-clock each week, Plaintiff's Counsel assumed each Class Member worked 1-hour off-the-clock per week in calculating potential exposure to be approximately $175,000.00 for these claims. However, Defendant argued that any off-the-clock time was undocumented and unknown to Defendant, and that Defendant was therefore not obligated to pay for this time. Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification was substantial. Accordingly, Plaintiff's Counsel applied a 93% risk discount to this claim to reach a settlement value of approximately $12,000.00.

14. Meal Periods: Plaintiff's meal period claim was based on the allegation that Defendant failed to maintain a policy and practice of paying meal period premiums when its time records showed Class Members' meal periods were late, short, or missed. Plaintiff's Counsel found a violation rate of around 80% in Defendant's time and payroll records and calculated potential exposure on this claim to be approximately $400,000.00. However, Defendant argued that it did pay some meal period premiums, which undermined the claim that it lacked a policy and practice of doing so. Accordingly, Plaintiff's Counsel applied a 50% risk discount to reach a settlement value of approximately $200,000.00.

15. Rest Breaks: Plaintiff's meal period claim was based on the allegation that Defendant failed to relieve Class Members of all duties during rest periods because it required them to remain on premises. Plaintiff's Counsel applied a 100% violation rate to all shifts over 3.5 hours and calculated a potential exposure of $500,000.00 for this claim. However, Defendant

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argued that it never enforced a policy of requiring Class Members to remain on premises during rest periods. Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel applied a 98% risk discount to this claim to reach a settlement value of $18,000.00.

16. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendant required Class Members to use their personal cell phones to communicate with coworkers and supervisors. Plaintiff's Counsel assumed each Class Member incurred $5 in unreimbursed expenses per month in calculating potential exposure to be approximately $200,000.00 for this claim. However, Defendant argued that these expenses were not required by Defendant, and that it could not have known that these expenses were being incurred. Accordingly, Plaintiff's Counsel could not attribute any value to this claim in terms of settlement value.

17. Derivative Penalties: Plaintiff alleged that as a result of Defendant's alleged failure to pay all wages and meal and rest period premiums owed, Defendant owed waiting time penalties and wage statement penalties. However, Defendant argued that it had good faith defenses that made the imposition of these penalties unwarranted. Moreover, Plaintiff could not recover these penalties if she failed to prove the underlying claims. Although Plaintiff's Counsel calculated that potential exposure for the waiting time penalty claim was approximately $800,000.00 and approximately $230,000.00 for the wage statement penalty claim, Plaintiff's Counsel could not attribute any value to this claim in terms of settlement value.

18. PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential exposure could potentially reach $150,300, assuming the initial $100 penalty would apply for each of the 1,503 pay periods in the PAGA Period. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. Therefore, the settlement allocates $10,000.00 of the Gross Settlement Amount to PAGA, which amounts to approximately $7 per pay period.

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Plaintiff's Counsel's Qualifications

19. Plaintiff is represented by WLF. The attorneys at WLF performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment.

20. WLF has been selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600 employees. WLF is actively and continuously practicing in employment litigation, representing employees in both individual, class, and representative actions in state and federal courts throughout California.

21. I graduated from the University of California, Santa Barbara with high honors in 1991 with a Bachelor of Arts degree in Psychology. I received by Juris Doctor from the University of California, Los Angeles School of Law in 1996.

22. Upon graduating from law school, I worked for a boutique law firm practicing general litigation, which included employment matters. Since 2000, my practice has focused exclusively on labor and employment matters, including wage and hour class, collective, and representative actions, including during my time at the international law firms of Morgan, Lewis & Brockius LLP (where I was a senior associate), Foley & Lardner LLP (where I was a partner and a national Vice Chair of the Labor and Employment Group), Norton Rose Fulbright LLP (where I was a partner), and Seyfarth Shaw LLP (where I was a partner and member of the Wage and Hour Practice Group). During my time at these law firms, I was the primary attorney or took a major leading role in defending employers on numerous wage and hour class, collective, and representative actions.

23. In 2022, I left Seyfarth Shaw and joined WLF. Since then, I have been counsel or co-counsel in over 150 wage and hour class and representative actions and have obtained nearly $50 million in settlements which are in the process of being finalized.

