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BRANDON PALMER and the Putative Classes

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES, CENTRAL DISTRICT**

BRANDON PALMER, an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

FIXINS SOUL KITCHEN, LOS ANGELES LLC,
California limited liability company; FIXINS
SACRAMENTO, LLC, a California limited
liability company; SEVEN MANAGEMENT,
INC., a California corporation; and DOES 1
through 50,

Defendants.

Case No. 23STCV23987

**CLASS AND REPRESENTATIVE
ACTION**

**JOINT STIPULATION OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT AND RELEASE OF
CLAIMS**

*[Assigned for all purposes to: Hon. Kenneth
R. Freeman, Dept. 14]*

Action Filed: October 2, 2023

Trial date: Not set

This Joint Stipulation of Class and Representative Action Settlement and Release of Claims (“Settlement” or “Agreement”) is made and entered into by and between Plaintiff BRANDON PALMER (“Plaintiff” or “Class Representative”), individually and on behalf of all putative class members and aggrieved employees, and Defendants FIXINS SOUL KITCHEN, LOS ANGELES LLC; FIXINS SACRAMENTO, LLC; and SEVEN MANAGEMENT, INC. (“Defendants”). Plaintiff and Defendants are collectively referred to herein as “the Parties.”

I. DEFINITIONS

The following definitions are applicable to this Settlement, in addition to other terms defined elsewhere in this Settlement:

1. “Action” shall mean the operative Complaint of the civil action initially commenced on October 2, 2023, filed and maintained by Plaintiff against Defendants in the Superior Court of California, County of Los Angeles, Case No. 23STCV23987.

2. “Class” shall mean all hourly-paid, non-exempt employees who, during the Class Period, have previously been or currently are employed in California by Defendants, as hourly-paid, non-exempt employees. “Class Member” shall mean an individual who is a member of the Class (or if any such person is incompetent, deceased, or unavailable due to military service, the person’s legal representative or successor in interest evidenced by reasonable verification).

3. “Class Counsel” shall mean the attorneys representing Plaintiff in the Action, William C. Sung, Esq., and Tiffany L. Luu, Esq. of Justice for Workers, P.C.

4. “Class Counsel Fees Payment” shall mean an award to Class Counsel of up to 33.33% of the Maximum Settlement Amount (currently estimated to be One Hundred Sixty-Six Thousand Six Hundred Fifty Dollars and Zero Cents (\$166,650.00)) subject to approval by the Superior Court as Class Counsel’s attorneys’ fees incurred in connection with the Action, including fees incurred in pre-filing investigation, filing of the Action, and all related litigation activities, this Settlement, and all post-Settlement compliance procedures.

5. “Class Counsel Litigation Expenses Payment” shall mean the actual litigation expenses and/or costs expended by Class Counsel subject to approval by the Superior Court incurred in connection with the Action, including pre-filing investigation, filing of the Action, and

all related litigation activities, this Settlement, and all post-Settlement compliance procedures. Class Counsel's expenses are not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00).

6. "Class Notice" shall mean the Notice of Proposed Settlement, Preliminary Approval of Settlement, and Hearing Date for Final Court Approval, a sample of which is attached hereto as Exhibit "A." The Class Notice shall further contain (i) a Class Member's first and last name, (ii) last known address, (iii) the Class Member's Individual Workweeks, (iv) the PAGA Group Member's Individual Pay Periods, if applicable; (v) the Class Member's estimated amount of the Settlement Share; and (vi) the PAGA Group Member's estimated PAGA Payment Share, if applicable. The Class Notice shall also provide the Class Members with instructions on how to opt-out of and/or object to the Settlement.

7. "Class Period" shall mean the period of time from October 2, 2019 through January 5, 2025.

8. "Class Representative Payment" shall mean the special payment made to Plaintiff in his capacity as Class Representative to compensate him for prosecuting the Action, and performing work in support of the Action, in the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00), subject to approval by the Superior Court.

9. "Defense Counsel" shall mean the attorneys representing Defendants in the Action, Matthew C. Sgnilek, Esq.; and Justin D. Lee, Esq. of O'Hagan Meyer, representing Fixins Soul Kitchen, Los Angeles, LLC; and Lukas Clary, Esq. of Weintraub Tobin, representing Fixins Sacramento LLC and Seven Management, Inc.

10. "Effective Date" shall mean the first business day following the last of the following occurrences: (i) if no Class Member both objects and also files either a timely motion to intervene and/or a timely motion to vacate the judgment, then the day following the date the Court enters an order granting Final Approval of the Settlement; (ii) if a Class Member both objects and either files a timely motion to intervene or a timely motion to vacate the judgment, then sixty-one (61) days following the date the Court enters an order granting Final Approval of the Settlement, assuming no appeal is filed; or (iii) if a Class Member both objects and also files a timely motion to intervene or files a motion to vacate the Judgment and also files a timely appeal, then the date of final resolution

1 of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final
2 and complete judicial approval of the Settlement in its entirety, with no further challenge to the
3 Settlement being possible. The occurrence of the Effective Date is a prerequisite to any obligation
4 of Defendant to pay any funds into the Settlement Account.

5 11. "Employer's Payroll Taxes" shall mean Defendants' share of all payroll taxes
6 payable to any and all government agencies incurred for any payments of Settlement Shares to
7 Participating Class Members pursuant to this Settlement. Defendants' payment of the normal
8 employer's share of payroll taxes will be made separately and shall not come from the Maximum
9 Settlement Amount.

10 12. "Final Approval Hearing" shall mean the hearing to be conducted by the Superior
11 Court to determine whether to finally approve and implement the terms of this Settlement.

12 13. "Individual Pay Periods" shall mean the number of Pay Periods for an individual
13 PAGA Group Member.

14 14. "Individual Workweeks" shall mean the number of Workweeks for an individual
15 Class Member.

16 15. "Judgment" shall mean the Order of Final Judgment entered by the Superior Court
17 that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in
18 this Action.

19 16. "LWDA Payment" shall mean the payment to the California Labor and Workforce
20 Development Agency ("LWDA") constituting seventy-five percent (75%) of the value assigned to
21 the claim for penalties under the California Labor Code Private Attorneys General Act, California
22 Labor Code Section 2698, *et seq.* ("PAGA"). Specifically, Eighteen Thousand Seven Hundred
23 Fifty Dollars and Zero Cents (\$18,750.00), which shall constitute the LWDA's seventy-five percent
24 (75%) share of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) in civil penalties paid
25 under this Settlement. The remaining Six Thousand Two Hundred Fifty Dollars and Zero Cents
26 (\$6,250.00) in civil penalties shall be distributed on a *pro rata* basis based upon the number of pay
27 periods worked by each PAGA Group Member ("PAGA Payment").

28 17. "Maximum Settlement Amount" shall mean the maximum settlement amount of Five

1 Hundred Thousand Dollars and Zero Cents (\$500,000.00) payable by Defendants as provided by
2 this Agreement, unless that amount is increased pursuant to Paragraph 18 below, exclusive of the
3 normal employer's share of any payroll taxes attributable to the Settlement Share payments
4 allocated to wages. Defendants' payment of the normal employer's share of payroll taxes will be
5 made separately, according to each Defendant's agreed upon proportionate share of the Maximum
6 Settlement Amount and shall not come from the Maximum Settlement Amount. Payment of the
7 Maximum Settlement Amount will be due thirty (30) days from the Effective Date.

8 18. Defendants represent that as of September 6, 2024, the number of Workweeks
9 worked by Class Members during the Class Period is approximately 37,811. If it is determined
10 that the Workweeks through the Class Period exceed 41,592 (37,811 plus 10% of 37,811), then
11 Defendants shall have the option of either (i) increasing the Net Settlement Amount by an
12 amount determined by the following formula: $[(\text{Actual Number of Workweeks} - 41,592) \div$
13 $41,592) \times \text{Net Settlement Amount}]$; or (ii) changing the end date of the Class Period (and PAGA
14 Period) to a date for which there are no more than 41,592 workweeks (the "Escalator Clause").
15 Within 14 calendar days of the Parties' execution of this Agreement, Defendants shall verify the
16 total number of Workweeks during the Class Period by either submitting a declaration to Class
17 Counsel stating the total number of Workweeks during the Class Period or providing the dates
18 of employment of Class Members to the Administrator who will calculate Workweeks. If the
19 Escalator Clause is triggered, prior to the hearing on Preliminary Approval, Defendant shall
20 choose to either change the end date of the Class Period or increase the Maximum Settlement
21 Amount in accordance with the Escalator Clause such that there is a date certain on the Class
22 Period for preliminary approval.

23 19. "Net Settlement Amount" shall mean the Maximum Settlement Amount, less (i) the
24 Class Representative Payment approved by the Superior Court; (ii) the Class Counsel Fees Payment
25 approved by the Superior Court; (iii) the Class Counsel Litigation Expenses Payment approved by
26 the Superior Court; (iv) the LWDA Payment approved by the Superior Court; (v) the PAGA
27 Payment approved by the Superior Court; (vi) the Settlement Administrator Payment approved by
28 the Superior Court; and (vii) any other fees or expenses (other than Class Counsel Fees Payment

1 and Class Counsel Litigation Expenses Payment) incurred in implementing the terms and conditions
2 of this Agreement as approved by the Superior Court.

3 20. “Non-Participating Class Member” shall mean a Class Member who submits a
4 complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions
5 provided in the Class Notice.

