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themselves and all others similarly situated and aggrieved

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES- SPRING STREET COURTHOUSE

KAILEE FROCCHI, an individual;
HANNAH HOWARD, an individual;
JEREMIAH MEYER, an individual; and
KATHERINE WERNER, an individual and
on behalf of all others similarly situated,

Plaintiffs,

v.

COREPOWER YOGA LLC, a Colorado
limited liability company; KADA
O'CONNOR, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO.: 23STCV21870

[Assigned to the Hon. Samantha Jessner in
Dept. 7]

**DECLARATION OF VEDANG J. PATEL
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND
REPRESENTATIVE ACTION
SETTLEMENT**

DECLARATION OF VEDANG J. PATEL

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2 1. I am an attorney at law, duly licensed to practice before all the Courts of the State
3 of California, a partner at Bibiyan Law Group, P.C., counsel for plaintiffs Kailee Frocchi, Hannah
4 Howard, Jeremiah Meyer, and Katherine Werner (collectively, “Plaintiffs”), and all others
5 similarly situated and aggrieved. As such, I am familiar with the file in this matter and, if called
6 as a witness, I could and would competently testify to the following facts of my own personal
7 knowledge.

8 2. On or around September 11, 2023, former plaintiff Clemens Kang commenced this
9 Action by filing a complaint against defendants CorePower Yoga LLC and Kada O’Connor
10 (collectively, “Defendants”) for: (1) failure to pay overtime wages; (2) failure to pay minimum
11 wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide
12 rest periods or compensation in lieu thereof; (5) waiting time penalties; (6) wage statement
13 violations; (7) failure to timely pay wages; (8) failure to indemnify; (9) violation of Labor Code
14 section 227.3; and (10) unfair competition (the “Class Action”).

15 3. On or around September 11, 2023, former plaintiff Clemens Kang provided written
16 notice pursuant to Labor Code section 2699.3 of Defendants’ Labor Code violations to the Labor
17 and Workforce Development Agency (“LWDA”) and served the same on Defendants, stating that
18 he intended to serve as a proxy of the LWDA (“PAGA Notice”). A true and correct copy of the
19 PAGA Notice is attached to the Declaration of Vedang J. Patel as Exhibit “2.”

20 4. Pursuant to Labor Code section 2699.3, subdivision (a)(2)(A), the LWDA did not
21 provide notice of its intention to investigate Defendants’ alleged violations within sixty-five (65)
22 calendar days of the September 11, 2023 postmarked date of the herein-described PAGA Notice
23 sent by former plaintiff Clemens Kang to the LWDA and Defendants.

24 5. On or around June 20, 2024, former plaintiff, Clemens Kang filed a separate
25 representative action in the Los Angeles Superior Court, Case No. 24STCV15361, seeking PAGA
26 civil penalties against Defendants for Labor Code violations alleged in the PAGA Notice (the
27 “PAGA Action”).
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6. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

7. Prior to mediation Plaintiffs obtained, through informal discovery: (a) approximately 20% sampling (approximately 1900-2000 employees) of timecards and payroll records for all employees during the Class Period; (b) policy and practice documents, and (c) Plaintiffs' personnel file.

8. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

9. On October 25, 2024, the Parties participated in an all-day mediation presided over by Mr. Tagore Subramaniam. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action.

10. On or around February 25, 2026, the Parties filed a First Amended Complaint (“FAC”) in the Class Action and consolidated the PAGA Action within the Class Action, with the Class Action as the lead action and added Kailee Frocchi, Hannah Howard, Jeremiah Meyer, and Katherine Werner as named plaintiffs and class representatives in the Class Action, and removed former plaintiff Clemens Kang as a lead plaintiff and class representative.

The Proposed Settlement

11. Subject to Court approval pursuant to Code of Civil Procedure section 382 and California Rules of Court, rule 3.679, *et seq.*, the Parties have agreed to settle the Action by agreement upon the terms and conditions and for the consideration set forth in the Settlement Agreement, a copy of which is attached hereto as Exhibit “1” thereto. A summary of the terms of the settlement are as follows:

Defendants will stipulate, for purpose of this settlement only, as follows:

- Certification of a class (“Settlement Class,” “Settlement Class Members” or “Class Members”) defined as: all persons employed by defendants CorePower Yoga LLC and Kada O’Connor (collectively, “Defendants”) in California and classified as a non-

1 exempt, hourly-paid employee who worked for Defendants during the period from
2 September 11, 2019, through January 23, 2025 (“Class Period”).

- 3 • Defendants will pay \$3,200,000.00 (“Gross Settlement Amount”) to resolve the matter.
 - 4 • The Settlement was negotiated based on Defendants’ representation that, between
5 September 11, 2019 and October 1, 2024 (the “Data Period”), there were 9,459 Class
6 Members who, during the Data Period, collectively worked approximately 327,186
7 Workweeks in which Class Members performed work as non-exempt employees in
8 California. If the number of Workweeks during the Data Period is more than ten percent
9 (10%) above 327,186 (i.e., more than 359,905 weeks), Defendants will have the option
10 to either: (a) increase the Gross Settlement Amount by the percentage that the actual
11 number of Workweeks during the Data Period equals or exceeds 11% of the original
12 estimate (e.g., if the total number of Workweeks during the Data Period is 11% above
13 the original estimate, the Gross Settlement Amount would be increased by 1% to
14 \$3,232,000); or, (b) end the Class Period on the date the number of Workweeks reaches
15 359,905. Defendants shall make its election no later than 7 days after receiving sufficient
16 information from the Administrator that the number of Workweeks has exceeded 10%.
17 Should Defendants fail to make its election within 7 days, then option (b) above shall
18 be presumed elected.
 - 19 • “Workweek” means any week during which a Class Member performed any
20 compensable work for Defendants as non-exempt employees in California, for at least
21 one day during the Class Period. Workweeks shall be determined by Defendants’
22 examination of its existing, electronic pay records. To the extent that such records are
23 not available for any person confirmed to be a Class Member, the Parties agree that all
24 pay periods during which the individual was a Class Member, but for which there are
25 no pay records, will count as Workweeks.
 - 26 • Defendants will pay the employer’s share of taxes separate and apart from the Gross
27 Settlement Amount.
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- This is a non-reversionary settlement.
- Class Members will be paid their *pro rata* share of the class action settlement based on the total number of Workweeks worked during the Class Period.
- The Settlement Administration costs, estimated not to exceed \$109,995.00 will be paid out of the Gross Settlement Amount.
- Class Counsel will apply for, and Defendants will not oppose, attorneys' fees of not more than thirty-five percent (35%) of the Gross Settlement Amount, which, unless escalated pursuant to the Settlement Agreement, amounts to \$1,120,000.00, and actual costs, of not more than \$80,000.00 all of which will be paid out of the Gross Settlement Amount.
- Class Counsel will apply for, and Defendants will not oppose, a service award in the amount of \$10,000.00 to each Plaintiff, to a total amount of \$40,000.00, for the Class Representatives, which will be paid out of the Gross Settlement Amount.
- "Allegedly Aggrieved Employee" or "Aggrieved Employee" means a person employed by Defendants in California and classified as a non-exempt, hourly-paid employee who worked for Defendants during the period from September 11, 2022, through the end of the Class Period ("PAGA Period").
- Defendants have agreed to pay \$160,000.00 as PAGA penalties, seventy-five percent (75%) or \$120,000.00 of which will be paid to the LWDA out of the Gross Settlement Amount, and twenty-five percent (25%) or \$40,000.00 of which will be distributed to the Aggrieved Employees.
- Funding of Gross Settlement Amount. Defendant will transfer increments of the Gross Settlement Payment and employer side taxes in installments according to the following schedule:

Seven (7) calendar days from the Date of Final Approval ("Payment 1")	Deadline for Defendants to transfer \$500,000 to the Administrator
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One year from Final Approval (“Payment 2”)	Deadline for Defendants to transfer \$500,000 to the Administrator
Two years f Final Approval (“Payment 3”)	Deadline for Defendants to transfer \$500,000 to the Administrator and employer side taxes for payments made to date.
Three years from Final Approval (“Payment 4”)	Deadline for Defendants to transfer \$500,000 to the Administrator
No later than three years and six months from Final Approval (“Payment 5”)	Deadline for Defendants to transfer \$500,000 to the Administrator
No later than October 25, 2028 (“Payment 6”)	Deadline for Defendant to transfer \$700,000, or all remaining funds, as applicable, to the Administrator

- Payments from the Gross Settlement Amount. The Administrator will mail or otherwise make payments of the incrementally received Gross Settlement Amounts according to the following schedule:

14 days after Defendant funds payment 2	
14 days after Defendant funds Payment 3	
14 days after Defendant funds Payment 4	
14 days after Defendant funds Payment 6	

- For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date (180 days), the Administrator shall transmit the funds represented by such checks to the California

1 Controller's Office, Unclaimed Property Fund or, if required by the Court, to a *cy pres*
2 recipient to be selected by mutual agreement among the Parties.

3 **Settlement Agreement and Accompanying Documents**

4 12. Attached hereto as Exhibit "1" is the Settlement Agreement. Attached to the
5 Settlement Agreement as Exhibit A is the proposed "Class Notice" to be distributed to Class
6 Members in English.

7 13. Class Counsel has selected to use Phoenix Settlement Administrators, an experienced
8 Settlement Administrator, to administer the settlement.

9 14. On or about May 11, 2026, my office submitted a copy of the Settlement Agreement
10 to the California Labor and Workforce Development Agency ("LWDA") in compliance with Labor
11 Code section 2699, subdivision (1)(2). A true and correct copy of each confirmation from the LWDA
12 in connection with Plaintiffs is attached hereto as Exhibit 3.

13 **The Settlement Is Fair and Reasonable Based Upon Objective Evidence**

14 **The Settlement was Negotiated at Arm's-Length and is not Collusive**

15 15. The Settlement that has been reached, subject to this Court's approval, is a product
16 of substantial efforts by Class Counsel. The Settlement was reached after extensive factual and legal
17 investigation and research; substantial negotiation regarding the scope of informal discovery; an
18 exchange of documents and information that included review of time and pay records and analysis
19 thereof with the aid of Plaintiffs and expert consultants; an analysis of shifts and Workweeks worked
20 by Class Members in the Class Period, analysis of the number of pay periods and number of
21 Aggrieved Employees in the PAGA Period for calculating PAGA penalties, number of Class
22 Members eligible for wage statement penalties and waiting time penalties; an analysis of Plaintiffs'
23 employment records; extensive correspondence and communication between counsel; a review of
24 pleadings, evidence and rulings in similar actions litigated elsewhere in the state; a review of similar
25 cases in the same industry elsewhere in the country; and preparation for and attendance at a full-day
26 session of mediation, followed by months of further discussions and coordination to finalize the
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1 terms and conditions of the general settlement parameters agreed to by the Parties, including review
2 of Defendant's financial records through an expert financial consultant.

3 16. While Class Counsel believe in the chance of success of certifying the claims, Class
4 Counsel recognized the potential risk, expense and complexity posed by further litigation.
5 Moreover, litigating Plaintiffs' claims in this Litigation—claims that involve approximately 9,459
6 Class Members during the Class Period—would require enormous preparation and discovery, and
7 ultimately would involve the deposition and presentation of numerous more witnesses (including
8 Class Members and expert witnesses), as well as the consideration, preparation and analysis of
9 expert reports.

10 **The Settlement Amount is Well Within Range of Reasonableness**

11 17. The settlement amount reached in this case provides significant recovery to Class
12 Members and Aggrieved Employees, and easily falls within the range of reasonableness. Based on
13 documents and information provided by Defendants, Class Counsel understand there are
14 approximately 327,186 Workweeks during the Class Period.

15 **Unpaid Wages for Failure to pay for All Time Worked**

16 18. Class Counsel theorized, based on Plaintiffs' narrative evidence and documents
17 provided by Defendants, that Defendants failed to pay all wages due to Class Members because
18 Defendants required Class Members to work off-the-clock due to its policies and practices. Class
19 Counsel theorized, based upon Plaintiffs' narrative evidence and Defendants' records, that
20 Defendants failed to record the majority of Class Members' time worked. The time records were
21 either nonexistent or synthetic. Class Counsel also theorized that Class Members worked off the
22 clock because they were required to spend a significant amount of time performing preparatory and
23 administrative work, including putting together music playlists, preparing for classes, attending
24 work-related meetings, completing remote training modules, and participating in in-person
25 trainings, as well as opening the studio, cleaning, handling retail, working the front desk, checking
26 in guests, and performing other client-related tasks, all off the clock. Class Counsel further
27 theorized, based on Plaintiff's narrative evidence, that Class Members spent time recruiting students,
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1 including by speaking with guests before and after classes, posting on social media, and engaging
2 in other forms of outreach, all off the clock. Class Counsel further theorized that Defendants
3 contacted Class Members off the clock via calls and text messages up to three (3) times per week to
4 discuss work-related matters, such as scheduling and updates.

