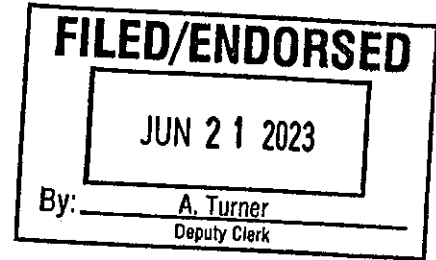


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Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

GLORIA NAZARENO, et al.,	) Case No. 34-2020-00278363
	)
Plaintiffs,	) Assigned to Judge Daniel M. Wolk
vs.	)
	) CLASS ACTION
ANAND, INC, dba JACK IN THE BOX et al.,	)
	) DECLARATION OF MATTHEW R.
Defendants.	) SCHOECH IN SUPPORT OF
	) PLAINTIFFS' MOTION FOR
	) PRELIMINARY APPROVAL OF
	) CLASS ACTION SETTLEMENT
	)
	) Date: July 14, 2023
	) Time: 9:00 a.m. BY FAX
	) Dept.: 28
	) Judge: Hon. Jill Talley
	)
	) Complaint filed: May 8, 2020
	) Trial Date: Not Set
	)

1 I, Matthew R. Schoech, declare as follows:

2 1. I am the managing attorney of Schoech Law Group, PC, attorneys of record for
3 Plaintiff in this action. I am admitted to practice before all courts of the State of California. I am
4 Plaintiff's counsel in the above-captioned class action and have personal knowledge of the facts
5 thereto. I make this declaration upon my personal knowledge and, if called upon and sworn as a
6 witness, I could and would competently testify hereto.
7

8 2. I submit this Declaration in support of Plaintiffs' Unopposed Motion for
9 Preliminary Approval of Class Action Settlement served and filed herewith. I have been involved
10 in all aspects of this Action and have personal knowledge of the following facts.
11

12 3. On May 8, 2020, my office filed this Class Action Complaint in Sacramento County
13 Superior Court on behalf of Plaintiff Gloria Nazareno and other non-exempt employees of
14 Defendant Anand, Inc. dba Jack in the Box ("Defendant"). A First Amended Complaint was filed
15 on July 16, 2020, adding Eloise Iyar as a Plaintiff. My office proceeded to file a Second Amended
16 Complaint on or about June 14, 2023, which added a PAGA cause of action violation of Labor
17 Code sections 2698, et seq. Plaintiffs allege in the operative Complaint that Defendant failed to
18 provide meal and rest periods, failed to provide indemnify for work related expenditures, failed to
19 pay earned wages, failed to provide accurate pay stubs, violation of the Private Attorney General
20 Act ("PAGA"), and, by engaging in such unlawful conduct, violated California Business &
21 Professions Code section 17200 et. seq. A true and correct copy of the Second Amended Complaint
22 filed in this action is attached as **Exhibit A** to this declaration. There is no date set for a motion
23 for class certification or trial in this matter.
24
25

26 4. My office and my co-counsel have thoroughly investigated issues affecting
27 certification, the merits of the class claims, and potential damages for such claims.
28

1 5. After the lawsuit was filed, the Parties engaged formal and informal discovery,
2 reviewed Defendant's written policies for all Class Members during the relevant time period, and
3 caused retained experts to analyze the extensive payroll and timecard data produced by Defendant
4 and prepare a damage model based on Defendant's own records.

5 6. The information allowed Plaintiffs' expert to conduct a detailed analysis of the
6 copious amounts of data in order to determine the extent and frequency of any violations in
7 accordance with Plaintiffs' contentions and create a damages assessment based on Plaintiff's
8 contentions to assess the reasonableness of any settlement.

9 7. After analysis of the payroll and timecard data and detailed review of the policies
10 and records provided by Defendants, the Parties agreed to participate in private mediation. The
11 first mediation took place on April 15, 2021, with the Hon. Judge Richard L. Gilbert (ret.)
12 presiding. The mediation was unsuccessful to the parties commenced with additional discovery
13 and analysis of the claims. The second mediation took place with the Hon. Judge Richard L.
14 Gilbert (ret.) on February 6, 2023, at which the parties were able to come to a resolution in this
15 matter as set forth herein. At all times, the Parties' settlement negotiations have been non-
16 collusive, adversarial, and at arm's length.

17 8. I have a great deal of experience in wage and hour class action litigation. Plaintiffs'
18 counsel have been approved as class counsel for multiple class actions and have extensive
19 experience dealing with complex civil litigation. Based on our experience and analysis of the
20 claims and analyzing Defendant's respective factual contentions, legal theories, and defenses, the
21 Parties were able to participate in an arm's length negotiation and reach a settlement of the claims.

22 9. Although we believe that a class can be certified, we also believe in the fairness of
23 the settlement that is based on factoring in the uncertainty and risks to Plaintiffs involved in not
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1 prevailing on one or more of the causes of action or theories alleged in the operative Complaint,
2 the possibility of non-certification, and potential for appeals. We also recognize that litigating these
3 issues carries risks of limited recovery and/or a substantially delayed recovery. Plaintiffs have
4 factored these risks into his decision to settle the case and his conclusion that the settlement amount
5 is fair, adequate, and reasonable in light of these risks, including the substantial risks relative to
6 class certification and the costs of pursuing such litigation. As Defendant asserts numerous legal
7 and factual grounds for defending this action, there is no guarantee that Class Members would
8 recover any amount if the parties continued to litigate these claims, and any recovery would only
9 have been after protracted litigation. The ability to secure a guaranteed settlement now and ensure
10 Class Members receive some compensation, rather than proceed to further litigation and
11 potentially recover nothing, was a motivating factor in reaching this settlement.
12

13
14 10. Settlement in this case was reached only after litigation and extensive arm's length
15 negotiations during two full-day mediations facilitated by an experienced mediator, the Hon. Judge
16 Richard Gilbert (ret.). At all times, the negotiations were adversarial and contentious, although
17 still professional in nature.
18

19 11. The parties were in possession of all necessary information during the mediation at
20 which the settlement was reached. The parties engaged in substantial formal discovery and
21 exchange of documents, including all of Defendant's written and rest period policies, uniform
22 policies, and pay and time records for Class Members. As such, we were in possession of this
23 information prior to calculating the potential damages in this case. As a result, we were able to
24 make a reasonable estimation of Defendant's potential liability.
25

26 12. Plaintiffs and Defendant have entered into a Joint Stipulation Regarding Class
27 Action Settlement. A true and correct copy of the Joint Stipulation Regarding Class Action
28

1 Settlement executed by Plaintiffs is attached hereto as Exhibit B. Defendants were traveling and
2 unable to sign prior to the filing of this motion. A supplemental declaration will be filed in advance
3 of the hearing that includes the fully executed Joint Stipulation Regarding Class Action Settlement.

4 13. The parties in this action have jointly prepared a Notice of Class Action Settlement
5 (“Notice of Settlement”) to be sent to the Class Members. A true and correct copy of the Notice
6 of Settlement is attached hereto as Exhibit C.

8 14. The parties have obtained a quote from ILYM Group, Inc., the proposed Claims
9 Administrator. A true and correct copy of the ILYM quote is attached hereto as Exhibit D.

10 15. I have been litigating complex matters throughout California for over 19 years. I
11 have litigated and resolved over 200 complex civil actions, including wage and hour cases and
12 wage and hour class actions. I am experienced in litigation, settlement and certification, of class
13 action cases.

14 16. Based on our experts review and analysis of Defendant’s payroll and timekeeping
15 records, the potential recovery for the core allegations¹ of premium payments being owed for
16 missed meal breaks and waiting time penalties is approximately \$1,013,540.56 (not including
17 interest and attorney’s fees), such that the Settlement Amount covers 25.65% of the maximum
18 damages potentially recoverable by the settlement class. The settlement represents a reasonable
19 compromise given the percentage of the total demand that was secured, the average recovery per
20 class member, Defendant’s defenses to Plaintiffs’ claims, and the uncertainty of class certification

21 17. A review of the Agreement’s terms does not give rise to any doubts about its
22 fairness in my opinion. Based on the records and facts of this case, Plaintiffs have secured an
23

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25
26
27 ¹ Plaintiffs’ other claims for failing to pay to maintain uniforms and missed rest breaks would
28 involve individualized inquiries as they cannot be proven by Defendant’s payroll and
timekeeping records.

1 average net award per class member of approximately \$100.78. This settlement is a reasonable
2 compromise of the class claims and is within the percentile ranges of the total available damages
3 that have been approved in other class settlements.

4 18. Plaintiffs participated in numerous meetings with counsel—preparing for litigation,
5 gathering documents, providing, and explaining documents, discussing the practices of policies of
6 Defendant, generally being available at any time to discuss the case with Plaintiffs' counsel,
7 discussing the progression of the matter, including the review of the proposed terms of Settlement.
8 Plaintiffs also spent a significant amount of time pursuing this litigation for the benefit of all
9 putative Class Members, including attending two full-day mediations which enabled the parties
10 reached a settlement. Further, Plaintiffs brought this action knowing there would be a delay in
11 any payment as the litigation progressed, rather than proceeding on individual claims in front of
12 the California Labor Commissioner.
13

14 19. I recognize that the issue regarding the award of attorneys' fees and costs will be
15 determined at the time of final approval, upon a full presentation of the issues to the Court. As is
16 proper practice for class action attorneys, Plaintiffs' counsel did not discuss attorneys' fees until
17 after an agreement was reached in principal with respect to the direct class settlement benefits and
18 the Gross Settlement Amount. The proposed Settlement also does not place the attorneys' interests
19 ahead of Class Members' interests. As counsel for Plaintiffs, we seek an award of attorneys' fees
20 and costs of up to one third of the total Settlement Amount, an amount that reflects that work
21 performed by my office and co-counsel's office this Action, and the risks inherent in prosecuting
22 this Action on a contingent fee basis.
23

24 20. I have at my own risk, expended costs to file this instant action, perform service of
25 process, and pay other litigation-related costs, including mediation and expert costs.
26
27
28

1 21. We have asserted on behalf of Plaintiffs that the damages to which they and the
2 Settlement Class is entitled to constitute one hour of premium pay for days when they did not
3 receive their legally mandated meal breaks along with reporting time pay where Plaintiffs and
4 Class Members were sent home early before working half of their scheduled shifts.

5 22. There was no collusion among the settling Parties, or any other "obvious defect" or
6 indicia of unfairness with regard to the proposed Settlement. Litigation was at all times fully
7 adversarial, with counsel for each side vigorously advocating for their clients' respective positions.
8

9 23. The proposed Settlement does not place the named Plaintiffs' interests ahead of the
10 interests of the Class as a whole. Apart from a reasonable Enhancement payment for his efforts on
11 behalf of the Class, typical in class action litigation (and subject to Court approval after notice to
12 the Settlement Class), the named Plaintiffs' personal recovery in this Action and Settlement will
13 be determined in the same as any other Settlement Class Member. The named Plaintiffs have not
14 in any way tried to leverage a class action for some personal gain or agenda.
15

16 24. From multiple discussions with Defendant and for litigating this matter for over
17 three years with Defendant, I am aware and have knowledge of the position taken and defenses
18 asserted by Defendant. Defendant has informed me that it will defend itself at the class
19 certification phase and on the merits based on the following arguments, all of which are contested
20 by Plaintiff. Defendant asserts that Plaintiffs' claims were subject to binding arbitration
21 agreements that prohibit class claims but, to date, Defendant has been unable to produce the
22 arbitration agreements. Defendant also claims that it had comprehensive meal period and rest
23 break policies that strictly comply with California law and that, if a meal or rest break was missed,
24 Defendant paid premiums to its employees. Defendant argues that the payroll data provided
25 demonstrates the potential for 18.8% of non-compliant meal breaks and that it paid over \$87,000
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1 in meal period premiums over the class period. Defendants further argue that California law does
2 not require reimbursement of the cost to launder and maintain uniforms that were given to its
3 employees by Defendant. Defendant further asserts that none of its non-exempt employees had
4 their shifts cut short by more than one-half, so it had no obligation to pay reporting time pay.
5 Defendant further contends that Plaintiffs would be unable to certify their class claims, as they
6 would be unable to demonstrate that Defendant had any uniform unlawful policies or practices
7 relating to the above claims and, thus, individualized inquiries would be required as to each class
8 member to determine liability. And, lastly, Defendant asserts that Plaintiffs' wage statement claim
9 is derivative of their meal and rest period claims and thus is without merit for the same reasons
10 and that the wage statements issued by Defendant accurately reflect what Plaintiff and other
11 employees were paid.
12
13

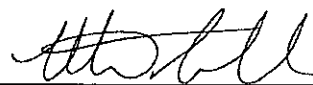
14 25. On April 3, 2023, Plaintiffs submitted a PAGA letter to the California LWDA in
15 regard to this action. The PAGA cause of action was based on Defendant's alleged Labor Code
16 violations. Based on Defendant's payroll data, we calculated the potential PAGA penalties to be
17 in the order of \$818,050, PAGA penalties are discretionary and, based on my experience, \$10,000
18 for PAGA penalties is clearly reasonable considering Defendant's records demonstrating that they
19 were 80% compliant with meal breaks and the numerous obstacles present in bringing a PAGA
20 action to trial and beyond to obtain discretionary penalties.
21

22 26. On June 21, 2023, the LWDA was notified of this motion and the proposed
23 settlement of the PAGA claim by submitting a copy of the Joint Stipulation for Class Action
24 Settlement and this motion via the online submission process on the LWDA website.
25

26 ///

27 ///

1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct, and that this declaration was executed on June 21, 2023, at
3 Sacramento, California.



4
5 Matthew R. Schoech, Esq.
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Exhibit A

Filed by Fax

led

Superior Court of California,
Sacramento

06/14/2023

crowtht

By _____, Deputy

34-2020-00278363-CU-OI

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

GLORIA NAZARENO, an individual, and
ELOISE LYAR, an individual, on behalf of
themselves and all others similarly situated;

Plaintiffs,

vs.

ANAND, INC, dba JACK IN THE BOX, a
California Corporation, and DOES 1-100,
Inclusive,

Defendants.

