

ADAM J. KARR (S.B. #212288)
akarr@omm.com
SUSANNAH K. HOWARD (S.B. #291326)
showard@omm.com
ALLAN W. GUSTIN (S.B. #305784)
agustin@omm.com
O'MELVENY & MYERS LLP
400 South Hope Street, 18th Floor
Los Angeles, California 90071-2899
Telephone: +1 213 430 6000
Facsimile: +1 213 430 6407

*Attorneys for Defendants
Sanctuary Clothing, LLC; Sanctuary
Clothing, Inc.; and Sanctuary Clothing 3611,
LLC*

KANE MOON (S.B. #249834)
kmoon@moonlawgroup.com
DANIEL PARK (S.B. #274973)
dpark@moonlawgroup.com
JAEYOUNG LEE (S.B. #344198)
jlee@moonlawgroup.com
MOON LAW GROUP, PC
725 S. Figueroa St., Suite 3100
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

*Attorneys for Plaintiff
Jose Morelos*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

JOSE MORELOS, individually, and on behalf
of all others similarly situated,

Plaintiff,

v.

SANCTUARY CLOTHING, LLC, a limited
liability company; SANCTUARY
CLOTHING, INC., a California corporation;
SANCTUARY CLOTHING 3611, LLC, a
limited liability company; and DOES 1
through 10, INCLUSIVE,

Defendants.

Case No. 23STCV22678

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

**I.
PREAMBLE**

1. This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Agreement”) is entered into between Plaintiff Jose Morelos (the “Named Plaintiff”) individually and as the representative on behalf of certain additional putative class members and/or represented employees (collectively, with the Named Plaintiff, the “Settlement Class” or “Settlement Class Members”) as further defined in Section III of this Agreement, and defendants Sanctuary Clothing, LLC; Sanctuary Clothing, Inc.; and Sanctuary Clothing 3611, LLC (collectively, “Sanctuary” or “Settling Defendants”). The Settlement Class (including, without limitation, the Named Plaintiff and the PAGA Group, as further defined in Section IV of this Agreement) and Settling Defendants will be referred to collectively herein as the “Settling Parties.”

2. On September 9, 2023, the Named Plaintiff submitted a written notice of claims under the California Labor Code Private Attorneys General Act (“PAGA”) to the Labor and Workforce Development Agency (“LWDA”) pursuant to California Labor Code § 2699.3 (“PAGA Notice”). In the PAGA Notice, the Named Plaintiff asserted a claim under PAGA on behalf of himself and other current and former Sanctuary employees based on alleged violations of the California Labor Code and/or Industrial Welfare Commission (“IWC”) wage orders.

3. On September 19, 2023, the Named Plaintiff commenced this action by filing a complaint (the “Initial Complaint”) in the Superior Court of the State of California for the County of Los Angeles, Case No. 23STCV22678, asserting claims on behalf of himself and a putative class (the “Lawsuit”). The putative class was defined in the Initial Complaint as Plaintiff and all other persons who worked for any Defendant in California as an hourly, non-exempt employee at any time during the statute of limitations period applicable to the claims pleaded here. On behalf of himself and this putative class, the Initial Complaint asserted eight (8) causes of action against Settling Defendants for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final

wages at termination; (7) failure to provide accurate itemized wage statements; and (8) Unfair Business Practices.

4. On February 23, 2024, the Named Plaintiff filed a First Amended Complaint (the “FAC”), adding to its Initial Complaint a cause of action for civil penalties under PAGA (Cal. Lab. Code § 2699, et seq.).

5. The PAGA Notice, Initial Complaint, and FAC are herein referred to as the Complaints. The Lawsuit, including the Complaints, are herein referred to as the “Action.”

6. On October 28, 2024, the Settling Parties attended a private mediation before Steve Rottman, a well-respected mediator of employment-related disputes, and reached an agreement to settle this matter on a class and representative action basis as to Settlement Class Members’ claims against Settling Defendants, which is now set forth in this Agreement.

7. During the course of this Action, the Settling Parties have engaged in significant investigation of the facts at issue and have exchanged extensive documents and information, which have allowed the Settling Parties to fully assess the value of the claims involved. This Agreement comes after intense settlement negotiations and a full-day session with the mediator.

8. The Settling Parties have now agreed to avoid further litigation and to settle and resolve all existing and potential disputes, actions, lawsuits, charges and claims related to the Complaints and the Action that the Settlement Class has or may have against Settling Defendants, to the fullest extent permitted by law and without any admission of liability or wrongdoing by either party. Named Plaintiff and his counsel have concluded that the Settlement reflected herein is fair, reasonable, and in the best interests of the Settlement Class and respectfully request that the Settlement be approved by the Court.

10. This Agreement shall become effective upon the “Effective Date,” as set forth in Section VII below. The Settling Parties hereby agree to do all things and to engage in all procedures reasonably necessary and appropriate to obtain final Court approval of this Agreement, in consideration for: (a) the payment by Settling Defendants of the consideration described herein, subject to the terms, conditions and limitations of this Agreement; and (b) the release of claims by the members of the Settlement Class (including, without limitation, the

Named Plaintiff and the PAGA Group), as described in Paragraphs 57 through 60 of this Agreement, and entry of Judgment thereafter.

**II.
PAYMENTS TO THE SETTLEMENT CLASS, CLASS COUNSEL, THE NAMED
PLAINTIFF, AND THE SETTLEMENT ADMINISTRATOR**

9. Subject to Court approval and the provisions of this Agreement, Settling Defendants shall pay a total of two hundred and seventy-five thousand U.S. Dollars and no cents (\$275,000.00), in consideration of the settlement of this Action and the related release of all claims members of the Settlement Class (including, without limitation, the Named Plaintiff and the PAGA Group) may have against Settling Defendants, as contained in Paragraphs 57 through 60 of this Agreement—an amount that shall be referred to in this Agreement as the “Gross Settlement Value” or “GSV.”

10. No portion of the Gross Settlement Value shall be disbursed or distributed until after the Effective Date.

11. The Gross Settlement Value is the maximum amount that Settling Defendants shall be required to pay for settlement of this Action. The Gross Settlement Value will cover payments to the Settlement Class, as further defined in Section III of this Agreement, payments to the PAGA Group, as defined in Section IV of this Agreement, additional compensation to the Named Plaintiff as representative of the Settlement Class and the PAGA Group, the cost of claims administration and notice, compensation to the LWDA under PAGA, and attorneys’ fees and reimbursement of litigation costs and expenses to Class Counsel. No portion of the Gross Settlement Value shall revert to the Settling Defendants.

**III.
CLASS CERTIFICATION FOR SETTLEMENT PURPOSES**

12. Solely for the purposes of this Settlement, and subject to Court approval, the Settling Parties hereby stipulate to class certification of a Settlement Class comprised of all persons who were employed by the Settling Defendants within the State of California as hourly, non-exempt employees at any time from September 19, 2019, to the date of the Court’s order granting preliminary approval of this Settlement, or an alternative date to be selected by Settling

1 Defendants at their sole discretion, subject to the provisions set forth in Paragraph 13, below (the
2 “Class Period”). The Settlement Class includes the PAGA Group, as defined below.