5 19. Class Counsel advanced a theory that all Class Members worked off-the-clock for
6 an estimate of fifteen (15) minutes each shift throughout the Class Period, without pay. Class
7 Counsel understand from the data provided and analyzed by expert data consultants that there
8 were 591,370 shifts during the Class Period, 0.74% of shifts worked were over 8 hours, and that
9 Class Members were paid an average of \$19.01 per hour. Thus, one calculation performed by
10 Class Counsel at the mediation resulted in Defendants' exposure for unpaid off-the-clock work in
11 the amount of **\$5,610,573** ($[0.25 \text{ hr.} \times \$19.01/\text{hr} \times 1.5 \text{ OT rate} \times 591,370 \text{ shifts} \times 0.0074 \text{ shifts}$
12 $\text{over 8 hrs}] + [0.25 \text{ hr.} \times \$19.01/\text{hr} \times 2 \text{ liquidated damages} \times 591,370 \text{ shifts} \times 0.9926 \text{ shifts under}$
13 $8 \text{ hrs}]$).

14 20. Class Counsel understand from the mediator and the mediation process that
15 Defendants made the following defenses in connection with this claim: Defendants argued that it
16 did not require Class Members to work off-the-clock and, rather, Class Members were paid for all
17 time suffered or permitted to work. Defendants contend that its policies prohibit off-the-clock work.
18 Defendants also contends that any theory that off-the-clock work was performed is purely
19 speculative, such off-the-clock work was voluntary if it occurred, unapproved, and certainly not
20 indicative of a pattern or practice. For the same reason, Defendants contend this claim not subject
21 to class treatment and would make a trial in this Litigation unmanageable. Defendants further argued
22 that any estimate of time worked off-the-clock for every single shift during the Class Period is an
23 exaggeration. Thus, Defendants contend that no monies are owed under this theory.

24 **Recovery of Damages for Non-Compliant Meal Periods**

25 21. Class Counsel theorized, based on the narrative evidence of Plaintiffs, as well as
26 documents produced by Defendants, that Defendants' meal period policies and practices throughout
27 the Class Period were non-compliant. Class Counsel theorized, based on Plaintiffs' narrative
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1 evidence, that meal periods were regularly late, short, or missed entirely. Class Counsel further
2 theorized, based upon Plaintiffs' narrative evidence and Defendants' records, that Defendants'
3 employee handbook does not provide that Class Members are entitled to meal break premiums for
4 improper meal breaks. Class Counsel contend that instructor Class Members worked shifts
5 exceeding five (5) hours but were not provided with *any* meal breaks. Class Counsel further
6 theorized that, for non-instructor Class Members, the records show that nearly 80% of shifts between
7 five (5) and six (6) hours have no recorded meal break, nor is there any evidence of meal-break
8 waivers. Additionally, 51.4% of shifts exceeding six (6) hours have no recorded meal break. Further,
9 over 20% of shifts reflect a first meal break taken after the fifth hour, and nearly 22% of shifts with
10 a first meal break shorter than thirty (30) minutes. Furthermore, there is no record of Defendants
11 providing a second meal break for any shifts exceeding ten (10) hours.

12 22. Class Counsel understands from the documents produced by Defendants and
13 analyzed by expert data consultants that there were 66,095 meal period eligible shifts worked during
14 the Class Period through the mediation. Assuming a 40% violation rate, one calculation performed
15 by Class Counsel resulted in Defendants' liability for unpaid meal premiums in the approximate
16 amount of **\$502,586** (66,095 shifts x \$19.01/hour x 0.40 violation rate).

17 23. Class Counsel understand from the mediator and the mediation process that
18 Defendants make the following defenses in connection with this claim: Defendants argued that
19 they had compliant meal period policies and practices. Defendants argued that Class Members
20 took timely and full meal periods. Defendants contend that their policy requires their employees
21 to take timely and full meal periods. Defendants argued that many Class Members signed valid
22 meal period waivers. Defendants further contend that any instance of a Class Member failing to
23 take a compliant meal period was voluntary, in violation of its meal period policy, would
24 necessitate an individualized inquiry and would not lend itself to a manageable trial. Thus,
25 Defendants contend that *no* monies are owed for this account but, even if any amounts were due,
26 the amount calculated by Class Counsel is excessive.

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1 **Recovery of Damages for Non-Compliant Rest Periods**

2 24. Class Counsel theorized, based on Plaintiffs' narrative evidence and Defendants'
3 records, that Defendants' rest period policies and practices throughout the Class Period were non-
4 compliant because, that Defendants' employee handbook does not provide that Class Members are
5 entitled to rest break premiums for improper rest breaks. Notably, no rest period premiums were
6 ever issued throughout the Class Period. Class Counsel understand from the documents provided
7 that there were 206,175 rest-eligible-shifts. Thus, one calculation performed by Class Counsel
8 resulted in, assuming a 40% violation rate for rest-eligible shifts, **Defendants' exposure for failure**
9 **to provide compliant rest periods in an amount of \$1,567,755** (206,175 shifts greater than 3.5
10 hours x .40 violation rate x \$19.01/hour).

11 25. Class Counsel understand from the mediator and the mediation process that
12 Defendants makes the following defenses in connection with this claim: Defendants argue that it
13 had compliant rest period policies and practices. Defendants argues that Class Members took timely
14 and full rest periods. Defendants contend that their policy requires their employees to take timely
15 and full rest periods. Defendants further contend that any instance of a Class Member failing to take
16 a compliant rest period was voluntary, in violation of their rest period policy, would necessitate an
17 individualized inquiry and would not lend itself to a manageable trial. Further, *arguendo*,
18 Defendants contend that a 40% violation rate is a wild exaggeration of rest period violations. Thus,
19 Defendants contend that *no* monies are owed for this account but, even if any amounts were due,
20 the amount calculated by Class Counsel is excessive.

21 **Failure to Reimburse Work Expenses**

22 26. Class Counsel theorized, based on Plaintiffs' narrative evidence, that Defendants
23 failed to indemnify Class Members for necessary business expenses, including but not limited to
24 training courses, certificates, gas/mileage, personal phone use for music during and outside of yoga
25 classes, work-related applications, and communications with management. Class Counsel theorized
26 from Plaintiffs' narrative evidence that regarding training and certification costs, Class Members
27 incurred approximately \$1,500 for a teacher training course, \$200 for a required CPR certification,
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1 as well as \$2,500 for a personal training course. Thus, one calculation performed by Class Counsel
2 modestly assumes that instructor Class Members incurred, on average, \$1,500 in such expenses,
3 resulting in Defendants being liable for approximately \$5,902,500 (3,935 instructor Class Members
4 × \$1,500). Class Counsel further theorized from Plaintiffs' narrative evidence that Defendants failed
5 to reimburse instructor Class Members for gas and/or mileage expenses, which they incurred as a
6 result of travel time between various work locations. Thus, one calculation performed by Class
7 Counsel modestly assumes that instructor Class Members drove only ten (10) miles between
8 locations just twice per week, resulting in Defendants being liable for approximately \$2,597,520
9 (216,460 Workweeks x \$0.60 per mile x 20 miles). Class Counsel further theorized from Plaintiffs'
10 narrative evidence that Defendants required Class Members to use their personal cell phones to
11 download and regularly use music applications such as Spotify, to communicate with management
12 and/or other employees for work related purposes, and to use for other work-related applications,
13 including to check members in. Thus, one calculation performed by Class Counsel, regarding the
14 Spotify subscription, assuming conservatively just five (5) months of subscription per instructor
15 Class Member during the relevant period, Defendants are liable for approximately \$314,800 (3,935
16 instructors x \$16 x 5 months). Regarding other personal phone use, Defendants owe at least
17 \$1,635,930 (\$5 per Workweek x 327,186 workweeks) for cell phone usage. Thus, **Defendants' total**
18 **exposure for failure to indemnify for business expenses of \$10,450,750.**

19 27. Class Counsel understand from the mediator and the mediation process that
20 Defendants make the following defenses: Defendants argued that it reimbursed employees for all
21 expenses incurred in furtherance of work. Defendants argued that, to the extent any Class Members'
22 claims of using training courses, certificates, personal vehicles and cellphones for business purposes
23 would necessitate an individualized inquiry, thereby precluding certification and making any trial
24 thereon unmanageable. Thus, Defendants contend that it owes no monies to Class Members under
25 this theory, either.

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1 Class Counsel also note that the calculation used does not take into account the fact that all Class
2 Members did not work all pay periods and, therefore, Class Counsels' calculation does not take into
3 account the maximum penalty of \$4,000 in Plaintiff's exposure model used at mediation.

4 **Waiting Time Penalties**

5 30. Pursuant to Labor Code sections 201, 202 and 203, each employee in the relevant
6 statutory period (*i.e.*, three years before the filing of the initial Complaint) is entitled to 30 days'
7 worth of wages as waiting time penalty for not being paid all wages due upon separation from
8 employment. Class Counsel theorized at mediation, based on relevant documents provided by
9 Defendants, that, under Labor Code section 203, Defendants are liable to pay each Class Member,
10 who was terminated during the relevant statutory period, a full 30-day worth of wages as waiting
11 time penalty for failure to pay compensation in lieu of compliant meal and rest periods, and failure
12 to timely pay all wages due at the time of termination or resignation. Based on relevant documents
13 provided by Defendants, there were approximately 7,525 Class Members who were terminated or
14 resigned during the relevant statutory period. Thus, one calculation performed at mediation by Class
15 Counsel, assuming a 40% violation rate, resulted in **Defendants' exposure for waiting time**
16 **penalties to be approximately \$13,732,824** (7,525 separated Class Members x \$19.01/hour x 8
17 hours x 30 days x .40 violation rate).

18 31. Class Counsel understand from the mediator and the mediation process that
19 Defendants contend that there is no credence to Plaintiffs' off-the-clock theory and that, thus, no
20 waiting time penalties are owed based on that theory. Defendants also contend that their actions
21 were not "willful" and that, thus, waiting time penalties cannot be awarded. Thus, Defendants
22 argued that no waiting time penalties are owed.

23 **PAGA Penalties**

24 32. Class Counsel understand from the time and payroll data provided by Defendants
25 that there are approximately 31,952 pay periods in the PAGA Period. Plaintiff's claims in the Action
26 under PAGA are substantially similar to those described herein. PAGA penalties include penalties
27 for initial violations and subsequent violations. Defendants contend that only initial violation rates
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1 may be used instead of the subsequent violation rates initially used by Class Counsel. With this in
2 mind and because Class Counsel through investigation and discovery did not come to the conclusion
3 that Defendants at any time was notified by any governmental entity that they violated any Labor
4 Code sections presented in the PAGA Notice and PAGA claims, Class Counsel adjusted the
5 exposure model for Defendants to include only initial violation rates.

6 33. While Class Counsel are informed and believe that reasonable minds differ with
7 regard to calculation of PAGA penalties, Class Counsel believe it is reasonable to calculate
8 Defendants' maximum exposure in PAGA penalties as follows:

9 a. Overtime Violations: Labor Code section 558 prescribes penalties of \$50 for an
10 initial violation and \$100 for each subsequent violation. Using the initial pay period rate for all
11 violations, and a violation every single pay period for every single non-exempt employee in the
12 PAGA Period, this amounts to a maximum exposure of \$1,597,600 (31,952 pay periods x \$50).

13 b. Minimum Wage Violations: Labor Code section 1197.1 prescribes penalties of
14 \$100 for an initial violation and \$250 for each subsequent violation. Using the initial pay period
15 rate for all violations and a violation every single pay period for every single non-exempt
16 employee in the PAGA Period, this amounts to a maximum exposure of \$3,195,200 (31,952 pay
17 periods x \$100).

18 c. Meal Period Violations: Labor Code section 558 prescribes penalties of \$50 for an
19 initial violation and \$100 for each subsequent violation. Using the initial pay period rate for all
20 violations and a violation every single pay period for every single non-exempt employee in the
21 Settlement Period, this amounts to a maximum exposure of \$1,597,600 (31,952 pay periods x
22 \$50).

23 d. Rest Period Violations: Labor Code section 558 prescribes penalties of \$50 for an
24 initial violation and \$100 for each subsequent violation. Using the initial pay period rate for all
25 violations and a violation every single pay period for every single non-exempt employee in the
26 Settlement Period, this amounts to a maximum exposure of \$1,597,600 (31,952 pay periods x
27 \$50).

1 e. Waiting Time Penalties: Labor Code section 2699 prescribes penalties of \$100 for
2 an initial violation and \$200 for each subsequent violation. Because this violation is merited only
3 at separation of employment, a 100% violation rate would likely include just one violation per
4 employee. The data produced by Defendants indicate that there were 7,525 Aggrieved Employees
5 whose employment was separated during the PAGA Period. This amounts to a maximum exposure
6 of \$752,500 (7,525 Aggrieved Employees x \$100).

7 f. Wage Statement Violations: According to *Gunther v. Alaska Airlines, Inc.* (2021)
8 287 Cal.Rptr.3d 229, in this instance, Labor Code section 2699 would be the appropriate penalty
9 for wage statement violations that are inaccurate, which prescribes penalties of \$100 for an initial
10 violation and \$200 for each subsequent violation (*Id.* at 247-248). Using the initial pay period rate
11 for all violations and a violation every single pay period for every single Aggrieved Employee in
12 the PAGA Period, this amounts to a maximum exposure of \$3,195,200 (31,952 pay periods x
13 \$100).

14 g. Failure to Reimburse Work Expenses: Labor Code section 2699 would be the
15 appropriate penalty for failure to reimburse work expenses, which prescribes penalties of \$100 for
16 an initial violation and \$200 for each subsequent violation. Using *only* the initial pay penalty of
17 \$100 for all violations, and a violation every pay period for each non-exempt employee in the
18 PAGA Period, this amounts to exposure of \$3,195,200 (31,952 pay periods x \$100).