) CASE NO. 34-2020-00278363

) CLASS ACTION

) SECOND AMENDED COMPLAINT
) WITH CLASS ALLEGATIONS FOR:

-) 1) Failure to Provide Meal and Rest
) Periods in Violation of Cal. Labor Code
) §§ 226.7;
) 2) Failure to Indemnify for Work Related
) Expenditures;
) 3) Failure to Pay Earned Wages and in
) Violation of Cal. Labor Code §§ 204,
) 210, and 218;
) 4) Failure to Provide Accurate Pay Stubs
) in Violation of Cal. Labor Code §226;
) 5) Unfair Business Practices; and
) 6) Representative Action for Penalties
) Pursuant to the Labor Code Private
) Attorneys General Act of 2004 (Labor
) Code § 2698, et seq.).

) UNLIMITED CIVIL ACTION



Plaintiffs GLORIA NAZARENO ("NAZARENO") and ELOISE LYAR ("LYAR") (hereafter collectively "Plaintiffs") by and through their attorneys, bring this action on behalf of himself and all others similarly situated against Defendant ANAND, INC. dba JACK IN THE BOX (hereafter "ANAND" or "Defendant") and hereby allege as follows:

IDENTIFICATION OF PARTIES

1. At all times herein mentioned Plaintiffs were and are residents of California, domiciled in Sacramento, California. NAZARENO was employed by ANAND from June 2014 until April 2020 and LYAR was employed by ANAND from November 2017 until April 2020.

2. Defendant, ANAND, was and is a California Corporation, organized and existing pursuant to the laws of California, was and is doing business in the County of Sacramento, State of California. Upon information and belief, it is hereby alleged, that ANAND owns and operates over a dozen Jack in the Box fast food restaurants in California which are open 24 hours a day, seven days a week.

3. Plaintiffs are ignorant of the true names and capacities of defendants sued as Does 1 through 100, inclusive, and therefore sue these defendants by these fictitious names. Plaintiffs will amend this complaint to allege their true names and capacities when they have been ascertained. Plaintiffs are informed and believe and thereon allege that each of the fictitiously named defendants are legally responsible in some manner for the unlawful acts alleged in this complaint.

CLASS ALLEGATIONS

4. Plaintiffs bring this action on their own behalf and on behalf of all persons similarly situated. The class which Plaintiffs represents (hereinafter "Class Members") is composed of: (1) all ANAND employees who did not receive their legally mandated rest breaks in violation of Cal.

1 Lab. Code § 226.7; (2) all ANAND employees who did not receive their legally mandated meal
2 breaks in violation of Cal. Lab. Code § 226.7; (3) all ANAND employees who were not
3 compensated for reasonable and necessary work related expenses in violation of Cal Lab. Code §
4 2802; (4) all ANAND employees who were not paid earned wages in violation of Cal. Lab. Code
5 § 204; and (5) all ANAND employees who did not receive accurate pay stubs in violation of Cal.
6 Labor Code § 226.

8 5. Upon information and belief, the Class Members are so numerous, consisting in
9 excess of 500 ANAND employees who were deprived their rest breaks and meal breaks, were not
10 indemnified for their work related expenditures, were not paid their reporting time pay, and did
11 not receive accurate pay stubs in the course of their employment, that joinder of all such persons
12 is impractical, and disposition of their claims in a class action, rather than in individual actions,
13 will benefit all the parties and the court.

15 6. These questions of law and fact predominate over questions that affect only
16 individual Class Members. Proof of a common or single statement of facts will establish the right
17 of each Class Member to recover. The claims and remedies sought by Plaintiffs are typical of
18 those of Class Members, and Plaintiffs can and will fairly and adequately represent the interests of
19 the class.
20

21 7. The prosecution of individual remedies by Class Members would tend to establish
22 inconsistent standards of conduct for ANAND and result in the impairment of Class Members'
23 rights and the disposition of their interests through actions to which they were not parties.

25 8. Plaintiffs are informed and believe, and based thereon allege, that ANAND and
26 DOES 1 through 100, including those named fictitiously, may have insufficient assets or insurance
27 coverage to satisfy all the claims of the Class Members and that it is in the interest of the Class
28

1 Members to fairly apportion between its members whatever sums may be recovered.

2 9. Plaintiffs has incurred, and will continue to incur, expenses for costs and attorney's
3 fees necessary for the investigation and prosecution of this action. Those attorney's fees and other
4 expenditures will result in a benefit to all Class Members.

5 **PRELIMINARY FACTS**

6 10. ANAND owns and operates multiple Jack in the Box franchises in California.

7 11. ANAND employed Plaintiffs and Class Members to work at its multiple Jack in the
8 Box franchises.
9

10 12. Plaintiffs and Class Members were employed by ANAND as restaurant crew and
11 other employees necessary for the function of a Jack in the Box Restaurant.
12

13 13. Plaintiffs and Class Members were never fully relieved of their job responsibilities
14 to allow them to take a 10-minute rest break or meal break.

15 14. Plaintiffs and Class Members were routinely not allowed to take a rest break and
16 frequently, when authorized to take a meal break, were required to cut their meal break short to
17 come assist in the restaurant when it became busy.
18

19 15. The refusal to give Plaintiffs and Class Members rest breaks after they worked for
20 3 ½ hours was in violation of the law.

21 16. When Plaintiffs and Class members worked over five (5) hours in a day, the failure
22 to provide a 30 minute meal break where they were fully relieved of their job responsibilities was
23 in violation of the law.
24

25 17. ANAND did provide Plaintiffs and Class Members with a shirt that they were
26 required to wear as part of their uniform, but ANAND failed to maintain the shirt its employees
27 were required to wear. Plaintiffs and class member have incurred costs maintaining their ANAND
28

shirt that they are required to wear as part of their uniform.

18. Additionally, upon information and belief, it is hereby alleged, that ANAND routinely sent Plaintiffs and Class Members home early before completing half of their scheduled shifts, but they were not paid their "reporting time pay" in violation of IWC Wage Order 1-16, Section 5. The Wage Order requires that, for each workday an employee is required to report to work, but is not put to work or is furnished with less than half of his or her usual or scheduled day's work, the employee must be paid for half the usual or scheduled day's work, but in no event for less than two hours nor more than four hours, at his or his regular rate of pay.

19. Finally, Plaintiffs and Class Members' pay stubs were inaccurate because they failed to reflect bonus pay per day that they were entitled to for not receiving their meal and rest breaks and failed to pay Plaintiffs and Class Members for their reporting time pay.

20. Plaintiffs and Class Members, and each of them, demand a jury trial for each cause of action and allege as follows:

FIRST CAUSE OF ACTION
(BY PLAINTIFFS AND CLASS MEMBERS AGAINST ANAND AND DOES 1-100)
(FAILURE TO PROVIDE MEAL AND REST PERIODS)
[CAL. LABOR CODE § 226.7]

21. Plaintiffs and Class Members hereby reallege and incorporate by reference in each and every preceding paragraph as though fully set forth herein.

22. California Code of Regulations, Title 8, sections 11010-11150 (12)(A) provides that employers shall authorize and permit employees to take rest periods at the rate of ten (10) minutes net rest time per four (4) hours of work. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. During rest periods, employers must relieve their employees of all duties and relinquish any control over how employees spend their break time.

1 23. Accordingly, if an employee works in excess of 3 ½ hours in a day they are entitled
2 to a rest break. Plaintiffs and Class Members routinely worked over 3 ½ hours and were precluded
3 from taking a break. If Plaintiffs or Class members asked to take a break they were denied and if
4 they ever tried to take their rest break they were ordered to immediately return to work.

5 24. Cal. Lab. Code § 512(a) requires California employers to permit their employees
6 to take a thirty (30) minute meal break if they work over five (5) hours and a second meal break if
7 they work over ten (10) hours. An employee's first meal break must start before the end of the
8 employee's fifth hour of work and the employer has a duty to relieve their employees of all duty,
9 relinquish control of the employee's activities, permit their employees a reasonable opportunity to
10 take their entire 30-minute break uninterrupted, and not impede or discourage them from doing so.
11
12 (*Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004).

13 25. Upon information and belief, it is hereby alleged, that Plaintiffs and Class Members
14 would routinely have their meal breaks interrupted and that they were never fully relieved of their
15 job responsibilities during their break. They were required to stay close by and return to work if
16 the restaurant became busy.
17

18 26. ANAND has intentionally and improperly denied, interrupted, impeded, and
19 discouraged meal and rest breaks to Plaintiffs and Class Members in violation of Cal. Lab. Code
20 §§ 226.7.
21

22 27. Cal. Lab. Code § 226.7(c) provides that if an employer fails to provide an employee
23 meal or rest periods in accordance with the law, the employer shall pay the employee one (1) hour
24 of pay at the employee's regular rate of compensation for each workday that the rest period is not
25 provided.
26

27 28. By virtue of ANAND's unlawful failure to provide meal and rest periods to
28

1 Plaintiffs and Class Members, Plaintiffs and Class Members are entitled to an extra hour of pay at
2 their regular rate of compensation for each meal and rest break that was not provided pursuant to
3 the law, plus interest and costs according to proof at trial.

4 **SECOND CAUSE OF ACTION**

5 **(BY PLAINTIFFS AND CLASS MEMBERS AGAINST ANAND AND DOES 1-100)**

6 **(FAILURE TO INDEMNIFY FOR WORK RELATED EXPENDITURES)**

7 **[CAL. LAB. CODE § 2802]**

8 29. Plaintiffs, on behalf of themselves and members of the putative class, realleges and
9 incorporates by reference the allegations in the preceding paragraphs as if fully alleged herein.

10 30. Pursuant to California law, ANAND was and/or is the employer of Plaintiffs and
11 members of the putative class.

12 31. Cal. Lab. Code § 2802 requires an employer to indemnify its employees for all
13 necessary expenditures or losses incurred by the employee in direct consequence of the discharge
14 of his or her duties.

15 32. Plaintiffs and members of the putative class incurred unreimbursed costs, including
16 but not limited to the costs incurred maintaining uniforms that Plaintiff and Class Members were
17 required to wear.

18 33. Such costs were incurred because Plaintiffs and Class Members were required wear
19 shirts issued by Jack in the Box as part of their uniform.

20 34. Accordingly, Plaintiffs and each member of the putative class are entitled to
21 reimbursement for such incurred costs, plus interest, attorney fees and costs.

22 **THIRD CAUSE OF ACTION**

23 **(BY PLAINTIFFS AND CLASS MEMBERS AGAINST ANAND AND DOES 1-100)**

24 **(FAILURE TO PAY EARNED WAGES)**

25 **[CAL. LABOR CODE §§ 204, 210, AND 218]**

26 35. Plaintiffs and Class Members hereby reallege and incorporate by reference each
27
28

1 and every preceding paragraph as though fully set forth herein.

2 36. Cal. Lab. Code § 204 requires employers to pay employees for all hours worked as
3 follows: "all wages... ..earned by any person in any employment are due and payable twice during
4 each calendar month, on days designated in advance by the employer as the regular paydays."

5 37. Cal. Lab. Code § 218 establishes an employee's right to recover unpaid wages
6 overtime compensation, interest thereon, together with the costs of suit, and attorneys' fees.

7 38. Plaintiffs and Class Members were non-exempt hourly employees and entitled to
8 wages as payment for time worked. (Labor Code section 200(a)).

9 39. ANAND failed to pay the minimum Reporting Time Pay in violation of IWC Order
10 1-16, Section 5, which requires it to pay Plaintiffs and Class Members for at least half of their
11 scheduled shift even if they are sent home early.

12 40. At all times relevant herein, ANAND failed to pay Plaintiffs and Class Members
13 wages as required by Cal. Labor Code §§ 204 and 218.

14 41. By virtue of ANAND's unlawful failure to pay wages to Plaintiffs and Class
15 Members for their Reporting Time Pay, Plaintiff and Class Members have suffered, and will
16 continue to suffer, an economic injury in amounts subject to proof at trial.

17 42. Plaintiffs and Class Members pray for recovery of wages due according to proof,
18 interest, attorney's fees and cost pursuant to Cal. Lab. Code § 218, as well as the assessment of
19 any civil penalties of \$100 for the initial violation and \$200 for each subsequent violation plus 25
20 percent of the amounts unlawfully withheld pursuant to Cal. Labor Code § 210.

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25 **FOURTH CAUSE OF ACTION**
26 **(BY PLAINTIFFS AND CLASS MEMBERS AGAINST ANAND AND DOES 1-100)**
27 **(FAILURE TO PROVIDE ACCURATE PAY STUBS)**
28 **[CAL. LABOR CODE § 226]**

43. Plaintiffs and Class Members hereby reallege and incorporate by reference in each

1 and every preceding paragraph as though fully set forth herein.

2 44. Cal. Labor Code § 226 provides that an employer must furnish employees with "an
3 accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by
4 the employee, (3) the number of piece rate units earned and any applicable piece rate if the
5 employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on
6 written orders of the employee may be aggregated and shown as one item, (5) net wages earned,
7 (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee
8 and his or her social security number, except that by January 1, 2008, only the last four digits of
9 his or her social security number or an employee identification number other than a social security
10 number may be shown on the itemized statement, (8) the name and address of the legal entity that
11 is the employer, and (9) all applicable hourly rates in effect during the pay period and the
12 corresponding number of hours worked at each hourly rate by the employee."

15 45. At all times relevant herein, ANAND violated Labor Code § 226, in that ANAND
16 failed to pay Reporting Time Pay and failed to account for the bonus time Plaintiffs and Class
17 Members were entitled to as a result of being deprived of their legally mandated rest breaks.

19 46. Upon information and belief, Plaintiffs and Class Members hereby allege, that
20 ANAND knowingly and intentionally failed to comply with Labor Code §226, causing damages
21 to Plaintiffs. These damages include, but are not limited to, unpaid bonus time, the costs expended
22 calculating the bonus time entitled to, unpaid Reporting Time Pay and the costs expended
23 calculating the bonus pay entitled to, and the amount of employment taxes which were not properly
24 paid to state and federal tax authorities.

26 47. Labor Code § 226(g) states: "An employee suffering injury as a result of a knowing
27 and intentional failure by an employer to comply with [Labor Code section 226(a)] is entitled to
28

1 recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a
2 violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent
3 pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to
4 an award of costs and reasonable attorney's fees."

5
6 48. Here, Plaintiffs and Class Members are entitled to aggregate penalties of up to
7 \$4,000 each, plus reasonable attorneys' fees and costs for ANAND knowing and intentional failure
8 that resulted in damages to Plaintiffs and Class Members.