6 21. “PAGA Group” mean all hourly-paid, non-exempt employees who, during the
7 PAGA Period, have previously been or currently are employed in California by Defendant. “PAGA
8 Group Member” shall mean an individual who is a member of the PAGA Group (or if any such
9 person is incompetent, deceased, or unavailable due to military service, the person’s legal
10 representative or successor in interest evidenced by reasonable verification).

11 22. “PAGA Payment Share” shall mean the value of each PAGA Group Member’s share
12 of the PAGA Payment as provided by this Agreement.

13 23. “PAGA Period” shall mean the period of time from August 30, 2022 through
14 January 5, 2025.

15 24. “Participating Class Member” shall mean all Class Members who have not submitted
16 a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions
17 provided in the Class Notice.

18 25. “Pay Period” shall mean any pay period in which a Class Member actually
19 performed paid work for Defendant during the Class Period as an hourly-paid, non-exempt
20 employee.

21 26. “Preliminary Approval” shall mean the Superior Court’s preliminary approval of the
22 Settlement without material change that the Parties anticipate will be made following submission of
23 this Agreement to the Court.

24 27. “Settlement Administrator” shall mean Phoenix Settlement Administrators, as
25 proposed by the Parties and appointed by the Superior Court to administer the Settlement.

26 28. “Settlement Administrator Payment” shall mean the payment to the Settlement
27 Administrator for its fees and expenses in administering this Settlement.

28 29. “Settlement Share” shall mean the value of each Participating Class Member’s share

of the Net Settlement Amount as provided by this Agreement.

30. “Superior Court” shall mean the Superior Court of California for the County of Los Angeles.

31. “Workweek” shall mean any week in which a Class Member actually performed paid work for Defendant during the Class Period as an hourly-paid, non-exempt employee.

II. RECITALS

32. On August 30, 2023, Class Counsel, on behalf of Plaintiff and the PAGA Group, gave written notice to the Labor Workforce and Development Agency (“LWDA”) of the Labor Code violations Defendants are alleged to have violated (“LWDA Exhaustion Letter”).

33. On October 2, 2023, Plaintiff filed a Class Action Complaint against Defendants in the Los Angeles County Superior Court, Case No. 23STCV23987. In his Complaint, Plaintiff pled causes of action for: (1) Minimum Wage Violations; (2) Overtime Wage Violations; (3) Meal Period Violations; (4) Rest Period Violations; (5) Wage Statement Penalties; (6) Waiting Time Penalties; (7) Failure to Reimburse Necessary Business Expenses; (8) Unfair Competition; and (9) Failure to Permit Inspection of Employment Records.

34. On November 2, 2023, Plaintiff amended his Complaint to add a tenth cause of action for Civil Penalties under The California Private Attorneys General Act.

35. Defendants deny and continue to deny all of Plaintiff’s material allegations. Specifically, Defendants contend (1) they did not fail to pay the Class the minimum, straight time, regular rate, and/or overtime wages; (2) they paid the Class for all hours worked; (3) they provided the Class with all meal periods according to law; (4) they provided the Class with all rest periods according to law; (5) they did not fail to timely pay the Class wages due and owing during employment and/or upon separation; (6) they provided the Class with accurate and itemized wage statements, consistent with Labor Code Section 226; (7) they properly maintained all payroll records; (8) they reimbursed employees for all necessary business expenses; (9) they did not violate Business & Professions Code Section 17200, *et seq.*; (10) the PAGA Group is not entitled to penalties under PAGA; and (11) Defendants are not liable for damages, including unpaid wages, liquidated damages, statutory penalties, attorneys’ fees, or costs of litigation to the Class.

1 36. In connection with the Action, and in order to work toward a mediated resolution
2 without the time and expense of formal discovery, the Parties produced voluminous documents and
3 data (including, by Defendants, human resources documents and policies, time records, and payroll
4 data during the Class Period) which were reviewed, investigated, and analyzed by Class Counsel.

5 37. On November 6, 2024, the Parties in the Action participated in a full day of
6 mediation before an experienced employment and class action mediator, Steven Serratore, Esq. (the
7 “Mediation”) and the Parties reached a settlement at the Maximum Settlement Amount following
8 the Mediation.

9 38. The Settlement described in this Agreement represents a compromise and settlement
10 of highly disputed claims. Nothing in this Settlement is intended or will be construed as an
11 admission by Defendants that Plaintiff’s claims in Action have any merit or that they have any
12 liability to Plaintiff, the Class, the PAGA Group or the State on those claims, or as an admission by
13 Plaintiff that Defendants’ defenses in Action have any merit. This Settlement is intended to fully,
14 finally, and forever compromise, release, resolve, discharge, and settle the released claims subject to
15 the terms and conditions set forth in this Settlement.

16 39. Based on their own thorough, independent investigation and evaluation of this case,
17 Class Counsel is of the opinion that the Settlement of this Action with Defendants for the
18 consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and in the
19 best interest of the Class in light of all known facts and circumstances, including the risk of
20 significant costs and delay, the risk of non-certification of the Class, the defenses asserted by
21 Defendants, including the risks of adverse determinations on the merits and numerous potential
22 appellate issues. Although Defendants contend that they have no liability in the Action, Defense
23 Counsel share Class Counsel’s belief that the Settlement represents a fair and adequate settlement,
24 given the respective risks associated with the case.

25 40. Based on the foregoing Recitals, the Parties agree as follows:

26 **III. PROCEDURE FOR APPROVING SETTLEMENT**

27 41. **Motion for Preliminary Approval of Settlement by the Superior Court.** Plaintiff
28 will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting

1 a date for the Final Approval Hearing no earlier than 90 days from the date of the order granting
2 Preliminary Approval of the Settlement, and approving the Class Notice (attached as Exhibit “A” to
3 this Stipulation) (“Motion for Preliminary Approval”). Any unresolved disagreement among the
4 Parties concerning the Class Notice or other documents necessary to implement the Settlement will
5 be referred first to Steven Serratore, Esq., and if no resolution is reached, then to the Superior Court.

6 42. At the hearing on the Motion for Preliminary Approval, the Parties anticipate that
7 they will jointly appear, support the granting of the Motion for Preliminary Approval, and obtain an
8 order granting Preliminary Approval, granting approval of the Class Notice, and setting a date for
9 the Final Approval Hearing no earlier than 90 days from the date of the order granting Preliminary
10 Approval.

11 43. Should the Superior Court require any amendments to this Agreement or the Motion
12 for Preliminary Approval, the Parties agree to work jointly to resolve any issues in order to secure
13 the Superior Court’s Preliminary Approval.

14 44. Should the Superior Court decline to preliminarily approve any material aspects of
15 the Settlement, the Settlement will be null and void and the Parties will have no further obligations
16 under it. In such event, the Parties shall be returned to their respective positions as of the date and
17 time immediately prior to the execution of this Agreement, and the Parties shall proceed in all
18 respects as if this Agreement had not been executed.

19 45. **Class Notice.** After the Superior Court enters its order granting Preliminary
20 Approval, every Class Member will be provided with the Class Notice (in English and Spanish)
21 which will include the Class Notice completed to reflect the order granting Preliminary Approval of
22 the Settlement and the Class Member’s information as follows:

23 (a) Within fourteen (14) days after the Motion for Preliminary Approval is
24 granted, Defendants will provide to the Settlement Administrator the “Class Members’ Data,”
25 which shall consist of an electronic database containing (i) each Class Member’s first and last name,
26 (ii) last known mailing address, (iii) the Class Member’s Social Security number or Tax ID, (iv) the
27 Class Member’s total number of Individual Workweeks, and (v) the Class/PAGA Group Members’
28 total number of Individual Pay Periods, if applicable. If any or all of the Class Members’ Data are

1 unavailable to Defendants, Defendants will so inform Class Counsel prior to the date on which
2 Defendants are required to submit the Class Members' Data to the Settlement Administrator and the
3 Parties will make their best efforts to reconstruct or otherwise agree upon the Class Members' Data
4 prior to when it must be submitted to the Settlement Administrator. If the Parties are unable to
5 agree, the dispute will be resolved by the Settlement Administrator as provided in Paragraph 48.
6 This information will otherwise remain confidential and will not be disclosed to anyone, except as
7 required to applicable taxing authorities, as required to carry out the reasonable efforts to identify
8 Class Member information as described in Paragraph 45(c), pursuant to Defendants' express written
9 authorization, or by order of the Superior Court.

10 (b) Within seven (7) days after receiving the Class Members' Data, or as soon
11 thereafter as it is able to do so, the Settlement Administrator will mail the Class Notice to all
12 identified Class Members via first-class U.S. Mail using the mailing address information provided
13 by Defendants, unless modified by any updated address information that the Settlement
14 Administrator obtains in the course of administration of the Settlement. Before mailing Class
15 Notices, the Settlement Administrator shall update Class Member addresses using the National
16 Change of Address database.