19 h. Conclusion: In sum, Class Counsel calculated Defendants' total maximum
20 exposure for PAGA violations if the Court were to find a 100% violation rate for every Aggrieved
21 Employee every pay period and not exercise its discretion to reduce any of those penalties to be
22 \$15,130,900. Class Counsel understand from the mediator and the mediation process that
23 Defendants argued the following in connection with this claim: Defendants contend that no PAGA
24 penalties are likely to be awarded and, even if they were, the maximum exposure calculated by
25 Class Counsel is vastly overstated. First, Defendants defend that PAGA penalties cannot and
26 should not be stacked. Second, Defendants assert that individualized issues predominate the
27 PAGA claims, making the claims unmanageable for trial. Third, Defendants deny that a violation
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1 for each pay period can be established. Fourth, Defendants contend that a Court is unlikely to
2 exercise its discretion to award civil penalties under PAGA where, as here, there is no conduct
3 shown by Plaintiff that would show any Labor Code violation by Defendants are knowing and
4 intentional. Defendants insists that this is especially true in this Action where class action damages
5 are available to Class Members, rendering an award of PAGA penalties in addition to class action
6 damages to be double recovery.

7 34. Class Counsel maintain that it is possible to recover the subsequent violation rate for
8 penalties, that stacking is permissible, and that there is no manageability requirement under PAGA
9 (citing *Estrada v. Royalty Carpet Mills, Inc.*). As such, Class Counsel believe a 90% discount of this
10 claim to be reasonable, resulting in a valuation of **\$1,513,090** as a reasonable estimate of the
11 likelihood of what Plaintiff may recover at trial for PAGA penalties (\$15,130,900 x .1).

12 **Conclusion**

13 35. When including derivative penalties, such as waiting time penalties, wage statement
14 violations, and discretionary PAGA penalties, Class Counsel theorized Defendants' maximum
15 exposure to be approximately **\$34,016,618**. In all, Class Counsel obtained a Gross Settlement
16 Amount of **\$3,200,000**. Particularly in light of the risks involving obstacles to class certification, all
17 issues and risks related to liability, the issues with manageability at trial, the discretionary nature of
18 PAGA penalties, and considering the case law regarding fair, reasonable and adequate settlements,
19 Class Counsel strongly believe that the settlement reached is fair, reasonable and adequate, and in
20 the best interest of Class Members. Furthermore, Class Counsel also investigated Defendants'
21 financial ability to fund the settlement through analysis of Defendants' financial records.
22 Specifically, Class Counsel worked with an expert financial consultant to determine Defendants'
23 ability to sustain a settlement on a class action basis and determined the Gross Settlement Amount
24 was reasonable in light of Defendants' financial records, as well as the funding plan.

25 36. Moreover, \$160,000 of the Gross Settlement Amount was attributed to PAGA
26 penalties. This allocation was decided mutually by the Parties and the mutual decision was based
27 on: (1) the fact that damages are available for the failure to pay wage claims while only penalties
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1 are available for the PAGA claims; (2) the risk that the Court may exercise its discretion to decline
2 to stack PAGA penalties; (3) the risk that the Court may exercise its discretion to not award the full
3 amount of PAGA penalties available; and (4) the risk that the Court may decline to award any PAGA
4 penalties at all in light of the fact that damages are available for Class Members and it may find any
5 further liability against Defendants unnecessarily punitive.

6 **Proposed Attorneys' Fees and Costs Are Reasonable**

7 37. Class Counsel seek an attorneys' fees award of *not more than* thirty-five percent
8 (35%) of the Gross Settlement Amount, which, unless escalated pursuant to this Agreement, would
9 amount to \$1,120,000.00. Class Counsel also seek reimbursement of costs not to exceed \$80,000.00.

10 **The Requested Enhancement Award to The Named Plaintiffs and Class Representatives Is**
11 **Reasonable**

12 38. Class Counsel believe Plaintiffs are entitled to an enhanced award for their service
13 as class representatives, for answering extensive questions by Class Counsel, for being available
14 and answering questions during mediation, for the risks in being the named Plaintiffs and for
15 providing Defendants with a more expansive release of claims, including a waiver based upon
16 California Civil Code section 1542, in exchange for the enhancement award.

17 39. I am informed and believe Defendants do not oppose the requested enhancement to
18 Plaintiffs. Plaintiffs risked intrusive discovery and the payment of employer costs. Class Counsel
19 seeks a limited enhancement of \$10,000.00 each for Plaintiffs or a total of \$40,000.00 for their
20 services.

21 **Conditional Certification for Settlement Purposes**

22 **Ascertainability**

23 40. The Class Member definition (i.e., all persons employed by Defendants in California
24 and classified as a non-exempt, hourly-paid employee who worked for Defendants during the Class
25 Period) is derived from the operative complaint, which complains of alleged violations of Labor
26 Code sections that are chiefly and, in some instances, solely applicable to non-exempt and hourly-
27 paid employees. Pursuant to Defendants' payroll records, approximately 9,459 persons.

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Numerosity

41. Class Counsel understand from documents provided that Defendants identified at least 9,459 Class Members.

Commonality

42. This litigation is brought to resolve common issues that include whether Defendants failed to pay for all hours worked; whether Defendants provided full, timely and un-interrupted meal and rest periods, whether Class Members are entitled to premium pay for incomplete, untimely or interrupted meal or rest periods, among other claims as set forth above.

Typicality

43. I believe Plaintiffs: (1) were non-exempt employees like other Class Members; (2) complaints of not being paid for all time under Defendants’ control or suffered and/or permitted to work for Defendants; (3) did not receive full premium pay for meal periods that were not compliant with the Labor Code; (4) did not receive premium pay for rest periods that were not provided, among others as set forth above.

Adequacy of Vedang J. Patel

44. I graduated with Bachelor of Arts degree in Economics from the University of California, Davis in 2016.

45. I received my Juris Doctorate from the UCLA School of Law in 2019.

46. After graduating from law school, I practiced law as a member of Murchison & Cumming, LLP on a variety of matters on behalf of defendants.

47. Thereafter, I joined Bibiyan Law Group, P.C., practicing law on behalf plaintiffs in matters of employment law, and specifically on issues of unpaid wages and class action settlements.

48. I am currently a Partner at Bibiyan Law Group, P.C. Among other tasks, I oversee and manage all class action and PAGA action settlements at Bibiyan Law Group, P.C. I have led settlement negotiations and the approval process for class action and PAGA settlements in countless matters, including many of those listed in the declaration of David D. Bibiyan filed concurrently.

49. I have also been appointed as Class Counsel in the past in the following actions:

- 1 • *Ramirez v. Sea-win*, Case No. 21STCV22026, California Superior Court, County of Los
2 Angeles, Honorable Lawrence P. Riff presiding;
- 3 • *Ortega Chavez v. Winpak Lane, Inc.* Case No. CIVSB2202274, California Superior
4 Court, County of San Bernardino, Honorable Jessica Morgan presiding;
- 5 • *Taat v. Acell. Inc.* Case No. 37-2022-00005437-CU-OE-CTL, California Superior Court,
6 County of San Diego, Honorable Matthew Brainer presiding;
- 7 • *Jordan v. The Martin-Brower Company.* Case No. 21STCV41435, California Superior
8 Court, County of Los Angeles, Honorable Stuart Rice presiding;
- 9 • *Williams v. Marrs.* Case No. 21STCV23775, California Superior Court, County of Los
10 Angeles, Honorable Stuart Rice presiding;
- 11 • *Russell v. Staffmark.* Case No. CVRI2103921, California Superior Court, County of
12 Riverside, Honorable Harold Hopp presiding;
- 13 • *Ortega Chavez v. Winpak Lane, Inc., et al.* Case No. CIVSB2202274, California
14 Superior Court, County of San Bernardino, Honorable Jessica Morgan presiding;
- 15 • *Carrasco v O.H. Barkhordar D.D.S., Inc., et al.* Case No. 22STCV21188, California
16 Superior Court, County of Los Angeles, Honorable Lawrence Riff presiding;
- 17 • *Correia v. Gallo Glass Company, et al.* Case No. CV-21-006459, California Superior
18 Court, County of Stanislaus, Honorable Sonny S. Sandhu presiding;
- 19 • *Hernandez v Bromley Foods, Inc., et al.* Case No. 56-2021-00561326-CU-OE-VTA,
20 California Superior Court, County of Ventura, Honorable Henr Walsh presiding;
- 21 • *Moreno v. Infiniti Group LLC., et al.* Case No. CIVSB2223551, California Superior
22 Court, County of San Bernardino, Honorable Joseph T. Ortiz presiding;
- 23 • *Kelley v. Applus Technologies, Inc., et al.* Case No. CIVSB2204889, California Superior
24 Court, County of San Bernardino, honorable Jessica Morgan presiding;
- 25 • *Helaire, et al. v. Smithfield Packaged Meats Corp., et al.* Case No. JCCP5244, California
26 Superior Court, County of San Bernardino, Honorable Jesica Morgan, presiding;
- 27 • *Davood v. NKSFB, LLC.* Case No. 22STCV17305, California Superior Court, County of
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1 Los Angeles, Honorable Christopher Lui presiding.

2 • *Flores v. United Maintenance Company, Inc., et al.* Case No. 21STCV07008, California

3 Superior Court, County of Los Angeles, Honorable Carolyn B. Kuhl presiding;

4 • *Cabral v. Laser Care Specialists, A Professional Medical Corporation, et al.* Case No.

5 21STCV25443, California Superior Court, County of Los Angeles, Honorable Carolyn B. Kuhl

6 presiding;

7 • *Lopez Cabrera v. South Valley Almond Company, LLC, et al.* Case No. BCV-2-100722,

8 California Superior Court, County of Kern, Honorable Bernard C. Barmann, Jr. presiding;

9 • *Portillo Sanchez v. Paragon Services Janitorial Orange County, LLC, et al.* Case No.

10 20STCV38562, California Superior Court, County of Los Angeles, Honorable William F.

11 Highberger presiding;

12 • *Trigueros Garcia v. Highland Plastics, Inc., et al.,* Case No. CVRI2202836, California

13 Superior Court, County of Riverside, Honorable Harold Hopp presiding;

14 • *Magana Ramirez v. 360 Support Services, et al.* Case No. 22STCV20456, California

15 Superior Court, County of Los Angeles, Honorable Lawrence P. Riff presiding;

16 • *Helaire v. Smithfield Packaged Meats Corp, et al.* Case No. JCCP5244, California

17 Superior Court, County of San Bernardino, Honorable Jessica Morgan presiding;

18 • *Hernandez v. Bromley Foods, Inc., et al.* Case No. 56-2021-00561326-CU-OE-VTA,

19 California Superior Court, County of Ventura, Honorable Henry Walsh presiding;

20 • *Hernandez v. Central Valley Recovery Services, et al.* Case No. VCU290220, California

21 Superior Court, County of Tulare, Honorable Brett Hillman presiding;

22 • *Kelley v Applus Technologies, Inc., et al.* Case No. CIVSB2204889, California Superior

23 Court, County of San Bernardino, Honorable Jessica Morgan presiding;

24 • *Mcintosh v. WWL Vehicle Services Americas Inc., et al.* Case No. 56-2022-00562544-

25 CU-OE-VTA, California Superior Court, County of Ventura, Honorable Benjamin Coats

26 presiding;

27 • *Moore v. Dnata US Inflight Catering LLC, et al.* Case No. CGC-20-586512, California

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1 Superior Court, County of San Francisco, Honorable Curtis Karnow presiding;
2 • *Peterson v. Sorenson Engineering, Inc., et al.* Case No. CIVDS2023994, California
3 Superior Court, County of San Bernardino, Honorable David Cohn presiding;
4 • *Torres v. Laurel Avenue, LLC, et al.* Case No. CIVSB2202708, California Superior
5 Court, County of San Bernardino, Honorable David Cohn presiding;
6 • *Ruiz v. Kleen Harvest, Inc., et al.* Case No. 21CV002319, California Superior Court,
7 County of Monterey, Honorable Thomas W. Wills presiding;
8 • *Russell v. Staffmark Investment LLC, et al.* Case No. CVRI12103921, California
9 Superior Court, County of Riverside, Honorable Harold Hopp presiding;
10 • *Vargas-Flores v. Barbor Bay Club, Inc., et al.* Case No. 21CV002396, California
11 Superior Court, County of Alameda, Honorable Michael Markman presiding;
12 • *Low v. Triple Canopy, Inc., et al.* Case No. 37-2023-0007078-CU-OE-CTL, California
13 Superior Court, County of San Diego, Honorable Carolyn Caietti presiding;
14 • *Lopez v. Bachem Americas, Inc., et al.* Case No. 23STCV04258, California Superior
15 Court, County of Los Angeles, Honorable Laura Seigle presiding;
16 • *Romero v. Armstrong Installation Service, et al.* Case No. 22CV022519, California
17 Superior Court, County of Alameda, Honorable Noel Wise presiding;
18 • *Sarmiento, et al. v. Neil Jones Food Company* Case No. 21CECG03825, California
19 Superior Court, County of Fresno, Hon. Kristi Culver Kapetan presiding
20 • *Mendoza Cendejas v. E. & J. Gallo Winery, et al.* Case No. CV-22-005396, California
21 Superior Court, County of Stanislaus, Honorable Sonny S. Sandhu presiding;
22 • *Garcia v. Nature Fresh Farms, LLC, et al.* Case No. ECU001961, California Superior
23 Court, County of Imperial, Honorable Jeffery B. Jones presiding;
24 50. I have also settled matters on a “PAGA Only” basis for aggrieved employees in the
25 past, including in:
26 • *Bailey v. Cannon Constructors*, Case No. 21STCV38274, California Superior Court,
27 County of Los Angeles, Honorable Carolyn Kuhl presiding.
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1 • *Johns v. Whelan Security of California, Inc., et al.* Case No. 22STCV68687, California
2 Superior Court, County of Los Angeles, Honorable Laura Seigle presiding;

3 • *Carrion v. Clutter, Inc., et al.* Case No. 23STCV06709, California Superior Court,
4 County of Los Angeles, Honorable Kerry Bensinger presiding;

5 • *Juarez v. Calmet Services, Inc., et al.* Case No. 21STCV33668, California Superior
6 Court, County of Los Angeles, Honorable Kenneth R. Freeman presiding;

7 • *Pattingale v. Laird Family Estate, LLC et al.* Case No. 22CV000048, California Superior
8 Court, County of Napa, Honorable Cynthia P. Smith presiding;

9 • *London Young v. Amazon.com LLC, et al.* Case No. 21STCV38280, California Superior
10 Court, County of Los Angeles, Honorable Elaine Lu presiding;

11 • *Latrice Ackles v. Brinker Restaurant Corporation, et al.* Case No. 22STCV19068,
12 California Superior Court, County of Los Angeles, Honorable Gail Killefer presiding.