3 13. The GSV is based on Settling Defendants’ best estimates that as of October 28,
4 2024, there were approximately 10,807 workweeks in the Class Period, with a class size
5 comprised of approximately 120 Class Members, including Plaintiff, and there were
6 approximately 1,709 pay periods as of October 28, 2024, with a PAGA Group size comprised of
7 approximately 33 Aggrieved Employees, including Plaintiff. In the event that the actual number
8 of total workweeks in the Class Period and PAGA Period increases by more than ten percent
9 (10%) (*e.g.*, 11,888 workweeks or 1,880 pay periods), or an additional 1,081 workweeks or 171
10 pay periods, then the GSV shall be increased by 1% for every 1% increase in workweeks or pay
11 periods over the 10% threshold. In the alternative, the Settling Defendants may elect to end the
12 Class Period or PAGA Period on an earlier date so that this escalator provision is not triggered.

13 14. If this Agreement is terminated pursuant to its terms, disapproved by any court
14 (including any appellate court), and/or not consummated for any reason, or the Effective Date for
15 any reason does not occur, the order certifying the Settlement Class for purposes of effectuating
16 this Agreement, and all preliminary and/or final findings regarding that class certification order,
17 shall be automatically vacated upon notice of the same to the Court, the Action shall proceed as
18 though the Settlement Class had never been certified pursuant to this Agreement and such
19 findings had never been made, the Action shall return to the procedural status quo in accordance
20 with this Paragraph, and nothing in this Agreement or other papers or proceedings related to the
21 Settlement shall be used as evidence or argument by anyone concerning whether the Action may
22 properly be maintained as a class action, whether the purported class is ascertainable, whether
23 there is sufficient commonality, whether the Named Plaintiff’s claims are typical of that of the
24 class, or whether Class Counsel or the Named Plaintiff can adequately represent any individuals
25 under applicable law.

26 15. Except as otherwise provided in this Agreement, persons who file valid and timely
27 Requests for Exclusion from this Settlement with the Settlement Administrator in accordance
28 with the provisions of this Agreement shall not be included in the Settlement Class, shall not

1 share in the distribution of the Gross Settlement Value allocable to class claims, and will not be
2 bound by the terms of this Agreement, except as otherwise provided in this Agreement with
3 respect to members of the PAGA Group, as defined in Section IV below.

4 **IV.**
5 **THE PAGA GROUP**

6 16. The Settlement Class includes the “PAGA Group,” which consists all persons who
7 were employed by Settling Defendants within the State of California as hourly, non-exempt
8 employees at any time from September 9, 2022, to the date of the Court’s order granting
9 preliminary approval of this Settlement, or an alternative date to be selected by Settling
10 Defendants at their sole discretion, subject to the provisions set forth in Paragraph 13 (the “PAGA
11 Period”).

12 17. The Settling Parties will seek approval from the Court for a “PAGA Payment” of
13 Twenty Thousand U.S. Dollars and no cents (\$20,000.00), which shall be paid from the GSV.
14 Seventy-five percent (75%) of the PAGA Payment will be paid to the LWDA pursuant to
15 California Labor Code § 2699(i) (the “LWDA Payment”) and twenty-five percent (25%) of the
16 PAGA Payment will be distributed to the PAGA Group (the “PAGA Group Payment”) as further
17 set forth herein. All members of the PAGA Group will be sent their share of the PAGA Payment
18 and will be subject to the release of PAGA claims set forth in Paragraph 58 below, whether or not
19 they file Requests for Exclusions with the Settlement Administrator. One hundred percent
20 (100%) of the PAGA Payment is in settlement of claims for penalties and not subject to wage
21 withholdings, and shall be reported on an IRS Form 1099.

22 **V.**
23 **APPOINTMENT OF NAMED PLAINTIFF’S COUNSEL AS SETTLEMENT CLASS**
24 **AND PAGA COUNSEL AND OF SETTLEMENT ADMINISTRATOR**

25 18. Subject to the Court’s approval, the Settling Parties hereby stipulate to the Court’s
26 appointment of Kane Moon, Daniel Park, and Jaeyoung Lee of Moon Law Group, PC, 725 S.
27 Figueroa Street, Suite 3100, Los Angeles, California 90017, (213) 232-3128 (phone), (213) 232-
28 3125 (facsimile) as counsel for the Settlement Class and the PAGA Group (“Class Counsel”).

20. The Settling Parties' settlement of this Action, and their rights and obligations hereunder, are expressly conditioned on both the Court's preliminary and final approval of this Settlement. Preliminary approval shall be through the entry of an "Order of Preliminary Approval," which Class Counsel shall file concurrently with the Motion for Preliminary Approval. Class Counsel shall send drafts of the Motion for Preliminary Approval and Order of Preliminary Approval to Counsel for Defendant at least five (5) calendar days prior to filing the same.

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

1 all notices and other documents necessary to implement the Agreement, and (c) seek a Court
2 order to grant preliminary approval of the Settlement, certify the Settlement Class for settlement
3 purposes only, and set a date for the settlement fairness or final approval hearing ("Final
4 Approval Hearing"). The Proposed Order of Preliminary Approval shall provide for notice of the
5 Settlement and related matters to the Settlement Class as specified in this Agreement.

6 22. At the same time Class Counsel files the Motion for Preliminary Approval and
7 Order of Preliminary Approval, Class Counsel shall submit a copy of this Agreement to the
8 LWDA pursuant to California Labor Code § 2699(l)(2).

9 23. Not later than twenty-one (21) calendar days after receipt of notice of the Court's
10 entry of the Order of Preliminary Approval, and to the extent possible based on the presence of
11 information in its records, Settling Defendants shall provide the Settlement Administrator a
12 spreadsheet in electronic format that contains, for each Settlement Class Member, his/her name;
13 Social Security number; last known mailing address, telephone number, and email address; , the
14 number of workweeks he/she was employed during the Class Period; and the number of
15 workweeks he/she was employed during the PAGA Period (if any) ("Class Member Contact
16 Information").

17 24. At a mutually convenient time, but no later than ten (10) calendar days after the
18 Settlement Administrator's receipt of Class Member Contact Information, Settling Defendants
19 shall meet-and-confer with the Settlement Administrator regarding the format of the spreadsheet
20 referenced in Paragraph 25 and cooperate to provide any additional information which the
21 Settlement Administrator may request that is reasonable and necessary for the purpose of
22 administering the terms of this Agreement.

23 25. Class Counsel shall timely prepare and file all papers related to the Motion for
24 Final Approval of the Settlement ("Final Approval Motion"). At least seven (7) calendar days
25 before doing so, Class Counsel will send drafts of such papers to Defendant's counsel for
26 comments. With the Final Approval Motion, Class Counsel will file a Proposed Order of Final
27 Approval and Final Judgement ("Proposed Final Approval Order"), unless otherwise directed by
28 the Court. The Final Approval Motion and Proposed Final Approval Order shall be consistent

with the terms of this Agreement and, inter alia, shall reflect the Settlement and entry of judgment of this Action, dismiss the action with prejudice, and approve the Settlement pursuant to the terms of this Agreement.

26. Within ten (10) calendar days of the Court's entry of the Final Approval Order and Judgment (as defined in Paragraph 27(d)), Class Counsel will submit a copy of the Final Approval Order and Judgment with the LWDA Pursuant to California Labor Code § 2699(1)(3).

VII. THE EFFECTIVE DATE

27. This Agreement shall become final and effective on the occurrence of all of the following events described in this Paragraph 27, subparagraphs (a) through (e) (the "Effective Date"):

(a) The Settlement is executed by the Settling Parties, Class Counsel, and Settling Defendants' counsel.

(b) Entry by the Court of an Order of Preliminary Approval as discussed in Paragraph 20 of this Agreement, appointment of Class Counsel as described in Paragraph 18 of this Agreement, appointment of a Settlement Administrator as described in Paragraph 19 of this Agreement, and the expiration of the time period for Settling Defendants to withdraw from this Agreement as described in Paragraph 29 of this Agreement (without Settling Defendants withdrawing).