9
10 **FIFTH CAUSE OF ACTION**
11 **(BY PLAINTIFFS AND CLASS MEMBERS AGAINST ANAND AND DOES 1-100)**
12 **(UNFAIR BUSINESS PRACTICES)**
13 **[BUS. & PROF. CODE § 17200]**

14
15 49. Plaintiffs, on behalf of themselves and members of the putative class, reallege and
16 incorporate by reference the allegations in the preceding paragraphs as if fully alleged herein

17
18 50. Pursuant to California law, ANAND was and/or is the employer of Plaintiffs and
19 members of the putative class.

20
21 51. ANAND violations of the above cited Labor Code provisions constitute unlawful,
22 unfair and/or fraudulent business practices prohibited by California Business & Professions Code
23 § 17200, et seq. and are independently actionable under California Business & Professions Code
24 § 17200, et seq.

25
26 52. As described above, ANAND violations of the California Labor caused Plaintiffs
27 and members of the putative class irreparable harm, and Plaintiffs and members of the putative
28 class are therefore entitled to restitution in the amount of this harm, as well as injunctive and
declaratory relief.

53. Plaintiffs and Class Members are further entitled to, and do, seek a declaration that
the above described business practices are unlawful, unfair and/or fraudulent and also seek

1 injunctive relief restraining ANAND from engaging in any of these unlawful, unfair and/or
2 fraudulent business practices.

3 **SIXTH CAUSE OF ACTION**
4 **(BY PLAINTIFF AGAINST DEFENDANTS AND DOES 1 – 100)**
5 **(PENALTIES PURSUANT TO THE LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004)**
6 **[CAL. LAB. CODE § 2699, ET SEQ.]**
7 **[REPRESENTATIVE ACTION]**

8 54. Plaintiffs, on behalf of current or former employees of DEFENDANT in California,
9 reallege and incorporate by reference the allegations in the preceding paragraphs as if fully alleged
10 herein.

11 55. Cal. Lab. Code § 2699 provides for civil penalties for violations of California
12 Labor Code provisions that may be recovered through a civil action brought by an aggrieved
13 employee.

14 56. Plaintiffs and all current and former employees of DEFENDANTS in California
15 are aggrieved employees as defined by Cal. Lab. Code § 2699(c) because they suffered injury as
16 a result of DEFENDANTS' violation of Labor Code sections 201, 202, 204, 210, 226, 226.7, 510,
17 512, and 2802 and violation of Wage Orders issued by the California Industrial Welfare
18 Commission, including Wage Order 9-200.

19 57. PLAINTIFF seeks to recover on his behalf, on behalf of the State, and on behalf of
20 all current and former aggrieved employees of DEFENDANTS, the civil penalties provided by
21 PAGA plus reasonable attorneys' fees and costs in this representative action.

22 58. Labor Code section 2699, et seq. imposes a civil penalty of \$100 per pay period,
23 per aggrieved employee for initial violations, and \$200 per pay period, per aggrieved employee
24 for subsequent violations for all Labor Code provisions for which a civil penalty is not specifically
25 provided.
26
27
28

1 59. Plaintiffs have complied with the notice requirement of Cal. Lab. Code § 2699.3 by
2 sending written notice by certified mail to Defendant and to the California Labor & Workforce
3 Development Agency ("LWDA") with respect to the Labor Code violations asserted in this
4 Complaint.

5 60. It has been 65 days or more since the LWDA was notified of the Labor Code
6 violations previously asserted in this Complaint, and the LWDA has not provided any notice that
7 it will or will not investigate the alleged violations of which it was informed.
8

9 61. DEFENDANTS have not cured the Labor Code violations of which it was
10 informed.

11 62. As a result, Plaintiffs are entitled to recover, and seek, civil penalties, attorney fees,
12 and costs of suit herein.
13

14 **PRAYER**

15 WHEREFORE, Plaintiffs, on behalf of themselves and the members of each putative
16 class, pray for relief as follows:

- 17 a. Certification of this action as a class action as described above;
18 b. Designation of Plaintiffs as representatives of each putative class;
19 c. Designation of Plaintiffs' Counsel as Class Counsel for the putative class;
20 d. Damages for failure to reimburse for work-related expenditures in excess of
21 \$400,000;
22 e. One hour of wages for each workday in which a rest period break was either
23 untimely or not provided as require by law during the period commencing on the date that is
24 within four years prior to the filing of this Complaint in an amount in excess of \$3,500,000;
25 f. One hour of wages for each workday in which a meal break was either untimely
26
27
28

1 or not provided as require by law, or that the employee was not fully relieved of their job
2 responsibilities for their entire meal break, during the period commencing on the date that is
3 within four years prior to the filing of this Complaint in an amount in excess of \$3,500,000;

4 g. For wages, statutory damages and/or penalties as authorized by law for each
5 violation of Labor Code § 226 up to \$4,000 per Plaintiffs and totaling in excess of \$2,000,000;

6 h. For compensatory damages, including Reporting Time Pay, unpaid wages, and
7 other losses, during the period commencing on the date that is four years prior to the date of the
8 filing of this Complaint, in an amount subject to proof at trial;

9 i. Restitution pursuant to Cal. Bus. & Prof. Code § 17200, et seq.

10 j. Injunctive and declaratory relief pursuant to Cal. Bus. & Prof. Code § 17200, et
11 seq.;

12 k. Statutory and civil penalties pursuant to the Labor Code Private Attorneys
13 General Act of 2004;

14 l. For attorney's fees pursuant to Labor Code section 2699(g) and/or other
15 applicable law;

16 m. Attorneys' fees as provided by the California Labor Code;

17 n. For interest thereon at the maximum legal rate;

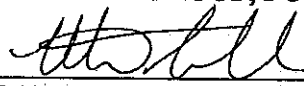
18 o. For costs of suit herein incurred;

19 p. For all other costs or fees recoverable by contract or statute; and

20 q. For such other relief the Court may deem just and proper.

21 DATED: 6/13/23

22 **SCHOECH LAW GROUP, PC**

23 By: 

24 **MATTHEW SCHOECH**
25 Attorneys for Plaintiffs

Gloria Nazareno, et al. v. Anand, Inc., et al.
Sacramento County Superior Court Case No.: 34-2020-00278363

Our File No. 2005010

Service List

Updated on June 13, 2023

Glen A. Van Dyke, Esq. Megan DeHerrera, Esq. Van Dyke Litigation & Trial Attorneys, PC 940 Southwood Blvd., Ste 102 Incline Village, NV 89451 Tel: 530/214-3667 glen@vdlitigation.com megan@vdlitigation.com kelsey@vdlitigation.com (Asst) <i>(electronic service authorized)</i>	Co-Counsel for PLAINTIFFS
Dennis C. Huie, Esq. Aaron M. Scolari, Esq. Emily A. Weiser, Esq. Rogers Joseph O'Donnell 311 California Street, 10th Floor San Francisco, CA 94104 Tel: 415/956-2828 Fax: 415/956-6457 dhuie@rjo.com gjoyce@rjo.com (Asst) ewieser@rjo.com <i>(electronic service authorized)</i>	Attorneys for Defendant ANAND, INC., dba JACK IN THE BOX, a California Corporation
Imagine Reporting book@imaginereporting.com	Deposition Reporter [] <i>Served only if checked</i>

SUPERIOR COURT OF CALIFORNIA COUNTY OF SACRAMENTO		FOR COURT USE ONLY
TITLE OF CASE (Abbreviated): Nazareno, et al., v. Anand, Inc., et al.		
ATTORNEY(S) NAME and ADDRESS TELEPHONE Matthew R. Schoech, Esq. SCHOECH LAW GROUP, PC 3511 Del Paso Road, Ste 160, PMB 227 Sacramento, CA 95835 Tel: (916) 569-1940 Fax: (916) 569-1939		
ATTORNEY(S) FOR: Plaintiffs	HEARING: DATE-TIME-DEPT:	CASE NUMBER 34-2020-00278363

DECLARATION OF SERVICE
[CCP §§ 1013; 1013a; 2015.5]

I, the undersigned, declare: I am, and was at the time of service of the papers herein referred to, over the age of eighteen years, and not a party to the action; I am employed in the County of Sacramento, State of California, within which county the subject mailing occurred. My business address is 3511 Del Paso Road, Ste 160, PMB 227, Sacramento, California 95835. I served the documents named below on the parties in this action as follows:

DOCUMENTS SERVED: Plaintiffs' Second Amended Complaint with Class Allegations

SERVED UPON: (See Attached Listing)

- ☐ **BY MAIL:** I am readily familiar with the firm's practice for collection and processing documents for mailing with the U.S. Postal Service. I caused such documents to be placed in a sealed envelope, addressed to the person(s) on whom it is to be delivered pursuant to the attached service list, with postage thereon fully prepaid, to be deposited with the United States mail at Sacramento, California that same day in the ordinary course of business. [CCP §1013]
- ☐ **BY FACSIMILE:** I caused the document(s) described herein to be transmitted from facsimile number (916) 569-1939 to the facsimile number(s) for each party indicated on the attached service list. [CCP §1013(e)]
- ☐ **BY OVERNIGHT MAIL:** I am readily familiar with the firm's practice for collection and processing of documents for mailing via overnight delivery. I caused such document(s) to be placed in a sealed envelope designated by the overnight service carrier, addressed to the person(s) on whom it is to be served pursuant to the attached service list, and deposited said envelope in a box or other facility regularly maintained by the overnight service carrier with delivery fees paid or provided for. [CCP §1013(c)]
- ☒ **BY ELECTRONIC SERVICE** Based on a court order or an agreement of the parties to accept electronic service, caused the document(s) described herein to be transmitted to the electronic service addresses for each party indicated on the attached service list. [CCP Section 1010.6].

I declare under penalty of perjury under the laws of the state of California that the foregoing is true and correct and that this declaration was executed on **June 13, 2023**, Dixon, California.

Brenda L. Graham

Brenda L. Graham

Exhibit B

MATTHEW R. SCHOECH (SBN 234774)
SCHOECH LAW GROUP, PC
3511 Del Paso Road, Ste. 160, PMB 227
Sacramento, CA 95835
Tel: (916) 569-1940 Fax: (916) 569-1939
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GLEN A. VAN DYKE, ESQ., SBN: 183796
MEGAN DEHERRERA, ESQ., SBN: 306646
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San Francisco, California 94104
Telephone: 415.956.2828
Facsimile: 415.956.6457

Attorneys for Defendant

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

GLORIA NAZARENO, et al.,	) CASE NO. 34-2020-00278363
	)
Plaintiffs,	) JOINT STIPULATION OF CLASS
vs.	) AND PAGA SETTLEMENT
	)
ANAND, INC, dba JACK IN THE BOX et	) Action filed: May 8, 2020
al.,	) Trial Date: None Set
	)
Defendants.	)
	)
	)
	)

1 This Joint Stipulation of Class and PAGA Settlement ("Stipulation of Settlement") is
2 made by and between the Named Plaintiffs, GLORIA NAZARENO and ELOISE IYAR
3 ("Named Plaintiffs") on their own behalf, and on behalf of all Class Members, the Labor &
4 Workforce Development Agency ("LWDA") and all Aggrieved Employees, as defined
5 below, on the one hand, and Defendant ANAND, INC. ("Anand" or "Defendant"), in the
6 above-captioned litigation originally filed in the Superior Court of California County of
7 Sacramento, Case No. 34-2020-00278363, (the "Litigation"). This Stipulation of Settlement
8 resolves all claims that were asserted or could have been asserted against Defendant
9 pertaining to the claims in the Litigation.
10

11 **1. DEFINITIONS**

12 The following terms, when used in this Agreement, have the following meanings:

13 1.1 "Action" means the above stated lawsuit, *Gloria Nazareno et al. v. Anand, Inc*
14 Superior Court of California County of Sacramento, Case No. 34-2020-00278363.

15 1.2 "Aggrieved Employees" means: all individuals in California who have, or
16 continue to, perform work for Defendant Anand, Inc. during the PAGA Claim Period.

17 1.3 "Agreement" or "Settlement" or "Settlement Agreement" means this Joint
18 Stipulation Regarding Class Action and PAGA Settlement and Release.

19 1.4 "Claim Amount" means an individual Qualified Claimants' and Aggrieved
20 Employees' allocation of the Net Settlement Amount and PAGA Payment respectively, as
21 defined in Sections 1.22, 1.26, 5.5, and 5.8.

22 1.5 "Claims Administrator" means and refers to ILYM Group, Inc., the third-party
23 entity that will administer the Agreement as outlined in Sections 4 and 7, or any other third-party
24 class action settlement claims administrator agreed to by the Parties and approved by the Court
25 for the purposes of administering this Agreement. The Parties each represent that they do not
26 have any financial interest in the Claims Administrator or otherwise have a relationship with the
27 Claims Administrator that could create a conflict of interest.
28

1 1.6 “Claims Administrator Costs” means the fees and expenses reasonably incurred
2 by the Claims Administrator as a result of the procedures and processes expressly required by
3 this Agreement, and shall include all costs of administering the Agreement, including, but not
4 limited to, all tax document preparation, custodial fees, and accounting fees incurred by the
5 Claims Administrator; all costs and fees associated with preparing, issuing and mailing any and
6 all notices and other correspondence to Class Members and/or Aggrieved Employees; all costs
7 and fees associated with communicating with Class Members and/or Aggrieved Employees,
8 Class Counsel, and Defendants’ Counsel; all costs and fees associated with computing,
9 processing, reviewing, and paying the Claim Amounts, and resolving disputes; all costs and fees
10 associated with calculating tax withholdings and payroll taxes, if any, making related payment to
11 federal and state tax authorities, if any, and issuing tax forms relating to payments made under
12 the Agreement; all costs and fees associated with preparing any tax returns and any other filings
13 required by any governmental taxing authority or agency; all costs and fees associated with
14 preparing any other notices, reports, or filings to be prepared in the course of administering
15 Claim Amounts; and any other costs and fees incurred and/or charged by the Claims
16 Administrator in connection with the execution of its duties under this Agreement

17 1.7 “Class Counsel” means the law firm of Schoech Law Group, PC and Van Dyke
18 Litigation and Trial Attorneys, PC and all the lawyers of those firms, specifically including
19 but not limited to Matthew Schoech, who is counsel for and acting on behalf of Named
20 Plaintiffs and those who the Named Plaintiffs represent.

21 1.8 “Claim Form” means the document substantially in the form attached hereto as
22 Exhibit 2.