13 **Adequacy of Plaintiffs**

14 51. Class Counsel believe no conflicts, disabling or otherwise, exists between Plaintiffs
15 and Class Members because Plaintiffs allege to have been damaged by the same alleged conduct of
16 Defendants (i.e., Plaintiffs were classified as non-exempt employees, were not paid premium pay,
17 etc.) and thus have the incentive to fairly represent all Class Members' claims to achieve the
18 maximum possible recovery.

19 I declare under penalty of perjury under the laws of the state of California that the
20 foregoing is true and correct this 11th day of May, 2026, at Los Angeles, California.

21
22
23 /s/ Vedang J. Patel

Vedang J. Patel

EXHIBIT 1

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Attorneys for Plaintiffs, Kailee Frocchi, Hannah Howard, Jeremiah Meyer, and Katherine Werner, on behalf of themselves and all others similarly situated and aggrieved

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Los Angeles, CA 90071

Phone: (213) 239-9800

Fax: (213) 239-9045

Attorneys for Defendants, COREPOWER YOGA LLC and KADA O'CONNOR

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

KAILEE FROCCHI, an individual;
HANNAH HOWARD, an individual;
JEREMIAH MEYER, an individual; and
KATHERINE WERNER, an individual and
on behalf of all others similarly situated,

Plaintiff,

v.

COREPOWER YOGA LLC, a Colorado
limited liability company; KADA
O'CONNOR, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO.: 23STCV21870

[Assigned for all purposes to: Hon.
Lawrence P. Riff, Dept. 7]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: September 11, 2023

Trial Date: None Set

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between Plaintiffs Kailee Frocchi, Hannah Howard, Jeremiah Meyer, and Katherine Werner
3 (collectively, “Plaintiffs”) and defendants CorePower Yoga LLC and Kada O’Connor
4 (collectively, “Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as
5 “Parties,” or individually as “Party.”

6 **1. DEFINITIONS**

7 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against
8 Defendants, captioned *Frocchi v. CorePower Yoga LLC, et al.*, Case No. 23STCV21870,
9 initiated on September 11, 2023, and pending in Superior Court of the State of California, County
10 of Los Angeles.

11 1.2. “Administrator” means Phoenix Settlement Administrators the neutral entity the Parties
12 have agreed to appoint to administer the Settlement.

13 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
14 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
15 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
16 Preliminary Approval of the Settlement.

17 1.4. “Allegedly Aggrieved Employee” means a person employed by Defendants in California
18 and classified as a non-exempt, hourly-paid employee who worked for Defendants during the
19 PAGA Period.

20 1.5. “Class” means all persons employed by Defendants in California and classified as a non-
21 exempt, hourly-paid employee who worked for Defendants during the Class Period.

22 1.6. “Class Counsel” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group,
23 P.C.

24 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
25 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and
26 expenses, respectively, incurred to prosecute the Action.

27 1.8. “Class Data” means the following Class Member identifying information to the extent
28 such is available in Defendants’ existing HRIS system: (1) name; (2) last known address(es); (3)

last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

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

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

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

1.12. “Class Period” means the period from September 11, 2019, through January 23, 2025.

1.13. “Class Release” means the release of claims described in Paragraph 5.2, below.

1.14. “Class Representative” means the named Plaintiffs subject to the Court’s approval to serve as a Class Representative.

1.15. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.16. “Court” means the Superior Court of California, County of Los Angeles.

1.17. “Defendants” means named defendants CorePower Yoga LLC and Kada O’Connor.

1.18. “Defense Counsel” means Evan Moses of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

1.19. “Effective Date” means the later of: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the

Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22. “Final Judgment” means the Judgment entered by the Court based upon the Final Approval.

1.23. “Gross Settlement Amount” means \$3,200,000.00 (Three Million Two Hundred Thousand Dollars and Zero Cents) which is the total amount Defendants agree to pay under the Settlement, excluding any mandatory employer payroll taxes (which Defendants shall pay separately from the Gross Settlement Amount) and except as provided in Paragraph 8.1 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment, and Administrator’s Expenses. Payment of the Gross Settlement Amount shall be made in periodic installments, as described below, except that the final installment payment shall be made no later than October 25, 2028.

1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25. “Individual PAGA Payment” means the Allegedly Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.26. “Judgment” means the judgment entered by the Court based upon Final Approval.

1.27. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i), to 75% of the PAGA Penalties.

1.28. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29. “Net Settlement Amount” means the Gross Settlement Amount, less the following

1 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
2 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
3 Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be
4 paid to Participating Class Members as Individual Class Payments.

5 1.30. “Non-Participating Class Member” means any Class Member who opts out of the Class
6 Release by sending the Administrator a valid and timely Request for Exclusion.

7 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

8 1.32. “PAGA Pay Period” means any Pay Period during the PAGA Period in which an
9 Allegedly Aggrieved Employee performed any compensable work for Defendants as a non-
10 exempt employee in California. PAGA Pay Periods shall be determined by Defendants’
11 examination of its existing, electronic pay records. To the extent that such records are not
12 available for any person confirmed to be an Allegedly Aggrieved Employee, the Parties agree
13 that all pay periods during which the individual was an Allegedly Aggrieved Employee, but for
14 which there are no pay records, will count as PAGA Pay Periods.

15 1.33. “PAGA Notice” includes Plaintiff’s September 11, 2023, letter to Defendants and the
16 LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a), and any subsequent
17 letters to the LWDA that may be required to effectuate this settlement, if any.

18 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
19 Gross Settlement Amount, allocated 25% to the Allegedly Aggrieved Employees (\$40,000.00)
20 and the 75% to the LWDA (\$120,000.00) in settlement of PAGA claims.

21 1.35. “PAGA Period” means the period from September 11, 2022, through the end of the Class
22 Period.

23 1.36. “PAGA Release” means the release of claims described in Paragraph 5.4, below.

24 1.37. “Participating Class Member” means a Class Member who does not submit a valid and
25 timely Request for Exclusion from the Settlement.

26 1.38. “Plaintiffs” means Kailee Frocchi, Hannah Howard, Jeremiah Meyer, and Katherine
27 Wernerthe named plaintiff in the Action.

28 1.39. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the

Settlement.

1.40. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval and Approval of PAGA Settlement.

1.41. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.42. “Released PAGA Claims” means the claims being released as described in Paragraph 5.4 below.

1.43. “Released Parties” means: Defendants, and each of their former, present and future owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.

1.44. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.45. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and Allegedly Aggrieved Employees, and shall be the last date on which Class Members may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator shall have an additional 15 days beyond the Response Deadline has expired.

1.46. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.47. “Workweek” means any week during which a Class Member performed any compensable work for Defendants as non-exempt employees in California, for at least one day during the Class Period. Workweeks shall be determined by Defendants’ examination of its existing, electronic pay records. To the extent that such records are not available for any person confirmed to be a Class Member, the Parties agree that all pay periods during which the individual was a Class Member, but for which there are no pay records, will count as Workweeks.

2. RECITALS

2.1. On September 11, 2023, Plaintiff commenced this Action by filing a complaint against Defendants for: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) waiting time penalties; (6) wage statement violations; (7) failure to timely pay wages; (8) failure to indemnify; (9) violation of Labor Code section 227.3; and (10) unfair competition (the "Class Action").

2.2. On September 11, 2023, Plaintiff provided written notice pursuant to Labor Code section 2699.3 of Defendants' Labor Code violations to the Labor and Workforce Development Agency ("LWDA") and served the same on Defendants, stating that he intended to serve as a proxy of the LWDA ("PAGA Notice").

2.3. The LWDA did not provide notice of its intention to investigate the violations within sixty-five (65) days.

2.4. On June 20, 2024, Plaintiff filed a separate representative action in the Los Angeles Superior Court, Case No. 24STCV15361, seeking PAGA civil penalties against Defendants for Labor Code violations alleged in the PAGA Notice (the "PAGA Action").

2.5. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.6. Prior to mediation Plaintiff obtained, through informal discovery: (a) approximately 20% sampling (approximately 1900-2000 employees) of timecards and payroll records for all employees during the Class Period; (b) policy and practice documents, and (c) Plaintiff's personnel file.

2.7. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.8. On October 25, 2024, the Parties participated in an all-day mediation presided over by Mr. Tagore Subramaniam. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action.

2.9. The Court has not granted class certification.

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

3. MONETARY TERMS

3.1. Gross Settlement Amount. Defendants promise to pay \$3,200,000.00 (Three Million Two Hundred Thousand Dollars and Zero Cents) as the Gross Settlement Amount, unless such amount is increased pursuant to Paragraph 8.1 of this Agreement. Defendants will also separately pay all mandatory employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadlines stated in Paragraph 4.3 of this Agreement. This is not a claims-made settlement. All portions of the Gross Settlement Amount will be distributed pursuant to the installment schedule described in Paragraph 4.3. Allegedly Aggrieved Employees None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, to the extent permitted by Court upon Final Approval:

3.2.1. To Plaintiffs: Class Representative Service Payment to each Plaintiff of \$10,000.00 (Ten Thousand Dollars and Zero Cents) in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a Participating Class Member and Allegedly Aggrieved Employee. Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class

Representative Service Payment. The Parties understand that the Court may not approve of any or all of the Class Representative Service Payment or may reduce it. The Parties agree that this Settlement will remain binding even in the even the Court reduces or does not award the Class Representative Service Payment as described above.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this Agreement, is currently estimated to be \$1,120,000.00 (One Million One Hundred and Twenty Thousand Dollars and Zero Cents) and a Class Counsel Litigation Expenses Payment of not more than \$80,000.00 Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments. The Parties understand that the Court may not approve of any or all of the Class Counsel Fees Payment or may reduce it. The Parties agree that this Settlement will remain binding even in the even the Court reduces or does not award the Class Counsel Fees Payment as described above. .

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$109,995.00 except for a showing of good cause and as approved by the Court. To the

1 extent the Administration Expenses are less, or the Court approves payment less than
2 \$109,995.00 the Administrator will retain the remainder in the Net Settlement Amount.

3 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
4 by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
5 by all Participating Class Members during the Class Period and (b) multiplying the result
6 by each Participating Class Member's Workweeks.

7 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
8 Class Member's Individual Class Payment will be allocated to settlement of
9 wage claims (the "Wage Portion"). The Wage Portions are subject to tax
10 withholding and will be reported on an IRS W-2 Form. The remaining 80% of
11 each Participating Class Member's Individual Class Payment will be allocated
12 to settlement of claims for interest and penalties (the "Non-Wage Portion"). The
13 Non-Wage Portions are not subject to wage withholdings and will be reported
14 on IRS 1099 Forms. Participating Class Members assume full and exclusive
15 responsibility and liability for any employee taxes owed on their Individual
16 Class Payment.

17 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
18 Class Payments. Non-Participating Class Members will not receive any
19 Individual Class Payments. Any Individual Class Payment amounts originally
20 allocated to Non-Participating Class Members will be distributed to
21 Participating Class Members proportionally to their Participating Class
22 Member's Workweeks.

23 3.2.5. To the LWDA and Allegedly Aggrieved Employees: PAGA Penalties in the
24 amount of \$160,000.00 to be paid from the Gross Settlement Amount, with 75%
25 (\$120,000.00) allocated to the LWDA PAGA Payment and 25% (\$40,000.00) allocated
26 to the Individual PAGA Payments.