24. From 2015 to 2018, I was selected for inclusion in Los Angeles Super Lawyers for Employment Litigation by Thomson Reuters. I have served on numerous prominent boards and in other leadership positions, including my current roles as Southern California Regional President for the Hispanic National Bar Association and on the board of directors of the Mexican American

Bar Foundation. I previously served on the 5-member Los Angeles Civil Service Commission, which generally oversees the personnel decisions for the City of Los Angeles.

25. I have also published numerous blogs on labor and employment issues, including wage and hour issues. For example, I published "Headline News: Wal-Mart v. Dukes-Impact on Class Action Litigation" while I was a partner at Foley & Lardner LLP, and "Are You Really Protected from Wage-and-Hour Successor Liability in an Asset Purchase" while I was a partner at Seyfarth Shaw LLP. I have presented at several conferences, including the "Employment Law Update" at a National Employment Law Council conference.

26. Jeffrey C. Bils is a Senior Attorney at WLF. He graduated from the University of Wisconsin-Madison with a Bachelor of Arts in Journalism and German, and received his Juris Doctor from the University of California, Los Angeles School of Law in 2014. During law school, Mr. Bils was a senior editor on the UCLA Law Review and an articles editor on the entertainment law review. Mr. Bils served as a judicial extern for the Hon. Consuelo Bland Marshall of the United States District Court for the Central District of California, and for the Hon. Sandra R. Klein of the United States Bankruptcy Court for the Central District of California. He graduated 7th in his graduating class in law school and was admitted to practice law in the State of California the same year. Since graduating from law school, Mr. Bils has focused his legal work primarily on employment matters, including wage and hour class and representative action litigation, and has helped obtain dozens of settlements on behalf of employees, as well as on behalf of employers during his years practicing employment defense. He is a member of the Beverly Hills Bar Association, where he currently serves as a member of the Board of Governors and is a past Chair of the Labor & Employment Law Section Executive Committee. Mr. Bils is also a member of the California Employment Lawyers Association.

27. Aram Boyadjian is an associate attorney at WLF. Mr. Boyadjian graduated from the University of California, Los Angeles with a Bachlor of Arts in Political Science. He received his Juris Doctor from Loyola Law School. During law school, he was a member of the student editorial board for the International and Comparative Law Review. Since being admitted to practice law in

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California in January 2021, his practice has mainly been focused on wage and hour class action litigation.

28. Andrew Sandoval is an associate attorney at WLF. Mr. Sandoval graduated from Azusa Pacific University with a Bachlor of Arts in Economics. He received his Juris Doctor from Loyola Law School. During law school, he was a Vice-President of La Raza de Loyola. Since being admitted to practice law in California in 2022, his practice has mainly been focused on wage and hour class action litigation.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on September 13, 2024 at Los Angeles, California.

John G. Yslas

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EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Yolundria Rooks ("Plaintiff") and defendant Hot Cakes Restaurant Group, Inc. dba Denny's ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1 "Actions" mean the Plaintiff's lawsuits alleging wage and hour violations against Defendant captioned *Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's*, San Joaquin County Superior Court Case No. STK-CV-UOE-2022-11056 (the "Class Action"), initiated on November 30, 2022, and *Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's*, San Joaquin County Superior Court Case No. STK-CV-UOE-2023-8840 (the "PAGA Action") initiated on August 16, 2023, both pending in San Joaquin County Superior Court, California.

1.2 "Administrator" means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 "Aggrieved Employee" means a person employed by Defendant in California and classified as an hourly paid, non-exempt worker who worked for Defendant during the PAGA Period.

1.5 "Class" means all persons employed by Defendant in California and classified as hourly paid, non-exempt workers who worked for Defendant during the Class Period.

1.6 "Class Counsel" means John G. Yslas, Jeffrey C. Bils, Aram Boyadjian, and Andrew Sandoval of Wilshire Law Firm.

1.7 "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action to be paid from the Gross Settlement Amount.

1.8 "Class Data" means Class Member identifying information in Defendant's possession including each Class Member's name, last-known mailing address, Social Security number, and hire and termination dates for the purpose of calculating the number of Class Period Workweeks and PAGA Pay Periods.

1.9 "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10 "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11 "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English [with a Spanish translation, if applicable] in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12 "Class Period" means the period from November 30, 2018, through June 17, 2024 ("Class Period").

1.13 "Class Representative" means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14 "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action which will be paid from the Gross Settlement Amount.

1.15 "Court" means the Superior Court of California, County of San Joaquin.

1.16 "Defendant" means named Defendant Hot Cakes Restaurant Group, Inc. dba Denny's.