23 1.9 “Class Member(s)” means all individuals in California who have, or continue to,
24 perform work for Defendant Anand, Inc. during the Class Period.

25 1.10 “Class Period” means: from April 6, 2016, up to the date a signed order
26 preliminarily approving the settlement is filed.

27 1.11 “Class Representatives” means Plaintiffs Gloria Nazareno and Eloise Iyar.
28

1.12 "Class Representatives' Released Claims" means all claims arising from, could have been asserted, or related in any way to the claims contained in the Complaints (defined below) and any additional wage and hour claims that could have been brought in the operative Complaints, through the Class Period including, but not limited to, claims under the Private Attorney General Act or 2004 (PAGA) for all purportedly Aggrieved Employees. Class Representatives Gloria Nazareno and Eloise Iyar shall include a broader general release which includes a release of all known and unknown claims and a waiver of rights under Civil Code §1542.

1.13 "Complaint(s)" means the operative Complaints on file in the Action. This shall include an amended complaint that Class Counsel to conform to the claims settled in this Agreement which shall include adding a PAGA cause of action and waiting time penalties pursuant to Labor Code § 203.

1.14 "Court" means the Sacramento County Superior Court.

1.15 "Defendant" means Anand, Inc.

1.16 "Defendant's Counsel" means Dennis C. Huie and Emily A. Murphy of Rogers Joseph O'Donnell.

1.17 "Enhancement Payment" means the amount approved by the Court to be paid to the Class Representatives in recognition of the time and effort expended on behalf of Class Members for the benefit of Class Members, which is in addition to any Claim Amount paid to the Class Representatives as Qualified Claimants.

1.18 "Effective Date" means the 14th calendar day after the Court signs the Final Approval Order unless there is a timely objection logged, in which case, either (a) the 60th calendar day after a signed order granting final approval of this Agreement has been filed provided no motion to vacate the judgment, appeal, writ or other appellate proceeding having been filed; or (b) the seventh (7th) calendar day after any motion to vacate the judgment, appeal, writ, or other appellate proceeding opposing the Agreement has been finally dismissed with no material change to the terms of this Agreement and there is no right to pursue further remedies or relief, whichever is later.

1.19 "Final Approval Date" means the date a signed order granting final approval of this Agreement is filed with the Court.

1.20 "Maximum Gross Settlement Amount" is the sum of Two Hundred and Sixty Thousand Dollars (\$260,000). "Gross Settlement Amount" shall consist of payments to Qualified Claimants, Aggrieved Employees, all approved fees and costs such as attorneys' fees, costs and litigation expenses related to the Action or settlement of the Action, Claims Administrator Costs, the Enhancement Payment to the Class Representatives and the payment to the LWDA. The Gross Settlement Amount shall not exceed the Maximum Gross Settlement Amount.

1.21 "LWDA" means the California Labor and Workforce Development Agency.

1.22 "Net Settlement Amount" is the portion of the Maximum Gross Settlement Amount available for distribution to Qualified Claimants, as described in this Agreement, after deduction of Plaintiffs' attorneys' fees and litigation costs, Claims Administrator Costs, the PAGA Payment, and Enhancement Payment to the Class Representatives. For any amount of the Net Settlement Amount not claimed by Class Members by submitting timely valid Claim Forms, the Parties agree that the minimum amount to be paid to Class Members who submit valid claims (*i.e.*, the settlement floor) will be 40 percent of the Net Settlement Amount; if the amount claimed by Class Members is less than 40 percent, the amount to be paid to Class Members who submit valid claims will be increased *pro rata* until 40 percent of the Net Settlement Amount is paid out. Any unclaimed residue remaining in the Net Settlement Amount will remain Defendants' sole and exclusive property.

1.23 "Notice of Settlement" means the document substantially in the form attached hereto as **Exhibit 1**.

1.24 "Notice Period" means thirty (30) calendar days from the initial mailing of the Notice of Settlement to Class Members and Aggrieved Employees.

1.25 "PAGA" means Private Attorneys General Act.

1 1.26 “PAGA Payment” means the amount allocated from the Gross Settlement
2 Amount towards resolving claims under the Private Attorneys General Act of 2004, California
3 Labor Code §§ 2698 *et seq.*

4 1.27 “PAGA Claim Period” means April 6, 2019, up to the date a signed order
5 preliminarily approving the settlement is filed.

6 1.28 “Parties” mean Defendant and Plaintiffs.

7 1.29 “Preliminary Approval Date” means the date a signed order granting preliminary
8 approval of this Agreement is filed with the Court.

9 1.30 “QSF” means a Qualified Settlement Fund set up by the Claims Administrator for
10 the benefit of the Qualified Claimants and/or Aggrieved Employees and from which the
11 payments under this Agreement shall be made. Any amounts Defendant has agreed to pay under
12 this Agreement shall remain the property of Defendant until the payments required under the
13 Agreement are made.

14 1.31 “Qualified Claimants” mean any and all Class Members who have timely
15 submitted a valid and complete Claim Form and have not made any timely request to opt-out of
16 the Agreement. Class Representatives, as defined in Section 1.11 above, will, by operation of
17 this Agreement, be deemed to have submitted timely Claim Forms and are not required to take
18 any further action under this Agreement to receive their *pro rata* share of the Maximum Gross
19 Settlement.

20 1.32 “Class Members’ Released Claims” means all claims contained in the Complaint,
21 and any additional wage and hour claims that could have been brought in the operative
22 Complaint, through the Class Period. This release excludes the release of claims not permitted
23 by law. The Class Members’ Released Claims exclude claims for workers’ compensation or
24 unemployment insurance benefits. This release will cover all Class Members who do not opt out
25 regardless of whether they have submitted a Claim Form.

26 1.33 “Qualifying Workweeks” are weeks worked by Class Members and/or Aggrieved
27 Employees during the Class Period and/or PAGA Claim Period, respectively, in California. For
28

1 Class Members, workweeks shall be defined as the total length of service (in days) in California
2 during the Class Period divided by seven. For Aggrieved Employees workweeks shall be
3 defined as the total length of service (in days) in California during the PAGA Claim Period
4 divided by seven. The calculation of a Class Member's and/or Aggrieved Employees'
5 workweeks and a determination as to whether a Class Member and/or Aggrieved Employee was
6 actively employed in California in a particular workweek shall be construed from Defendant's
7 records.

8 1.34 "Released PAGA Claims" means any and all claims that were brought under the
9 Private Attorneys General Act, Labor Code § 2698 *et seq.*, in the Complaint or any wage and
10 hour claim that could have been brought in the Complaint during the PAGA Claim Period.
11 Aggrieved Employees cannot opt out of this waiver of claims.

12 1.35 "Released Parties" means Defendant, as well as Defendant's officers,
13 shareholders, directors, owners, agents, current and former employees, attorneys, and insurers,
14 predecessors or successors, or any alleged joint employer or alter-ego of Defendant.

15 **2. DESCRIPTION OF THE LITIGATION**

16 2.1 On or about May 8, 2020, Plaintiff Gloria Nazareno filed putative class action
17 complaint against Defendant Anand, Inc. alleging causes of action for 1) Failure to Provide Meal
18 and Rest Periods in Violation of Cal. Labor Code §§ 226.7; 2) Failure to Indemnify for Work
19 Related Expenditures; 3) Failure to Pay Earned Wages and in Violation of Cal. Labor Code §
20 204, 210, and 218); 4) Failure to Provide Accurate Pay Stubs in Violation of Cal. Labor Code §
21 226; and 5) Unfair Business Practices.

22 2.2 Plaintiff Gloria Nazareno filed a First Amended Complaint on approximately July
23 16, 2020, adding plaintiff Eloise Iyar.

24 2.3 Through formal and informal discovery, Defendant and Defendant's Counsel
25 provided Class Counsel with copies of all applicable versions of its policies and procedures,
26 employee handbooks, information on Class Members including, but not limited to, Class
27 Members' workweeks, dates of employment, total number of Class Members, their rates of pay,
28

1 and pay periods as well as timecard data and payroll reports for Class Members, and arbitration
2 agreements.

3 2.4 After Class Counsel received the data, the Parties agreed to participate in
4 mediation. On April 15, 2021, and again on February 6, 2023, the Parties participated in two
5 lengthy mediations with private mediator Judge Richard L. Gilbert. Although the Parties were
6 unable to reach a resolution at the conclusion of first mediation, after subsequent discussions
7 between the Parties and with the mediator, the Parties were able to come to a resolution during
8 the second mediation. At all times, the Parties' settlement negotiations have been non-collusive,
9 adversarial, and at arm's length.

10 2.5 Discussions between Plaintiffs and Class Counsel, between counsel for the
11 Parties, document productions, extensive legal analysis, the provision of information by
12 Defendant to Plaintiffs and the detailed analysis of the records, including expert analysis, have
13 permitted each side to assess the relative merits of the claims and the defenses to those claims.

14 2.6 In the Action, Plaintiffs contend that Defendants violated California law by failing
15 to provide meal and rest breaks, failing to pay reporting time pay, failing to reimburse work
16 related expenditures, and failing to provide accurate pay stubs. Plaintiffs also allege that these
17 policies and practices resulted in derivative PAGA penalties. Defendant has denied each of
18 Plaintiffs' claims and Defendant has denied that this Action is appropriate for class certification
19 for anything other than settlement purposes. The agreed upon Maximum Gross Settlement
20 Amount was reached after evaluating the Plaintiffs' theories of potential exposure for the
21 underlying claims and the class data supporting these claims. The Parties, with the assistance of
22 the mediator, also assessed appropriate discounts to the potential liability based on Defendant's
23 factual and legal contentions and defenses.

24 2.7 The Parties agree that the above-described investigation and evaluation, as well as
25 discovery and the information exchanged to date, are more than sufficient to assess the merits of
26 the respective Parties' positions and to compromise the issues on a fair and equitable basis.
27 Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel have concluded that it is desirable
28 that the Action be settled in a manner and upon such terms and conditions set forth herein in

1 order to avoid further expense, inconvenience and distraction of further legal proceedings, and
2 the risk of an adverse outcome each of the Parties potentially face in the Action. Therefore, the
3 Parties desire to resolve the claims in the Action. Plaintiffs, Class Counsel, Defendant, and
4 Defendant's Counsel are of the opinion that the Agreement for the consideration and terms set
5 forth herein is fair, reasonable, and adequate in light of all known facts and circumstances.

6 **3. THE CONDITIONAL NATURE OF THIS AGREEMENT**

7 3.1 This Agreement and all associated exhibits or attachments are made for the sole
8 purpose of settling the Action. This Agreement and the settlement it evidences are made in
9 compromise of disputed claims. Because the Action was pled as a class action, this Agreement
10 must receive preliminary and final approval by the Court. Accordingly, the Parties enter into this
11 Agreement and associated settlement on a conditional basis. If the Court does not enter an order
12 granting final approval of the Agreement, or if the Court's approval of the settlement is reversed
13 or materially modified on appellate review, this Agreement shall be deemed null and void; it
14 shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose
15 whatsoever; and the negotiation, terms and entry of the Agreement shall remain subject to the
16 provisions of California Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408,
17 and any other analogous rules of evidence that may be applicable.

18 3.2 Defendant has denied all claims as to liability, damages, liquidated damages,
19 penalties, interest, fees, restitution, injunctive relief and all other forms of relief asserted in the
20 Action. Defendant has agreed to resolve the Action via this Agreement, but to the extent this
21 Agreement is deemed void or the Final Approval Date does not occur, Defendant does not
22 waive, but rather expressly reserve, all rights to challenge all such claims and allegations in the
23 Action upon all procedural and factual grounds, including, without limitation, the ability to
24 challenge class, representative or collective treatment on any grounds, as well as to assert any
25 and all other potential defenses or privileges.

26 **4. SCOPE OF THE CLASS**

27 4.1 The scope of the class of individuals encompassed under the Agreement, who are
28 entitled to all benefits as authorized under the Agreement and subject to all obligations and

1 duties required under the Agreement, shall include all Class Members as defined in Section 1.9
2 and all Aggrieved Employees as defined in Section 1.2. However, it shall not include any Class
3 Members who submit valid and timely requests to opt-out of the Agreement and settlement, as
4 set forth in Section 7.5.1.

5 4.2 Individuals entitled to recover under this Agreement will include only those
6 individuals who are identified as being within the scope of this Agreement under Section 4.1
7 provided that the Class Member has also submitted a timely and valid Claim Form.

8 4.3 Any person who believes that he or she is a Class Member or Aggrieved
9 Employee and wishes to participate in the Agreement, but did not receive a Notice of Settlement
10 because his or her name did not appear on the class list provided to the Claims Administrator
11 prior to mailing, may submit a data request to the Claims Administrator. The data request must
12 contain all of the following information: (a) the full name and, if applicable, Social Security
13 Number of the individual making the request; (b) the name used by such employee as of the time
14 his or her employment with Defendant ended; (c) the years during which such employee was
15 employed with Defendant; and (d) a return address to which a response may be sent. Every data
16 request must be postmarked on or before the conclusion of the Notice Period or otherwise
17 submitted to the Claims Administrator such that it is received before the conclusion of the Notice
18 Period. Upon receipt of any data requests, the Claims Administrator shall promptly (in no event
19 more than two business days) transmit the data requests to Defendant's Counsel and request that
20 Defendant review its records.

21 4.4 If Defendant agrees that the person listed in a data request is a Class Member
22 and/or Aggrieved Employee, the Claims Administrator shall promptly mail a Notice of
23 Settlement to the person who submitted the data request, at the address designated for that
24 purpose in the data request. All provisions of this Agreement relating to the Notice of
25 Settlements shall apply to Notice of Settlements sent in response to data requests, and any person
26 who submits a data request and is sent a Notice of Settlement in response shall be treated by the
27 Claims Administrator as a Class Member and/or Aggrieved Employee for all other purposes.
28

1 4.5 If Defendant disagrees that the person listed in a data request is a Class Member
2 and/or Aggrieved Employee, Defendant's Counsel and Class Counsel shall attempt to resolve
3 any such dispute in good faith within seven (7) calendar days of Class Counsel being advised in
4 writing of the data request dispute. Defendant's records shall control unless the individual
5 submitting the data request provides persuasive evidence to doubt the accuracy of those records.
6 Each data request dispute that Defendant's Counsel and Class Counsel cannot timely resolve
7 shall be resolved by the Claims Administrator. The Claims Administrator must accept and
8 weigh all the evidence provided in a good faith attempt to resolve the dispute. The Claims
9 Administrator must resolve any dispute submitted to it within seven (7) calendar days after
10 Defendant's Counsel and Class Counsel submit the dispute to the Claims Administrator. The
11 decision by the Claims Administrator shall be final and there shall be no right of appeal.