27 3.2.5.1. The Administrator will calculate each Individual PAGA
28 Payment by (a) dividing the amount of the Allegedly Aggrieved Employees'

25% share of PAGA Penalties (\$40,000.00) by the total number of PAGA Period Pay Periods worked by all Allegedly Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Allegedly Aggrieved Employee's PAGA Period Pay Periods. Allegedly Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Data. Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in machine-readable format. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. None of the Class Data will be provided to Plaintiff, Plaintiff's Counsel, or any other individual or entity, absent advance, written approval from counsel for Defendants. However, Class Counsel shall be entitled to the redacted and anonymized calculations performed by the Administrator, including, but not limited to, the number of Workweeks in the Class Period and the number of Workweeks attributed to each Class Member and/or Allegedly Aggrieved Employee. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.2. Funding of Gross Settlement Amount. Defendant will transfer increments of the Gross Settlement Payment and employer side taxes in installments according to the following schedule:

Seven (7) calendar days from the Date of Final Approval (“Payment 1”)	Deadline for Defendants to transfer \$500,000 to the Administrator
One year from Final Approval (“Payment 2”)	Deadline for Defendants to transfer \$500,000 to the Administrator
Two years f Final Approval (“Payment 3”)	Deadline for Defendants to transfer \$500,000 to the Administrator and employer side taxes for payments made to date.
Three years from Final Approval (“Payment 4”)	Deadline for Defendants to transfer \$500,000 to the Administrator
No later than three years and six months from Final Approval (“Payment 5”)	Deadline for Defendants to transfer \$500,000 to the Administrator
No later than October 25, 2028 (“Payment 6”)	Deadline for Defendant to transfer \$700,000, or all remaining funds, as applicable, to the Administrator

4.3. Payments from the Gross Settlement Amount. The Administrator will mail or otherwise make payments of the incrementally received Gross Settlement Amounts according to the following schedule:

14 days after Defendant funds payment 2	
14 days after Defendant funds Payment 3	
14 days after Defendant funds Payment 4	

14 days after Defendant funds Payment 6	

4.4. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Allegedly Aggrieved Employees including Non-Participating Class Members who qualify as Allegedly Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.6. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Office, Unclaimed

Property Fund or, if required by the Court, to a *cy pres* recipient to be selected by mutual agreement among the Parties.

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

5. RELEASE OF CLAIMS

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will immediately release claims against all Released Parties as follows:

5.1 Plaintiffs' General Release. Plaintiffs and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims any and all claims, actions, charges, complaints, grievances and causes of action, of whatever nature, whether known or unknown, which exist or may exist on Plaintiff's behalf as of the date of this Agreement, including but not limited to any and all tort claims, contract claims, wage claims, wrongful termination claims, disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental statute, law, regulation or ordinance, including but not limited to claims for violation of the Fair Labor Standards Act, the California Labor Code, the Wage Orders of California's Industrial Welfare Commission, other state wage and hour laws, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act, the California Family Rights Act, the

1 Family Medical Leave Act, California’s Whistleblower Protection Act, and California
2 Business & Professions Code § 17200 *et seq.* through the Class Period (“Plaintiff’s
3 General Release”). This Plaintiffs’ General Release includes, but is not limited to all
4 claims that were, or reasonably could have been, alleged based on facts contained in
5 the Operative Complaint and/or Plaintiffs’ PAGA Notice. Plaintiff’s General Release
6 does not extend to any claims or actions to enforce this Agreement, or to any claims for
7 vested benefits, unemployment benefits, disability benefits, social security benefits,
8 workers’ compensation benefits that arose at any time. Plaintiff acknowledges that
9 Plaintiff may discover facts or law different from, or in addition to, the facts or law that
10 Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s
11 General Release shall be and remain effective in all respects, notwithstanding such
12 different or additional facts or Plaintiffs’ discovery of them.

13 5.1.1. Plaintiffs’ Waiver of Rights Under California Civil Code Section 1542. For
14 purposes of Plaintiffs’ General Release only, Plaintiffs expressly waive and relinquish
15 the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
16 which reads:

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

21 5.2. “Class Release” By All Release by Participating Class Members: For the duration of the
22 Class Period, all Participating Class Members, on behalf of themselves and their respective
23 former and present representatives, agents, attorneys, heirs, administrators, successors, and
24 assigns, release Released Parties from all claims that were alleged, or reasonably could have been
25 alleged, based on the facts and legal theories actually alleged in the Operative Complaint and/or
26 PAGA Notice, including: (1) failure to pay all wages due (including but not limited to claims for
27 straight time wages, minimum wages, overtime wages, time-and-a-half wages, double time
28 wages, miscalculation or underpayment of the regular rate of pay; miscalculation or

underpayment of meal and/or rest premiums; miscalculation or underpayment of vacation pay and/or sick time); (2) failure to provide proper meal periods or compensation/premiums in lieu thereof; (3) failure to provide proper rest periods or compensation/premiums in lieu thereof; (4) failure to timely pay wages during employment; (5) failure to timely pay wages at or after termination; (6) wage statement defects or inaccuracies; (7) failure to reimburse/indemnify for business expenses; (8) violation of Labor Code section 227.3; (9) unfair competition; and (10) all claims asserted through California Business & Professions Code section 17200, *et seq.* arising out of the Labor Code violations referenced in the Operative Complaint or PAGA Notice.

5.3. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.4. "PAGA Release": For the duration of the PAGA Period, all Allegedly Aggrieved Employees, as well as the LWDA and State of California, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts and legal theories actually alleged in the Operative Complaint and/or the PAGA Notice, including: (1) failure to pay all wages due (including but not limited to claims for straight time wages, minimum wages, overtime wages, time-and-a-half wages, double time wages, miscalculation or underpayment of the regular rate of pay; miscalculation or underpayment of meal and/or rest premiums; miscalculation or underpayment of vacation pay and/or sick time); (2) failure to provide proper meal periods or compensation/premiums in lieu thereof; (3) failure to provide proper rest periods or compensation/premiums in lieu thereof; (4) failure to timely pay wages during employment; (5) failure to timely pay wages at or after termination; (6) wage statement defects or inaccuracies; (7) failure to reimburse/indemnify for business expenses; (8) violation of Labor Code section 227.3; (9) all claims arising out of the Labor Code violations referenced in the Operative Complaint and/or PAGA Notice.

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4 **6. MOTION FOR PRELIMINARY APPROVAL**

5 Class Counsel agrees to prepare and file the documents listed in Section 6.2 no later than
6 following the full execution of this agreement, and if necessary, obtain a prompt hearing for the
7 motion and appear in Court to advocate in favor of it. Class Counsel is responsible for delivering
8 the Court's approval order to the Administrator. Before filing or submitting any documents
9 relating to this Agreement with any Court, Class Counsel will send copies of such documents to
10 Defense Counsel at least three (3) business days in advance of such filing or submission.

11 6.1. Defendants' Declaration in Support of Preliminary Approval. Within 7 days of full
12 execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed
13 declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or
14 potential conflicts of interest with the Administrator and Cy Pres Recipient.

15 6.2. Class Counsel Responsibilities. Pursuant to Section 6.1, Class Counsel will prepare and
16 to deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval,
17 including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary
18 Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for
19 approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft
20 proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft
21 proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to
22 exceed" bid for administering the Settlement and attesting to its willingness to serve;
23 competency; operative procedures for protecting the security of Class Data; amounts of insurance
24 coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any
25 actual or potential conflicts of interest with Class Members; and the nature and extent of any
26 financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration
27 from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant
28 to any actual or potential conflicts of interest with Class Members; (v) a signed declaration from

1 Class Counsel attesting to its competency to represent the Class Members; its timely transmission
2 to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section
3 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement
4 (Labor Code section 2699, subd. (1)(2)); and (vi) all facts relevant to any actual or potential
5 conflict of interest with Class Members and the Administrator.

6 6.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
7 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
8 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
9 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
10 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
11 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
12 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
13 Court's concerns.

14 **7. SETTLEMENT ADMINISTRATION**

15 7.1. Selection of Administrator. Class Counsel has selected Phoenix Settlement
16 Administrators to serve as the Administrator and verified that, as a condition of appointment,
17 Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a
18 fiduciary, all duties specified in this Agreement in exchange for payment of Administration
19 Expenses. These duties shall include, in addition to those described elsewhere in this Agreement,
20 calculating mandatory employer tax obligations, deducting all legally required taxes from
21 Individual Settlement Payments and distributing tax forms; processing and mailing any tax
22 payments to the appropriate state and federal taxing authorities; providing declaration(s) as
23 necessary in support of preliminary and/or final approval of this Settlement; and other tasks as
24 the Parties mutually agree or the Court orders the Settlement Administrator to perform. The
25 Parties and their Counsel represent that they have no interest or relationship, financial or
26 otherwise, with the Administrator other than a professional relationship arising out of prior
27 experiences administering settlements. Defendant and Defense Counsel shall have no
28 responsibility for validating or ensuring the accuracy of the Settlement Administrator's work.

1 Plaintiffs, Class Counsel, Defendant and Defense Counsel shall not bear any responsibility for
2 errors or omissions in the calculation or distribution of the Individual Settlement Payments or
3 any other distribution of monies contemplated by this Agreement.

4 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
5 Identification Number for purposes of calculating payroll tax withholdings and providing reports
6 state and federal tax authorities.

7 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
8 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section
9 468B-1.

10 7.4. Notice to Class Members

11 7.4.1. No later than three (3) business days after receipt of the Class Data, the
12 Administrator shall notify Class Counsel that the list has been received and state the
13 number of Class Members, Allegedly Aggrieved Employees, Workweeks, and Pay
14 Periods in the Class Data.

15 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
16 days after receiving the Class Data, the Administrator will send to all Class Members
17 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail,
18 the Class Notice with Spanish translation, substantially in the form attached to this
19 Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the
20 dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable
21 to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable)
22 used to calculate these amounts. Before mailing Class Notices, the Administrator shall
23 update Class Member addresses using the National Change of Address database.

24 7.4.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice
25 returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
26 using any forwarding address provided by the USPS. If the USPS does not provide a
27 forwarding address, the Administrator shall conduct a Class Member Address Search,
28 and re-mail the Class Notice to the most current address obtained. The Administrator

has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever ever are later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably

ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

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

7.5.4. Class Members who submit a valid and timely Request for Exclusion are considered Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Allegedly Aggrieved Employees may not exclude themselves from the PAGA Release and are deemed to release the claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The

1 Administrator's determination of each Class Member's allocation of Workweeks and/or Pay
2 Periods shall be final and not appealable or otherwise susceptible to challenge. The
3 Administrator shall promptly provide copies of all challenges to calculation of Workweeks
4 and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination
5 the challenges.

6 7.7. Objections to Settlement

7 7.7.1. Only Participating Class Members may object to the class action components of
8 the Settlement and/or this Agreement, including contesting the fairness of the
9 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
10 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

11 7.7.2. Participating Class Members may send written objections to the Administrator, by
12 mail. In the alternative, Participating Class Members may appear in Court (or hire an
13 attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
14 A Participating Class Member who elects to send a written objection to the
15 Administrator must do so not later than 45 days after the Administrator's mailing of the
16 Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-
17 mailed).

18 7.7.3. Non-Participating Class Members have no right to object to any of the class action
19 components of the Settlement.

20 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
21 performed or observed by the Administrator contained in this Agreement or otherwise.

22 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain
23 and use an internet website to post information of interest to Class Members including
24 the date, time and location for the Final Approval Hearing and copies of the Settlement
25 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
26 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment,
27 Class Counsel Litigation Expenses Payment and Class Representative Service Payment,
28 the Final Approval and the Judgment. The Administrator will also maintain and monitor

an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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

7.8.5. Administrator’s Declaration. Before the date by which Plaintiffs is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a declaration suitable for filing in Court attesting to its

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

8 7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator
9 disburses all funds in the Gross Settlement Amount, the Administrator will provide
10 Class Counsel and Defense Counsel with a final report detailing its disbursements by
11 employee identification number only of all payments made under this Agreement. At
12 least 7 days before any deadline set by the Court, the Administrator will prepare, and
13 submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
14 Court attesting to its disbursement of all payments required under this Agreement. Class
15 Counsel is responsible for filing the Administrator's declaration in Court.

16 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

17 8.1. For purposes of mediation, Defendants estimated that, between September 11, 2019 and
18 October 1, 2024 (the "Data Period"), there were 9,459 Class Members who, during the Data
19 Period, collectively worked approximately 327,186 weeks in which Class Members performed
20 work as non-exempt employees in California. If the number of Workweeks during the Data
21 Period is more than ten percent (10%) above 327,186 (i.e., more than 359,905 weeks), Defendant
22 will have the option to either: (a) increase the Gross Settlement Amount by the percentage that
23 the actual number of weeks during the Data Period equals or exceeds 11% of the original estimate
24 (e.g., if the total number of weeks during the Data Period is 11% above the original estimate, the
25 Gross Settlement Amount would be increased by 1% to \$3,232,000); or, (b) end the Class Period
26 on the date the number of Workweeks reaches 359,905. Defendant shall make its election no
27 later than 7 days after receiving sufficient information from the Administrator that the number of
28 Workweeks has exceeded 10%. Should Defendant fail to make its election within 7 days, then

option (ab) above shall be presumed elected.