17 (c) If a Class Notice is returned by the U.S. Postal Service because of an
18 incorrect address, the Settlement Administrator will promptly, and not later than five (5) days from
19 receipt of the returned packet, search for a more current address for the Class Member and re-mail
20 the Class Notice to the Class Member. The Settlement Administrator will use the Class Members'
21 Data and otherwise work with Defense Counsel or utilize its own resources, such as skip traces, to
22 find a more current address. The Settlement Administrator will be responsible for taking reasonable
23 steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing
24 address of any Class Member for whom a Class Notice is returned by the U.S. Postal Service.
25 These reasonable steps shall include the tracking of all undelivered mail; performing address
26 searches for all mail returned without a forwarding address; and promptly re-mailing to Class
27 Members for whom new addresses are found. Any such Class Members who failed to receive a
28 Class Notice, or who were subject to a re-mailing of the Class Notice as described herein shall be

1 given an additional fourteen (14) days to opt out or object to the Settlement.

2 (d) The Settlement Administrator will inform Class Counsel and Defense
3 Counsel of the number of returned Class Notices it receives and Class Notices re-mailed in a
4 weekly status report.

5 (e) Not later than twenty-one (21) court days prior to the Final Approval
6 Hearing, the Settlement Administrator will serve on the Parties a declaration of due diligence setting
7 forth its compliance with its obligations under this Settlement. The declaration will be filed with
8 the papers submitted with the Motion for Final Approval. Prior to the Final Approval Hearing, the
9 Settlement Administrator will supplement its declaration of due diligence if any material changes
10 occur from the date of the filing of its prior declaration.

11 **46. Participating Class Members; Requests for Exclusion from Class Settlement;**
12 **and Objections to Settlement.** Class Members may submit requests to be excluded from the effect
13 of the Settlement; or objections to the Settlement, pursuant to the following procedures:

14 (a) **Participating Class Members.** Each Class Member shall be deemed to be a
15 Participating Class Member unless they submit a complete, timely, and valid request to be excluded
16 from the effect of the Settlement as provided below. All Participating Class Members shall be
17 bound by the provisions and releases contained in this Settlement.

18 (b) **Request for Exclusion from Settlement.** Class Members who wish to
19 exclude themselves from the Settlement (“opt out” of the Settlement) must submit to the Settlement
20 Administrator, not later than forty-five (45) days after the date that the Settlement Administrator
21 first mails the Class Notices, an Exclusion Request (“the Exclusion Period”). Exclusion Requests
22 may be submitted to the Settlement Administrator via U.S. Mail (or similar method), fax, or e-mail.
23 Class Members must complete, sign, date, and timely return an Exclusion Request to the Settlement
24 Administrator to exclude themselves from the Settlement, setting forth their (i) name, (ii) address,
25 and (iii) the following statement or a similar statement: “I wish to exclude myself from the
26 settlement reached in the matter of *Palmer v. Fixins Soul Kitchen, Los Angeles, LLC, et al.* I
27 understand that by excluding myself, I will not receive any money from the settlement reached in
28 this matter.” A Class Member who does not complete and submit a valid and timely Exclusion

1 Request in the manner and by the conclusion of the Exclusion Period will remain a Participating
2 Class Member and, if the Court approves the Settlement, will be bound by all terms and conditions
3 of the Settlement and by the Judgment. A Class Member who timely submits a valid Exclusion
4 Request will not participate in, or be bound by, the Settlement or the Judgment and will not receive
5 any payment pursuant to the Settlement except for a payment from the portion of the PAGA
6 Payment to the PAGA Group if the Class Member is a PAGA Group Member, and will not be
7 bound by the terms of the Settlement, except for the release of the PAGA Group Released Claims if
8 the Class Member is a PAGA Group Member, and will not have any right to object, appeal, or
9 comment thereon. To be valid, Exclusion Requests must be completed in full, signed, and returned
10 to the Settlement Administrator before the expiration of the Exclusion Period. Non-Participating
11 Class Members will not be permitted to file objections to the Settlement and/or appear at the Final
12 Approval Hearing to voice any objections to the Settlement. Members of the PAGA Group cannot
13 seek to exclude themselves from the Settlement of the PAGA claim, but retain all rights to exclude
14 themselves from the Class Settlement as delineated herein. The Settlement Administrator will
15 provide Class Counsel, Defense Counsel, and the Superior Court with only the names of the Non-
16 Participating Class Members.

17 (c) **Objections to Settlement.** The Class Notice will provide that any Class
18 Member who does not request exclusion from the Settlement and who wishes to object to the
19 Settlement must submit to the Settlement Administrator, not later than forty-five (45) days after the
20 Settlement Administrator initially mails the Class Notice, a written objection to the Settlement,
21 which sets forth the grounds for the objection and the other information required by Paragraph
22 46(d). Objections may be submitted to the Settlement Administrator via U.S. Mail (or similar
23 method), fax, or e-mail.

24 (d) The written objection must state the Class Member's (i) name, (ii) address,
25 (iii) the basis for each objection in clear and concise terms, and (iv) whether the Class Member
26 intends to appear and object at the Final Approval Hearing. A Class Member who does not submit
27 a written objection in the manner and by the deadline specified may nonetheless appear at the Final
28 Approval Hearing to state their objection to the Settlement. If a Class Member fails to submit a

1 written objection or to appear at the Final Approval hearing to make an oral objection, the Class
2 Member will be deemed to have waived all objections and will be foreclosed from making any
3 objections – whether by appeal or otherwise – to the Settlement.

4 (e) If a Class Member submits both a Request for Exclusion and a written
5 objection, the Settlement Administrator shall attempt to contact and determine whether the Class
6 Member would like to withdraw either the Request for Exclusion or the objection. If the Class
7 Member does not withdraw the Request for Exclusion or if the Settlement Administrator cannot
8 contact a Class Member who submits both a Request for Exclusion and an objection, the Request
9 for Exclusion shall be valid and it shall be presumed that the Class Member does not wish to
10 participate in the Settlement.

11 (f) If the Superior Court rejects the Class Member's objection, or if the Superior
12 Court approves the settlement despite any objections, the Class Member will be deemed to be a
13 Participating Class Member and will be bound by the terms of this Settlement.

14 (g) A Class Member who timely submits a valid Exclusion Request will not
15 participate in, or be bound by, the Settlement of the Judgment and will not receive any payment
16 pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the
17 PAGA Group if the Class Member is a PAGA Group Member, and will not be bound by the terms
18 of the Settlement and Judgment, except for the release of the PAGA Group Released Claims if the
19 Class Member is a PAGA Group Member, and will not have any right to object, appeal, or
20 comment thereon.

21 47. **Report.** Not later than seven (7) days after the deadline for submission of requests
22 to be excluded and/or objections, the Settlement Administrator will provide Defendants, through
23 their respective Defense Counsel, with a complete and accurate list of names for all Participating
24 Class Members, all Non-Participating Class Members, all PAGA Group Members, and all Class
25 Members who objected to the settlement. The report shall also be accompanied by an itemized
26 calculation of the Settlement Shares for each Participating Class Member. The Settlement
27 Administrator shall also provide both Parties with a report identifying the number of Participating
28 Class Members, the number of Non-Participating Class Members, the number of PAGA Group

Members, and the number of Class Members who submitted a valid, timely, and complete objection. Class Counsel shall also receive a list of Class Members who object to the Settlement or opted out of the Settlement who will be identified in the Final Approval order.

48. **Resolution of Class Member and PAGA Group Member Disputes.** If a Class Member and/or PAGA Group Member disputes the number of his or her Individual Workweeks and/or Individual Pay Periods stated in their Class Notice, the Class Member and/or PAGA Group Member must, within forty-five (45) days after the Settlement Administrator initially mails the Class Notice, ask the Settlement Administrator to resolve the matter by returning the Class Notice with a statement of the number of Workweeks and/or Pay Periods that he or she contends were worked and include any documentation the Class Member and/or PAGA Group Member has to support their contention. The dispute request may be submitted to the Settlement Administrator via U.S. Mail (or similar method), fax, or e-mail. The Settlement Administrator shall notify Defendants of the dispute and provide them with a copy of the Class Notice and any documentation received in support of the dispute within three (3) court days of receipt thereof. Defendants shall review their payroll and personnel records and verify the correct number of Workweeks and/or Pay Periods within five (5) court days of the Settlement Administrator's notification. Defendants' records will have a rebuttable presumption of accuracy. After consultation with Class Counsel, Defense Counsel, and the applicable Class Member and/or PAGA Group Member, the Settlement Administrator will, within three (3) court days of Defendants' verification, make a determination of the Class Member's and/or PAGA Group Member's number of Workweeks and/or Pay Periods and that determination will be final, binding on the Parties and the Class Member and/or PAGA Group Member, and is not appealable.

49. **No Solicitation of Objection; Right to Void.** Neither the Parties, nor their respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member to exclude him or herself from the Settlement, object to the Settlement, and/or appeal from the Judgment. If ten percent (10%) or more of the Class Members submit a complete, valid, and timely request to be excluded from the Settlement and are deemed to be Non-Participating Class Members, then Defendants shall have the unilateral right to void this Settlement. Defendants may do so by

1 giving notice to Plaintiff and the Court of their election to void the Settlement not later than
2 fourteen (14) days after the Settlement Administrator issues its report identifying the number of
3 Participating Class Members, the number of Non-Participating Class Members, and the number of
4 Class Members who objected to the settlement as described in Paragraph 46(c). Notwithstanding
5 any other provisions in this Settlement, no sums shall be payable by Defendants in the event that
6 this Settlement is voided as provided for herein; provided, however, Defendants will remain
7 responsible for paying all Settlement Administrator Payment incurred to that point.