1.17 "Defense Counsel" means Ian B. Wieland and Justin G. Donner of Sagaser, Watkins & Wieland, PC.

1.18 "Effective Date" means the date by when both of the following have occurred: (a) the Court enters Final Judgment approving 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.

1.19 "Final Approval" means the Court's order granting final approval of the Settlement.

1.20 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.21 "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22 "Gross Settlement Amount" means $240,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below should Defendant elect to exercise the option provided therein. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.

1.23 "Individual Class Payment" means a Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.26 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).

1.27 "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.28 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30 "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.31 "PAGA Period" means the period from February 3, 2022, to June 17, 2024.

1.32 "PAGA" means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).

1.33 "PAGA Notice" means Plaintiff's February 3, 2023, letter, which she alleges was provided to both Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.34 "PAGA Penalties" means $10,000.00, the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($2,500.00) and the 75% to LWDA ($7,500.00) in settlement of PAGA claims.

1.35 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36 "Plaintiff" means Yolundria Rooks, the named plaintiff in the Action.

1.37 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.38 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.39 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.40 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.41 "Released Parties" means Defendant and each of its former and present agents, employees, representatives, administrators, directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, accountants, receivers, advisors, consultants, partners, partnerships, parents, divisions, subsidiaries, affiliates, heirs, joint venturers, trustees, investors, fiduciaries, franchisees or franchisors, and commonly controlled corporations.

1.42 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43 "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion from the Settlement, or (b) fax, email or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45 "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

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2. RECITALS.

2.1 On November 30, 2022, Plaintiff commenced the Class Action by filing a Complaint alleging causes of action against Defendant for wage and hour claims. Plaintiff commenced the PAGA Action on August 16, 2023. The Actions are pending in San Joaquin County Superior Court, California.

2.2 Defendant denies the allegations in the Actions, denies any failure to comply with the laws identified in the Actions and denies any and all liability for the causes of action alleged.

2.3 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff alleges she gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.4 On February 6, 2024, the Parties participated in a mediation presided over by Hon. Howard R. Broadman, Ret. which led to this Agreement to settle the Action.

2.5 Prior to mediation, Plaintiff obtained, through informal discovery, time data and payroll records for a sampling of hourly paid, non-exempt employees, Defendant's wage-and-hour policies, and documents concerning Plaintiff available to Defendant. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.6 The Court has not granted class certification.

2.7 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending class or representative actions asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below (should Defendant elect to exercise the option provided therein), Defendant promises to pay $240,000.00 and no more as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant. However, if the Settlement is not finally approved by the Court despite the Parties' best efforts to achieve final approval, any amounts deposited shall revert back, without interest, to Defendant.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than $10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33 and 1/3%, which is currently estimated to be $80,000.00, and a Class Counsel Litigation Expenses Payment of not more than $20,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from attorneys' fees or costs, aside from the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, which shall be paid from the Gross Settlement Amount.. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed $8,750.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less than $8,750.00, or the Court approves payment less than $8,750.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 5% of each Participating Class

Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions of the Individual Class Payments are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 95% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions of the Individual Class Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$10,000.00 to be paid from the Gross Settlement Amount, with 75% (\$7,500.00) allocated to the LWDA PAGA Payment and 25% (\$2,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$2,500.00) by the total number of workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's workweeks. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 Tax Allocation of Individual PAGA Payments. 100% of each Aggrieved Employees' Individual PAGA Payment will be allocated to settlement of claims for penalties and are not subject to wage withholdings and will be reported on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.3 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.5.4 Effect of Non-Participating Class Members on Calculation of Individual PAGA Payments. Non-Participating Class Members will receive an Individual PAGA Payment to the extent they also qualify as an Aggrieved Employee. A Class Member's status as a Non-Participating Class Member shall, therefore, have no effect on his/her entitlement to Individual PAGA Payment nor shall such status change the Administrator's calculation of Individual PAGA Payments.

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4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 369 Class Members who collectively worked a total of 12,128 Workweeks, and 133 Aggrieved Employees who worked a total 1,729 PAGA Pay Periods.

4.2 Class Data. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount and fund the amounts necessary to pay Defendant's share of payroll taxes on the Wage Portions of the Individual Class Payments as calculated by the Administrator by transmitting the Gross Settlement Amount and amounts necessary to fund Defendant's share of payroll taxes to the Administrator, or as otherwise directed by the Administrator, no later than 30 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments and Individual PAGA Payments to all Participating Class Members and Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members and Aggrieved Employees a single check combining the Individual Class Payment and the Individual PAGA Payment.

Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all Class Members whose checks are retuned undelivered without United States Postal Service ("USPS") forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Valley Children's Hospital ("Cy Pres Recipient") thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and his, her, or their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, assigns, assignors, grantees, devisees, trustees, or any other entities in which they may have an interest ("Plaintiff and Plaintiff's Releasors"), expressly agree to release and discharge Defendant and Released Parties from all liabilities, causes of actions, charges, complaints, suits, claims, obligations, costs, losses, damages, liquidated damages, punitive damages, equitable relief, restitution, declaratory relief, interest, rights, judgments, attorneys' fees and costs, expenses, bonds, bills, penalties, fines, and all other legal responsibilities of any form whatsoever whether known or unknown, whether suspected or unsuspected, whether fixed or contingent, including but not limited to those arising from any acts or omissions occurring prior to the Effective Date of this Agreement by Defendant and Released Parties, including those arising under any theory of law, whether common, contractual, constitutional, statutory or other of any jurisdiction, foreign or domestic, whether known or unknown, whether in law or in equity, which Plaintiff had or may claim to have against any of them by reason of any and all matters from the beginning of time to the present including, but not limited to, those arising out of his past employment with, compensation during, and/or separation from their employment with Defendant. ("Plaintiff's Release.")

5.1.1 Plaintiff and Plaintiff's Releasors specifically releases claims under all applicable federal, state, and local laws including, but not limited to, Title VII of the Civil Rights Act of 1964 as amended, the Fair Labor Standards Act, the Rehabilitation Act of 1973, the Family Medical Leave Act, the Employee Retirement Income Security Act, the Consolidated Omnibus Reconciliation Act of 1986, the Equal Pay Act, the Americans with Disabilities Act, the California Fair Employment and Housing Act, the California Family Rights Act, the California Labor Code including, but not limited to, sections 200, et seq., 970, 1102.5, 6310, and 132a, applicable California Wage Order provisions, the California Government Code including, but not limited to, sections 12940 et seq. and 12945, Title 2 of the California Code of Regulations § 11039, the California Civil Code, the California Business and Professions Code including, but not limited to, sections 17200 et seq., the California Constitution, the Unites States Constitution, or any laws pertaining to wrongful termination in violation of public policy, defamation, breach of contract, contractual obligations generally, discrimination based upon race, sex, disability, or any other protected status, retaliation, harassment, failure to prevent discrimination, harassment, or retaliation, failure to provide a reasonable accommodation or engage in the interactive process, and wage and hour claims (including compensation for work, overtime, PTO, vacation, or any other form of compensation or reimbursement). In sum, this release shall apply to all possible claims Plaintiff or Plaintiff's Releasors could bring against Defendant and Released Parties, whether arising in statute, regulation, common law, tort, contract, or any other body of law arising before the effective date of this agreement, whether known or unknown, and including, but not limited to, those pertaining to the employment relationship between Plaintiff and Defendant.

5.1.2 This release is not intended to operate as, nor shall be construed as, a release or waiver of any rights and/or claims that cannot be released or waived, including worker's compensation benefits or vested employee benefits, as a matter of law. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.3 Plaintiff's Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

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

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, assignors, grantees, devisees, trustees, or any other entities in which they may have an interest, release Defendant and Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts alleged in the Class Action, PAGA Action, and PAGA Notice, including (1) failure to provide meal periods and associated premiums; (2) failure to provide rest breaks and associated premiums; (3) failure to provide recovery periods; (4) failure to pay overtime wages; (5) failure to pay minimum wages; (6) failure to pay timely wages; (7) failure to pay all wages due to discharged and quitting employees/waiting time penalties; (8) failure to maintain required records; (9) failure to furnish accurate itemized wage statements; (10) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (11) violation of California's unfair competition law under Business and Professions Code Sec. 17200. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, assignors, grantees, devisees, trustees, or any other entities in which they may have an interest, are deemed to release Defendant and the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts asserted in the PAGA Action and the PAGA Notice.

5.4 The Parties, and each of them, waive any and all claims for fees, costs, indemnity or contribution against Plaintiff, any Class Member, Plaintiff's Counsel in the Action, Defendant, or Defendant's Counsel in the Action other than as provided herein.