(c) Class Counsel filing, at or before the Final Approval Hearing, a declaration from the Settlement Administrator:

(i) Certifying that notice was sent to each Settlement Class member in accordance with Section XII of this Agreement and the Order of Preliminary Approval; and

(ii) Delineating the number of Settlement Class Members who submitted timely Requests for Exclusion.

(d) Entry by the Court of an Order and Judgment Granting Final Approval (the “Final Approval Order and Judgment”).

(e) The occurrence of the “Effective Date of Judgment,” which shall be deemed to be the last to occur of the following:

(i) If an appeal or other review is not sought from the Final Approval Order and Judgment, the sixty-fifth (65th) calendar day after the Final Approval Order and Judgment is signed and entered by the Court; or

(ii) If an appeal or other review is sought from the Final Approval Order and Judgment, five (5) court days after the Final Approval Order and Judgment is affirmed or the appeal or other review is dismissed or denied, and the judgment is no longer subject to judicial review or other challenge.

VIII. FAILURE OF THE EFFECTIVE DATE TO OCCUR OR OPT-OUTS IN EXCESS OF FIVE PERCENT

28. If the Effective Date does not occur, this Agreement shall be void, except as otherwise stated in Paragraph 64. In such event:

(a) Nothing in this Agreement shall be construed as a determination, admission, or concession of any substantive or procedural issue in this Action, and nothing in this Agreement may be offered into evidence in any hearing or trial, or in any subsequent pleading or in any other judicial, arbitral, or administrative proceeding;

(b) The Settling Parties expressly reserve their rights with respect to the prosecution and defense of this Action as if this Agreement never existed. In particular, Settling Defendants do not waive, but rather expressly reserve, all rights to challenge any and all claims and allegations asserted in this Action upon all procedural and substantive grounds, including, without limitation, the ability to challenge class action treatment on any grounds and to assert any and all potential defenses or privileges. The Settling Parties agree that Settling Defendants retain and reserve these rights, and they agree not to take a position to the contrary. Specifically, the Settling Parties agree that, if this Action were to

1 proceed, they will not present any argument based on this Agreement, or any exhibit,
2 attachment, act performed or document executed related to this Agreement; and

3 (c) The Settling Parties shall each bear half (50%) of any costs for notice or
4 claims administration incurred by the Settlement Administrator through the date that the
5 Settlement is determined to be void unless the Settlement is nullified by the Settling
6 Defendants pursuant to the terms set forth in Paragraph 29, in which case the Settling
7 Defendants shall be responsible for all costs of administration.

8 29. The Settlement Administrator shall provide written notice to Class Counsel and
9 Settling Defendants' counsel no later than thirty (30) calendar days after the Response Deadline,
10 as defined in Paragraph 47 of this Agreement, with a complete list of the Settlement Class
11 Members who have timely requested exclusion from the class. Settling Defendants, in their sole
12 and independent discretion, shall have the right, but not the obligation, to revoke this Agreement
13 if Requests for Exclusion from the Settlement are filed by Settlement Class Members representing
14 more than five percent (5%) of all Settlement Class Members. If Settling Defendants choose to
15 exercise this option, the effect will be precisely the same as if one of the events specified in
16 Paragraph 27 did not occur. Settling Defendants must exercise this right, if at all, within ten (10)
17 calendar days after receipt of the written notice from the Settlement Administrator discussed in
18 this Paragraph 29.

19 **IX.**
20 **ATTORNEYS' FEES, COSTS AND EXPENSES, PAYMENT TO THE LWDA, AND**
21 **ENHANCEMENT AWARDS**

22 30. This Action alleges a claim for attorneys' fees and costs pursuant to, inter alia, the
23 California Labor Code. The Settling Parties agree that any and all such claims for attorneys' fees
24 and costs have been settled as a part of this Agreement.

25 31. Settling Defendants recognize that Class Counsel will apply to the Court for an
26 award of attorneys' fees in an amount up to, but not more than, one-third (*i.e.*, 33.33%) of the
27 GSV, as well as an award for actual costs and expenses, not to exceed \$25,000.00, incurred up to
28 the date of filing of said application. Settling Defendants will not oppose Class Counsel's
application for the amounts described in this Paragraph 31, and Class Counsel's application under

1 this Paragraph 31 shall be scheduled for determination at the Final Approval Hearing. Any
2 amounts awarded pursuant to this Paragraph 31 shall be paid from the GSV. The Named
3 Plaintiff, Class Counsel, and Settlement Class Members (including, without limitation, members
4 of the PAGA Group) shall not seek payment of attorneys' fees or reimbursement of costs or
5 expenses except as set forth herein. Settling Defendants shall not be liable for or obligated to pay
6 any fees, expenses, costs, or disbursements to, or incur any expense on behalf of, any person or
7 entity, either directly or indirectly, in connection with this Action other than the amount or
8 amounts expressly provided for in this Agreement.

9 32. Settling Defendants recognize that, at the same time the application under
10 Paragraph 31 is made, Class Counsel will also apply to the Court for an additional award of ten
11 thousand U.S. dollars and no cents (\$10,000.00) for the Named Plaintiff, as reasonable additional
12 compensation for the prosecution of the claims in this Action, the time and effort expended by
13 him in doing so, and in consideration for the claims released herein (the "Enhancement Award").
14 Settling Defendants will not oppose Class Counsel's application under this Paragraph 32. Any
15 Enhancement Award shall be paid from the GSV. Any Enhancement Award will be in addition
16 to the amount that the Named Plaintiff may be entitled to receive on account of his own
17 individual claim pursuant to Section XI of this Agreement; however, the releases set out in
18 Paragraphs 57 through 60 of this Agreement shall bind the Named Plaintiff regardless of his
19 claims as a Settlement Class Member and/or member of the PAGA Group, and the Enhancement
20 Award shall be adequate consideration for said releases. The Named Plaintiff, Class Counsel,
21 and/or Settlement Class Members shall not seek payment of any additional enhancement awards
22 except as set forth herein.

23 33. As provided in Paragraph 17 above, the Settlement Administrator will allocate
24 from the GSV the PAGA Payment, to cover penalties under PAGA. The Settlement
25 Administrator will pay seventy-five percent (75%) of the PAGA Payment to the LWDA pursuant
26 to California Labor Code Section 2699(i). The remaining twenty-five percent (25%) of the
27 PAGA Payment will be distributed to the PAGA Group as set forth below.
28

36. Any proceedings or Court decisions related to Class Counsel's application for attorneys' fees, costs and expenses, and/or the Enhancement Award, shall not terminate or cancel this Agreement, or otherwise affect the finality of the Final Approval Order and Judgment, or affect the settlement and releases set forth herein concerning this Action. Further, nothing in this Agreement shall prevent, waive, impair or impinge upon Class Counsel's right to appeal the Court's decision related to the application for attorneys' fees, costs and expenses, and/or the Enhancement Award.

37. Class Counsel shall have the sole and absolute discretion to allocate the Attorneys' Fees and Expenses amongst Class Counsel and any other attorneys. Settling Defendants shall have no liability or other responsibility for allocation of any such attorneys' fees and expenses awarded, and, in the event that any dispute arises relating to the allocation of fees, Class Counsel agree to hold Settling Defendants harmless from, and indemnify Settling Defendants with respect to, any and all such liabilities, costs, and expenses, including attorneys' fees and dispute costs, of such dispute.

38. The GSV shall be allocated, in order, as follows:

(a) First, to any attorneys' fees and reasonable and necessary costs and expenses of Class Counsel, as may be awarded by the Court pursuant to Paragraph 31 of this Agreement.