12 **5. TERMS OF THE SETTLEMENT**

13 The Parties agree as follows:

14 5.1 Maximum Gross Settlement Amount and Gross Settlement Amount: In
15 consideration and exchange for the releases described in Section 6, Defendant shall pay up to the
16 Maximum Gross Settlement Amount (\$260,000) on a claims made basis. Funding in the amount
17 of the Gross Settlement Amount shall occur within twenty-one (21) days after the Final Approval
18 Date to be held in trust in a QSF by the Claims Administrator for no more than fourteen (14)
19 days after Defendant's last day to fund the settlement at which time the Claims Administrator
20 will disburse settlement funds as described in Section 7.8. Any monies necessary to satisfy
21 Defendant's tax obligations (e.g. employer FICA, FUTA and SDI contributions on wage
22 payments) on any monies distributed to Qualified Claimants will be paid in addition to the Gross
23 Settlement Amount.

24 5.2 Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's
25 fees of 33 1/3% or \$86,666.67 of the Maximum Gross Settlement Amount, which shall be paid
26 from the Maximum Gross Settlement Amount. Defendant has agreed to not oppose Class
27 Counsel's application for attorneys' fees so long as it does not exceed the \$86,666.67 threshold.
28 Class Counsel will also be entitled to reimbursement for advanced litigation expenses not to

1 exceed \$23,000, which shall be paid from the Maximum Gross Settlement Amount. Defendant
2 has agreed to not oppose Class Counsel's request for reimbursement for advanced litigation
3 expenses so long as they do not exceed the \$23,000 threshold. The Claims Administrator will
4 issue Class Counsel an IRS Form 1099 for the attorneys' fees and costs paid under this
5 Agreement. In the event that the Court awards less than the requested attorney's fees and/or
6 costs, the portion of the requested amounts not awarded to Class Counsel shall be added to the
7 Net Settlement Amount to be distributed to Qualified Claimants on a pro rata basis.

8 5.3 Claims Administrator Costs: The Claims Administrator Costs shall be paid from
9 the Maximum Gross Settlement Amount and shall not exceed \$17,650. The difference between
10 any actual costs and the allocated \$17,650 shall be added to the Net Settlement Amount.

11 5.4 Enhancement Payment: Class Counsel, on behalf of Plaintiffs, shall apply to the
12 Court for an Enhancement Payment to the Class Representatives in an amount not to exceed Ten
13 Thousand Dollars (\$10,000) to compensate for the risks, time, and expense of their involvement
14 in the Action and securing the benefits of this Agreement for Class Members. The Enhancement
15 Payment is in addition to the Claim Amount Plaintiffs would otherwise be due under the
16 Agreement as a Qualified Claimants. Defendant has agreed to not oppose Class Counsel's
17 request for an Enhancement Payment to Plaintiffs so long as it does not exceed the amount stated
18 herein. The Enhancement Payment will be designated as a non-wage payment and reported on
19 an IRS Form 1099. In the event that the Court awards less than the Enhancement Payment
20 amount requested, then any portion of the requested amount not awarded to the Class
21 Representatives shall be added to the Net Settlement Amount to be distributed to Qualified
22 Claimants on a pro rata basis.

23 5.5 PAGA Payment: \$10,000 (Ten Thousand Dollars) of the Maximum Gross
24 Settlement Amount shall be allocated to resolving claims under the PAGA. Seventy-Five percent
25 (75%) of the PAGA Payment will be paid to the LWDA and Twenty-Five percent (25%) will be
26 paid to Aggrieved Employees on a pro rata basis as described below in Section 5.5. Any amount
27 not approved by the Court for the allocated PAGA Payment shall be added to the Net Settlement
28 Amount to be distributed to Qualified Claimants on a pro rata basis.

1 5.6 Treatment of Residue: For any portion of the Net Settlement Amount or PAGA
2 Payment allocated to Qualified Claimants and/or Aggrieved Employees that were not claimed by
3 cashing their respective settlement checks before the deadline to do so, that remaining amount
4 shall be returned to Defendant.

5 5.7 No Additional Benefits Contributions: All Claim Amounts paid to Qualified
6 Claimants and Aggrieved Employees shall be deemed to be income solely in the year in which
7 such amounts were actually received. It is expressly understood and agreed that the receipt of
8 such Claim Amounts will not entitle any Qualified Claimant or Aggrieved Employee to any new
9 or additional compensation or benefits under any company bonus or other compensation or
10 benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle
11 any Aggrieved Employee to any increased retirement, 401(k) and/or 403(b) benefits or matching
12 benefits, or deferred compensation benefits. It is the intent of this Agreement that the Claim
13 Amounts provided for in this Agreement are the sole payments to be made by Defendant to the
14 Qualified Claimants and Aggrieved Employees in connection with this Agreement
15 (notwithstanding any contrary language or agreement in any benefit or compensation plan
16 document that might have been in effect during the period covered by this Agreement).

17 5.8 Pro Rata Distribution Formula: Payment to Qualified Claimants of their share of
18 the Net Settlement Amount will require the submission of a Claim Form. Payment to Aggrieved
19 Employees of their share of the PAGA Payment will not require the submission of a Claim
20 Form. Payment of Claim Amounts to Qualified Claimants shall be as follows:

21 5.8.1 A Net Settlement Amount will be determined by subtracting from the
22 Maximum Gross Settlement Amount any amounts approved by the Court for attorneys' fees and
23 costs, any Enhancement Payment to the Class Representatives, the Claims Administrator Costs,
24 and the PAGA Payment. Each Qualified Claimants' share of the Net Settlement Amount shall
25 be determined by taking the Qualifying Workweeks for the individual Qualified Claimant and
26 dividing that by the Qualifying Workweeks for all Class Members and multiplying that fraction
27 by the Net Settlement Amount. However, regardless of the claims rate, Defendants shall be
28 obligated to pay out a minimum of 40% of the Net Settlement Amount. If less than 40% of the

1 Net Settlement Amount is claimed by Qualified Claimants, the Qualified Claimants will have
2 their individual shares of the Net Settlement Amount increased, pro rata, until 40% of the Net
3 Settlement Amount is distributed. Any portion of the Net Settlement Amount in excess of the
4 minimum 40% threshold that is not claimed by Qualified Claimants shall remain the property of
5 Defendant.

6 5.8.2 Class Representatives, as defined in Section 1.11 above, will, by operation
7 of this Agreement, be deemed to have submitted timely Claim Forms and are not required to take
8 any further action under this Agreement to be considered Qualified Claimants and receive their
9 *pro rata* share of the Maximum Gross Settlement.

10 5.8.3 Each Aggrieved Employee's share of the 25% portion of the PAGA
11 Payment will be determined by dividing their total weeks worked within the PAGA Claim Period
12 by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That
13 fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the
14 Aggrieved Employee's individual share.

15 5.9 Tax Allocation: The Parties recognize that the Claim Amounts to be paid to
16 Qualified Claimants and/or Aggrieved Employees reflect a settlement of a dispute over claimed
17 penalties and wages. The Claims Administrator shall calculate the employer's share of payroll
18 taxes on the amounts paid to Qualified Claimants as wages as well as calculating all required
19 withholdings and deductions from said wage payments. The characterization of Claim Amounts
20 to Qualified Claimants and Aggrieved Employees are as follows:

21 5.9.1 Ten Percent (10%) of each Qualified Claimants' Claim Amount shall be
22 allocated for payment of disputed wages and shall be subject to required payroll taxes. Qualified
23 Claimants shall receive an IRS Form W-2 for reporting of this portion of their Claim Amount.

24 5.9.2 Ninety percent (90%) of each Qualified Claimants' Claim Amount shall
25 be allocated for disputed statutory penalties and interest, and no amount shall be deducted for
26 any payroll taxes. This portion of the Claim Amount consists of other income, not wages, for
27 which the Qualified Claimants shall receive an IRS Form 1099-MISC.

28

1 5.9.3 The entirety (100%) of each Aggrieved Employee's share of the 25%
2 portion of the PAGA Payment shall be allocated for payment of disputed civil penalties, and no
3 amount shall be deducted for any payroll taxes. This portion of the Claim Amount consists of
4 other income, not wages, for which the Aggrieved Employees shall receive an IRS Form 1099-
5 MISC.

6 5.10 Qualified Claimants and Aggrieved Employees shall be solely responsible for the
7 reporting and payment of their share of any federal, state and/or municipal income or other taxes
8 on payments made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and
9 Defendant's Counsel free and harmless from any claims resulting from treatment of such
10 payments as non-taxable, including the treatment of such payments as not subject to withholding
11 or deduction for payroll and employment taxes. No party has made any representation to any of
12 the other Parties as to the taxability of any payments pursuant to this Agreement, including the
13 payments to Qualified Claimants, the payments to Aggrieved Employees, the payments to Class
14 Counsel, the payments to the Class Representatives, the payroll tax liability of Defendant, or the
15 allocation of the Net Settlement Amount or PAGA Payment to wage and non-wage income as
16 provided in this Section, or otherwise as to tax implications of any provision of this Agreement.

17 5.11 No Additional Contribution by Defendant: Defendant's monetary obligation
18 under this Agreement is limited to the Gross Settlement Amount plus additional funds, if any,
19 due under the Escalator Clause, and any employer side payroll taxes owed on amounts
20 characterized as wages under this Agreement . All other costs and expenses arising out of or in
21 connection with the performance of this Agreement shall be paid from the Gross Settlement
22 Amount, unless expressly provided otherwise herein. However, in the event this agreement is
23 deemed null and void as described in Section 3 because the Court, in its independent
24 determination, finds that the Agreement does not meet the standards for settlement approval,
25 then Defendant and Plaintiffs shall be equally responsible for the costs of the Claims
26 Administrator incurred between the date the Agreement was executed and the date of such event.

1 5.12 Certification For Settlement Purposes: The Parties agree that, for purposes of
2 settlement only, certification of the class as defined in Section 1.9 and 4.1 is appropriate and the
3 requisites for establishing class certification have been met and are met.

4 5.13 Adequacy of Class Counsel and Class Representatives: The Parties agree that, for
5 purposes of settlement only, Class Counsel and Plaintiffs are adequate representatives for Class
6 Members and Aggrieved Employees.

7 **6. RELEASE**

8 6.1 Release of Claims by Class Members: Upon the Effective Date, all Class
9 Members who did not opt out will be deemed to fully, finally and forever release Class
10 Member's Released Claims as to all Released Parties. In addition, on the Effective Date, all
11 Class Members who did not opt out and their successors in interest will be permanently enjoined
12 and forever barred from prosecuting any of Class Members' Released Claims against any of the
13 Released Parties.

14 6.2 Release of Claims by Aggrieved Employees: Upon the Effective Date, all
15 Aggrieved Employees will be deemed to fully, finally and forever release the Released PAGA
16 Claims as to all Released Parties. In addition, on the Effective Date, all Aggrieved Employees
17 and their successors in interest will be permanently enjoined and forever barred from prosecuting
18 any of the Released PAGA Claims against any of the Released Parties.

19 6.3 Release by Plaintiffs: Upon the Effective Date, Plaintiffs will be deemed to fully,
20 finally and forever release the Class Member's Released Claims, Released PAGA Claims, and
21 Class Representatives' Released Claims as to all Released Parties. In addition, on the Effective
22 Date, Plaintiffs and any successors in interest will be permanently enjoined and forever barred
23 from prosecuting any of the Class Members' Released Claims, Released PAGA Claims, and
24 Class Representatives' Released Claims against any of the Released Parties.

25 **7. SETTLEMENT ADMINISTRATION**

26 7.1 Duties of Claims Administrator: The Claims Administrator shall be responsible
27 for: 1) receiving Class Member and Aggrieved Employee contact information and confirming
28 addresses are valid; 2) calculating estimated Claim Amounts and any and all taxes associated

1 with the Claim Amounts, including Employer taxes; 3) taking appropriate steps to trace and
2 locate any individual Class Members and Aggrieved Employee whose address or contact
3 information as provided to the Claims Administrator is inaccurate or outdated and mailing the
4 Notice of Settlement and Claim Form to Class members; 4) providing notification to the
5 appropriate state and federal officials of this Agreement as required under the law; 5) receiving,
6 independently reviewing, and resolving any challenges (in consultation with Class Counsel and
7 Defendant's Counsel) from Class Members or Aggrieved Employees, including any associated
8 documentation, regarding their Qualified Workweek calculations; 6) receiving and serving on
9 Class Counsel, Defendant's Counsel, and the Court, copies of any written objections, and/or any
10 opt out statements; 7) establishing a toll free telephone line and responding to inquiries and
11 requests for information or assistance from Class Members and/or Aggrieved Employees; 8)
12 maintaining a QSF; 9) determining and paying the final amounts due to be paid under the
13 Agreement after resolution of all challenges, disputes, opt-outs, awarded attorneys' fees and
14 costs, Claims Administrator Costs, PAGA Payment, taxes, any Enhancement Payments, and for
15 funds that cannot be distributed due to the inability to locate Class Members or Aggrieved
16 Employees; 10) determining the validity of any disputes or late opt-outs by previously
17 unidentified Class Members or Aggrieved Employees; 11) paying any residual funds from
18 uncashed checks; 12) reporting to Class Counsel and Defendant's Counsel regarding the
19 statistics of the administration, including, but not limited to, (a) the number of initial Notice of
20 Settlements and Claim Forms mailed; (b) the number of forwarded Notice of Settlements and
21 Claim Forms; (c) the number of re-mailed Notice of Settlements and Claim Forms; (d) the
22 number of total undeliverable Notice of Settlements and Claim Forms; (e) the number of address
23 traces performed for undeliverable Notice of Settlements and Claim Forms; (f) the number of
24 Notice of Settlements and Claim Forms undeliverable from traced addresses; (g) the number of
25 total objections received; (h) the number of opt-out requests received; (i) the number of disputes
26 received; (j) the number of disputes resolved; 13) providing a declaration to the Court regarding
27 the final statistics of the administration and compliance with all payment obligations under the
28 Agreement; 14) completing all necessary tax reporting on the QSF and payment of the Claim

1 Amounts to Qualified Claimants and Aggrieved Employees; 15) receiving completed Claim
2 Forms and determining whether the Claim Form is timely and valid, or notifying Class Counsel
3 and Defendant's Counsel if they are unable to determine the validity or timeliness of a Claim
4 Form; and 16) carrying out other related tasks as necessary to effectuate the terms of this
5 Agreement and any Order of the Court. All disputes relating to the Claims Administrator's
6 ability and need to perform its duties shall be referred to the Court, if necessary, which will have
7 continuing jurisdiction over the terms and conditions of this Agreement, until all payments and
8 obligations contemplated by the Agreement have been fully executed.

9 7.2 Notice to Class Members and Aggrieved Employees: The Notice of Settlements
10 and Claim Forms will provide Class Members and Aggrieved Employees with a summary of the
11 terms and conditions of the Agreement, how to participate in the settlement, how to object to the
12 Agreement, how to dispute the individual's Qualifying Workweeks, and how to opt-out from the
13 Agreement. The Notice of Settlement will also inform Class Members and Aggrieved
14 Employees of the Maximum Gross Settlement Amount, Net Settlement Amount, proposed
15 attorneys' fees and costs allocations, any proposed Enhancement Payments, proposed Claims
16 Administrator Cost allocations, proposed PAGA Payment allocations, the scope of the class, the
17 nature and extent of the released claims, dates set for a fairness hearing and hearing on Class
18 Counsels' motion for attorneys' fees and costs. The Notice of Settlement shall include
19 information regarding Class Member's and Aggrieved Employee's estimated Claim Amount.

20 7.3 Class Member Data and Mailing: No later than fourteen (14) calendar days after
21 the Preliminary Approval Date, Defendants shall provide the Claims Administrator with the
22 name, last known mailing address, last known telephone number, Social Security Number, start
23 and end date of employment (if any) of each Class Member, and any other information the
24 Claims Administrator needs to effectuate notice to Class Members and Aggrieved Employees as
25 outlined herein. The Claims Administrator shall review the data to determine the number of
26 Qualifying Workweeks for each Class Member and Aggrieved Employee. No later than fourteen
27 (14) calendar days after receipt of such address information, the Claims Administrator will
28 perform a national change of address ("NCOA") search, update the addresses per the results of

1 the NCOA search, and then mail the Notice of Settlement and Claim Form, substantially in the
2 form attached as Exhibit 1 & Exhibit 2 respectively, to each Class Member and Aggrieved
3 Employee by first-class mail, postage prepaid. The Claims Administrator shall maintain all
4 information received from Defendant confidential to itself, and Defendant's Counsel. However,
5 Class Counsel shall be able to review the breakdown of Qualified Workweeks and estimated
6 Claim Amounts for Class Members and Aggrieved Employees prior to mailing for quality
7 assurance provided the personal identifying information is redacted and/or omitted.

8 7.4 Returned and/or Re-mailed Notice of Settlements, and Reminder Mailings: In the
9 event that a Notice of Settlement and Claim Form is returned to the Claims Administrator as
10 non-delivered on or before the conclusion of the Notice Period, the Notice of Settlement and
11 Claim Form shall be sent to the forwarding address affixed thereto within five (5) calendar days.
12 If no forwarding address is provided, then the Claims Administrator shall promptly attempt to
13 determine a correct address using a single skip-trace, computer or other search using the name,
14 address and/or Social Security number of the individual involved, and shall then perform a single
15 re-mailing within five (5) calendar days. Following each search that does not result in a
16 corrected address, for those Class Members who appear to be current employees of Defendant at
17 the time of the Preliminary Approval Date, the Claims Administrator shall contact Defendant's
18 Counsel for assistance and Defendant shall cooperate in good faith with the Claims
19 Administrator's reasonable efforts to obtain valid mailing addresses for Class Members to the
20 extent they are active employees of Defendant. In the event the Notice of Settlement and Claim
21 Form is forwarded to a new address and/or re-mailed to a Class Member, the deadline for the
22 Class Member to submit any request to opt-out, dispute, objection or Claim Form shall be the
23 end of the Notice Period or 10 days from the date of the re-mailing, whichever is later. No later
24 than thirty-five (35) calendar days after the Notice of Settlement and Claim Form were mailed to
25 Class Members, the Claims Administrator shall send one (1) reminder post card to each Class
26 Member who has not opted out and who has not submitted a Claim Form. The reminder post
27 card shall simply state the name of the case, the fact that the Claims Administrator has not yet
28 received a Claim Form from the Class Member, state the deadline to submit the Claim Form, and

1 state the Claims Administrator's contact information. The reminder post-card shall notify Class
2 Members that if they need a replacement Claim Form, they are to contact the Claims
3 Administrator immediately to secure one. In the event the procedures in this Section are
4 followed and the Class Member does not timely and properly request to opt-out, the Class
5 Member shall be bound by all terms of the Agreement, including the Releases contained in
6 Section 6.

7 7.5 Responses to Notice of Settlement:

8 7.5.1 *Opt-Outs:* The Notice of Settlement shall provide that Class Members
9 who wish to exclude themselves from the Agreement must submit a request to opt-out as
10 provided in this Section. The request to opt-out must (a) state the Class Member's full name and
11 date of birth; (b) a statement that he or she does not want to be a Class Member, does not want to
12 participate in the settlement, and/or wants to be excluded from the settlement; (c) identify the
13 case name and number; (d) be signed; and (e) be post-marked no later than the conclusion of the
14 Notice Period or the re-mailing timeline stated in Section 7.4. The Class Member must
15 personally sign the request to opt-out. No request to opt-out may be made on behalf of a group
16 of Class Members. The date of the postmark on the return-mailing envelope shall be the
17 exclusive means used to determine whether a request to opt-out has been timely submitted. Any
18 Class Member who requests to opt-out of the Agreement will not be entitled to any benefit of the
19 Agreement or any portion of the Net Settlement Amount, will not be bound by the Agreement,
20 nor will they have any right to object, appeal or comment thereon. Class Members who fail to
21 submit a valid and timely request to opt-out shall be bound by all terms of the Agreement and
22 any order or final judgment thereon, regardless of whether they otherwise have requested to opt-
23 out of the Agreement or failed to submit a Claim Form. Aggrieved Employees cannot opt out of
24 this Agreement as it relates to the PAGA Payment or Released PAGA Claims regardless of
25 whether they opt out of being a Class Member.

26 7.5.2 *Objection Procedures:* Any Class Member who does not opt-out but who
27 wishes to object to this Agreement or otherwise to be heard concerning this Agreement shall
28 send their written objections to the Claims Administrator and also serve copies of the objections

1 on Class Counsel and Defendant's Counsel. The Notice of Settlement shall make clear that the
2 Court can only approve or deny the Agreement, not change the terms of the Agreement. The
3 objection must (a) state the Class Member's full name and date of birth; (b) provide evidence
4 that the individual is, in fact, a Class Member; (c) state the reasons for the objection(s), including
5 any legal analysis and/or supporting documentation; (d) identify the case name and number ;(e)
6 be signed; and (f) be post-marked no later than the conclusion of the Notice Period or the re-
7 mailing timeline stated in Section 7.4. The objecting Class Member must also file a notice of
8 intent to appear with the Court and serve the notice on Class Counsel and Defendant's Counsel,
9 if they intend to appear at the final approval hearing.

10 7.5.3 *Dispute Procedures:* Any Class Member who disputes the number of
11 Qualifying Workweeks on the Notice of Settlement shall contact the Claims Administrator. The
12 dispute must (a) identify the nature of the dispute; (b) provide any information or documentation
13 supporting the dispute; (c) be signed; and (d) be post-marked no later than the conclusion of the
14 Notice Period or the re-mailing timeline stated in Section 7.4. The Claims Administrator shall
15 promptly (in no event more than two business days) forward all such disputes to Defendant's
16 Counsel and request that Defendant review the dispute. Defendant's records shall presumptively
17 control unless the Class Member can produce documentation evidencing other periods of
18 employment worked. If Defendant agrees with submitted information, the Class Member shall
19 be credited or subtracted Qualifying Workweeks in accordance with their submitted dispute and
20 that final number of Qualified Workweeks shall govern the calculation of that Class Member's
21 Claim Amount. If Defendant disagrees with the submitted information, Defendant's Counsel
22 will promptly advise Class Counsel of the dispute, which includes turning over any
23 documentation submitted by the Class Member as part of the dispute. Defendant's Counsel and
24 Class Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar
25 days of Class Counsel being advised of the dispute. Each dispute that Defendant's Counsel and
26 Class Counsel cannot timely resolve shall be resolved by the Claims Administrator or Court.

27 7.5.4 *Claim Forms:* A Class Member must sign and return a Claim Form,
28 substantially in the form as set forth in Exhibit 2 to this Agreement, that is post marked before

1 the end of the Notice Period, subject to any extensions of time for the reasons set forth in Section
2 7.4, in order to be considered a Qualified Claimant and receive a portion of the Net Settlement
3 Amount. As outlined in Section 5.8.2 above, Class Representatives will not be required to
4 return a Claim Form in order to be considered a Qualified Claimant and receive their *pro rata*
5 share of the Gross Settlement Amount.

6 7.5.5 *Deficient Opt-Outs, Objections, Disputes, or Claim Forms:* In the event
7 that a deficient opt-out, objection, dispute, or Claim Form is received on or before the conclusion
8 of the Notice Period, excluding any extension of time for the reasons set forth in Section 7.4, the
9 Claims Administrator shall mail a letter to the Class Member within five (5) calendar days
10 informing them of the deficiency. If a deficiency letter is mailed to a Class Member, the
11 deadline for the Class Member to cure the deficiency shall be the end of the Notice Period or 10
12 days from the date of the deficiency letter, whichever is later.

13 7.6 Due Process Acknowledgement: Compliance with the procedures set forth in
14 Sections 7.1 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Action
15 and the Agreement and shall satisfy Class Members' due process rights. Nothing else shall be
16 required of the Parties, Class Counsel or Defendant's Counsel to provide notice of the proposed
17 Agreement.

18 7.7 Claims Administrator Declaration Regarding Notice Period: Within twenty-one
19 (21) days after the conclusion of the Notice Period, the Claims Administrator shall provide Class
20 Counsel and Defendant's Counsel with a signed declaration under penalty of perjury providing a
21 complete and detailed report regarding the statistics and responses of settlement administration to
22 date and all the Claims Administrators' obligations under Sections 5.8 to 5.9-5.9.3, 7.1 to 7.5.5,
23 and 7.9.

24 7.8 Claims Administrator Payments to Qualified Claimants, Aggrieved Employees,
25 Class Counsel and Plaintiffs: Within seven (7) calendar days after the Final Approval Date and
26 the Court's determination of the amount of attorneys' fees and costs payable to Class Counsel,
27 the Enhancement Payment payable to Plaintiffs, the PAGA Payment, and Claims Administrator
28 Costs, the Claims Administrator shall calculate the final Net Settlement Amount, the final Claim

1 Amounts for Qualified Claimants and/or Aggrieved Employees, any applicable taxes thereon,
2 and report the results of these calculations Class Counsel and Defendant's Counsel. Defendant
3 shall wire the Gross Settlement Amount and applicable taxes necessary to fund the Settlement as
4 described in Section 5.1 to the Claims Administrator within twenty-one (21) days after the Final
5 Approval Date to be to be held in trust in a QSF. Within fourteen (14) days after Defendant's
6 last day to fund the settlement, the Claims Administrator shall deliver payment of Class
7 Counsels' attorney's fees and costs, the Enhancement Payment payable to Plaintiffs, the 75%
8 portion of the PAGA Payment payable to the LWDA, Claims Administrator Costs, and payment
9 to Qualified Claimants and/or Aggrieved Employees as required under this Agreement and
10 approved by Court.

11 7.8.1 The Claims Administrator shall mail, with tracking and delivery, the
12 Court-approved attorneys' fees and costs to Class Counsel unless other method is requested by
13 Class Counsel. Class Counsel shall provide the Claims Administrator with the pertinent taxpayer
14 identification number and payment instructions after the Final Approval Date.

15 7.8.2 The Claims Administrator shall send a check by mail for the Court-
16 approved Enhancement Payment to the Class Representatives, care of Class Counsel unless other
17 method is requested by Class Counsel.

18 7.8.3 Only Qualified Claimants and Aggrieved Employees will receive their
19 Claim Amount.

20 7.8.4 The Claims Administrator shall remit and report the applicable portions of
21 the payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its
22 duties under this Agreement. Defendant agrees to reasonably cooperate with the Claims
23 Administrator to the extent necessary to determine the amount of the payroll tax payment
24 required.

25 7.9 Settlement Check Expiration and Uncashed Checks: The Claims Administrator
26 shall issue Claim Amounts to Qualified Claimants and Aggrieved Employees in the form of a
27 check, which shall become null and void if not deposited within one hundred twenty (120)
28 calendar days of issuance. After one hundred twenty (120) calendar days of issuance, the checks

1 shall be voided and funds from all uncashed checks shall be transmitted in accordance with
2 Section 5.6. The Claims Administrator shall deliver these funds within fourteen (14) calendar
3 days after the check cashing deadline.

4 7.10 Claims Administrator Declaration Regarding Compliance and Settlement

5 Administration: Within twenty-one (21) days after the last day for Qualified Claimants and
6 Aggrieved Employees to cash their settlement checks, the Claims Administrator shall provide
7 Class Counsel and Defendants' Counsel with a signed declaration under penalty of perjury
8 providing a complete and detailed report regarding the settlement administration documenting
9 that all payments under the Agreement have been made, that the Court's final approval order has
10 been complied with, and that all the obligations of the Claims Administrator have been
11 completed.

12 **8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE**

13 8.1 The schedule may be modified depending on whether and when the Court grants
14 necessary approvals, orders notice to Class Members, and sets further hearings. The schedule
15 may also be modified to correct clerical errors and to reflect the provisions in the Agreement as
16 described above. In the event of such modification, the Parties shall cooperate to complete the
17 settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for
18 notice, approval, and payment procedures carrying out the Agreement is as follows:
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Last day for Defendant to provide Claims Administrator with Class Member information	Within 14 calendar days after the Preliminary Approval Date
Last day for Claims Administrator to complete NCOA search, update Class Member mailing information, and mail Notice of Settlement and Claim Form	Within 14 calendar days after the Claims Administrators' receipt of Class Members' information from Defendants
Last day for Claims Administrator to mail reminder post card to Class Members who have not opted out and have not submitted Claim Forms	35 calendar days after mailing of Notice of Settlement
Last day for Class Members to opt-out, submit disputes, submit objections, submit data requests, and submit Claim Form	60 calendar days after mailing of Notice of Settlement and Claim Form or within 10 days after Notice of Settlement and Claim Form is re-mailed, whichever is later
Last day for Claims Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 21 calendar days after end of the Notice Period
Last day for Claims Administrator to calculate the final Net Settlement Amount, the final Claim Amounts for Qualified Claimants and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations Class Counsel and Defendants' Counsel	Within 7 days after the Final Approval Date
Last day for Defendants to fund settlement	Within 21 calendar days after the Final Approval Date
Last day for Claims Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Claims Administrator Costs, payment to Qualified Claimants, and payment to Aggrieved Employees	Within 14 calendar days after Defendants' last day to fund the settlement
Last day for Qualified Claimants and Aggrieved Employees to cash settlement checks	120 days after issuance of checks to Qualified Claimants and Aggrieved Employees
Last day for Claims Administrator to deliver value of uncashed settlement checks to Defendants	Within 14 days after settlement check cashing deadline
Last day for Claims Administrator to provide Parties with compliance declaration	Within 21 days after settlement check cashing deadline

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2 **9. DUTIES OF THE PARTIES**

3 9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an
4 unopposed motion to be filed as soon as reasonably practicable, an order from the Court
5 preliminarily approving this Agreement at the earliest possible date concurrently with the Court's
6 certification of the Action as a class action for settlement purposes. The Parties further agree to
7 fully cooperate in the drafting and/or filing of any further documents or filings reasonably
8 necessary to be prepared or filed, shall take all steps that may be requested by the Court relating
9 to, or that are otherwise necessary to the approval and implementation of this Agreement and
10 shall otherwise use their respective best efforts to obtain certification for settlement purposes,
11 approval of, and implementation of this Agreement. The Parties will submit this Agreement to
12 the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain
13 its final approval. Within one week of signing this Agreement Class Counsel shall provide a
14 draft of the Preliminary Approval Motion to Defendants' Counsel. Defendants' Counsel will
15 provide comments and/or proposed revisions within one week after receipt of the draft
16 Preliminary Approval Motion from Class Counsel. With regard to the final approval documents,
17 a similar one-week maximum review and response time shall be observed by the Parties. The
18 Parties will request that the Court's preliminary approval of this Agreement be embodied in an
19 Order Granting Preliminary Approval of Class Action and PAGA Settlement.

20 9.1.1 Plaintiffs' motion shall seek an order: 1) Preliminarily approving the
21 Agreement; 2) Approving as to form and content the proposed Notice of Settlement and Claim
22 Form; 3) Directing the mailing of the Notice of Settlement and Claim Form by first class mail to
23 Class Members and Aggrieved Employees; 4) Preliminarily appointing Plaintiffs and Class
24 Counsel as representatives of Class Members; 5) Preliminarily approving settlement
25 administration services to be provided by the Claims Administrator; 6) Preliminarily approving
26 the proposed Enhancement Payment to Plaintiffs; 7) Preliminarily approving the application for
27 payment of reasonable attorneys' fees and reimbursement of litigation-related expenses to Class
28

1 Counsel; and 8) Scheduling a fairness hearing on the question of whether the proposed
2 Agreement should be finally approved as fair, reasonable and adequate as to the Class Members.

3 9.1.2 Defendant shall not oppose Plaintiffs' motion for approval of the proposed
4 Agreement.

5 9.1.3 The Parties shall cooperate with each other and the Claims Administrator
6 during the process of giving Class Members notice and opportunity to object to the Agreement,
7 as necessary and appropriate to assure effective communication to individual Class Members of
8 information about their rights and obligations under this Agreement.

9 9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set
10 forth in the Notice of Settlement, the Court shall hold the Final Approval and Fairness Hearing
11 where objections, if any, may be heard. Class Counsel shall provide the Court as part of the
12 motion for final approval of the Agreement, a declaration by the Claims Administrator of due
13 diligence and proof of mailing of the Notice of Settlement required to be mailed to Class
14 Members by this Agreement, and of the delivery results of the Claim Administrator's mailings
15 including tracing and re-mailing efforts.

16 9.2.1 Class Counsel will submit a proposed order and judgment for final
17 approval, which shall include findings and orders: 1) Approving the Agreement, adjudging the
18 terms thereof to be fair, reasonable and adequate, and directing that its terms and provisions be
19 carried out; 2) Approving the payment of an Enhancement Payment to the Class Representatives;
20 3) Approving Class Counsel's application for an award of attorneys' fees and reimbursement of
21 out-of-pocket litigation expenses; 4) Approving the Claims Administrator Costs; 5) Barring and
22 enjoining all Aggrieved Employees, Class Representatives, and Class Members who do not
23 timely and validly opt-out from prosecuting any Released PAGA Claims, Class Representative
24 Released Claims, and/or Class Members' Released Claims against Released Parties; and 6)
25 Providing that the Court will retain jurisdiction to oversee administration and enforcement of the
26 terms of the Agreement and the Court's orders.

27 9.2.2 Following entry of the Court's Order granting final approval of the
28 Agreement, the Parties will each act to ensure the fulfillment of all its provisions, including but

not limited to the following: 1) Should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement be filed, all parties will support the final approval order on appeal or otherwise; 2) Class Counsel will assist the Claims Administrator as needed or requested in the process of identifying and locating Qualified Claimants and Aggrieved Employees entitled to payments under the Agreement and assuring delivery of such payments;; 3) Class Counsel, in conjunction with the Claims Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment.

9.4 Notice to LWDA: Plaintiffs agrees to provide notice to the Labor and Workforce Development Agency ("LWDA") of this settlement in accordance with Labor Code § 2699(1)(2).

10. MISCELLANEOUS TERMS

10.1 Defendants' Right to Withdraw Based on Opt-Outs: If, prior to the Final Approval Date, 5% or more of the Class Members have submitted proper and timely requests to opt-out in accordance with the provisions of the Agreement, Defendant may, at its election, rescind the Agreement and all actions taken in its furtherance will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within seven (7) calendar days after the Claims Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is exercised, then any Claims Administrator Costs shall be paid by Defendant.

10.2 Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE

1 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
2 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
3 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
4 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
5 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
6 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
7 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
8 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
9 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY
10 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
11 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER
12 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
13 OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF
14 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
15 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
16 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
17 AGREEMENT.

18 10.3 No Prior Assignments: The Parties represent, covenant, and warrant that they
19 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
20 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
21 action or right released and discharged in this Agreement.

22 10.4 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable
23 law, by signing this Agreement Defendant is waiving any rights to appeal from the Court's
24 approval of the settlement unless the Court materially modifies the settlement. Furthermore, by
25 signing this Agreement Plaintiffs are waiving any right or ability to opt out of or object to this
26 Agreement during the Notice Period or otherwise.

27 10.5 Exhibits Incorporated by Reference: The terms of this Agreement include the
28 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully

1 set forth in this Agreement. Any Exhibits to this Agreement are an integral part of the
2 Settlement.

3 10.6 Judgment and Retention of Jurisdiction to Enforce: Upon the Final Approval
4 Date, judgment will be entered according to this Agreement, with the Court to retain jurisdiction
5 over the parties to enforce the terms therein.

6 10.7 Mutual Cooperation: The Parties agree to cooperate fully with one another to
7 accomplish and implement the terms of this Agreement. Such cooperation shall include, but not
8 be limited to, execution of such other documents and the taking of such other action as may
9 reasonably be necessary to fulfill the terms of this Agreement. The Parties to this Agreement
10 shall use their best efforts, including all efforts contemplated by this Agreement and any other
11 efforts that may become necessary by Court order, or otherwise, to effectuate this Agreement and
12 the terms set forth herein.

13 10.8 No Admission of Liability: Neither the acceptance nor the performance by
14 Defendant of the terms of this Agreement, nor any of the related negotiations or proceedings, is
15 or shall be claimed to be, construed as, or deemed to be, an admission by Defendant of the truth
16 of any of the allegations in the Complaint, the representative character of the Action, the validity
17 of any of the claims that were or could have been asserted by Plaintiffs and/or Class Members in
18 the Action, or of any liability or guilt of Defendant in the Action. Nothing in this Agreement
19 shall be construed to be or deemed an admission by Defendant of any liability, culpability,
20 negligence, or wrongdoing toward Plaintiffs, the Class Members, or any other person, and
21 Defendant specifically disclaims any liability, culpability, negligence, or wrongdoing toward
22 Plaintiffs, the Class Members, or any other person. Each of the Parties has entered into this
23 Stipulation with the intention to avoid further disputes and litigation. Neither this Agreement nor
24 any of the associated documents shall be used or is admissible in any proceeding except for the
25 sole purpose of obtaining approval of the settlement or enforcement of the judgment resulting
26 therefrom.

27 10.9 Notices: Unless otherwise specifically provided herein, all notices, demands, or
28 other communications given hereunder shall be in writing and shall be deemed to have been duly

1 given as of the third business day after mailing by United States certified mail, return receipt
2 requested, addressed as follows:

3
4 **Counsel for Plaintiffs and
Class Members**

5 MATTHEW R. SCHOECH, ESQ.
6 **SCHOECH LAW GROUP, PC**
7 3511 DEL PASO ROAD, STE. 160
8 SACRAMENTO, CA 95835
9 GLEN A. VAN DYKE, ESQ.
10 MEGAN DEHERRERA, ESQ.
11 **VAN DYKE LITIGATION & TRIAL**
12 **ATTORNEYS, PC**
13 940 SOUTHWOOD BLVD., STE 102
14 INCLINE VILLAGE, NV 89451

Counsel for Defendant

DENNIS HUIE, ESQ.
EMILY A. MURPHY, ESQ.
ROGER JOSEPH O'DONNELL
311 CALIFORNIA STREET, 10TH FLOOR
SAN FRANCISCO, CA 94104

15 10.10 Mutual Drafting of Agreement: The Parties hereto agree that the terms and
16 conditions of this Agreement are the result of lengthy, intensive, arm's-length negotiations
17 between the Parties and that this Agreement shall not be construed in favor of or against any
18 party by reason of the extent to which any party or its counsel participated in the drafting of this
19 Agreement.

20 10.11 Binding Effect of Agreement: The Parties, by signing this Agreement, are bound
21 by the terms herein. The Parties waive their rights to file an appeal, writ, or any challenge
22 whatsoever to the terms of this Agreement. This Stipulation shall be binding upon and inure to
23 the benefit of the Parties hereto and their respective heirs, trustees, executors, Claims
24 Administrators, successors, and assigns.

25 10.12 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other
26 attorneys acting for, or purporting to act for, the Class, Class Members, or Plaintiffs, may recover
27 or seek to recover any amounts for fees, costs, or disbursements from the Releasees or the
28 Maximum Gross Settlement Amount except as expressly provided in this Agreement. The
Parties stipulate and agree that the San Joaquin County Superior Court shall have continuing

1 jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure Code section
2 664.6 and that the prevailing party any action necessary to enforce the terms of the Agreement
3 after default by the other party may recover reasonable attorney's fees and costs related thereto.

4 10.13 No Modifications: This Agreement may be amended or modified only by a
5 written instrument signed by counsel for all Parties or their successors-in-interest. This
6 Agreement may not be discharged except by performance in accordance with its terms.

7 10.14 Authorization to Enter Into Settlement Agreement: Counsel for all Parties
8 warrant and represent they are expressly authorized by the Parties whom they represent to
9 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
10 such Parties pursuant to this Agreement to effectuate its terms and to execute any other
11 documents required to effectuate the terms of this Agreement.

12 10.15 Class Member Signatories: Because the Action has not yet been certified, and the
13 Class Members are so numerous, the Parties agree that it is impossible or impractical to have
14 each Class Member sign this Agreement. It is agreed that, for purposes of seeking approval of
15 the Agreement, this Agreement may be executed on behalf of all Class Members by the Class
16 Representatives.

17 10.16 Counterparts: This Agreement shall become effective upon its execution by all of
18 the undersigned. Plaintiffs, Class Counsel, Defendants and Defendants' Counsel may execute
19 this Agreement in counterparts, and execution of counterparts shall have the same force and
20 effect as if each had signed the same instrument. Facsimile, electronic, and/or scanned copies of
21 signatures shall have the same force and effect of originals.

22 10.17 Choice of Law: The Agreement and any exhibits hereto shall be considered to
23 have been negotiated, executed, and delivered, and to have been wholly performed, in the State
24 of California, and the rights and obligations of the Parties to the Agreement shall be construed
25 and enforced in accordance with, and governed by, the substantive laws of the State of California
26 without giving effect to that State's choice of law principles.

1 10.18 Headings and Captions: Section titles or captions contained in the Agreement are
2 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
3 describe the scope of this Agreement, or any provision thereof.

4 10.19 No Retaliation or Discouragement: The Parties agree they will take no action that
5 could be construed as retaliation against any Class Members for participating or seeking to
6 participate in this class action settlement. Neither the Parties nor their counsel will discourage
7 any class member from participating or seeking to participate in this class action settlement or
8 otherwise object to the approval of this settlement. This is a material term of the Agreement and
9 non-breaching Parties will seek court intervention if this provision is breached. Should non-
10 breaching Party prevail, they shall be entitled to further attorneys' fees and costs.

11 10.20 Integrated Agreement: This Agreement and the associated *Class & PAGA*
12 *Settlement Memorandum of Understanding ("MOU")*, sets forth the entire understanding
13 between the Parties and supersedes any and all prior agreements, oral or written, pertaining to the
14 subject matter hereof. Each party acknowledges that there is no representation, inducement,
15 promise or agreement which has been made, orally or otherwise, by the other party, concerning
16 the terms or conditions of this Agreement, which is not expressly embodied in this Agreement.
17 In entering into this Agreement, the Parties represent that the terms of this Agreement are fully
18 understood and voluntarily accepted by the Parties.

19 10.21 Binding on Successors and Assigns: This Agreement will be binding upon, and
20 inure to the benefit of, the successors or assigns of the Parties to this Agreement, as previously
21 defined.

22 10.22 Invalidity of Any Provision: Before declaring any provision of this Agreement
23 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible
24 consistent with applicable precedents so as to define all provisions of this Settlement Agreement
25 valid and enforceable.

26 10.23 Waiver of Compliance: No waiver of any condition or covenant contained in this
27 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
28

1 to imply or constitute a further waiver by such party of the same or any other condition,
2 covenant, right or remedy.

3 10.24 Captions: The captions and section numbers in this Agreement are inserted for
4 the reader's convenience, and in no way define, limit, construe or describe the scope or intent of
5 the provisions of this Agreement.

6 IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly
7 authorized attorneys, as of the day and year herein set forth.

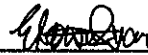
8
9 Date: Jun 16, 2023

GLORIA NAZARENO on behalf of
herself and all others similarly situated

10
11 By: 
Gloria Nazareno (Jun 16, 2023 16:10 PDT)
12 GLORIA NAZARENO

13 Date: Jun 16, 2023

ELOISE IYAR on behalf of herself and all
others similarly situated

14
15 By: 
Eloise Iyar (Jun 16, 2023 16:03 PDT)
16 ELOISE IYAR

17 Date: _____

18 By: _____
For: ANAND, INC.

19 **APPROVED AS TO FORM**

20 DATED: June 14, 2023

SCHOECH LAW GROUP, PC

21
22 By: 
MATTHEW R. SCHOECH
23 Attorney for Plaintiff

24 DATED: _____

ROGERS JOSEPH O'DONNELL

25
26 By: _____
DENNIS C. HUIE
27 EMILY A. WIESER
28 Attorney for Defendant

Exhibit C

GLORIA NAZARENO, et al.,
Plaintiffs,
vs.
ANAND, INC, dba JACK IN THE BOX et al.,
Defendants.

CASE NO. 34-2020-00278363
NOTICE OF PROPOSED CLASS AND PAGA
SETTLEMENT, AND HEARING DATE FOR
FINAL COURT APPROVAL OF SETTLEMENT

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW. TO RECEIVE A SETTLEMENT AWARD, YOU MUST FILL OUT THE ENCLOSED CLAIM FORM AND MAIL IT TO THE SETTLEMENT ADMINISTRATOR ON OR BEFORE [DATE].

The terms of the Agreement and a description of the case are identified in this notice. Pursuant to the Court's order, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

The Lawsuit, filed by Gloria Nazareno and Eloise Iyar (“Plaintiffs”) on May 8, 2020, claimed that Defendant did not correctly pay its non-exempt employees for all hours worked, did not provide accurate wage statements as required by the California Labor Code, did not timely pay their final wages when their employment ended, and did not provide lawful meal and rest periods, or pay compensation for non-compliant breaks. The Lawsuit also sought civil penalties pursuant to the Private Attorneys General Act of 2004 and equitable relief under the Unfair Competition Law.

559857.1

party. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Agreement, Defendant continues to deny all allegations and claims. Defendant has entered into this settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Agreement, in order to avoid the burden and expense associated with ongoing litigation.

The Parties have entered into a *Joint Stipulation of Class and PAGA Settlement* ("Agreement"), which has been preliminarily approved by the Court. The Agreement applies to any and all Class Members as defined above. "Class Member" does not include persons who submit valid request to opt out (as explained below). If you are a Class Member, you have the opportunity to participate in the settlement, or to exclude yourself ("opt out") from the settlement. This notice is to advise you of how you can either participate in the settlement or be excluded from the settlement.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Agreement, Defendants agrees to pay a maximum total sum of Two Hundred and Sixty Thousand Dollars (\$260,000) ("Maximum Gross Settlement Amount") on a claims made basis. Deducted from this Maximum Gross Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed 33 1/3% of the Maximum Gross Settlement Amount which equals \$86,666.67, attorneys' costs not to exceed \$23,000, Claims Administrator Costs estimated not to exceed \$17,650, Class Representatives' Enhancement Payment of \$5,000 each, and \$10,000 for the settlement of alleged PAGA penalties (the "PAGA Payment"), which will result in a "Net Settlement Amount" for distribution to all Class Members who have timely submitted a Claim Form, which is enclosed in this mailing. Any employer side taxes attributable to payments allocated as wages will be paid by Defendants in addition the amount paid by Defendant to fund the settlement, which includes all payments to Qualifying Class Members (defined as those Class Members who submit timely claims) and/or Qualifying Aggrieved Employees, payment to the LWDA for settling the PAGA claims, any Class Representative Enhancement Payments, attorneys' fees, costs, and Claims Administrator Costs as approved by the Court. As explained further below, the amount of each Class Member's share of the Net Settlement Amount will depend on the number of weeks worked by participating Class Members during the Class Period. Of the \$10,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees, which are defined as:

All individuals in California who have, or continue to, perform work for Defendant Anand, Inc. from April 6, 2019 up to [Preliminary Approval Date]

The number of weeks you worked during the Class Period and your estimated share of the Net Settlement Amount and PAGA Payment ("Claim Amount") is stated on the first page of this notice and the enclosed Claim Form. The actual amount received may be more or less than the amount stated depending on the actual number of weeks worked by participating Class Members, the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees' allocations for the PAGA claims

B. Claim Amounts and Allocation Between Class Members and Aggrieved Employees

Defendant will pay Claim Amounts through the Claims Administrator, as described below, to each Class Member who has timely submitted a Claim Form and who does not opt out of the settlement as well as to Aggrieved Employees. All Claim Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that all Claim Amounts payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as 90% for disputed interest, statutory penalties, and other non-wage damages for which IRS Forms 1099-MISC will issue and 10% for disputed wages for which IRS Forms W-2 will issue. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties.

Payment to Class Members who do not opt out will require the submission of a Claim Form. Class Members who timely submit a Claim Form and who do not opt out are referred to as "Qualified Claimants" under the terms of the Agreement. Payment to Aggrieved Employees of their share of the PAGA Payment will not require the submission of a Claim Form. Each Qualified Claimant's share of the Net Settlement Amount shall be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. Defendants shall pay out at least 20% of the Net Settlement Amount regardless of the claims rate. If less than 20% of the Net Settlement Amount is claimed by Qualified Claimants, the Qualified Claimants will have their individual shares of the Net Settlement Amount increased, pro rata, until 20% of the Net Settlement Amount is distributed. Any portion of the Net Settlement Amount in excess of the minimum 20% threshold that is not claimed by Qualified Claimants shall remain the property of Defendants.

For any portion of the Net Settlement Amount or PAGA Payment allocated to Qualified Claimants and/or Aggrieved Employees that were not claimed by cashing their respective settlement checks before the deadline to do so, that remaining amount shall be returned to Defendant.

Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share. Receipt of the Claim Amounts will not entitle any Class Member or Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered by the Settlement.

C. Calculations to Be Based on Defendants' Records and Resolution of Workweek Disputes

For each Class Member, the amount payable will be calculated by the Claims Administrator from Defendant's records. Defendant's records will be presumed correct unless evidence to the contrary is provided to the Claims Administrator. Defendant's records and any additional evidence will be reviewed by the Claims Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than _____. The dispute will be resolved by the Claims Administrator based on the records and evidence provided. The Claims Administrator's decision on all disputes will be final and binding.

D. Release of Claims

For those Class Members who do not opt out and Aggrieved Employees, the Agreement contains the following releases:

Class members who do not opt out will be deemed to have released all claims contained in the Complaint, and any additional wage and hour claims that could have been brought in the operative Complaint, through the Class Period. This release excludes the release of claims not permitted by law. The Class Members' Released Claims exclude claims for workers' compensation or unemployment insurance benefits.

Aggrieved Employees will be deemed to have released any and all claims that were brought under the Private Attorneys General Act, Labor Code § 2698 et seq., in the Complaint or any wage and hour claim that could have been brought in the Complaint during the PAGA Claim Period. Aggrieved Employees cannot opt out of this waiver of claims.

The individuals released ("Released Parties") include means Defendant, as well as Defendant's officers, shareholders, directors, owners, agents, current and former employees, attorneys, and insurers, predecessors or successors, or any alleged joint employer or alter-ego of Defendant.

Class Members can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to

their own lawyer if Class Members have questions about the released claims and what they mean.

E. Attorneys' Fees and Costs

Defendant have agreed to pay Class Counsel's attorneys' fees and costs to be approved by the Court, up to a maximum of 33 1/3% of the Maximum Gross Settlement Amount which equals \$86,667.00 and attorneys' costs not to exceed \$23,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Gross Settlement Amount.

F. Reasonableness of Settlement

All attorneys for the Parties to the Action believe the amounts payable to Class Members, Aggrieved Employees, and amounts for attorneys' fees and costs requested are fair and reasonable. The Class Representatives and Class Counsel support this Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participating in the Settlement

If you wish to participate in the settlement you must complete and return the enclosed Claim Form post marked no later than [date]. Failure to timely submit a Claim Form without opting out of the settlement will cause you to be bound by release of claims identified above, but you will not receive any share of the Net Settlement Amount.

B. Excluding Yourself from the Settlement

If you do not wish to participate in the settlement, you may be excluded (*i.e.*, "opt out") by submitting a timely written request to the Claims Administrator. The request to opt-out must (a) state your full name and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the settlement, and/or wants to be excluded from this settlement; (c) identify the case name and number (*i.e.* *Nazareno et al. v. Anand, Inc.*, Sacramento County Superior Court Case No. 34-2020-00278363); (d) be signed; and (e) be post-marked no later than _____. The request to opt out must be signed, dated and mailed by First Class U.S. Mail or the equivalent, to:

[admin info]

The request to opt out must be postmarked no later than _____. If you submit a request to opt out which is not postmarked by _____, your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. If the request to opt out is sent from within the United States it must be sent through the United States Postal Service by First Class Mail, or the equivalent. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Claims Administrator, no longer be a Class Member and not received their share of the class settlement payment. Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

C. Objection to Settlement

If you do not opt out of the settlement, you can object to the terms of the Agreement. However, if the Court rejects your objection, you will still be bound by the terms of the Agreement. You can ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that

is what you want to happen, you must object. The objection must (a) state your full name and date of birth; (b) provide evidence that you are, in fact, a Class Member; (c) state the reasons for the objection(s), including any legal analysis and/or supporting documentation; (d) identify the case name and number (*i.e. Nazareno et al. v. Anand, Inc.*, Sacramento County Superior Court Case No. 34-2020-00278363) (e) be signed; and (f) be post-marked no later than _____. The objection must be sent to the Claims Administrator at the address identified in section III.B and to counsel for Plaintiffs and Defendant at the addresses identified in section IV of this notice. If you intend to object to the settlement, but wish to receive your share of the Net Settlement Amount, you must timely submit your Claim Form as stated above. If the Court approves the Agreement despite any objections and you have not submitted a Claim Form, you will not receive your share of the Net Settlement Amount.

If you have submitted a written objection as outlined above, you may also appear at the Final Approval Hearing, either in person or through your own attorney, to state your objection. However, you must file a notice of intent to appear with the Court and serve the notice on counsel for Plaintiffs and Defendant. If you appear through your own attorney, you are responsible for paying that attorney.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

After final approval of the settlement has been granted by the Court, each and every Class Member who does not opt out of the settlement and Aggrieved Employee, will release Defendant and the Released Parties from the released claims described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the settlement, you will be deemed to have entered into this release and to have released the above-described claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the claims covered by this settlement. If the settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department ____, [address] on ____ at ____ to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs. The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at this hearing, unless you wish to object to the settlement.

VI. ADDITIONAL INFORMATION

If you want additional information about this lawsuit and its proceedings, you can contact Class Counsel or Defendant's Counsel as follows:

Counsel for Plaintiffs and Class Members

MATTHEW R. SCHOECH, ESQ.
SCHOECH LAW GROUP, PC
3511 DEL PASO ROAD, STE. 160
SACRAMENTO, CA 95835

GLEN A. VAN DYKE, ESQ.
MEGAN DEHERRERA, ESQ.
VAN DYKE LITIGATION & TRIAL ATTORNEYS, PC
940 SOUTHWOOD BLVD., STE 102
INCLINE VILLAGE, NV 89451

Counsel for Defendant

DENNIS HUIE, ESQ.
EMILY A. MURPHY, ESQ.
ROGER JOSEPH O'DONNELL
311 CALIFORNIA STREET, 10TH FLOOR
SAN FRANCISCO, CA 94104

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]

BY ORDER OF THE COURT

Exhibit D

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Nazareno v. Anand, Inc.

Wednesday, March 22, 2023

Requesting Attorneys Name:

E-Mail:

ILYM Contact:

E-Mail:

Contact Number:

Matthew Schoech

matt@norcallawfirm.com

Lisa Mullins

Lisa@ilymgroup.com

714.878.8836

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	1,400
Estimated Mail Returned as Undeliverable	20%
NCOA	Yes
Certified Spanish Translation	No
Case Duration (Year(s))	1

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	3	\$450.00
Programming of Class Database	Hourly	\$175.00	3	\$525.00

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

Subtotal \$975.00

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	10	\$1,200.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	4	\$280.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	4	\$280.00
Report Processing	Hourly	\$70.00	4	\$280.00
NCOA	Flat Rate	\$250.00	1	\$250.00
Toll Free Customer Service Representative	Flat Fee	\$300.00	1	\$300.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$2,590.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING				
Fulfillment of Notice	Per Piece	\$1.50	1,400	\$2,100.00
USPS First Class Postage	Per Piece	\$0.60	1,400	\$840.00
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	280	\$560.00
Storage, Photocopies, Deliveries	Flat Fee	\$404.00	1	\$404.00

Subtotal \$3,904.00

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	10	\$1,500.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	10	\$1,250.00
Check, Stub & Release - Print & Mail (with corresponding tax form(s))	Per Check	\$1.50	1,400	\$2,100.00
USPS First Class Postage	Per Piece	\$0.60	1,400	\$840.00
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$2.00	140	\$280.00
Reminder Postcard, Includes Postage	Per Piece	\$0.85	560	\$476.00
Preparation of Taxes	Hourly	\$120.00	10	\$1,200.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

*Additional Bank fees may apply

Subtotal \$9,146.00

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	3	\$300.00
Project Manager Final Reporting	Hourly	\$120.00	3	\$360.00
Declaration	Hourly	\$125.00	3	\$375.00

Subtotal \$1,035.00

TOTAL CASE ESTIMATE: \$17,650.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.