8 **50. Additional Briefing and Final Approval.**

9 (a) Not later than sixteen (16) court days before the Final Approval Hearing, the
10 Plaintiff will prepare and file with the Superior Court a Motion for Final Approval of the
11 Settlement, including payment of the Class Representative Payment, Class Counsel Fees Payment,
12 Class Counsel Litigation Expenses Payment, the Settlement Administrator's Payment, and a
13 memorandum in support of their motion ("Motion for Final Approval"). Absent the escalator
14 provisions outlined in Paragraph 18, if applicable, Plaintiff will not seek additional fees from
15 Defendants or an increase in the Maximum Settlement Amount as part of the Motion for awards of
16 the Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation
17 Expenses Payment.

18 (b) Not later than five (5) court days before the Final Approval Hearing, the
19 Parties shall be entitled to file and serve a response to any Class Member's objection to the
20 Settlement and/or reply in support of their Motion for Final Approval, to the extent that any
21 opposition to said Motion is filed.

22 (c) If the Superior Court ultimately does not grant final approval of the
23 Settlement or grants final approval conditioned on any material change to the Settlement that is not
24 agreed to by one of the Parties, then any Party will have the right to void the Settlement. If the
25 Settlement is voided in this manner, the Parties will have no further obligations under the
26 Settlement, including any obligation by Defendants to pay any amounts that otherwise would have
27 been payable under this Settlement, except that the voiding Party will pay the Settlement
28 Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the

1 right to void the Settlement under this Paragraph. An award by the Superior Court of a lesser
2 amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment, the
3 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and/or the
4 Settlement Administrator's Payment, will not constitute a material change to the Settlement within
5 the meaning of this Paragraph.

6 (d) Upon final approval of the Settlement by the Superior Court at or after the
7 Final Approval Hearing, the Parties will present for the Superior Court's approval and entry a
8 Proposed Final Order and Judgment. The entry of the Final Order and Judgment shall permanently
9 bar all Participating Class Members from prosecuting against Defendant any claims or causes of
10 action of any kind up through the date of Final Approval, which were or could have been brought in
11 this Action, whether known or unknown, as well as all claims as set forth in the Release contained
12 in Section V of this Agreement.

13 (e) After entry of the Judgment, the Superior Court will have continuing
14 jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Settlement,
15 (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as
16 may be appropriate under court rules or applicable law.

17 51. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms
18 and conditions of this Settlement, Plaintiff, Participating Class Members, Defendants, and their
19 respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights
20 to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a
21 motion for new trial, a motion under Code of Civil Procedure Section 473, and any extraordinary
22 writ, and the Judgment therefore will become non-appealable by them at the time it is entered. The
23 waiver of appeal does not include any waiver of the right to oppose any appeal, appellate
24 proceedings, or post-judgment proceedings. If an appeal is taken from the Judgment, the time for
25 consummation of the Settlement (including making payments under the Settlement) will be
26 suspended until such time as the appeal is finally resolved and the Judgment, consistent with the
27 terms of this Settlement, becomes Final.

28 52. **Vacating, Reversal, or Material Modification of Judgment on Appeal or**

1 **Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other
2 motion, petition, writ, or application, the reviewing court vacates, reverses, or modifies the
3 Judgment such that there is a material modification to the Settlement, and that court's decision is
4 not completely reversed and the Judgment is not fully affirmed on review by a higher court, then
5 either Party will have the right to void the Settlement, which the Party must do by giving written
6 notice to the other Parties, the reviewing court, and the Superior Court, not later than fourteen (14)
7 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment
8 becomes final. A vacation, reversal, or modification of the Superior Court's award of the Class
9 Representative Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
10 Payment, and/or the Settlement Administrator's Payment will not constitute a vacation, reversal, or
11 material modification of the Judgment within the meaning of this Paragraph.

12 53. **Establishment of Settlement Account.** The Settlement Administrator shall
13 establish a Settlement Account within ten (10) days of the Effective Date and notify the Parties
14 when the Settlement Account has been established. The Settlement Administrator shall also
15 provide the Parties with an itemized statement for the total amount to be deposited into the
16 Settlement Account, which shall equal the Maximum Settlement Amount ("Settlement Account
17 Deposit"). Within thirty (30) days from the Effective Date and after receiving notification of the
18 Settlement Account and statement for the Settlement Account Deposit, Defendants shall pay into
19 the Settlement Account an amount equal to the Settlement Account Deposit. Defendants shall have
20 no obligation to pay any additional funds into the Settlement Account.

21 54. **Payment of Settlement Shares.** The Settlement Administrator shall pay to each
22 Participating Class Member his or her Settlement Share from the Settlement Account. The
23 Settlement Administrator shall pay each Settlement Share by sending a check in the appropriate
24 amount after withholdings to the Participating Class Member at the address indicated in the Class
25 Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail within
26 fourteen (14) days of its receipt of the Settlement Account Deposit from Defendants.

27 55. **Payment of PAGA Payment Shares.** The Settlement Administrator shall pay to
28 each PAGA Group Member his or her PAGA Payment Share from the Settlement Account. The

1 Settlement Administrator shall pay each PAGA Payment Share by sending a check in the
2 appropriate amount to the PAGA Group Member at the address indicated in the PAGA Group
3 Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail within
4 fourteen (14) days of its receipt of the Settlement Account Deposit from Defendants. The
5 Administrator may send Participating Class Members a single check combining the Settlement
6 Share and the PAGA Payment Share.

7 **56. Uncashed Settlement Share and PAGA Payment Share Checks.** Any checks
8 paid to Participating Class Members and/or PAGA Group Members shall be negotiable for one
9 hundred and eighty (180) calendar days from the date of their issuance. A Participating Class
10 Member must cash his or her Settlement Share check within one hundred and eighty (180) calendar
11 days after it is mailed to him or her. A PAGA Group Member must cash his or her PAGA Payment
12 Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. If a
13 check remains uncashed after one hundred and eighty (180) calendar days from the initial mailing,
14 or if a check is returned to the Settlement Administrator as undeliverable during the one hundred
15 eighty-day period, the Settlement Administrator shall take all reasonable efforts to identify the
16 Participating Class Member's and/or PAGA Group Member's correct address, including the
17 performance of a "skip-trace." If an updated address can be identified, the Settlement
18 Administrator shall issue another check to the Participating Class Member and/or PAGA Group
19 Member and mail it to the Participating Class Member and/or PAGA Group Member at his or her
20 updated address. If an updated address for the Participating Class Member and/or PAGA Group
21 Member cannot be identified, if a reissued check is once again returned to the Settlement
22 Administrator as undeliverable, or if the reissued check remains uncashed after one hundred eighty
23 (180) calendar days, the Settlement Administrator will keep an accounting of such funds and shall
24 give notice to the Parties of the total balance of uncashed Settlement Shares and/or PAGA Payment
25 Shares. A Participating Class Member who fails to negotiate or receive their Settlement Share
26 check despite the procedures described above shall nevertheless remain bound by the Settlement
27 and the releases contained herein. A PAGA Group Member who fails to negotiate or receive their
28 PAGA Payment Share check despite the procedures described above shall nevertheless remain

1 bound by the Settlement and the releases contained herein.

2 57. The funds represented by Settlement Share and/or PAGA Payment Share checks
3 remaining uncashed for more than one hundred and eighty (180) calendar days after issuance shall
4 be voided and then shall be transmitted to the Controller of the State of California to be held
5 pursuant to the Unclaimed Property Law, California Civil Code Section 1500, *et seq.*, in the names
6 of those Participating Class Members and/or PAGA Group Members who did not cash their checks
7 until such time they claim their property. The Parties agree that this disposition results in no “unpaid
8 residue” under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be
9 paid out to Participating Class Members, whether or not they all cash their settlement checks.
10 Therefore, Defendants will not be required to pay any interest on such amounts.

11 58. **Final Report by Settlement Administrator to Superior Court.** Within ten (10)
12 days after final disbursement of all funds from the Settlement Account, the Settlement
13 Administrator will serve on the Parties and file with the Superior Court a declaration providing a
14 final summary report on the disbursements of all funds from the Settlement Account. Within ten
15 (10) days after transmission of any remaining unclaimed funds to the Controller of the State of
16 California, the Settlement Administrator will serve on the Parties and file with the Superior Court a
17 declaration providing a final summary report on the transmission of any remaining unclaimed funds
18 to the Controller of the State of California as outlined Paragraph 57.

19 **IV. SETTLEMENT TERMS AND CONDITIONS**

20 59. **Conditional Certification for Settlement Purposes.** Solely for the purposes of
21 effectuating this Settlement, and subject to Court approval, the Parties hereby stipulate to the
22 conditional certification of the following Settlement Class: “all hourly-paid, non-exempt employees
23 who, during the Class Period, have previously been or currently are employed in California by
24 Defendants, as an hourly-paid, non-exempt employee.” The Parties agree that if for any reason the
25 Settlement is not preliminarily and/or finally approved, the conditional certification of the
26 Settlement Class will be of no force or effect, does not constitute an admission by Defendants that
27 class certification is proper, and will not be deemed admissible in this or any other proceeding, and
28 that the Parties will litigate the issue of class certification.