5.5 Defendant shall have the right to enforce the releases set forth in this Agreement as to Plaintiffs, Participating Class Members, and Aggrieved Employees, and the LWDA, as applicable, without regard to their receipt of an Individual Settlement Payment, or Individual PAGA Payment, or the LWDA PAGA Payment, and prior to fully funding the Gross Settlement Amount, so long as Defendant has complied with the procedures set forth in this Agreement relating to the funding of the Gross Settlement Amount as of the time it seeks to enforce a release.

5.6 The Parties intend that the releases detailed herein be construed as broadly as is permissible by law.

6. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiff shall prepare and file a motion for preliminary approval ("Motion for Preliminary Approval"). Defendant shall not oppose the motion, to the extent consistent with this Agreement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, the Administrator and/or the proposed Cy Pres; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Lab. Code, § 2699.3, subd. (a)), Operative Complaint (Lab. Code, § 2699, subd. (s)(1)), this Agreement submitted to the court at the same time as the LWDA (Lab. Code, § 2699, subd. (s)(2)); and (vii) and intent to submit the Final Judgment (Lab. Code § 2699, subd. (s)(3))). In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Further Responsibilities of Class Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class

Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send a Notice Packet requiring them to exercise options under this Agreement within the timeframes applicable to Class Members whose Notice Packet is re-mailed by the Administrator.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice, an Individual Class Payment or PAGA Payment, objects to the Settlement, or disputes the workweeks or pay periods set forth in the Class Notice.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement.

7.5.5 All Aggrieved Employees are entitled to all benefits and bound by all terms and conditions of the Settlement as they pertain to PAGA claims, including the Aggrieved Employees' releases under Section 5.3 of this Agreement, regardless of whether the Aggrieved Employee actually receives the Notice Packet, an Individual

PAGA Payment, objects to the Settlement, or disputes the pay periods set forth in the Class Notice.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and PAGA Pay Periods contained in the Class Notice are correct. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods and the Administrator's determination as to such challenges to Defense Counsel and Class Counsel, except that any information provided to Class Counsel in relation to pay period disputes shall not contain any personal identifying information (e.g., names and contact information) of the Class Members.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present oral objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid). Upon request, the Administrator may provide summary information regarding the information described in this section to Class Counsel, but shall not provide any personal identifying information (e.g., names and contact information) to Class Counsel.

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received, except that any information provided to Class Counsel shall not contain any personal identifying information (e.g., names and contact information) of the Class Members.

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges regarding the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion it received (both valid or invalid) and the number of written objections received. The Administrator shall provide along with such declaration the Exclusion List with all personal identifying information (e.g., names and contact information) redacted The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements. All personal identifying information (e.g., names and contact information) shall be redacted from the report. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 369 Class Members and 12,128 Total Workweeks during the Class Period If the number of unique workweeks at issue for the Class Members is more than ten percent (10%) of the represented number of unique workweeks, Defendant will have the option to either pay a proportional amount in addition to the GFV for each additional such unique workweeks that exceeds the 10% above 12,128 unique workweeks, or to shorten the Class Period at the point at which the number of unique workweeks is no more than 10% above 12,128 unique workweeks (or 13,341 workweeks). If the Pro Rata Increase Threshold is triggered, Defendant shall have the exclusive right to choose an earlier date than the date of Preliminary Approval as the end of the Class Period to avoid triggering any pro rata increase. The PAGA Period shall extend through the date of Preliminary Approval and shall not be subject to any pro rata increase.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members, changes the Gross Settlement Amount, or the amount designated as wages), the Parties will expeditiously work together in good faith to address the Court's concerns and endeavor to revise the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this section. No party shall be obligated to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Class and PAGA Actions, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

10.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing appellate court vacates, reverses or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members, the Gross Settlement Amount, the wage allocation, etc.), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify the Court's award of the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Expenses Payment shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged. However, no party shall be obligated to consent to any material change in the Agreement, whether or not such material change is caused or requested by the reviewing appellate court.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgement.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or shall be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality. Plaintiff and her counsel will keep the operative complaint(s), PAGA letters, and this settlement confidential through preliminary approval. Thereafter, Plaintiff and her counsel will further agree to keep this settlement, operative complaint(s), and the PAGA letters confidential, including without limitation no disclosures to current or former employees of the Defendant, to the media, or on any websites, blogs, social media, and/or online platforms. Exceptions to the obligation of confidentiality in this section are: (i) disclosures necessary to comply with the law, judicial process, or for financial planning or tax preparation purposes; (ii) to obtain, seek, and maintain approval of this settlement in court and as is necessary to provide settlement information to Class Members, and (iii) if any party seeks to enforce any term or condition of this Agreement against any other party. Nothing herein shall prevent Plaintiff's' counsel from disclosing this settlement for purposes of describing their qualifications as counsel in other cases or as required by a court, nor shall any terms herein preclude Class Counsel from communicating with and fulfilling its obligations to Class Members or Aggrieved Employees.