9. MOTION FOR FINAL APPROVAL

Prior to the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide drafts of these documents to Defense Counsel at least five (5) business days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administrator Expenses Payment and/or individual claims of Plaintiffs for alleged wrongful termination, shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class

Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. AMENDED JUDGMENT

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

11. ADDITIONAL PROVISIONS

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by

1 Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class
2 certification and representative treatment is for purposes of this Settlement only. If, for any
3 reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants
4 reserve the right to contest certification of any class for any reasons, and Defendants reserve all
5 available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class
6 certification on any grounds available and to contest Defendants' defenses. The Settlement, this
7 Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be
8 admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
9 Settlement and this Agreement).

10 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendants and Defense
11 Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed,
12 they and each of them will not disclose, disseminate and/or publicize, or cause or permit another
13 person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
14 indirectly, specifically or generally, to any person, corporation, association, government agency,
15 or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be
16 instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent
17 necessary to report income to appropriate taxing authorities; (4) in response to a court order or
18 subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
19 agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,
20 inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendants and
21 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other
22 communication, before the filing of the Motion for Preliminary Approval, any with third party
23 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
24 "the matter was resolved," or words to that effect. This paragraph does not restrict Class
25 Counsel's communications with Class Members in accordance with Class Counsel's ethical
26 obligations owed to Class Members.

27 11.2. No Publicity. Pending Final Approval, Plaintiffs and Class Counsel agree not to issue
28 press releases, communicate with, or respond to any media or publication entities, publish

1 information in any form, whether printed or electronic, on any medium or otherwise
2 communicate, whether by print, video, recording or any other medium, with any person or entity
3 concerning the Settlement, including the fact of the Settlement, its terms or contents and the
4 negotiations underlying the Settlement, except to effectuate the terms of the Agreement.
5 However, nothing herein shall restrict Class Counsel's ethical duties in assisting Class Members
6 with respect to this Settlement nor prohibit Class Counsel from identifying this Settlement for
7 purposes of adequacy as Class Counsel in future actions.

8 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and
9 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
10 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's
11 ability to communicate with Class Members in accordance with Class Counsel's ethical
12 obligations owed to Class Members.

13 11.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
14 together with its attached exhibits shall constitute the entire agreement between the Parties
15 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
16 inducements made to or by any Party.

17 11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
18 represent that they are authorized by Plaintiffs and Defendants, respectively, to take all
19 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
20 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
21 terms of this Agreement including any amendments to this Agreement.

22 11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
23 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
24 Settlement Agreement, submitting supplemental evidence and supplementing points and
25 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
26 or content of any document necessary to implement the Settlement, or on any modification of the
27 Agreement that may become necessary to implement the Settlement, the Parties will seek the
28 assistance of a mediator and/or the Court for resolution.

1 11.7. No Prior Assignments. The Parties separately represent and warrant that they have not
2 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
3 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
4 action, or right released and discharged by the Party in this Settlement.

5 11.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are
6 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
7 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
8 Part 10, as amended) or otherwise.

9 11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
10 modified, changed, or waived only by an express written instrument signed or agreed to by all
11 Parties or their representatives, and approved by the Court. Plaintiffs and Defendants expressly
12 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
13 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
14 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
15 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
16 the use of signatures previously provided by the Parties.

17 11.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
18 the benefit of, the successors of each of the Parties.

19 11.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
20 governed by and interpreted according to the internal laws of the state of California, without
21 regard to conflict of law principles.

22 11.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
23 this Agreement. This Agreement will not be construed against any Party on the basis that the
24 Party was the drafter or participated in the drafting.

25 11.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
26 during Action and in this Agreement relating to the confidentiality of information shall survive
27 the execution of this Agreement.

28 11.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code

1 §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants
2 in connection with the mediation, other settlement negotiations, or in connection with the
3 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not
4 be used in any way that violates any existing contractual agreement, statute, or rule of court.

5 11.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
6 inserted for convenience of reference only and does not constitute a part of this Agreement.

7 11.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
8 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
9 weekend or federal legal holiday, such date or deadline shall be on the first business day
10 thereafter.

11 11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts
12 by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall
13 be accepted as an original. All executed counterparts and each of them will be deemed to be one
14 and the same instrument if counsel for the Parties will exchange between themselves signed
15 counterparts. Any executed counterpart will be admissible in evidence to prove the existence
16 and contents of this Agreement.

17 11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
18 litigation shall be stayed and all deadlines held in abeyance, except to effectuate the terms of this
19 Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to
20 CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the
21 entire period of this settlement process.

22 11.19. Severability. In the event that one or more of the provisions contained in this Agreement
23 shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
24 illegality, or unenforceability shall in no way effect any other provision if Defendants’ Counsel
25 and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing
26 to proceed as if such invalid, illegal, or unenforceable provision had never been included in this
27 Agreement.

1 11.20. Option to Revoke Settlement. Defendants have the unilateral right to revoke the
2 Settlement as follows:

3 11.20.1. If, after the Response Deadline, the number of Class Members who submitted
4 timely and valid written requests for exclusion from the Settlement equals at least 5%
5 of all Class Members, Defendants shall have, in their sole discretion, the option to
6 terminate this Settlement. If Defendants exercise the option to terminate this
7 Settlement, Defendants shall: (a) provide written notice to Class Counsel within seven
8 (7) calendar days after the Response Deadline and (b) pay all Settlement
9 Administration Costs incurred up to the date or as a result of the termination; and the
10 Parties shall proceed in all respects as if this Agreement had not been executed.
11

12 11.21. No Unalleged Claims. Plaintiffs and Class Counsel represent that they, as of the date of
13 execution of this Settlement, have no *current* (as of the date of execution) intention of pursuing
14 any claims against Defendants in any judicial, administrative, or arbitral forum, including, but
15 not limited to, any and all claims relating to or arising from Plaintiffs' employment with
16 Defendants, and that Class Counsel is not *currently* (as of the date of execution) aware of any
17 facts or legal theories upon which any claims or causes of action could be brought against
18 Defendants, excepting those facts or legal theories alleged in the operative complaint in this
19 Action. Plaintiffs and Class Counsel further represent and agree that they do not *currently* (as
20 of the date of execution) know of or represent any persons who have expressed any interest in
21 pursuing litigation or seeking any recovery against Defendants. The Parties further
22 acknowledge, understand and agree that this representation is essential to the Agreement and
23 that this Agreement would not have been entered into were it not for this representation.
24 Nothing in this Paragraph will be construed as a restraint on the right of any counsel to practice.
25
26
27
28

1 11.22. Nullification of Settlement Agreement. In the event: (i) the Court does not grant
2 preliminary approval; (ii) the Court does not grant final approval; (iii) the Court does not enter
3 a final judgment as provided herein; or (iv) the Settlement does not become final for any other
4 reason, this Agreement shall be null and void and any order or judgment entered by the Court
5 in furtherance of this Settlement shall be treated as void from the beginning. In such a case, the
6 Parties and any funds to be awarded under this Settlement shall be returned to their respective
7 statuses as of the date and time immediately prior to the execution of this Agreement, and the
8 Parties shall proceed in all respects as if this Agreement had not been executed, except that any
9 costs already incurred by the Settlement Administrator shall be paid by equal apportionment
10 among the Parties. In the event an appeal is filed from the Court's final judgment, or any other
11 appellate review is sought, administration of the Settlement shall be stayed pending final
12 resolution of the appeal or other appellate review, but any fees incurred by the Settlement
13 Administrator prior to it being notified of the filing of an appeal from the Court's Final
14 Judgment, or any other appellate review, shall be paid to the Settlement Administrator within
15 thirty (30) days of said notification.
16
17

18 11.23. No Effect on Employee Benefits. Amounts paid to Plaintiffs or other Settlement Class
19 Members pursuant to this Agreement shall be deemed not to be pensionable earnings and shall
20 not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g.,
21 vacations, holiday pay, retirement plans, etc.) of the Plaintiffs or Settlement Class Members.
22

23 11.24. Exhibits and Headings. The terms of this Agreement include the terms set forth in the
24 attached Exhibit 1, which is incorporated by this reference as though fully set forth herein. The
25 exhibit to this Agreement is an integral part of the Settlement. The descriptive headings of any
26 paragraphs or sections of this Agreement are inserted for convenience of reference only and do
27 not constitute a part of this Agreement.
28

11.25. Amendment or Modification. This Agreement may be amended or modified only by a written instrument: (1) signed by counsel for all Parties or their successors-in-interest; (2) signed by the Parties or their successors-in-interest; and (3) as may be approved by the Court.

IT IS SO AGREED:

Kailee Frocchi

03/31/2026

Plaintiff, Kailee Frocchi

For Defendant, CorePower Yoga LLC

Hannah Howard

03/30/2026

Plaintiff Hannah Howard

Defendant, Kada O'Connor

Jeremiah Meyer

03/30/2026

Plaintiff Jeremiah Meyer



04/02/2026

Plaintiff Katherine Werner

Vedang J. Patel

4/2/2026

David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiffs

Evan Moses
Counsel for Defendants

11.25. Amendment or Modification. This Agreement may be amended or modified only by a written instrument: (1) signed by counsel for all Parties or their successors-in-interest; (2) signed by the Parties or their successors-in-interest; and (3) as may be approved by the Court.

IT IS SO AGREED:

Signed by:

 67F5569B3304489...

Plaintiff, Kailee Frocchi

Abby Gilbertson, Chief Growth Officer
 For Defendant, CorePower Yoga LLC

Plaintiff Hannah Howard

Defendant, Kada O'Connor

Plaintiff Jeremiah Meyer

Plaintiff Katherine Werner

David D. Bibiyan
 Vedang J. Patel
 Counsel for Plaintiffs

Evan Moses
 Counsel for Defendants

Certificate Of Completion

Envelope Id: 3E714CD7-5DE1-4026-80B3-7EB76A6236A2

Status: Completed

Subject: CorePower / Kang - Settlement Agreement

Source Envelope:

Document Pages: 33

Signatures: 1

Envelope Originator:

Certificate Pages: 2

Initials: 0

Mimie Normis

AutoNav: Enabled

50 International Drive, Suite 300

Envelopeld Stamping: Enabled

Greenville, SC 29615

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

mimie.normis@ogletreedeakins.com

IP Address: 151.186.183.204

Record Tracking

Status: Original

Holder: Mimie Normis

Location: DocuSign

4/17/2026 8:56:09 AM

mimie.normis@ogletreedeakins.com

Signer Events

Abby Gilbertson

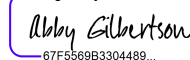
abby.gilbertson@corepoweryoga.com

Chief Growth Officer

Security Level: Email, Account Authentication (None)

Signature

Signed by:



67F5569B3304489...

Signature Adoption: Pre-selected Style

Using IP Address:

2601:283:4402:cae0:3846:de51:c787:7253

Timestamp

Sent: 4/17/2026 9:07:19 AM

Viewed: 4/17/2026 1:26:21 PM

Signed: 4/17/2026 1:27:07 PM

Freeform Signing

Electronic Record and Signature Disclosure:

Accepted: 4/17/2026 1:26:21 PM

ID: dcdae509-5d8e-4a29-b6a1-5aaaf73c1f2f

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent

Hashed/Encrypted

4/17/2026 9:07:19 AM

Certified Delivered

Security Checked

4/17/2026 1:26:21 PM

Signing Complete

Security Checked

4/17/2026 1:27:07 PM

Completed

Security Checked

4/17/2026 1:27:07 PM

Payment Events

Status

Timestamps

Electronic Record and Signature Disclosure

CONSENT TO RECEIVE, REVIEW, ACCESS, SIGN, & AUTHENTICATE CERTAIN DOCUMENTS, FORMS, LETTERS, & OTHER INFORMATION ELECTRONICALLY (“ E-Signature Disclosures & Consent”)

By checking the box indicating that you agree to use electronic records and signatures, you are agreeing to electronically access, receive, review, sign, and authenticate this document (the “ Document”), which may be covered by the federal Electronic Signatures in Global and National Commerce Act, various state electronic transactions acts, and/or the separate state laws of New York.

By checking the box indicating that you agree to use electronic records and signatures, you are agreeing that your electronic signature is the equivalent of your handwritten (or wet) signature, with all the same legal and binding effect.

To access this Document electronically, you must have a personal computer or mobile device and an operating system capable of receiving, accessing, displaying, and either printing or storing information. To retain this Document, you may either print or download them. You may obtain a paper copy of the Document by contacting Ogletree, Deakins, Nash, Smoak & Stewart, P.C., Patewood IV, 50 International Drive, Suite 300, Greenville, South Carolina 29615. You may be charged a reasonable fee to cover the costs of providing a paper copy.

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**

Frocchi, et al. v. Corepower Yoga LLC, et al.

(County of Los Angeles, California Superior Court Case No. 23STCV21870)

As a current or former non-exempt, hourly-paid California employee of Corepower Yoga LLC you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of Corepower Yoga LLC, (“Defendant”), show that you are a “Class Member” and, therefore, entitled to a payment from this class action settlement. Class Members are all persons employed by Defendant in California and classified as a non-exempt, hourly-paid employee who worked for Defendant during the period from September 11, 2019 through January 23, 2025 (“Class Period”).