1 **60. Settlement Shares.** Subject to the terms and conditions of this Settlement, the
2 Settlement Administrator will calculate the Settlement Shares for each Class Member within ten
3 (10) days after Defendants provide the Settlement Administrator with the Class Members' Data.
4 The Settlement Share for each Class Member will be calculated as follows, understanding that the
5 formulas below do not constitute an admission by either Party, and are intended only to provide a
6 practical means to simplify and administer the claims process:

7 **(a) Number of Class Members and Workweeks.** Except as provided in
8 Paragraph 18 above, Defendants shall determine the total number of Class Members and the
9 aggregate number of Workweeks for those Class Members as of the time of Preliminary Approval.
10 This information shall be provided to the Settlement Administrator along with the Class Members'
11 Data as described in Paragraph 45(a) above.

12 **(b) Calculation of the Workweek Value.** The Settlement Administrator shall
13 determine the value of a Workweek ("Workweek Value") by taking the Net Settlement Amount and
14 dividing it by the sum of all Class Members' Workweeks who do not opt out of the Settlement.

15 **(c) Calculation of Settlement Shares.** The Settlement Administrator shall
16 assign to each Participating Class Member a Settlement Share which shall be equal to the
17 Workweek Value multiplied by each Participating Class Member's Individual Workweeks. Upon
18 calculation of the Participating Class Members' Settlement Shares, the Settlement Administrator
19 shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee
20 identification numbers for the Class Members with their corresponding Individual Workweeks and
21 Settlement Shares. The Settlement Administrator will retain amounts equal to Settlement Shares of
22 Class Members who opt out in the Net Settlement Amount for distribution to Participating Class
23 Members on a pro rata basis based on the formula in this paragraph.

24 **61. PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the
25 Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Group Member
26 within ten (10) days after Defendants provide the Settlement Administrator with the PAGA Group
27 Members' Data. The PAGA Payment Share for each PAGA Group Member will be calculated as
28 follows, understanding that the formulas below do not constitute an admission by either Party, and

are intended only to provide a practical means to simplify and administer the claims process:

(a) **Number of PAGA Group Members and Pay Periods.** Defendants shall determine the total number of PAGA Group Members and the aggregate number of Pay Periods for those PAGA Group Members as of the time of Preliminary Approval. This information shall be provided to the Settlement Administrator along with the Class Members' Data as described in Paragraph 45(a) above.

(b) **Calculation of the Pay Period Value.** The Settlement Administrator shall determine the value of a Pay Period ("Pay Period Value") by taking the PAGA Payment amount and dividing it by the sum of all PAGA Group Members' Pay Periods.

(c) **Calculation of PAGA Payment Shares.** The Settlement Administrator shall assign to each PAGA Group Member a PAGA Payment Share which shall be equal to the Pay Period Value multiplied by each PAGA Group Member's Individual Pay Periods. Upon calculation of the PAGA Group Members' PAGA Payment Shares, the Settlement Administrator shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee identification numbers for the PAGA Group Members with their corresponding Individual Pay Periods and PAGA Payment Shares.

62. **Taxes and Withholdings.** Each Settlement Share is intended to settle the Class Members' claims for unpaid wages and penalties. Accordingly, ten percent (10%) of each Settlement Share shall represent unpaid wages and the remaining ninety percent (90%) of each Settlement Share shall represent penalties and interest. The portion of the Settlement Share representing unpaid wages shall be paid to each Participating Class Member subject to any applicable employee-side tax withholdings and deductions, and the Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member for that amount. The portion of the Settlement Share representing penalties shall be paid to the Participating Class Member in full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member for that amount. Each Participating Class Member shall be individually responsible for their own share of applicable income tax withholdings and deductions from the Settlement Share attributable to the portion of the settlement for which an IRS Form 1099

1 will be issued. Defendants' payment of the Employer Payroll Tax attributable to the Settlement
2 Share payments constituting wages will be made separately and shall not come from the Maximum
3 Settlement Amount. The Parties agree and understand that Defendants have not made any
4 representations regarding the tax obligations or consequences, if any, related to this Settlement. The
5 Parties agree that Defendants and each Participating Class Member are solely responsible for
6 determining the tax consequences of payments made pursuant to this Settlement and for paying
7 taxes, if any, which are determined to be owed by each of them on such payments (including
8 penalties and interest related thereto) by any taxing authority, whether state, local, or federal.

9 63. Each PAGA Payment Share is intended to settle the PAGA Group Members' claims
10 for civil penalties. Accordingly, one hundred percent (100%) of each PAGA Payment Share shall
11 represent civil penalties. The PAGA Payment Share shall be paid to the PAGA Group Member in
12 full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form
13 1099 to each PAGA Group Member for that amount. Each PAGA Group Member shall be
14 individually responsible for their own share of applicable income tax withholdings and deductions
15 for his or her PAGA Payment Share.

16 64. **Total Payment Amount.** In no event will Defendants be required to pay more than
17 the Maximum Settlement Amount (unless that amount is increased pursuant to Paragraph 18 above)
18 for distribution to the Plaintiff, Class Counsel, Participating Class Members, PAGA Group
19 Members, LWDA, Settlement Administrator, or for any other costs or expenses not otherwise
20 enumerated. However, Defendants' payment of the Employer Payroll Tax attributable to the
21 Settlement Share payments constituting wages will be made separately and shall not come from the
22 Maximum Settlement Amount.

23 65. **Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and
24 conditions of this Settlement, the Settlement Administrator will make the following payments out of
25 the Maximum Settlement Amount as follows:

26 (a) **To Plaintiff:** In addition to their respective Settlement Shares, Plaintiff will
27 apply to the Superior Court for a Class Representative Payment in an amount not to exceed Ten
28 Thousand Dollars and Zero Cents (\$10,000.00). Defendants will not oppose this Class

1 Representative Payment. The Settlement Administrator will pay the Class Representative Payment
2 approved by the Superior Court out of the Maximum Settlement Amount. Payroll tax withholding
3 and deductions will not be taken from the Class Representative Payment and an IRS Form 1099 will
4 be issued to Plaintiff for this payment.

5 (b) **To Class Counsel:** Class Counsel will apply to the Superior Court for the
6 Class Counsel Fees Payment in an amount not to exceed 33.33% of the Maximum Settlement
7 Amount (currently estimated to be One Hundred Sixty-Six Thousand Six Hundred Fifty Dollars
8 and Zero Cents (\$166,650.00)). Class Counsel will also submit to the Superior Court a
9 memorandum of costs for the Class Counsel Litigation Expenses Payment in an amount not to
10 exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00) as request for reasonable costs of
11 suit to be paid from the Maximum Settlement Amount. Defendants will not oppose these requests.
12 The Settlement Administrator will pay the amounts approved by the Superior Court out of the
13 Maximum Settlement Amount. Withholding and deductions will not be taken from the Class
14 Counsel Fees Payment or Class Counsel Litigation Expenses Payment and one or more IRS Forms
15 1099 will be issued to Class Counsel with respect to those payments.

16 (c) **To the LWDA:** As part of his Motions for Preliminary and Final Approval,
17 the Plaintiff will apply to the Superior Court for approval of the LWDA Payment in the amount of
18 Eighteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00), which shall
19 constitute the LWDA's seventy-five percent (75%) share of Twenty-Five Thousand Dollars and
20 Zero Cents (\$25,000.00) in civil penalties paid under this Settlement. The remaining Six Thousand
21 Two Hundred Fifty Dollars and Zero Cents (\$6,250.00) in civil penalties shall be distributed on a
22 *pro rata* basis based upon the number of pay periods worked by each PAGA Group Member
23 ("PAGA Payment").

24 (d) **To the Settlement Administrator:** The Settlement Administrator will be
25 paid from the Maximum Settlement Amount its reasonable fees and expenses as approved by the
26 Superior Court, which are estimated not to exceed Twelve Thousand Nine Hundred Fifty Dollars
27 and Zero Cents (\$12,950.00).

28 66. **Appointment of Settlement Administrator.** The Parties will ask the Superior

1 Court to appoint Phoenix Settlement Administrators, a qualified and experienced administrator
2 based in California where the Action is venued, to serve as the Settlement Administrator, which, as
3 a condition of appointment, will agree to be bound by this Agreement with respect to the
4 performance of its duties and its compensation. The Settlement Administrator's duties will include
5 (i) calculating Settlement Shares and PAGA Payment Shares; (ii) preparing, printing, and mailing
6 the Class Notice to all Class Members; (iii) using reasonable measures to contact all Class
7 Members, including conducting a National Change of Address search on all Class Members before
8 mailing the Class Notice to each Class Member's address; (iv) re-mailing the Class Notice to the
9 Class Member's new address for those Class Members whose address had changed; (v) setting up a
10 toll-free telephone number to receive calls from Class Members; (vi) receiving requests for
11 exclusion and objections to the Settlement; (vii) providing the Parties with weekly status reports
12 about the delivery of Class Notices and any requests for exclusion and objections; (viii) issuing the
13 checks to effectuate the payments due under the Settlement; (ix) using reasonable measures to
14 deliver issued checks to Participating Class Members, including use of a "skip-trace" for
15 undeliverable checks; and (x) otherwise administering the Settlement pursuant to this Agreement
16 including paying and reporting the employer's share of the payroll taxes to the appropriate taxing
17 agency. The Settlement Administrator will have the final authority to resolve all disputes
18 concerning the calculation of a Participating Class Member's Settlement Share and/or PAGA Group
19 Member's PAGA Payment Share, subject to the terms set forth in this Agreement. The Settlement
20 Administrator will also establish and maintain and use an internet website to post information of
21 interest to Class Members including the date, time and location for the Final Approval hearing and
22 copies of the Settlement Agreement, motion for preliminary approval, the Preliminary Approval
23 order, the Class Notice, the motion for final approval, the Final Approval order and the Judgment.
24 The Administrator will also maintain and monitor an email address and a toll-free telephone number
25 to receive Class Member calls, faxes and emails. The Settlement Administrator's reasonable fees
26 and expenses are estimated to not exceed Twelve Thousand Nine Hundred Fifty Dollars and Zero
27 Cents (\$12,950.00) and will be paid out of the Maximum Settlement Amount, as set forth herein,
28 subject to Court approval.