12.3 No Solicitation. The Parties agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict the Parties or their respective counsel's ability to communicate with Class Members for purposes of informing them about this Settlement and its procedures.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of their mediator and/or the Court for resolution. Nothing in this section shall be construed as obligating the Parties to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court or the reviewing appellate court.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Plaintiff, Class Counsel, Defendant, and Defense Counsel are not providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Effective Date, Class Counsel shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Effective Date, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data..

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All written notices, demands or other communications between the Parties in connection with this Agreement shall be addressed as follows:

To Plaintiff:

John G. Yslas
Wilshire Law Firm
3055 Wilshire Blvd., 12th Floor
Los Angeles, CA 90010

To Defendant:

Ian B. Wieland
Justin G. Donner
Sagaser, Watkins & Wieland PC
5260 N. Palm Ave., Ste. 400
Fresno, CA 93704

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed (including both the Class and PAGA Action), except to effectuate the terms of this Agreement.

Dated: 9/6/2024

PLAINTIFF

DocuSigned by:
Yolundria Rooks
3FFD6F380E3449A...
Yolundria Rooks

Dated: 9/6/24

HOT CAKES RESTAURANT GROUP, INC.
DBA DENNY'S

By:

APPROVED AS TO FORM AND CONTENT

Dated: 09/06/2024

WILSHIRE LAW FIRM

John G. Yslas, Esq.
Attorneys for Plaintiff

Dated: 9/9/2024

SAGASER, WATKINS & WIELAND, PC

Ian B. Wieland, Esq.
Justin G. Donner, Esq.
Attorneys for Defendant

Exhibit A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's, San Joaquin County Superior Court Case Nos. STK-CV-UOE-2022-11056 and STK-CV-UOE-2023-8840

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Hot Cakes Restaurant Group, Inc.'s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced matter.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

This Notice is designed to advise you of your rights and options with respect to the settlement. By order of the Superior Court of California for the County of San Joaquin (the "Court" or "San Joaquin Superior Court"), you are notified that: preliminary approval of a class action settlement reached between Yolundria Rooks ("Plaintiff") and Hot Cakes Restaurant Group, Inc. ("Defendant"), [Preliminary Approval Date], in the consolidated case entitled *Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's* (Case Nos. STK-CV-UOE-2022-11056 and STK-CV-UOE-2023-8840), which may affect your legal rights. Plaintiff and Defendant are collectively referred to as the "Parties."

If you are a Class Member, you need not take any action to receive a settlement payment, but you have the opportunity to request exclusion from the settlement (in which case you will not receive payment under the settlement), object to the settlement, and/or dispute the pay periods credited to you, if you so choose, as explained more fully below.

1. Background

Plaintiff is a previous employee of Defendant. Plaintiff filed a class action complaint in San Joaquin Superior Court, Case No. STK-CV-UOE-2022-11056 (the "Class Action"), on November 30, 2022. She then also filed a separate lawsuit under the under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") in San Joaquin Superior Court, Case No. STK-CV-UOE-2023-8840 (the "PAGA Action"), on August 16, 2023. The Class Action and PAGA Action are collectively referred to as the "Actions."

Plaintiff alleges that Defendant violated the California Labor Code and California Business and Professions Code with respect to themselves and the Class Members by, among other things, failing to properly pay for all hours worked, including minimum and overtime wages, provide legally-compliant meal and rest periods or premium pay in lieu thereof, provide reimbursements for business expenses, pay timely wages, failing to pay all wages due at the termination of employment, maintain required records, and failing to provide accurate wage statements. Plaintiff seeks, among other things, payment of (1) back wages and other relief for a class of hourly paid non-exempt employees ("Class Members") who worked for Defendant in California during between November 30, 2018, and June 17, 2024 ("Class"); and (2) penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") for all hourly paid non-exempt employees who worked for Defendant in California from February 3, 2022 to June 17, 2024 ("Aggrieved Employees").