- The settlement is to resolve a class action lawsuit, *Kang v. Corepower Yoga LLC*, pending in the Superior Court of California for the County of Los Angeles, Case Number 23STCV21870 (the “Lawsuit”), alleging causes of action against Defendant for: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) waiting time penalties; (6) wage statement violations; (7) failure to timely pay wages; (8) failure to indemnify; (9) violation of Labor Code 227.3; and (10) unfair competition. Plaintiff also seek civil penalties under the California Labor Code Private Attorney’s General Act of 2004 (“PAGA”) for violations of Labor Code.
- On [REDACTED], the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously deny the claims in the Lawsuit and contend that it fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked at any time during the period from September 11, 2022 through the end of the Class Period. ("PAGA Period") as a non- exempt, employee of Defendant, as well, then you will be deemed an “Allegedly Aggrieved Employee” and you will still receive your share of the proceeds available from the settlement of the Released

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	PAGA Claims, defined below, (your “Individual PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, [REDACTED], about why you object to the settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [REDACTED] in Department 7 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N Spring St, Los Angeles, CA 90012.

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held at [REDACTED], in Department 7 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N Spring St, Los Angeles, CA 90012. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendant’s records show that you currently work, or previously worked, for Defendant, as an hourly-paid, non-exempt employee in the State of California at some point during the Class Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

What is This Case About?

Kailee Frocci, Hannah Howard, Jeremiah Meyer, and Katherine Werner, were non-exempt employees of Defendant. They are the “Plaintiffs” in this case and are suing on behalf of themselves and Class Members for Defendant’s alleged failure to pay overtime; failure to pay minimum wages; failure to provide meal breaks; failure to provide rest breaks, or compensation in lieu thereof; waiting time penalties; wage statement violations; failure to timely pay wages; failure to indemnify; violation of labor code §227.3; and unfair competition

Based on the alleged Labor Code violations above-mentioned and other alleged Labor Code violations, Plaintiff also seek penalties under California Labor Code Private Attorneys General Act (“PAGA”).

Defendant denies all the allegations made by Plaintiffs and deny that they violated any law. The Court has made no ruling on the merits of Plaintiffs’ claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Summary of the Settlement Terms

Plaintiffs and Defendant have agreed to settle this case on behalf of themselves and Class Members and Allegedly Aggrieved Employees for the Gross Settlement Amount of \$3,200,000.00, unless increased pursuant to the Settlement Agreement. The Gross Settlement includes (1) Administration Costs up to \$109,995.00 (2) a service award of up to \$10,00.00 to Plaintiffs Frocchi, Meyer, Howard and Werner each, for a total of \$40,000.00 for their time and effort in pursuing this case; (3) up to 35% of the Gross Settlement Amount in attorneys' fees which, unless increased pursuant to the Settlement Agreement, amounting to \$ 1,120,000.00; (4) up to \$80,000.00 in litigation costs to Class Counsel, according to proof; and (5) payment allocated to PAGA penalties in the amount of \$160,000.00 of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent (75%) of the amount allocated toward PAGA, or \$120,000.00, will be paid to the LWDA and twenty-five percent (25%), or \$40,000.00, will be distributed to Aggrieved Employees. After deducting these sums, a total of approximately not less than \$1,690,005.00 will be available for distribution to Class Members ("Net Settlement Amount").

Defendant estimates that, as of the date of the mediation, Class Members collectively worked a total of 327,186 Workweeks for the time period from September 11, 2019 through October 1, 2024. In the event that the actual number of workweeks worked by all Settlement Class Members during the Class Period increases by more than 10 percent (i.e., 359,905 or more), then, at Defendant's option, either (1) increase the Gross Settlement Amount by the percentage that the actual number of weeks during the Data Period equals or exceeds 11% above the original estimate (e.g., if the total number of weeks during the Data Period is 11% above the original estimate, the Gross Settlement Amount would be increased by 1% to \$3,232,000); or (2) end the Class Period on the date the number of Workweeks reaches 359,905. Defendant shall make its election no later than 7 days after receiving sufficient information from the Administrator that the number of Workweeks has exceeded 10%. Should Defendant fail to make its election within 7 days, then option (b) above shall be presumed elected.

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the number of weeks worked by Participating Class Members in hourly-paid, non-exempt positions for Defendant in California during the Class Period ("Eligible Workweeks"). Specifically, Class Members' payments will be calculated by dividing the Net Settlement Amount by the total number of Eligible Workweeks worked by all Participating Class Members during the Class Period, multiplied by the number of Eligible Workweeks attributed to the Class Member. Otherwise stated, the formula for a Class Member is: (Net Settlement Amount ÷ total Settlement Class Eligible Workweeks) × Individual's Eligible Workweeks. In addition, Class Members who worked during the PAGA Period (i.e., Allegedly Aggrieved Employees) will receive a *pro rata* share of the \$ [REDACTED] allocated to Allegedly Aggrieved Employee as PAGA penalties, whether or not they opt out, based on the number of workweeks worked by each Aggrieved Employee during the PAGA Period.

Defendant's records indicate that you worked [Eligible Workweeks] Workweeks as a non-exempt, hourly-paid employee in California during the Class Period and [Eligible Pay Periods] Workweeks during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award] and your estimated payment as an Aggrieved Employee would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [Response Deadline]. Please include any documentation you have that you contend supports your dispute. You should send copies rather than originals because the documents will not be returned to you.

Tax Reporting

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on IRS Form 1099. 20% of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and 80% will be allocated as penalties and interest reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your check will be valid for 180 days after issuance. After 180 days, uncashed checks will be cancelled and the funds associated will be transmitted to the California Controller's Unclaimed Property Fund.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Individual Settlement Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.**

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all "Released Claims" he or she may have or had upon final approval of this Settlement and payment by Defendant to the Settlement Administrator.

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendant fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

Release of Class Claims: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts and legal theories actually alleged in the Operative Complaint and/or PAGA Notice, including: (1) failure to pay all wages due (including but not limited to claims for straight time wages, minimum wages, overtime wages, time-and-a-half wages, double time wages, miscalculation or underpayment of the regular rate of pay; miscalculation or underpayment of meal and/or rest premiums; miscalculation or underpayment of vacation pay and/or sick time); (2) failure to provide proper meal periods or compensation/premiums in lieu thereof; (3) failure to provide proper rest periods or compensation/premiums in lieu thereof; (4) failure to timely pay wages during employment; (5) failure to timely pay wages at or after termination; (6) wage statement defects or inaccuracies; (7) failure to reimburse/indemnify for business expenses; (8) violation of Labor Code section 227.3; (9) unfair competition; and (10) all claims asserted through California Business & Professions Code section 17200, et seq. arising out of the Labor Code violations referenced in the Operative Complaint or PAGA Notice ("Class Release").

Release of PAGA Claims: For the duration of the PAGA Period, all Allegedly Aggrieved Employees, as well as the LWDA and State of California, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

and legal theories actually alleged in the Operative Complaint and/or the PAGA Notice, including: (1) failure to pay all wages due (including but not limited to claims for straight time wages, minimum wages, overtime wages, time-and-a-half wages, double time wages, miscalculation or underpayment of the regular rate of pay; miscalculation or underpayment of meal and/or rest premiums; miscalculation or underpayment of vacation pay and/or sick time); (2) failure to provide proper meal periods or compensation/premiums in lieu thereof; (3) failure to provide proper rest periods or compensation/premiums in lieu thereof; (4) failure to timely pay wages during employment; (5) failure to timely pay wages at or after termination; (6) wage statement defects or inaccuracies; (7) failure to reimburse/indemnify for business expenses; (8) violation of Labor Code section 227.3; (9) all claims arising out of the Labor Code violations referenced in the Operative Complaint and/or PAGA Notice (“PAGA Release”).

“Released Parties” means Defendants, and each of their former, present and future owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.

Option 2 – Opt Out of the Settlement

If you do not wish to receive your Individual Settlement Payment or release the Class Released Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must include your name, address, email address or telephone number, and any statement standing for the proposition that you do not wish to participate in the settlement. Sign, date, and mail your written request for exclusion to the address below.

PHOENIX SETTLEMENT ADMINISTRATORS

[Mailing Address]

To be valid, your written request for exclusion must be mailed and postmarked to the Administrator not later than [RESPONSE DEADLINE].

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, if you are an Allegedly Aggrieved Employee, you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Class Released Claims.

Option 3 – Submit an Objection to the Settlement

If you wish to object to the Settlement, you may submit an objection in writing by mail, stating why you object to the Settlement. Your written objection must provide your name, address, signature, a statement of whether you plan to appear at the Final Approval Hearing, and a statement of the reason(s), along with whatever legal authority, if any, why you believe that the Court should not approve the Settlement. Your written objection must be mailed to the Administrator no later than [RESPONSE DEADLINE]. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Even if you don’t submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Final Approval Hearing

You may, if you wish, appear at the Final Approval Hearing set for [REDACTED] at [REDACTED] a.m. in Department 7 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N Spring St, Los Angeles, CA 90012 and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at <https://my.lacourt.org/laccwelcome>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at [PHONE NUMBER] or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.

David D. Bibiyan (SBN 287811)

david@tomorrowlaw.com

Vedang J. Patel (SBN 328647)

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1460 Westwood Boulevard

Los Angeles, California 90024

Tel: (310) 438-5555; Fax: (310) 300-1705

You may also visit the Settlement Administrator's website at [WEBSITE] to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at Department 7 of the Los Angeles County Superior Court Spring Street Courthouse, located at 312 N Spring St, Los Angeles, CA 90012 during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://www.lacourt.ca.gov/>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

EXHIBIT 2

September 11, 2023

PAGA NOTICE FILED ELECTRONICALLY

Re: Notice Letter of CLEMENS D. KANG on Behalf of Himself and Aggrieved Employees Under California Labor section 2699.3

Employer: COREPOWER YOGA LLC
3001 BRIGHTON BOULEVARD, SUITE 269
DENVER, CO 80216

KADA O'CONNOR
3001 BRIGHTON BOULEVARD, SUITE 269
DENVER, CO 80216

To Whom It May Concern:

This letter shall constitute notice under Labor Code section 2699.3 (hereinafter "PAGA Notice"). The \$75 filing fee for the PAGA Notice was paid online by credit card at the time this PAGA Notice was submitted online to the Department of Industrial Relations.

This PAGA Notice concerns CLEMENS D. KANG Employee") employment with Employee's former employers: COREPOWER YOGA LLC and Kada O'Connor. Employee was employed as a non-exempt employee of COREPOWER YOGA LLC and Kada O'Connor, with duties that included, but were not limited to, teaching yoga and maintaining yoga studios from approximately March of 2023 through approximately August of 2023. In connection with the alleged claims for failure to comply with Labor Code section 6400, *et seq.*, Labor Code section 2810.5, Labor Code section 203, Labor Code section 226, Labor Code section 245, *et seq.*, Labor Code section 432, Labor Code section 1198.5, Labor Code section 2802, restraints on competition, whistleblowing and freedom of speech, Employee seeks to represent all employees of COREPOWER YOGA LLC and Kada O'Connor and each of them, as well as their parents, subsidiaries and affiliates (hereinafter, collectively, "Employer"). On all other claims mentioned herein, Employee seeks to represent only non-exempt employees of Employer.

Employee and other aggrieved employees are covered by Labor Code section 510 and applicable Wage Orders. Employee is informed and believes, and based thereon alleges, that Employer had and has a policy or practice of requiring its employees to work more than eight (8) hours per day, forty (40) hours per week, and/or seven (7) straight workdays in a workweek without paying them proper overtime wages, as a result of, without limitation, failing to

accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including, without limitation, by requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer's control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock, and/or go through security screenings and/or temperature checks off the clock; failing to include all forms of remuneration, including non-discretionary bonuses, incentive pay, meal allowances, mask allowances, gift cards and other forms of remuneration into the regular rate of pay for the pay periods where overtime was worked and the additional compensation was earned for the purpose of calculating the overtime rate of pay; detrimental rounding of employee time entries, editing and/or manipulation of time entries to show less hours than actually worked, and for paying straight pay instead of overtime pay to the detriment of Employee and other aggrieved employees. Consequently, Employee is informed and believes, and based thereon alleges, that Employer violated Labor Code sections 510, 1194, and applicable Wage Orders based on its practice of providing total compensation that is less than the required legal overtime compensation for the overtime worked, entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of failing to compensate Employee and other aggrieved employees with minimum wages for all hours worked or otherwise under Employer's control as a result of, without limitation, failing to accurately track and/or pay for all minutes actually worked; engaging, suffering, or permitting employees to work off the clock, including, without limitation, by requiring employees: to come early to work and leave late work without being able to clock in for all that time, to suffer under Employer's control due to long lines for clocking in, to complete pre-shift tasks before clocking in and post-shift tasks after clocking out, to clock out for meal periods and continue working, to clock out for rest periods, to don and doff uniforms and/or safety equipment off the clock, to attend company meetings off the clock, to make phone calls or drive off the clock; detrimental rounding of employee time entries; editing and/or manipulation of time entries to show less hours than actually worked; and failing to pay split shift premiums. In addition, Employee and other aggrieved employees were required to report to work, and did report, but were not put to work and/or were furnished less than half their usual or scheduled day's work without being paid for half the usual or scheduled work at their regular rate of pay. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code sections 221, 223, 1197, 1182.12, Cal. Code Regs, title 8, section 110404(5)(A), and applicable Wage Orders based on its continued failure to pay minimum wages for all hours worked, entitling Employee and other aggrieved employees to actual and liquidated damages under, without limitation, Labor Code sections 1194 and 1194.2. Employer would also be liable for civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a policy or practice of compelling its employees to work in excess of five (5) and ten (10) hours per day without being afforded uninterrupted, timely, and complete 30-minute meal periods or compensation in lieu thereof including, without limitation: by interrupting meal periods; not providing timely meal periods; failing to provide first and second meal periods; providing short meal periods; requiring that employees carry cellular telephones or walkie-talkies during meal periods; not permitting employees to leave the premises; otherwise requiring on-duty/on-call meal periods; and auto-deducting meal periods that could not be auto-deducted by law or during which employees worked. Consequently, Employee is informed and believes, and based thereon alleges, that Employer violated Labor Code section 512, entitling Employee and other aggrieved employees to premium payments under Labor Code section 226.7. However, Employee is informed and believes that those premium payments under Labor Code section 226.7 were not made, either, for these non-compliant meal periods, either at all or at the proper regular rate of pay. Employer would thus be liable for civil penalties pursuant to Labor Code sections 558 and 2699 for both failing to authorize the taking of compliant meal periods, as well as for failing to provide premium pay under Labor Code section 226.7.