1 **V. RELEASE OF CLAIMS**

2 67. **Plaintiff's Released Claims.** As of the date on which Defendants fully fund the
3 Maximum Settlement Amount and Employer Payroll Tax, Plaintiff, individually and on behalf of
4 Plaintiff's heirs, executors, administrators, representatives, attorneys, successors and assigns
5 knowingly and voluntarily releases and forever discharges Defendants, including any and all parent
6 corporation, affiliates, subsidiaries, managers, divisions, predecessors, insurers, franchisors,
7 successors and assigns, including but not limited to each of their current and former employees,
8 attorneys, officers, directors and agents thereof, both individually and in their business capacities,
9 and their employee benefit plans and programs and the trustees, administrators, fiduciaries and
10 insurers of such plans and programs (collectively, "Plaintiff's Released Parties"), to the fullest
11 extent permitted by law, of and from any and all claims, known and unknown, asserted and
12 unasserted, which Plaintiff has or may have against the Plaintiff's Released Parties as of the date of
13 execution of this Settlement Agreement. Plaintiff is not waiving any rights Plaintiff may have to:
14 (i) Plaintiff's own vested accrued employee benefits under the Defendants' health, welfare or
15 retirement benefits plans, if any, as of the date of execution of this Settlement Agreement; (ii)
16 benefits or rights to seek benefits under applicable workers' compensation (except as to claims
17 under Labor Code §§ 132a and 4553 which are expressly released herein) or unemployment
18 insurance or indemnification statutes; (iii) pursue claims which by law cannot be waived by signing
19 this Settlement Agreement; and (iv) enforce this Settlement Agreement.

20 68. To affect a full and complete general release as described above, Plaintiff expressly
21 waives and relinquishes all rights and benefits of § 1542 of the Civil Code of the State of California
22 and does so understanding and acknowledging the significance and consequence of specifically
23 waiving § 1542. Thus, notwithstanding the provisions of § 1542, and to implement a full and
24 complete release and discharge of all parties, Plaintiff expressly acknowledges this Settlement
25 Agreement is intended to include in its effect, without limitation, all claims Plaintiff does not know
26 or suspect to exist in Plaintiff's favor at the time of signing this Settlement Agreement, and that this
27 Settlement Agreement contemplates the extinguishment of any such claims. Plaintiff warrants
28 Plaintiff has read this Settlement Agreement, including this waiver of California Civil Code § 1542,

1 and that Plaintiff has consulted with or had the opportunity to consult with counsel of Plaintiff's
2 choosing about this Settlement Agreement and specifically about the waiver of § 1542, and that
3 Plaintiff understands this Settlement Agreement and the § 1542 waiver, and so Plaintiff freely and
4 knowingly enters into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later
5 may discover facts different from or in addition to those Plaintiff now knows or believes to be true
6 regarding the matters released or described in this Settlement Agreement, and even so Plaintiff
7 agrees that the releases and agreements contained in this Settlement Agreement shall remain
8 effective in all respects notwithstanding any later discovery of any different or additional facts.
9 Plaintiff expressly assume any and all risk of any mistake in connection with the true facts involved
10 in the matters, disputes or controversies released or described in this Settlement Agreement or with
11 regard to any facts now unknown to Plaintiff relating thereto.

12 **69. Participating Class Members Released Claims.** As of the date on which
13 Defendants fully fund the Maximum Settlement Amount and Employer Payroll Tax, each
14 Participating Class Member, and without the need to manually sign a release document, shall
15 release the Released Parties from all causes of action and claims that were alleged in the Action or
16 reasonably could have been alleged based on the facts and legal theories contained in the Action,
17 including all of the following claims for relief: (i) unpaid minimum wages; (ii) unpaid overtime;
18 (iii) failure to provide meal periods; (iv) failure to authorize and permit rest periods; (v) failure to
19 provide compliant wage statements; (vi) failure to timely pay wages upon termination; (vii) failure
20 to reimburse necessary business expenses; (viii) unfair business practices under California Business
21 and Professions Code Sections 17200, *et seq.*; (ix) failure to permit inspection of employment
22 records; (x) any claim for costs and attorneys' fees and expenses; (xi) any claim arising from the
23 claims described above under applicable federal, state, local or territorial law as well as applicable
24 regulations and Wage Orders or any of the claims, causes of action or legal theories of relief
25 pleaded in the operative complaint (collectively, the "Class Released Claims"). This Settlement
26 serves as res judicata for any claims brought under the FLSA for the Class Period for claims that
27 were or could have been alleged in the Action. *Rangel v. PLS Check Cashers of California* (2018)
28 899 F. 3d 1106. Participating Class Members who cash their checks are deemed to have waived all

1 Class Released Claims inclusive of claims under the Fair Labor Standards Act. Participating Class
2 Members who do not cash their checks shall be deemed to waive all Class Released Claims except
3 for a claim under the Fair Labor Standards Act. Class Released Claims for Class Members who
4 worked for Defendants in California during the Class Period shall have their claims released during
5 the Class Period.

6 **70. PAGA Group Released Claims.** As of the date on which Defendants fully fund the
7 Maximum Settlement Amount and Employer Payroll Tax, each PAGA Group Member, and without
8 the need to manually sign a release document, shall release the Released Parties for claims for civil
9 penalties pursuant to PAGA based upon all causes of action and claims that were alleged in the
10 Action and the LWDA Exhaustion Letter or reasonably could have been alleged based on the facts
11 and legal theories contained in the Action and the LWDA Exhaustion Letter including all of the
12 following claims for relief: (i) unpaid minimum wages; (ii) unpaid overtime; (iii) failure to provide
13 meal periods; (iv) failure to authorize and permit rest periods; (v) failure to provide compliant wage
14 statements; (vi) failure to timely pay wages upon termination; (vii) failure to reimburse necessary
15 business expenses; (viii) unfair business practices under California Business and Professions Code
16 Sections 17200, *et seq.*; (ix) failure to permit inspection of employment records; and (x) all claims
17 under the California Labor Code Private Attorneys General Act of 2004 that could have been
18 premised on the claims, causes of action or legal theories described above or any of the claims,
19 causes of action or legal theories of relief pleaded in the Action; (xi) any claim for costs and
20 attorneys' fees and expenses; and (xii) any claim arising from the claims described above under
21 applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders
22 (collectively, the "PAGA Released Claims"). PAGA Released Claims for PAGA Group Members
23 who worked for Defendants in California during the PAGA Period shall have their claims released
24 during the PAGA Period.

25 **71.** Released Parties includes Defendants and their past, present and/or future, direct
26 and/or indirect, officers, directors, members, managers, employees, agents, representatives,
27 attorneys, including but not limited to O'Hagan Meyer, insurers, partners, investors, shareholders,
28 administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors,

1 assigns, and joint venturers.

2 72. In light of the binding nature of a PAGA judgment on non-party employees pursuant
3 to *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice,*
4 *Inc.* (2011) 796 F.Supp.2d 1246, individuals otherwise meeting the definition of a Class Member
5 who exclude themselves from the Settlement shall nonetheless receive a payment for the amount of
6 each such individual's estimated share of the PAGA Payment and shall have released PAGA
7 claims, as outlined in Paragraph 70.

8 73. The Class Released Claims and PAGA Released Claims described in Paragraphs 69
9 and 70 expressly exclude all claims made by a Participating Class Member and/or PAGA Group
10 Member for vested benefits, wrongful termination, unemployment insurance, disability, social
11 security, workers' compensation, claims while classified as exempt, and claims outside of the Class
12 Period and/or PAGA Period.

13 74. **Class Counsel.** As of the date on which Defendants fully fund the Maximum
14 Settlement Amount and Employer Payroll Tax, and except as otherwise provided by this Settlement,
15 Class Counsel and any counsel associated with Class Counsel waive any further claims to costs and
16 attorneys' fees and expenses against Defendants or the Released Parties arising from or related to
17 the Action, including but not limited to claims based on the Labor Code, the Code of Civil
18 Procedure, PAGA, the Fair Labor and Standards Act, the Business and Professions Code, or any
19 other contract, statute or law ("Class Counsel Released Claims").

20 75. **No Effect on Other Benefits.** The payment of Settlement Shares and/or PAGA
21 Payment Shares will not result in any additional employee benefit payments (such as 401(k),
22 vacation, or bonus) and shall not have any effect on the eligibility for, or calculation of, any
23 employee benefit.

24 **VI. DUTIES OF THE PARTIES**

25 76. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to
26 accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be
27 limited to, execution of such other documents and the taking of such other actions as may
28 reasonably be necessary to fulfill the terms of this Settlement unless the Court denies the Settlement

1 with prejudice. The Parties shall use their best efforts, including all efforts contemplated by this
2 Stipulation and any other efforts that may become necessary by court order or otherwise, to
3 effectuate this Stipulation and the terms set forth herein. As soon as practicable after execution of
4 this Stipulation, Class Counsel, with the cooperation of Defendants and Defense Counsel, shall take
5 all necessary and reasonable steps to secure the Court's approval of this Stipulation. The Parties will
6 work together to make any non-material modifications of the Settlement requested by the Court to
7 obtain approval of the Parties' Settlement.

8 **77. Duty to Support and Defend the Class Settlement.** The Parties agree to abide by
9 all of the terms of the Settlement in good faith and to support the Settlement fully and to use their
10 best efforts to defend this Settlement from any legal challenge, whether by appeal or collateral
11 attack.

12 **78. Duties Prior to Court Approval.** Class Counsel shall promptly submit this
13 Stipulation to the Court for preliminary approval and determination by the Court as to its fairness,
14 adequacy, and reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall
15 apply to the Court for the entry of a preliminary order, scheduling a hearing on the question of
16 whether the proposed Class Settlement should be approved as fair, reasonable, and adequate as to
17 the Class Members, approving as to form and content the proposed Class Notice attached hereto as
18 Exhibit "A", respectively, and directing the mailing of the Class Notice to Settlement Class
19 Members.

20 **79. Non-Monetary Relief and Catalyzation of Policy Change.** Although Defendants
21 deny any liability of any kind associated with the claims alleged in the Lawsuit, deny any liability
22 or intentional wrongdoing, Defendants revised and updated their wage and hour policies and
23 practices, including but not limited to their timekeeping and meal period and rest break policies and
24 procedures.

25 **VII. MISCELLANEOUS TERMS**

26 **80. No Admission of Liability.** Defendants deny that they have engaged in any
27 unlawful activity, have failed to comply with the law in any respect, or have any liability to anyone
28 under the claims asserted in the Action. This Settlement is entered into solely for the purpose of

1 compromising highly disputed claims. Nothing in this Settlement is intended or will be construed
2 as an admission of liability or wrongdoing by Defendants, an admission by Plaintiff that any of his
3 claims were non-meritorious, or any defense asserted by Defendants was meritorious. This
4 Settlement and the fact that Plaintiff and Defendants were willing to settle the Action will have no
5 bearing on, and will not be admissible in connection with, any litigation (other than solely in
6 connection with the Settlement).

7 81. The Parties also agree that this release constitutes a resolution of a good faith dispute
8 concerning wages and complies with Labor Code Section 206.5, which reads in part:

9 “Execution of release of claim or right on account of wages due.

10 No employer shall require the execution of any release of any
11 claim or right on account of wages due, or to become due, or made,
12 or made as an advance on wages to be earned, unless payment of
13 those wages has been made.”

14 82. Whether or not the Judgment becomes Final, neither the Settlement, any document,
15 statement, proceeding or conduct related to the Settlement, nor any reports or accounting of those
16 matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be
17 evidence for any purpose adverse to Defendants or any of the Released Parties, including, but not
18 limited to, evidence of a presumption, concession, indication or admission by any of the Released
19 Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed,
20 referred to or offered in evidence against any of the Released Parties, or any other civil, criminal or
21 administrative action or proceeding except for purposes of effectuating this Settlement.

22 83. Notwithstanding Paragraph 82 of this Settlement, any and all provisions of this
23 Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce
24 any or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.

25 84. **Integrated Agreement.** After this Settlement is signed and delivered by all Parties
26 and their counsel, this Settlement and its exhibits will constitute the entire agreement between the
27 Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties,
28 covenants, or inducements have been made to any Party concerning this Settlement or its exhibits

1 other than the representations, warranties, covenants, and inducements expressly stated in this
2 Settlement and its exhibits.

3 **85. Attorney Authorization.** Class Counsel and Defense Counsel warrant and represent
4 that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action
5 required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms,
6 and to execute any other documents required to effectuate the terms of this Settlement. The Parties
7 and their counsel will cooperate with each other and use their best efforts to affect the
8 implementation of the Settlement. In the event the Parties are unable to reach agreement on the
9 form or content of any document needed to implement the Settlement, or on any supplemental
10 provisions that may become necessary to effectuate the terms of this Settlement, the Parties will
11 seek the assistance of mediator Steven Serratore, Esq., and if no resolution is reached the Superior
12 Court, and in all cases all such documents, supplemental provisions and assistance of the court will
13 be consistent with this Settlement.

14 **86. Modification of Agreement.** This Agreement, and any and all parts of it, may be
15 amended, modified, changed, or waived only by an express written instrument signed by all Parties,
16 their successors-in-interest, and/or the Parties' respective counsel, as authorized.

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

19 **88. Applicable Law.** All terms and conditions of this Settlement and its exhibits will be
20 governed by and interpreted according to the laws of the State of California, without giving effect to
21 any conflict of law principles or choice of law principles.

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

25 **90. Fair Settlement.** The Parties and their respective counsel believe and warrant that
26 this Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at
27 this Settlement through arms-length negotiations, taking into account all relevant factors, current
28 and potential.

1 91. **Headings.** The descriptive heading of any section or Paragraph of this Settlement is
2 inserted for convenience of reference only and does not constitute a part of this Settlement.

3 92. **Notice.** All notices, demands or other communications given under this Settlement
4 will be in writing and deemed to have been duly given as of the third business day after mailing by
5 U.S. Mail, addressed as follows:

6 *To Class Counsel:* William C. Sung, Esq.
7 Tiffany L. Luu
8 JUSTICE FOR WORKERS, P.C.
9 3600 Wilshire Boulevard, Suite 1815
 Los Angeles, California 90010

10 *To the Defendants' Counsel:* Matthew C. Sgnilek, Esq.
11 Justin D. Lee, Esq.
12 O'HAGAN MEYER
13 4695 MacArthur Court, Suite 900
 Newport Beach, California 92660

14 Attorneys for Defendant
 FIXINS SOUL KITCHEN, LOS ANGELES LLC

15 Lukas Clary, Esq.
16 WEINTRAUB TOBIN
17 400 Capitol Mall, Fl 11
 Sacramento, California 95814-4434

18 Attorney for Defendants
19 FIXINS SACRAMENTO LLC and
 SEVEN MANAGEMENT, INC.

20 93. **Execution in Counterpart.** This Settlement may be executed in one or more
21 counterparts. All executed counterparts and each of them will be deemed to be one and the same
22 instrument provided that counsel for the Parties will exchange between themselves original signed
23 counterparts. Facsimile signatures, scanned PDF signatures, and electronic signatures will be
24 presumptive evidence of execution of the original, which shall be produced on reasonable request.
25 Any executed counterpart will be admissible to prove the existence and contents of this Settlement.
26

27 SIGNATURES ON NEXT PAGE
28

1 DATED: 05 / 24 / 2025

PLAINTIFF AND CLASS REPRESENTATIVE

2 *Brandon Palmer*

3 _____
4 Brandon Palmer

5
6
7
8 DATED: Jun 13, 2025

**DEFENDANT FIXINS SOUL KITCHEN, LOS
ANGELES LLC**

9
10 By:  _____
11 Kevin Johnson, Member

12
13
14
15 DATED: Jun 13, 2025

DEFENDANT FIXINS SACRAMENTO LLC

16 By:  _____
17 Kevin Johnson, Member

18
19
20
21 DATED: Jun 13, 2025

DEFENDANT SEVEN MANAGEMENT, INC.

22 By:  _____
23 Kevin Johnson, Chief Executive Officer

1 APPROVED AS TO FORM

2
3
4 DATED: May 23, 2025

JUSTICE FOR WORKERS, P.C.

5
6 By: 

7 Its:

Attorney

William C. Sung, Esq.

Tiffany L. Luu, Esq.

9 Attorneys for Plaintiff

10 BRANDON PALMER and the Putative Classes

11 DATED: June 16, 2025

O'HAGAN MEYER

12
13 By: 

Matthew C. Sgnilek, Esq.

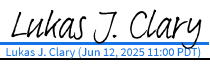
Justin D. Lee, Esq.

15 Attorneys for Defendant

16 FIXINS SOUL KITCHEN, LOS ANGELES LLC

17
18 DATED: Jun 12, 2025

WEINTRAUB TOBIN

19
20 By: 

21 Its:

Attorney

Lukas Clary, Esq.

23 Attorney for Defendants

FIXINS SACRAMENTO, LLC and

24 SEVEN MANAGEMENT, INC.

EXHIBIT A

EXHIBIT A

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

*BRANDON PALMER v. FIXINS SOUL KITCHEN, LOS ANGELES LLC, FIXINS
SACRAMENTO, LLC and SEVEN MANAGEMENT, INC.*

Case No. 23STCV23987

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class and representative action lawsuit ("Action") against Fixins Soul Kitchen, Los Angeles LLC, Fixins Sacramento, LLC and Seven Management, Inc. ("Defendants") for alleged wage and hour violations. The Action was filed by former employee Brandon Palmer ("Plaintiff") and seeks payment of back wages and other relief for a class of non-exempt, hourly-paid employees ("Class Members") who worked for Defendants in California during the Class Period (October 2, 2019 through January 5, 2025); and (2) penalties under the California Private Attorneys General Act ("PAGA") for all non-exempt, hourly-paid employees who worked for Defendants in California during the PAGA Period (August 30, 2022 through January 5, 2025) ("PAGA Group Members").

The proposed Settlement has two main parts: (1) a class settlement requiring Defendants to fund Settlement Shares, and (2) a PAGA settlement requiring Defendants to fund PAGA Payment Share and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendants' records, and the Parties' current assumptions, **your Settlement Shares is estimated to be \$_____ (less withholding) and your PAGA Payment Share is estimated to be \$_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your PAGA Payment Share, then according to Defendants' records you are not eligible for an PAGA Payment Share under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Defendants' records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the final approval hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment

that requires Defendants to make payments under the Settlement and requires Class Members and PAGA Group Members to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Settlement Share and/or an PAGA Payment Share. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the class settlement (opt-out) by submitting the written Exclusion Request or otherwise notifying the Settlement Administrator in writing. If you opt-out of the Settlement, you will not receive an Settlement Share. You will, however, preserve your right to personally pursue Class Period wage claims against Defendants, and, if you are an PAGA Group Member, remain eligible for an PAGA Payment Share. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Settlement Share and an PAGA Payment Share (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Class Released Claims and PAGA Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [date]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Exclusion Request. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Settlement Share. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay PAGA Payment Shares to all PAGA Group Members and the PAGA Group Members must give up their rights to pursue PAGA Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You

Written Objections Must be Submitted by [date]	are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [date]	The amount of your Settlement Share and PAGA Payment Share (if any) depend on how many Workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [date]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendants. The Action accuses Defendants of violating California labor laws by failing to pay minimum and overtime wages, failing to provide meal periods and rest breaks, failing to pay wages due upon termination, failing to provide accurate itemized wage statements, and failing to indemnify employees for expenditures. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) ("PAGA"). Plaintiff is represented by attorneys in the Action: William C. Sung, Esq. and Tiffany L. Luu, Esq., Justice for Workers, P.C. ("Class Counsel.").

Defendants strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court's

Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants does not admit any violations or concede the merit of any claims.

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

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay \$500,000.00 as the Maximum Settlement Amount. Defendants have agreed to deposit the Maximum Settlement Amount into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Maximum Settlement Amount to pay the Settlement Shares, PAGA Payment Shares, the Class Representative Payment, Class Counsel's attorneys' fees and expenses, the Settlement Administrator's expenses, and penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendants will fund the Maximum Settlement Amount not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Maximum Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Maximum Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - . Up to \$166,650.00 (33.33% of the Maximum Settlement Amount) to Class Counsel for attorneys' fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - . Up to \$10,000.00 to Plaintiff Brandon Palmer for filing the Action, working with Class Counsel and representing the Class. The Class Representative Payment will be the only monies Plaintiff will receive other than Plaintiff's Settlement Share and any PAGA Payment Share.
 - . Up to \$12,950.00 to the Settlement Administrator for services administering the Settlement.
 - . Up to \$25,000.00 for PAGA civil penalties, allocated 75% to the LWDA Payment and 25% in PAGA Payment Shares to the PAGA Group Members based on their PAGA Period Pay Periods.

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

3. Net Settlement Amount Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Maximum Settlement Amount (the “Net Settlement Amount”) by making Settlement Shares to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 10% of each Settlement Share to taxable wages (“Wage Portion”) and 90% to penalties and interest (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes it owes on the Wage Portion. The PAGA Payment Shares are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the PAGA Payment Shares and the Non-Wage Portions of the Settlement Shares on IRS 1099 Forms.

Although Plaintiff and Defendants have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Settlement Shares and PAGA Payment Shares will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by [date]. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.
8. Settlement Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Settlement Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Exclusion Requests. The Settlement Administrator will also decide Class Member’s challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendants has fully funded the Maximum Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the class settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or related entities for wages based on the Class Period facts as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following Class Released Claims:

As of the date on which Defendants fully fund the Maximum Settlement Amount and Employer Payroll Tax, each Participating Class Member, and without the need to manually sign a release document, shall release the Released Parties from all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Action, including all of the following claims for relief: (i) unpaid minimum wages; (ii) unpaid overtime; (iii) failure to provide meal periods; (iv) failure to authorize and permit rest periods; (v) failure to provide compliant wage statements; (vi) failure to timely pay wages upon termination; (vii) failure to reimburse necessary business expenses; (viii) unfair business practices under California Business and Professions Code Sections 17200, et seq.; (ix) failure to permit inspection of employment records; (x) any claim for costs and attorneys’ fees and expenses; (xi) any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint (collectively, the “Class Released Claims”). This Settlement serves as res judicata for any claims brought under the FLSA for the Class Period for claims that were or could have been alleged in the Action. *Rangel v. PLS Check Cashers of California* (2018) 899 F. 3d 1106. Participating Class Members who cash their checks are deemed to have waived all Class Released Claims inclusive of claims under the Fair Labor Standards Act. Participating Class Members who do not cash their checks shall be deemed to waive all Class Released Claims except for a claim under the Fair Labor Standards Act. Class

Released Claims for Class Members who worked for Defendants in California during the Class Period shall have their claims released during the Class Period.

10. PAGA Group Members' PAGA Release. After the Court's judgment is final, and Defendants has paid the Maximum Settlement Amount (and separately paid the employer-side payroll taxes), all PAGA Group Members will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Settlement. This means that all PAGA Group Members, including those who are Participating Class Members and those who opt-out of the class settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendants or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The PAGA Group Members' Releases for Participating and Non-Participating Class Members are as follows:

As of the date on which Defendants fully fund the Maximum Settlement Amount and Employer Payroll Tax, each PAGA Group Member, and without the need to manually sign a release document, shall release the Released Parties for claims for civil penalties pursuant to PAGA based upon all causes of action and claims that were alleged in the Action and the LWDA Exhaustion Letter or reasonably could have been alleged based on the facts and legal theories contained in the Action and the LWDA Exhaustion Letter including all of the following claims for relief: (i) unpaid minimum wages; (ii) unpaid overtime; (iii) failure to provide meal periods; (iv) failure to authorize and permit rest periods; (v) failure to provide compliant wage statements; (vi) failure to timely pay wages upon termination; (vii) failure to reimburse necessary business expenses; (viii) unfair business practices under California Business and Professions Code Sections 17200, et seq.; (ix) failure to permit inspection of employment records; and (x) all claims under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the claims, causes of action or legal theories described above or any of the claims, causes of action or legal theories of relief pleaded in the Action; (xi) any claim for costs and attorneys' fees and expenses; and (xii) any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders (collectively, the "PAGA Released Claims"). PAGA Released Claims for PAGA Group Members who worked for Defendants in California during the PAGA Period shall have their claims released during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Settlement Shares. The Settlement Administrator will calculate Settlement Shares by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. PAGA Payment Shares. The Settlement Administrator will calculate PAGA Payment Shares by (a) dividing \$6,250.00 by the total number of PAGA Period Pay Periods

worked by all PAGA Group Members and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual PAGA Group Member.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. Section 9 of this Notice has the Settlement Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendants' Counsel. The Settlement Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Group Members. The single check will combine the Settlement Share and the PAGA Payment Share.
2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single PAGA Payment Share check to every PAGA Group Member who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Brandon Palmer v. Fixins Soul Kitchen, Los Angeles LLC, et al.*, Case No. 23STCV23987, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your**

request to be excluded by [date], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendants are asking the Court to approve. At least 16 days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as the Class Representative's Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website www._____.com or the Court's website <https://www.lacourt.org/casesummary/ui/>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Settlement Administrator is [date].** Be sure to tell the Settlement Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Brandon Palmer v. Fixins Soul Kitchen, Los Angeles LLC, et al.*, Case No. 23STCV23987, and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department 14 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Maximum Settlement Amount will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Settlement Administrator's website www._____.com beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at [www. \[REDACTED\].com](http://www. [REDACTED].com). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.lacourt.org/casesummary/ui/> and entering the Case Number for the Action, Case No. 23STCV23987. You can also make an appointment to personally review court documents in the Clerk's Office at the Los Angeles Superior Court.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

William C. Sung, Esq.
william@justiceforworkers.com
Tiffany L. Luu, Esq.
tluu@justiceforworkers.com
JUSTICE FOR WORKERS, P.C.
3600 Wilshire Boulevard, Suite 1815
Los Angeles, California 90010
Telephone: (323) 922-2000
Facsimile: (323) 922-2000

Settlement Administrator:

Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund website for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.

Palmer v. Fixins - Class PAGA Settlement Agreement PL Signed

Final Audit Report

2025-06-14

Created:	2025-06-12
By:	Jacquelynn Dickendasher (jdickendasher@ohaganmeyer.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAqxAQYtoedl4fpB0JyWxmpQlsvxyikhW

"Palmer v. Fixins - Class PAGA Settlement Agreement PL Signed" History

 Document created by Jacquelynn Dickendasher (jdickendasher@ohaganmeyer.com)

2025-06-12 - 5:44:59 PM GMT

 Document emailed to kj@7inc.com for signature

2025-06-12 - 5:45:42 PM GMT

 Email viewed by kj@7inc.com

2025-06-14 - 2:14:58 AM GMT

 Signer kj@7inc.com entered name at signing as Kevin Johnson

2025-06-14 - 2:16:10 AM GMT

 Document e-signed by Kevin Johnson (kj@7inc.com)

Signature Date: 2025-06-14 - 2:16:12 AM GMT - Time Source: server

 Agreement completed.

2025-06-14 - 2:16:12 AM GMT