Defendant denies all of the allegations in the Actions or that it violated any law, and contends that it, at all times, fully complied with all applicable laws. Defendant has entered into the settlement described in this notice for the purpose of avoiding further expense associated with defending the lawsuit.

The Parties participated in mediation with a mediator and, as a result, the Parties executed a settlement agreement that settles the Class Action and PAGA Action ("Settlement Agreement" or "Agreement").

As mentioned above, the San Joaquin Superior Court has preliminarily approved this Settlement Agreement and has appointed Phoenix Settlement Administrators as the administrator of the settlement ("Settlement

Administrator"), Plaintiff as the representative of the Class ("Class Representative"), and Wilshire Law Firm as counsel for the Class ("Class Counsel").

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs or to Class Members. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final hearing.

2. Summary of the Proposed Settlement

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

A. Settlement Formula

The total Gross Settlement Amount is Two Hundred and Forty Thousand Dollars and Zero Cents ($240,000.00) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members who do not timely and validly request exclusion from the settlement ("Participating Class Members") is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to Court approval : (1) attorneys' fees in the amount of up to $80,000.00 and reimbursement of litigation costs and expenses in the amount not to exceed $20,000.00 to Class Counsel ("Attorneys' Fees and Costs"); (2) service awards to Plaintiff in the amount of up to $10,000.00 ("Service Payment"); (3) fees and expenses of administration of the Settlement to the Settlement Administrator in an amount not to exceed $8,750.00 ("Settlement Administration Fees"); and (4) $10,000.00, which sum is allocated by the Parties to resolve the PAGA claims.

Participating Class Members are entitled to receive payment under the settlement ("Individual Class Payment") based on the number of workweeks they worked for Defendant during the Class Period. Participating Class Members' Individual Class Payments were calculated by (a) dividing the Net Settlement Amount by the total number of workweeks worked by all Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's individual number of workweeks during the Class Period.

Aggrieved Employees are entitled to receive payment under the settlement ("Individual PAGA Payment") based on the number of pay periods they worked for Defendant during the PAGA Period. Aggrieved Employees' Individual PAGA Payments were calculated by (a) dividing $2,500.00 (the amount allocated to settlement of claims under PAGA that is distributable to Aggrieved Employees) by the total number of pay periods worked by Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's individual number of pay periods worked during the PAGA Period.

Each Individual Class Payment will be allocated as 5% to wages (which will be reported on an IRS Form W2 and subject to reduction for employee-side payroll taxes) and 95% to penalties and interest (which will be reported on an IRS Form 1099). Each Individual PAGA Payment will be allocated as 100% to penalties (which will be reported on an IRS Form 1099). Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

If the Court grants final approval of the settlement, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees at the address that is on file with the Settlement Administrator. If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.

B. Your Workweeks and Pay Periods

According to Defendant's payroll records, you worked [ENTER NUMBER] workweeks during the Class Period and [ENTER NUMBER] pay periods during the PAGA Period.

If you wish to dispute the workweeks or pay periods credited to you, you may submit such dispute in writing to the Settlement Administrator by **[deadline]**. To do so, you must submit a writing to the Settlement Administrator that contains, at a minimum: (a) your full name, address, and signature; (b) the case name and number of the Class Action (*Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's*, San Joaquin County Superior Court Case No. STK-CV-UOE-2022-11056); (c) a clear statement indicating that you dispute the number of workweeks and/or pay periods credited to you; and (d) any documentation that supports your belief that you should be credited with a different number of workweeks and/or pay periods. The Settlement Administrator's contact information is listed within Section 5 of this notice.

C. Your Estimated Individual Class Payment and Individual PAGA Payment

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $________ (less payroll withholding) and your Individual PAGA Payment is estimated to be $________**. The actual amount you may receive likely will be different and will depend on several factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment because you didn't work during the PAGA Period.) Your Individual PAGA Payment is not subject to withholdings and will only be distributed if the Court approves the settlement and after the settlement goes into effect.

The settlement approval process may take several months. Your Individual Class Payment and Individual PAGA Payment reflected in this Notice is only an estimate. Your actual Individual Class Payment and Individual PAGA Payment may be higher or lower.

The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will irrevocably lost to you because they will be paid to a non-profit organization or foundation ("Cy Pres"), Valley Children's Hospital.

D. Released Claims

"Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Final Judgment approving 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.