(b) Second, to any Enhancement Award as may be awarded by the Court pursuant to Paragraph 32 of this Agreement.

(c) Third, to the costs and expenses incurred by, or fees imposed by, the Settlement Administrator in performing its duties under this Agreement, which are currently estimated to be no more than \$6,000.00.

(d) Fourth, to the LWDA Payment for the payment to the LWDA of penalties under the PAGA.

(e) Fifth, to the PAGA Group Payment for the payment to the PAGA Group of penalties under the PAGA.

(f) Sixth, to the "Net Settlement Value" or "NSV." The Net Settlement Value or NSV shall be defined as the maximum possible value of the GSV less the items described in Paragraphs 38(a) through 38(e) above. The Net Settlement Value shall be made available to the Settlement Class as described in Section XI of this Agreement. The Settlement Administrator shall be responsible for the allocation and distribution of the Net Settlement Value to Settlement Class Members who do not file Requests for Exclusion from the Settlement.

39. The Settlement Administrator shall make payments only from the GSV, only pursuant to the terms of this Agreement, and only after the Effective Date.

40. For the purpose of calculating applicable taxes:

(a) Each settlement payment from the NSV ("Class Member Payment") shall be classified as follows: (1) one-fifth to unpaid wages, (2) three-fifths to penalties, and (3) one-fifth to interest.

(b) One hundred percent (100%) of the Enhancement Award will be allocated to ordinary income, payable on an IRS Form 1099.

(c) One hundred percent (100%) of the PAGA Group Payment is in settlement of claims for penalties and not subject to wage withholdings, and shall be reported on an IRS Form 1099.

(d) Each Settlement Class Member and member of the PAGA Group shall be individually responsible for his or her share of taxes attributable to the receipt of any Class Member Payment and/or PAGA Group Payment.

(e) In addition to the GSV, Settling Defendants shall separately pay any employer-side payroll taxes.

XI. **CALCULATION OF PAYMENTS TO THE SETTLEMENT CLASS AND PAGA GROUP**

41. As soon as practicable after receiving the spreadsheet referenced in Paragraph 23, the Settlement Administrator shall perform the following calculations to determine the payments made to members of the PAGA Group and the Settlement Class.

42. Payments to the PAGA Group:

(a) The Settlement Administrator will divide the PAGA Group Payment by the total number of workweeks of all members of the PAGA Group during the PAGA period to calculate the "Workweek PAGA Payment."

(b) The Settlement Administrator will calculate each member of the PAGA Group's "Individual PAGA Payment" by multiplying the "Workweek PAGA Payment" by the number of workweeks that the member of the PAGA Group was employed during the PAGA Period.

(c) Members of the PAGA Group will receive an Individual PAGA Payment and will release their PAGA claims pursuant to Paragraphs 58 and 59 below whether or not they file a Request for Exclusion from this Settlement.

43. Payments to the Settlement Class:

(a) The Settlement Administrator will divide the NSV by the total number of workweeks of all Settlement Class Members during the Class Period to calculate the "Workweek Class Payment."

(b) The Settlement Administrator will calculate each Settlement Class Member's "Individual Class Payment" by multiplying the Workweek Class Payment by the number of workweeks the Settlement Class Member worked during the Class Period.

44. The same person may be both a Settlement Class Member and a member of the PAGA group and, if so, will be entitled to receive both an Individual Class Payment and an Individual PAGA Payment.

XII. GIVING CLASS NOTICE AND PROCESSING REQUESTS FOR EXCLUSION

45. No later than ten (10) calendar days after receipt of the spreadsheet referenced in Paragraph 23, and subject to the requirements of the Preliminary Approval Order and this Agreement, the Settlement Administrator shall send a notice by first-class U.S. Mail, proper postage prepaid and postmarked on the same day, to all Settlement Class Members whose addresses are known, substantially in the form attached hereto as **Exhibit A** (“Settlement Notice”). The Settlement Administrator shall prepare a certified Spanish translation of the Settlement Notice and include a copy of the same in each mailing. Any expenses associated with this translation shall be paid from the GSV. Prior to the mailing of the Settlement Notice, the Settlement Administrator shall perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes.

46. The Settlement Notice shall advise each Settlement Class Member of his or her rights under this Settlement, provide the date, time, and location of the Final Approval Hearing, and include instructions on how to exclude oneself from the Settlement and how to object to the Settlement. The Settlement Notice shall state the number of workweeks the Settlement Class Member is credited with being employed during the Class Period and PAGA Period. The Settlement Notice shall also contain the estimated dollar value of the Settlement Class Member’s share of the Settlement, including both of his or her Individual Class Payment and his or her Individual PAGA Payment, if any, assuming Class Counsel’s requests under Paragraphs 31 and 32 of this Agreement in their entirety and the Settlement Administrator’s fees remain the same as estimated in Paragraph 38(c) of this Agreement.

47. The Settlement Notice will indicate that Settlement Class Members may elect to opt out of the Settlement, relinquishing their rights to their Individual Class Payments (but not their Individual PAGA Payments). A Settlement Class Member who opts out of the Settlement

1 will not release his or her claims pursuant to this Agreement, except for PAGA claims, which
2 shall be released pursuant to Paragraph 58 of this Agreement, whether or not the Settlement Class
3 Member opts out of the Settlement. Settlement Class Members wishing to opt out of the
4 Settlement must send to the Settlement Administrator by U.S. Mail a written "Request for
5 Exclusion," as described in the Settlement Notice, such that it is actually received by the
6 Settlement Administrator with a postmark reflecting a date within forty-five (45) calendar days
7 from the date of mailing of the Settlement Notice (the "Response Deadline"). The Request for
8 Exclusion must be signed by the Settlement Class Member and include (a) his or her full name;
9 (b) his or her current address and telephone number; (c) a clear statement communicating that he
10 or she elects to be excluded from the Settlement Class; (d) the last four digits of his or her Social
11 Security number; and (e) the case name and case number of the Action. Except as otherwise
12 provided for in this Agreement, Settlement Class Members who fail to submit a valid Request for
13 Exclusion on or before the Response Deadline shall be bound by all terms of this Agreement and
14 the Final Approval Order and Judgment. So-called "mass" or "class" opt outs shall not be
15 allowed.

16 48. The Settlement Notice will indicate that any Settlement Class Member who
17 intends to object to the fairness, reasonableness, and/or adequacy of the Settlement may file a
18 written objection with the Court (or through any other method through which the Court will
19 accept objections, if any) no later than the Response Deadline (as defined in Section XII(47) of
20 this Agreement). Each Settlement Class Member who objects should set forth in his or her
21 written objection: (a) his or her full name; (b) current address; (c) a written statement of his or
22 her objection(s) and the reasons for each objection; (d) a statement of whether he or she intends to
23 appear at the Final Approval Hearing (with or without counsel); (e) his or her signature; and (f)
24 the case name and case number of the Action. A Settlement Class Member may also choose to
25 appear at the Final Fairness Hearing to object irrespective of whether a written objection was
26 submitted and make arguments regarding the Settlement. If a Settlement Class Member fails to
27 file a written objection on or before the Response Deadline and/or fails to appear at the Final
28 Fairness Hearing to make an oral objection, he or she shall be deemed to have waived all

1 objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to
2 the Settlement. Named Plaintiff agrees that he and his counsel will not object to the Settlement.
3 A Settlement Class Member cannot submit both a Request for Exclusion from and an objection to
4 the Settlement.

5 49. Any Settlement Notices returned to the Settlement Administrator as non-
6 deliverable on or before the Response Deadline shall be sent via regular first-class U.S. mail to
7 the forwarding address affixed thereto within five (5) business days of receipt and the Settlement
8 Administrator shall indicate the date of such re-mailing on the Settlement Notice. If no
9 forwarding address is provided, the Settlement Administrator shall promptly attempt to determine
10 the correct address using a skip-trace, or other search using the name, address and/or Social
11 Security number of the Settlement Class Member involved, and shall then perform a single re-
12 mailing. Those Settlement Class Members who receive a re-mailed Settlement Notice shall have
13 an additional ten (10) calendar days from the latter of (i) the postmarked date of re-mailing or (ii)
14 the Response Deadline to postmark a Request for Exclusion from or objection to the Settlement.

15 50. Any Settlement Class Member who disagrees with the number of workweeks he or
16 she is credited with being employed during the Class Period and/or PAGA Period may submit a
17 statement in writing to that effect and enclose documentation supporting said disagreement no
18 later than the Response Deadline (as defined in Section XII(47) of this Agreement). Those
19 Settlement Class Members who receive a re-mailed Settlement Notice shall have an additional ten
20 (10) calendar days from the latter of (i) the postmarked date of re-mailing or (ii) the Response
21 Deadline to postmark a workweek dispute. The Settlement Notice will provide instructions about
22 how a Settlement Class Member may state his or her disagreement in this regard. The Settlement
23 Administrator will be solely responsible for resolving any discrepancies between Settling
24 Defendants' documentation and conflicting information provided by a Settlement Class Member,
25 and said resolution by the Settlement Administrator shall be final and binding on all parties, and
26 non-appealable. Once the Settlement Administrator resolves a given discrepancy, it will notify
27 the Settlement Class Member of its decision in writing within ten (10) calendar days. Settling
28 Defendants agree to provide additional information which is reasonable and necessary for the

1 Settlement Administrator to resolve any such discrepancies, to the extent such information is
2 available within its records and reasonably accessible. Regardless of whether his or her
3 disagreement with the number of workweeks is resolved by the Response Deadline, a Settlement
4 Class Member must still submit a Request for Exclusion by no later than the Response Deadline
5 in order to opt out of the Settlement.

6 51. The Settlement Notice shall contain the release and waiver of claims against
7 Settling Defendants (including the waiver of California Civil Code § 1542) contained in
8 Paragraphs 57, 58 and 60 of this Agreement, and an easily understood statement alerting
9 Settlement Class Members that by failing to submit a Request for Exclusion the individual is
10 executing a release and waiver of all of the claims related to those alleged in this Action which
11 the Settlement Class Members may have against Defendant. The Settlement Notice shall also
12 contain an easily understood statement explaining that, if the Settlement Class Member is also a
13 member of the PAGA Group (i.e., he or she was employed by a Settling Defendant during the
14 PAGA Period), he or she will be bound by the release of PAGA claims set forth in Paragraph 58
15 of this Agreement, irrespective of whether he or she submits a Request for Exclusion.

16 52. If a Settlement Class Member submits a timely Request for Exclusion on or before
17 the Response Deadline that is defective as to the requirements listed herein, that Settlement Class
18 Member shall be given an opportunity to cure the defect(s). The Settlement Administrator shall
19 mail the Settlement Class Member a cure letter within three (3) court days of receiving the
20 defective submission to advise the Settlement Class Member that his or her submission is
21 defective and that the defect must be cured to render the Request for Exclusion valid. The
22 Settlement Class Member shall have until the later of (i) the Response Deadline or (ii) ten (10)
23 calendar days from the postmarked date of the mailing of the cure letter, to postmark a revised
24 Request for Exclusion such that it is actually received by the Settlement Administrator. If the
25 revised Request for Exclusion is not postmarked within that period and received by the
26 Settlement Administrator, it shall be deemed untimely.

27 53. If a Settlement Class Member files both a timely and complete Request for
28 Exclusion and a timely and complete objection to the Settlement, the later-dated document shall

1 control. If a Settlement Class Member files both a timely Request for Exclusion and a timely
2 objection to the Settlement, but only one document is complete, the complete document shall
3 control. If a Settlement Class Member files both a Request for Exclusion and an objection to the
4 Settlement simultaneously, and both are timely and complete, the Settlement Administrator shall
5 attempt to contact the individual and determine his or her intent. If said contact is unsuccessful,
6 the Request for Exclusion shall control.

7 **XIII.** 8 **DISTRIBUTION OF THE SETTLEMENT**

9 54. Settling Defendants shall pay the GSV to the Settlement Administrator not later
10 than fifteen (15) court days after the Effective Date. The Settlement Administrator shall deposit
11 the GSV in a non-interest-bearing distribution account immediately upon receipt of the fund
12 transfer discussed in this Paragraph 54. Once the Settling Defendants pay the GSV to the
13 Settlement Administrator, any risk of loss of the GSV shall pass from the Settling Defendants to
14 the Settlement Administrator.

15 55. Within ten (10) calendar days of its receipt of the GSV, the Settlement
16 Administrator shall make the payments described in Section XI of this Agreement (“Member
17 Payments”), which shall include Individual Class Payments, less applicable withholdings, to
18 Settlement Class Members who did not submit valid Requests for Exclusion, and Individual
19 PAGA Payments to members of the PAGA Group. The Settlement Administrator will make
20 these distributions via first-class mail.

21 56. After the Settlement Administrator mails out the Member Payments, Settlement
22 Class Members shall have one hundred and eighty (180) calendar days to cash or deposit the
23 check that was mailed to them. After one hundred and eighty (180) calendar days from the date
24 of mailing, the checks shall become null and void, and any monies remaining in the distribution
25 account shall be distributed to the State Controller Unclaimed Property Fund in the names of the
26 Settlement Class Members who did not cash their checks. The Settling Parties agree that this
27 disposition results in no unpaid residue, as the entire GSV will be paid out, regardless of whether
28

1 all Settlement Class Members cash their Settlement Checks. Therefore, Settling Defendants will
2 not be required to pay any interest on said amount.

3 **XIV.**
4 **RELEASES**

5 57. Upon occurrence of the Effective Date and payment of payments due under the
6 terms of the Settlement, and in exchange for the consideration, undertakings, and covenants
7 agreed to by Settling Defendants in this Agreement, and to the fullest extent permitted by
8 applicable law, the Settlement Class will release, discharge, and covenant not to sue Settling
9 Defendants, and all of their respective past and present employees, directors, officers, attorneys,
10 representatives, insurers, agents, parents, subsidiaries, affiliates, related companies, predecessors,
11 successors, lessees, and assigns, and any entity that could be jointly liable with any of these
12 (individually and collectively “Defendant Releasees”) from and with respect to all actions, causes
13 of action, suits, liabilities, claims, and demands whatsoever, and each of them, whether known or
14 unknown, which the Settlement Class or individual members thereof, has, had, or hereafter may
15 claim to have, against Defendant Releasees, or any of them, which arose during the Class Period
16 and are based on or arise from any and all claims and allegations in this Action and/or the
17 Complaints, as well as any and all claims and allegations that could have been raised in this
18 Action and/or the Complaint based on the allegations asserted therein, which include, by way of
19 description, but not by way of limitation, claims on behalf of the Settlement Class alleging that
20 Settling Defendants failed to provide Settlement Class Members with legally compliant meal
21 periods, failed to provide Settlement Class Members with legally compliant rest breaks, failed to
22 provide Settlement Class Members with all wages due, including minimum wages, regular wages,
23 wages at the regular rate of pay, and overtime wages, failed to provide Settlement Class Members
24 with compliant wage statements, failed to timely pay Settlement Class Members all wages due
25 upon termination, and engaged in Unfair Business Practices as well as any other claims under
26 constitutional, statutory, and/or common law any way related to any of the claims described in
27 this Paragraph 57 (“Released Class Claims”). For the avoidance of doubt, Released Class Claims
28 shall include claims under the Fair Labor Standards Act (“FLSA”), and the settlement check

1 provided to each Settlement Class Member shall include a notation indicating that by cashing or
2 depositing the settlement check the Settlement Class Member shall opt in to a settlement of FLSA
3 claims.

4 58. Upon occurrence of the Effective Date and payment of payments due under the
5 terms of the Settlement, and in exchange for the for the consideration, undertakings, and
6 covenants agreed to by Settling Defendants in this Agreement, and to the fullest extent permitted
7 by applicable law, the PAGA Group will release, discharge, and covenant not to sue the
8 Defendant Releasees from and with respect to all actions, causes of action, suits, liabilities,
9 claims, and demands under the California Labor Code Private Attorneys' General Act (*i.e.*,
10 PAGA), whether known or unknown, which the PAGA Group or individual members thereof,
11 has, had, or hereafter may claim to have, against Defendant Releasees, or any of them, which
12 arose during the PAGA Period and are based on or arise from any and all claims and allegations
13 in this Action and/or the Complaints and/or the Second PAGA Notice, as well as any and all
14 claims and allegations that could have been raised in this Action and/or the Complaints and/or the
15 Second PAGA Notice, which include, by way of description, but not by way of limitation, claims
16 under PAGA on behalf of PAGA Group alleging that Settling Defendants failed to provide
17 members of the PAGA Group with legally compliant meal periods, failed to provide members of
18 the PAGA Group with legally compliant rest breaks, failed to provide members of the PAGA
19 Group with all wages due, including minimum wages, regular wages, wages at the regular rate of
20 pay, and overtime wages, failed to provide members of the PAGA Group with compliant wage
21 statements, and failed to timely pay members of the PAGA Group all wages due upon
22 termination, as well as any other claims under constitutional, statutory, and/or common law any
23 way related to any of the claims described in this Paragraph 58.

24 59. Upon occurrence of the Effective Date and payment of payments due under the
25 terms of the Settlement, and in exchange for the consideration, undertakings, and covenants
26 undertaken by Settling Defendants in this Agreement, including but not limited to the payment of
27 the Enhancement Award, and to the fullest extent permitted by applicable law, the Named
28 Plaintiff will release, discharge, and covenant not to sue the Defendant Releasees with respect to

1 and from any and all claims, charges of discrimination, demands, liens, agreements, contracts,
2 covenants, actions, suits, causes of action, disputed wages, obligations, debts, expenses,
3 attorneys' fees, damages, penalties, interest, judgments, orders and liabilities of whatever kind or
4 nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected,
5 and whether or not concealed or hidden, which he now owns or holds or he has at any time
6 heretofore owned or held, arising out of or in any way connected with any relationship with the
7 Defendant Releasees or any other transactions, occurrences, acts or omissions or any loss,
8 damage or injury whatever, known or unknown, suspected or unsuspected, resulting from any act
9 or omission by or on the part of said Defendant Releasees, or any of them, committed or omitted
10 prior to the date of the Court's Order granting Preliminary Approval (collectively, "Named
11 Plaintiff's Claims"). The Settling Parties intend the Named Plaintiff's release to be general and
12 comprehensive in nature and to release all Named Plaintiff's Claims and potential Named
13 Plaintiff's Claims against Defendant Releasees to the maximum extent permitted by law. Named
14 Plaintiff's Claims being released include specifically, by way of description, but not by way of
15 limitation, any and all Named Plaintiff's Claims arising out of or in any way related to: (i) any
16 interactions between the Named Plaintiff and the Defendant Releasees; (ii) the Named Plaintiff
17 and Defendant's employment or independent contractor relationship, including the application
18 therefor and separation thereof; (iii) any allegations as to disputed wages, remuneration, and/or
19 other compensation, due by operation of statute, ordinance, regulation, wage order, contract, or
20 quasi-contract; (iv) any federal, state, or local law prohibiting retaliation, discrimination, or
21 harassment on the basis of age, race, color, ancestry, religion, disability, sex, national origin,
22 citizenship, or any other characteristic or activity, including, without limitation, any such claims
23 under Title VII, the California Fair Employment and Housing Act, the California Labor Code, the
24 California IWC Wage Orders, the Employee Retirement Income Security Act, and the Americans
25 With Disabilities Act or any other similar statutes whatever the city, county, state, or country of
26 enactment; (v) any claims under the Family and Medical Leave Act of 1993 and/or the California
27 Family Rights Act; (vi) any transactions, occurrences, acts, statements, disclosures, or omissions
28

1 occurring prior to the date of the Court's order granting Preliminary Approval; and (vii) any tort
2 or contract claims.

3 **60. Waiver of California Civil Code Section 1542:** Upon occurrence of the
4 Effective Date and payment of payments due under the terms of the settlement, and the
5 Settlement Class and Named Plaintiff intend and/or are deemed to intend that this Agreement
6 should be effective as a bar to any and all of the claims released by Paragraphs 57 and 59. In
7 furtherance of this intention, and only as to any and all claims released by Paragraphs 57 and 59,
8 the Settlement Class and Named Plaintiff expressly waive any and all rights or benefits conferred
9 on them by the provisions of Section 1542 of the California Civil Code, or any similar provisions
10 under state, federal, or local law. California Civil Code Section 1542 provides as follows:

11 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
12 **THAT THE CREDITOR OR RELEASING PARTY DOES**
13 **NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
14 **FAVOR AT THE TIME OF EXECUTING THE RELEASE**
 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
 MATERIALLY AFFECTED HIS OR HER SETTLEMENT
 WITH THE DEBTOR OR RELEASED PARTY.

15 As to any and all of the claims released by Paragraphs 57 and 59, the Settlement Class and
16 Named Plaintiff understand fully the statutory language of California Civil Code Section 1542,
17 and, with this understanding, assume all risks for claims released hereunder that have already
18 arisen or may in the future arise, whether known or unknown, suspected or unsuspected, and
19 specifically waive all rights they may have under California Civil Code § 1542, or any similar
20 provision under state, federal, or local law specifically as to claims set forth in Paragraphs 57 and
21 59. The Settlement Class and Named Plaintiff understand that, if any of the facts relating in any
22 manner to this Action, or to the release and dismissal of claims as provided in this Agreement, are
23 hereafter found to be other than or different from the facts now believed to be true, they have
24 expressly accepted and assumed that risk and agree that this Agreement and the release of claims
25 contained herein and as set forth in Paragraphs 57 and 59 shall nevertheless remain effective. As
26 to any and all of the claims released by Paragraphs 57 and 59, the Settlement Class and Named
27 Plaintiff desire and intend, or are deemed to desire and intend, that this Agreement shall be given
28 full force and effect according to each and all of its express terms and provisions, including those

1 relating to unknown and unsuspected claims, if any, as well as those relating to the claims
2 referred to above.

3 61. Class Counsel and the Named Plaintiff represent and warrant that—aside from this
4 Action and/or the Complaints—it and they have not filed any complaints, charges, lawsuits, or
5 other legal actions with any court or government agency relating to any claims being released by
6 the Settlement Class (including, without limitation, the Named Plaintiff and the PAGA Group) in
7 Paragraphs 57 through 60 of this Agreement. Class Counsel and the Named Plaintiff further
8 represent and warrant that it and they have not heretofore assigned or transferred to any person
9 not a party to this Agreement any released matter.

10 62. The Court shall enter an order retaining jurisdiction over the Parties to this
11 Agreement with respect to the future performance of the terms of this Agreement. In the event
12 that any applications for relief are made, such applications shall be made to the Court.

13 63. Upon the Effective Date and payment of all amounts due under the terms of this
14 Settlement: (a) the Agreement shall be the exclusive remedy for any and all claims released in
15 Paragraphs 57 through 60 above; and (b) Named Plaintiff and the Settlement Class Members
16 (including members of the PAGA Group) stipulate to be and shall be permanently barred and
17 enjoined by Court order from initiating, asserting, or prosecuting against the Defendant Releasees
18 in any federal or state court or any tribunal any and all of the claims released in Paragraphs 57
19 through 60 of this Agreement.

20 **XV.**
21 **MODIFICATION OR TERMINATION OF THE SETTLEMENT**

22 64. If the preconditions necessary to trigger the Effective Date (as set forth in Section
23 VII of this Agreement) are not met, this Agreement shall be cancelled and terminated unless
24 Class Counsel and Defendant's counsel mutually agree in writing to proceed with and effectuate
25 this Agreement. In the event that this Agreement is not approved by the Court or the settlement
26 set forth in this Agreement is terminated or fails to become effective in accordance with its terms,
27 this Paragraph 64, Paragraph 27, and Paragraphs 67 through 70 herein shall survive and be
28 binding on the Parties, but this Agreement shall otherwise be null and void.

66. Final Approval Order and Judgment: The Final Approval Order and Judgment shall contain findings and rulings separately approving the PAGA Payment and the settlement of PAGA claims under the Settlement. The Final Approval Order and Judgment shall further state that all Settlement Class Members who did not submit timely and valid Requests for Exclusion shall be bound by the releases and waivers set forth in Paragraphs 57 and 60 of this Agreement, and that all members of the PAGA Group shall be bound by the releases and waivers set forth in Paragraph 58 of this Agreement, whether or not such members of the PAGA Group submitted timely and valid Requests for Exclusion. The Final Approval Order and Judgment shall contain findings and rulings to the effect that Settlement Class Members have released claims under the FLSA that arose during the Class Period and are based on, arise from, or in any way relate to any and all claims and allegations in this Action, as set forth in any and all pleadings in this Action, as well as any and all claims and allegations that could have been raised in this Action, and that the cashing or deposit of a settlement check shall constitute binding and irrefutable evidence that the Settlement Class Member in question desired and intended to, and did, opt into an FLSA settlement. The Settlement Administrator shall mail a copy of the Final Judgment with each disbursement to Settlement Class Members and members of the PAGA Group.

67. Settlement Not Evidence: The Parties expressly acknowledge and agree that this Agreement and its exhibits, along with all related drafts, motions, pleadings, conversations,

1 negotiations, and correspondence, constitute an offer of compromise and a compromise within the
2 meaning of California Evidence Code section 1152, Federal Rule of Evidence 408, and/or any
3 equivalent state or federal law or rule. In no event shall this Agreement, any of its provisions or
4 any negotiations, statements or court proceedings relating to its provisions in any way be
5 construed as, offered as, received as, used as, or deemed to be evidence of any kind in the Action,
6 any other action, or in any judicial, administrative, regulatory or other proceeding, except in a
7 proceeding to enforce this Agreement or the rights of the Parties or their counsel under this
8 Agreement. Without limiting the foregoing, neither this Agreement nor any related negotiations,
9 statements, or court proceedings shall be construed as, offered as, received as, used as or deemed
10 to be evidence or an admission or concession of any liability or wrongdoing whatsoever on the
11 part of any person or entity, including, but not limited to, Settling Defendants, the Defendant
12 Releasees, the Named Plaintiff, the Settlement Class, or the PAGA Group, or as a waiver by any
13 of the foregoing of any applicable privileges, claims or defenses.

14 68. Best Efforts: The Settling Parties shall take all necessary actions to accomplish
15 approval of the Settlement, the Settlement Notice, and dismissal of the Action. The Settling
16 Parties (including their counsel, successors, and assigns) agree to cooperate fully and in good
17 faith with one another and to use their best efforts to effectuate the Settlement, including without
18 limitation in seeking preliminary and final Court approval of this Agreement and the Settlement
19 embodied herein, carrying out the terms of this Agreement, and promptly agreeing upon and
20 executing all such other documentation as may be reasonably required to obtain final approval by
21 the Court of the Settlement. The Settling Parties agree to use all reasonable efforts, consistent
22 with this Agreement and subject to Section XV (modification), to cure any defect identified by
23 the Court that must be addressed to obtain the Court's approval of the Settlement.

24 69. Confidential Information: All information marked as "Confidential" provided by
25 Defendant to the Named Plaintiff, Class Counsel, any individual member of the Settlement Class
26 and/or PAGA Group, counsel for any individual Settlement Class Member, and/or the Settlement
27 Administrator, pursuant to the implementation of this Agreement, constitutes confidential and
28 proprietary business information and shall be deemed confidential and shall not be used for any

1 purpose other than for the effectuation of this Settlement. Any materials inadvertently produced
2 shall, upon any Settling Defendants' request, be promptly returned to Settling Defendants'
3 counsel, and there shall be no implied or express waiver of any privilege, right, and defense. The
4 Named Plaintiff and Class Counsel agree that the confidential information made available to them
5 or to the Settlement Administrator through the settlement process was made available, as agreed
6 to, on the condition that neither the Named Plaintiff nor Class Counsel may disclose such
7 information, or summaries thereof, to third parties; that it not be the subject of public comment;
8 that it not be used by the Named Plaintiff or Class Counsel in any way in this litigation should the
9 Settlement not be achieved, and that it is to be returned if a Settlement is not concluded.

10 70. Publicity: The Named Plaintiff and Class Counsel (including, without limitation,
11 all counsel listed in Paragraph 18) agree that they will not publicize or announce this Settlement
12 in press releases, marketing materials, or on the internet until after the Effective Date, unless
13 otherwise required by the Court. After the Effective Date, the Named Plaintiff and Class Counsel
14 agree that references to this Settlement on their websites, the internet or in other public
15 communications will not identify the claims asserted (except that reference to the matter as a
16 "wage and hour class action" is not prohibited) or the names of the Settling Defendants as the
17 defendant(s), unless the case is being cited and/or mentioned in a filing with any state or federal
18 court in connection with Class Counsel seeking to obtain approval from the court as appointment
19 as class counsel, or in connection with a fee request. Nothing herein shall prevent Named Plaintiff
20 and Class Counsel from discharging their duties to absent class members, including discussing
21 and explaining the terms of this Settlement to any Settlement Class Member who requests the
22 same.

23 71. Settlement Is Fair and Reasonable: Class Counsel has considerable experience in
24 litigating and settling wage-and-hour class actions of this type, and is sufficiently familiar with
25 the facts of this case and the applicable laws and regulations to make an informed judgment as to
26 the fairness of this Settlement. In light of this experience, and for reasons that will be more fully
27 explained in the Motion for Preliminary Approval, Class Counsel and the Named Plaintiff believe
28 that the settlement terms herein are fair and reasonable with regard to the interests of the

Settlement Class. The terms of the Settlement resulted from several months of intense arm's-length negotiations, including a full-day mediation session with private mediator Jeffrey Ross.

72. Notices: Except as otherwise set forth herein, all notices, requests, demands and other communications related to or in connection with this Agreement shall be in writing, and shall be provided by appropriate method depending on the urgency (e.g., personal delivery, e-mail, facsimile, overnight delivery, or first-class U.S. mail) to:

TO THE SETTLEMENT CLASS:

KANE MOON (S.B. #249834)
kmoon@moonlawgroup.com
DANIEL PARK (S.B. #274973)
dpark@moonlawgroup.com
JAEYOUNG LEE (S.B. #344198)
jlee@moonlawgroup.com
MOON LAW GROUP, PC
725 S. Figueroa St., Suite 3100
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

TO INFINEON

ADAM J. KARR
akarr@omm.com
SUSANNAH K. HOWARD
showard@omm.com
ALLAN W. GUSTIN
agustin@omm.com
O'MELVENY & MYERS LLP
400 S. Hope St., 18th Floor
Los Angeles, CA 90071
Telephone: (213) 430-6000
Facsimile: (213) 430-6407

73. Representations:

(a) The Named Plaintiff, on behalf of himself, the Settlement Class, and the PAGA Group, have expressly authorized Class Counsel to take all appropriate action required or permitted to be taken pursuant to this Agreement to effectuate its terms.

(b) Each attorney executing this Agreement on behalf of any party hereto hereby warrants that full authority to do so has been given by his/her client(s).

(c) Settling Defendants, Class Counsel, and the Named Plaintiff waive their right to file an appeal, writ, or any challenge whatsoever to the terms of this Agreement; provided, however, that Class Counsel and the Named Plaintiff may appeal the Court's determination with regard to the requests for attorneys' fees and costs. Consistent with Paragraph 36, however, any such appeal will have no effect whatsoever on the other terms and provisions of this Agreement, including, by way of example but not of limitation, the releases set out in Paragraphs 57 through 60 of this Agreement.

(d) The Settling Parties represent and agree that neither have received and/or relied upon any advice and/or representations from the other and/or their or its attorneys

1 as to the necessity for withholding or the taxability of the consideration paid pursuant to
2 this Agreement, whether pursuant to federal, state or local income tax statutes or
3 otherwise.

4 74. Construction and Interpretation: This Agreement, including its exhibits,
5 constitutes the entire agreement and understanding between the Settling Parties, and supersedes
6 any previous agreements or understandings between the Settling Parties. No representations,
7 warranties or inducements have been made to any party concerning the subject matter of this
8 Agreement and/or its exhibits other than the representations, warranties and covenants contained
9 in such documents. This Agreement and related exhibits shall be construed each as a whole, and
10 with reference to one another, according to their fair meaning and intent. Each of the Settling
11 Parties represent that its/their counsel has participated and cooperated in the drafting and
12 preparation of this Agreement and related exhibits; hence, in any construction to be made of this
13 Agreement and/or its exhibits, the same shall not be construed against any party on the basis that
14 said party was the drafter.

15 75. Governing Law: This Agreement and the exhibits hereto shall be deemed to have
16 been negotiated, executed and delivered, and to be wholly performed, in the State of California.
17 The rights and obligations of the parties under the Agreement shall be construed and enforced in
18 accordance with, and be governed by, the laws of the State of California without regard to choice
19 of law principles.

20 76. Counterparts: This Agreement may be executed in one or more counterparts by
21 facsimile, electronic signature or email, which for the purposes of this Agreement shall be
22 accepted as an original, and which may be filed with the Court. All executed counterparts, and
23 each of them, shall be deemed to be one and the same instrument. Once available, a complete set
24 of executed counterparts shall be filed with the Court. Copies of the complete set of executed
25 counterparts may be used for all purposes in lieu of the originals, and shall have the same force
26 and effect as the originals.

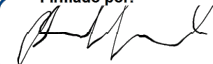
27 77. Severability: In the event any one of the provisions contained in this Agreement
28 shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity,

illegality, or unenforceability shall not affect other provisions if Settling Defendants' counsel and Class Counsel, on behalf of the Parties, mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

78. Attorneys' Fees, Costs, and Expenses: Except as otherwise specifically provided for herein, each party shall bear his/her/its own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of this Action, and shall not seek reimbursement thereof from any other party to this Agreement.

79. Calculation of Time: To resolve ambiguity, any reference to a span of "days" in this Agreement should be interpreted as a reference to calendar days unless stated to the contrary. To the extent that a given span of days ends on a national holiday, or weekend, the calculation should be deemed as ending on the next business day, e.g., a calculation that ends on a Saturday will carry forward to the following Monday.

IN WITNESS WHEREOF, the undersigned Settling Parties and their duly-authorized representatives accept and agree to the terms of this Agreement and hereby execute it voluntarily and with a full understanding of its consequences.

Firmado por:

 EFBBEAB9B8574BC...

12/23/2024

Jose Morelos
 Plaintiff, individually, and on behalf of
 the Settlement Class as Class
 Representative and the PAGA Group as
 PAGA Representative

Date

Robyn Brennan
 For and on behalf of Settling Defendants
 Sanctuary Clothing, LLC; Sanctuary
 Clothing, Inc.; and Sanctuary Clothing
 3611, LLC

Date

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

APPROVED AS TO CONTENT AND FORM:

MOON LAW GROUP, PC
Kane Moon
Daniel Park
Jaeyoung Lee



By: Kane Moon
Attorneys for Named Plaintiff, the
Settlement Class, and the PAGA Group

12/23/2024
Date

O'MELVENY & MYERS LLP
Adam J. Karr
Susannah K. Howard
Allan W. Gustin

By: Adam J. Karr
Attorneys for Settling Defendants
Sanctuary Clothing, LLC; Sanctuary
Clothing, Inc.; and Sanctuary Clothing
3611, LLC

Date

illegality, or unenforceability shall not affect other provisions if Settling Defendants' counsel and Class Counsel, on behalf of the Parties, mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

78. Attorneys' Fees, Costs, and Expenses: Except as otherwise specifically provided for herein, each party shall bear his/her/its own attorneys' fees, costs and expenses, taxable or otherwise, incurred by them in or arising out of this Action, and shall not seek reimbursement thereof from any other party to this Agreement.

79. Calculation of Time: To resolve ambiguity, any reference to a span of "days" in this Agreement should be interpreted as a reference to calendar days unless stated to the contrary. To the extent that a given span of days ends on a national holiday, or weekend, the calculation should be deemed as ending on the next business day, e.g., a calculation that ends on a Saturday will carry forward to the following Monday.

IN WITNESS WHEREOF, the undersigned Settling Parties and their duly-authorized representatives accept and agree to the terms of this Agreement and hereby execute it voluntarily and with a full understanding of its consequences.

Jose Morelos
Plaintiff, individually, and on behalf of
the Settlement Class as Class
Representative and the PAGA Group as
PAGA Representative

Date

DocuSigned by:

Robyn Brennan

12/23/2024 | 4:36:02 PM EST

4B5B21BF9F984AC

Robyn Brennan
For and on behalf of Settling Defendants
Sanctuary Clothing, LLC; Sanctuary
Clothing, Inc.; and Sanctuary Clothing
3611, LLC

Date

APPROVED AS TO CONTENT AND FORM:

MOON LAW GROUP, PC

Kane Moon
Daniel Park
Jaeyoung Lee

By: Kane Moon
Attorneys for Named Plaintiff, the
Settlement Class, and the PAGA Group

Date

O'MELVENY & MYERS LLP

Adam J. Karr
Susannah K. Howard
Allan W. Gustin

By: Adam J. Karr
Attorneys for Settling Defendants
Sanctuary Clothing, LLC; Sanctuary
Clothing, Inc.; and Sanctuary Clothing
3611, LLC

December 23, 2024
Date