Employee is informed and believes, and based thereon alleges, that Employer maintains policies or practices of compelling its non-exempt employees, including, without limitation, Employee, to work over four-hour periods (or major fractions thereof) without authorizing and permitting Employee and other aggrieved employees to take uninterrupted, timely, and complete ten-minute rest periods in which the employees are completely relieved of all of their duties, including, without limitation: by failing to provide rest periods all together; requiring that they be bundled together and/or with meal periods; interrupting them; requiring that employees carry cellular telephones or walkie-talkies during rest periods not providing them in a timely fashion; and not permitting employees to leave the premises; and otherwise requiring on-duty/on-call rest periods. As such, Employee is informed and believes, and based thereon alleges, that Employee and other aggrieved employees are entitled to relief under, without limitation, Labor Code section 226.7. However, Employee is informed and believes that those premium payments under Labor Code section 226.7 were not made, either, for these non-compliant rest periods, either at all or at the proper regular rate of pay. Employer would thus be liable for civil penalties pursuant to Labor Code sections 558 and 2699 for both failing to authorize the taking of compliant rest periods, as well as for failing to provide premium pay under Labor Code section 226.7.

Employee is informed and believes, and based thereon alleges, that Employer maintains policies or practices of failing to permit Employee and other aggrieved employees from taking cooldown rest periods as required under California Code of Regulations, Title 8, Section 3395 and premium pay in lieu thereof under Labor Code section 226.7. As a result, Employer would be liable for civil penalties under Labor Code sections 558 and 2699.

In addition to the above, Employee is informed and believes, and based thereon alleges that Employer failed and continue to fail to keep adequate or accurate time records including wage statements and similar payroll documents under Labor Code section 226, documents signed to obtain or hold employment under Labor Code section 432, personnel records under

Labor Code section 1198.5, and time records under Labor Code section 1174, making it difficult for Employee and other aggrieved employees to calculate their unpaid wages and/or premium payments. Employer also failed to provide these documents to Employee and other aggrieved employees upon request. This would entitle Employee and other aggrieved employees to penalties prescribed by Labor Code sections 226 and 1198.5. Employer would also be liable for civil penalties pursuant to Labor Code sections 558, 1174.5 and 2699.

As a result of, among other things, Employer's herein-described policy or practice of failing to: accurately record time; failing to pay overtime and minimum wages; provide meal periods; provide rest periods; and provide compensation in lieu of meal or rest periods; as described above, Employee is informed and believes, and based thereon alleges, that Employer also intentionally failed and continues to fail to furnish aggrieved employees, including, without limitation, Employee, with itemized wage statements that accurately reflect: gross wages earned; total hours worked by the employee; net wages earned; all deductions; all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee; the legal name and address of the other; and other such information as required by Labor Code section 226, subdivision (a). Specifically, Employer intentionally failed to furnish employees with itemized wage statements that accurately reflect the hours worked by Employee and other aggrieved employees and the rates of pay at which they were or should have been paid (including due to failure to pay at the proper regular rate), thus resulting in a failure to reflect gross and net wages earned and paid at each rate, as well. Consequently, since Employer would have failed to comply with Labor Code section 226, subdivision (a), Employee and other aggrieved employees would be entitled to recover penalties under, without limitation, Labor Code section 226, subdivision (e). Employer would also be liable for civil penalties pursuant to Labor Code sections 226.3, 558, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer also failed and refused, and continue to fail and refuse, to timely pay compensation to Employee and other terminated or resigned employees, including but not limited to, all overtime wages owed; all minimum wages owed; and all premium pay owed as set out above, including, without limitation, for failure to pay at the proper regular rate of pay, among other things. Consequently, Employer would be liable for waiting time penalties for having violated California Labor Code sections 201, 202, and 203. Employer would also be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges, that Employer has or had a policy or practice of unlawfully deducting wages by issuing in payment of wages due, or to become due, or as an advance on wages to be earned: an order, check, draft, note, memorandum, gift card, or other acknowledgement of indebtedness, (unless it was negotiable and payable in cash, on demand, without discount, at some established place of business in the state), the name and address of which must but did not appear on the instrument, and at the time of its issuance and for a reasonable time thereafter, which must be but was not at least 30 days, the maker or drawer did not have sufficient funds in, or credit, arrangement, or understanding with the drawee for its payment or any scrip, coupon, cards, or other thing redeemable, in merchandise or

purporting to be payable or redeemable otherwise than in money. Employee is further informed and believes, and based thereon alleges, that such wages were not compensated at the “regular rate” of compensation as provided under Labor Code sections 226.7 and 510, subsection (a). Consequently, Employee is informed and believes, and based thereon alleges, that Employee and other aggrieved employees are entitled to relief under, without limitation, Labor Code sections 212, 213, 226.7, and 510 subsection (a). Employer would thus be liable for civil penalties pursuant to Labor Code sections 558, 1197.1, and 2699.

Employee is further informed and believes, and based thereon alleges that Employer failed and refused, and continues to fail and refuse, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employee and other aggrieved employees with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employer, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employer under Labor Code section 2810.5. Employee is informed and believes that failure to provide such information, including rates of pay that are in effect, has permitted Employer to pay employees at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employee is additionally informed and believes that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, employees may collect from Employer in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer also failed and refused, and continues to fail and refuse, to reimburse employees, including, without limitation, Employee and other aggrieved employees, with their costs incurred for driving personal vehicles (*i.e.*, mileage and gas), for the purchase of tools and safety equipment, and for the purchase and maintenance of cellular phones and cellular phone plans, in direct consequence of the discharge of their duties, or of their obedience to the directions of Employer, as required by Labor Code section 2802, and other statutory and common law offenses. As a result, Employer are liable to reimburse Employee and other aggrieved employees for these costs incurred in furtherance of work duties. In addition, Employer would be liable for civil penalties pursuant to Labor Code sections 558 and 2699.

Employee is further informed and believes, and based thereon alleges, that Employer has or had a policy or practice of failing to reimburse deposits made, entitling Employee and other aggrieved employees to damages in the amount of the deposit and accrued interest. Employer would also be liable for civil penalties under Labor Code sections 558 and 2699.

Employee is further informed and believes, and based thereon alleges, that Employer has or had a policy or practice of failing to provide Employee and other aggrieved employees with all rights afforded to them under the Healthy Workplace Healthy Families Act of 2014, codified at Labor Code section 245, *et seq.*, including, without limitation, the amount of paid sick leave

required to be provided pursuant to California and local laws. Employee is further informed and believes that the sick pay was not provided at the proper regular of pay as required under California law due to failure to properly calculate the regular rate. Employee is further informed and believes that Employer also did not permit its use upon request by Employee and other aggrieved employees as contemplated under California and local laws. Employee is additionally informed and believes that the notice requirement of Labor Code section 245 *et seq.* involves a mandatory payroll or workplace injury reporting. As such, Employer would be liable for civil penalties for violation of the paid sick leave regulations under Labor Code section 2699, as well as equitable, injunctive, or restitutionary relief, and reasonable attorneys' fees and costs.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to pay aggrieved employees their paid time off and vacation time owed upon separation of employment as wages at their final rate of pay in violation of Labor Code section 227.3 and applicable Wage Orders. As such, Employer would be liable for civil penalties for violation of Labor Code section 227.3 under Labor Code section 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to pay aggrieved employees their wages in accordance with Labor Code Section 204, which requires that: "[l]abor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive of any calendar month, shall be paid for between the 1st and 10th day of the following month." Employee is informed and believes and based thereon alleges that Employer did not and do not pay Employee and other aggrieved employees in accordance with Labor Code Section 204. As such, Employee is informed and believes, and based thereon alleges that Employer violated Labor Code section 204. Employer would be liable for civil penalties pursuant to Labor Code sections 210, 558 and 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employer would be liable for civil penalties pursuant to Labor Code sections 201.3.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to provide all working employees with suitable seats when the nature of the work reasonably permits the use of seats. Employee is further informed and believes, and based thereon alleges that Employer has failed to place an adequate number of seats in reasonable proximity to the work area and/or permitted employees to use such seats when it does not interfere with the performance of their duties when employees are not engaged in the active duties of their employment and the nature of their work requires standing.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from using or disclosing the skills, knowledge and experience they obtained at Employer for purposes of

competing with Employer, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employer and under what circumstances that they might be receptive to an offer from a rival employer. As such, Employee is informed and believes that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employer would be liable for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from disclosing violations of state and federal law, either within Employer to their managers or outside Employer to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employee is informed and believes that these policies and/or practices prevent Employee and/or other aggrieved employees from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code section 232 and 232.5. These violations of the Labor Code would expose Employer to liability for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of preventing Employee and/or other aggrieved employees from engaging in lawful conduct during non-work hours, thus violating state statutes entitling employees to disclose wages, working conditions, and illegal conduct, including, without limitation, Labor Code sections 96, subdivision (k), 98.6, 232, 232.5, and 1197.5, subdivision (k). Employee is informed and believes that this lawful conduct includes the exercise of Employee and/or other aggrieved employee's constitutional rights of freedom of speech and economic liberty and would thus expose Employer to liability for civil penalties pursuant to Labor Code section 2699.

Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing to furnish and use safety devices and safeguards. And adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of requiring or permitting employees to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employee is informed and believes, and based thereon alleges that Employer had and has a policy or practice of failing or neglecting to: provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employee is informed and believes, and based thereon alleges that these failures include, without limitation, failing to disinfect time clocks and other surfaces after use by Employee and/or other aggrieved employees; failing to provide adequate protection equipment to Employee and/or other aggrieved

employees; and failing to provide adequate distance in working conditions between Employee and/or other aggrieved employees.

Employee is informed and believes, and based thereon alleges that Employer violated section 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of conducting unlawful background checks on prospective and current employees prior to making a conditional offer. Employee is informed and believes, and based thereon alleges, that Employer violated applicable laws by, without limitation: requiring job applicants and employees to disclose their conviction history before Employer made a conditional offer of employment; inquiring into or considering the conviction history of applicants before Employer made any conditional offers of employment; considering, distributing, or disseminating information about arrests not followed by conviction, referrals to or participation in a pretrial or posttrial diversion program, convictions that have been sealed, dismissed, expunged, or statutorily eradicated pursuant to law, or any conviction for which the convicted person has received a full pardon or has been issued a certificate of rehabilitation, while conducting conviction history background checks in connection with any applications for employment; intending to deny an applicant a position of employment solely or in part because of the applicant's conviction history; and asking applicants for employment to disclose, through any written form or verbally, information concerning or related to an arrest, detention, processing, diversion, supervision, adjudication, or court disposition that occurred while the person was subject to the process and jurisdiction of the juvenile court, to the detriment of Employee and other aggrieved employees. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.7 and Government Code section 12952, entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.7, 432.8, and 2699.

Employee is informed and believes, and based thereon alleges, that Employer had and has a practice or policy of relying on the salary history information of an applicant for employment as a factor in determining whether to offer employment to an applicant or what salary to offer the applicant in violation of Labor Code section 432.3 by including, on Employer's application for employment, an inquiry regarding current and/or former salary history information, including, without limitation, compensation and benefits of the applicant for employment. As such, Employee is informed and believes, and based thereon alleges, that Employer violated, without limitation, Labor Code section 432.3 entitling Employee and other aggrieved employees to damages. Employer would also be liable for civil penalties pursuant to Labor Code sections 432.3 and 2699.

California Labor and Workforce Development Agency
September 11, 2023
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Pursuant to Labor Code section 2699.3, subdivision (a)(2)(A), please advise within sixty-five (65) calendar days of the postmarked date of this notice whether the LWDA intends to investigate the violations alleged above. Our office understands that if we do not receive a response within sixty-five (65) calendar days of the postmark date of this PAGA Notice that the LWDA intends to investigate these allegations, Employee may immediately thereafter file a civil complaint against Employer to allege causes of action for civil penalties under the Private Attorney General Act for the herein-described alleged violations of the Labor Code.

Very truly yours,

BIBIYAN LAW GROUP, P.C.

/s/ Anita Lodi

Anita Lodi

cc: COREPOWER YOGA LLC. (via U.S. Certified Mail, Return Receipt Requested)
cc: Kada O'Connor. (via U.S. Certified Mail, Return Receipt Requested)

EXHIBIT 3