Upon the Effective Date, you will be deemed to have, and by operation of the Judgment will have fully, finally, and forever released, relinquished and discharged Defendant and the Released Parties from any and all Released Claims. "Released Parties" means Defendant and each of its former and present agents, employees, representatives, administrators, directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, accountants, receivers, advisors, consultants, partners, partnerships, parents, divisions, subsidiaries, affiliates, heirs, joint venturers, trustees, investors, fiduciaries, franchisees or franchisors, and commonly controlled corporations.

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, assignors, grantees, devisees, trustees, or any other entities in which they may have an interest, release Defendant and Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts alleged in the Class Action, PAGA Action, and PAGA Notice, including (1) failure to provide meal periods and associated premiums; (2) failure to provide rest breaks and associated premiums; (3) failure to provide recovery periods; (4) failure to pay overtime wages; (5) failure to pay minimum wages; (6) failure to pay timely wages; (7) failure to pay all wages due to discharged and quitting employees/waiting time penalties; (8) failure to maintain required records; (9) failure to furnish accurate itemized wage statements; (10) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (11) violation of California's unfair competition law under Business and Professions Code Sec. 17200. Except as set forth in the Aggrieved Employees release below, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.

In addition, all Aggrieved Employees, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, assignors, grantees, devisees, trustees, or any other entities in which they may have an interest, are deemed to release Defendant and the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts asserted in the PAGA Action and the PAGA Notice.

E. Court Approved Deductions from Gross Settlement.

At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to $80,000.00 (33 and 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to $20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to $10,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to $8,750.00 to the Administrator for services administering the Settlement.

D. Up to $10,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Options and Rights as a Class Member

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet issued final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and all deductions from the Gross Settlement Amount detailed therein. The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have three options under the Settlement:

(1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. You will automatically be issued your Individual Class Payment and Individual PAGA Payment, if any, unless you decide to exclude yourself from the settlement. Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Claims against the Released Parties as described in Section II.D above.

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Settlement Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims. You cannot opt-out of the PAGA portion of the proposed Settlement. The Opt-Out Deadline is **[Opt-Out Deadline]**.

To opt-out, you must submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Settlement Administrator will exclude you based on a writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's*, San Joaquin County Superior Court Case Nos. STK-CV-UOE-2022-11056 and STK-CV-UOE-2023-8840, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by **[Opt-Out Deadline]**, or it will be invalid. Section 5 of the Notice has the Settlement Administrator's contact information.

(3) **Object to the Settlement.** You can object to the terms of the settlement as long as you have not submitted a Request for Exclusion. If you wish to object to the settlement, you may submit an objection in writing to the Settlement Administrator. To do so, you must submit a writing to the Settlement Administrator that contains, at a minimum: (a) your full name, address, and signature; (b) the case name and number of the Class Action (*Yolundria Rooks v. Hot Cakes Restaurant Group, Inc. dba Denny's*, San Joaquin County Superior Court Case No. STK-CV-UOE-2022-11056); (c) all legal and factual bases for your objection to the Settlement; (d) a statement as to whether you intend to appear at the Final Approval Hearing; and, (e) a statement as to whether you are represented by counsel and, if so, your counsel's name, address, and phone number. If you wish to object to the settlement, you must mail your Objection form or other documentation to the Settlement Administrator at the address listed in Section 5 below by **[RESPONSE DEADLINE]**. Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 4 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

4. Final Approval Hearing

The Court will hold a Final Approval Hearing on [date] at [time] in Department ___ of the San Joaquin Superior Court at 180 E Weber Avenue, Stockton, California 95202 to determine whether it will issue final approval of the Agreement including, but not limited to, whether the attorneys' fees and costs to Class Counsel, Service Payment to Plaintiffs, and Settlement Administration Fees to the Settlement Administrator should be awarded. The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to do so.

5. Additional Information

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the Settlement Administrator's website at (url) . You can also telephone or send an email to the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to (https://cms.sjcourts.org/fullcourtweb/start.do) and entering the Case Number for the Action, type CV, year 2022, Case No. 11056. You can also make an appointment to personally review court documents in the Clerk's Office by calling (209) 992-5693.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR VIA THE BELOW CONTACT INFORAMTION:

[Add Third-Party Administrator's Information]

EXHIBIT 2

Thank you for your Proposed Settlement Submission

DIR PAGA Unit <no-reply@formassembly.com>

Mon 9/9/2024 4:22 PM

To:Fawn Bekam, Esq. <fawn.bekam@wilshirelawfirm.com>

[You don't often get email from no-reply@formassembly.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

09/09/2024 04:22:29 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement
If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm