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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN LUIS OBISPO**

SHELLEY MOORE, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

VPB MANAGEMENT II, LLC, a Delaware
limited liability company; KSL RESORTS, a
business organization, form unknown; KSLR
ASSET MANAGEMENT, LLC, a Delaware
limited liability company; KSLR ORF
MANAGEMENT, LLC, a Delaware limited
liability company; KSLR LM, LLC, a
Delaware limited liability company; and
DOES 1 through 10, inclusive,

Defendants.

Case No. 23CV-0120

*Assigned for All Purposes To:
Hon. Craig B. Van Rooyen
Dept. 2*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Shelley Moore (“Plaintiff”) and Defendant VPB Management II, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

1.1 “Actions” means Plaintiff’s class action lawsuit alleging wage and hour violations against Defendant captioned *Shelley Moore v. VPB Management II, LLC, et al.*, Case No. 23CV-0120, filed on February 27, 2023 in San Luis Obispo County Superior Court (“Class Action”) =, and Plaintiff’s lawsuit alleging representative claims under the Private Attorneys General Act of 2004 (“PAGA”) against Defendant captioned *Shelley Moore v. VPB Management II, LLC, et al.*, Case No. 24CV-0059, filed on January 22, 2024 in San Luis Obispo County Superior Court (“PAGA Action”).

1.2 “Administrator” means Apex Class Action Administration, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4 “Aggrieved Employee” means all persons who worked for Defendant in California as an hourly-paid or non-exempt employee at any time during the PAGA Period.

1.5 “Class” means all persons who worked for Defendant in California as an hourly-paid or non-exempt employee at any time during the Class Period.

1.6 “Class Counsel” means John G. Yslas, Diego Aviles, Harry Erganyan, and Mariam Nazaretyan of Wilshire Law Firm, PLC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to one-third (1/3) of the GSA (currently two hundred thousand dollars and zero cents [\$200,000.00]).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Actions, not to exceed thirty thousand dollars and zero cents (\$30,000.00) and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s first and last name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

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

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

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from April 25, 2021 through August 6, 2025 (“Settlement Class Period”).

1.14 “Class Representative” means the named Plaintiff Shelley Moore in the Actions.

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

1.16 “Court” means the Superior Court of California, County of San Luis Obispo.

1.17 “Defendant” means named Defendant VPB Management II, LLC.

1.18 “Defense Counsel” means Daniel H. Handman and Casey N. Engstrom of Hirschfeld Kraemer LLP.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment, assuming no appeal is filed; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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

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

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means six hundred thousand dollars and zero cents (\$600,000.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below.

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

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

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

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

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

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

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

1.31 “Operative Class Complaint” means the operative complaint filed on February 27, 2023 in the Class Action.

1.32 “Operative PAGA Complaint” means the operative complaint filed on January 22, 2024 in the PAGA Action.

1.33 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.34 “PAGA Period” means the period from November 17, 2022 through August 6, 2025.

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

1.36 “PAGA Notice” means Plaintiff’s November 17, 2023 letter to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.37 “PAGA Penalties” means the total amount of \$30,000.00 in PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% (\$7,500.00) to the Aggrieved Employees and 75% (\$22,500.00) to the LWDA in settlement of PAGA claims.

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

1.39 “Plaintiff” means Shelley Moore, the named plaintiff in the Actions.

1.40 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

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

1.42 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.43 “Released Parties” means all Defendants and includes the owner, operating company, and all direct and indirect affiliates, members, managers, officers, directors, and employees of the named Defendants, related to employees employed by VPB Management II, LLC in California during the Class and PAGA Period.

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

1.45 “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

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

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

2. **RECITALS.**

2.1 On February 27, 2023, Plaintiff filed a Class Action Complaint alleging causes of action against Defendants VPB Management II, LLC, KSL Resorts, KSLR Asset Management, LLC, KSLR ORF Management, LLC, and KSLR LM, LLC for (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; and (8) Unfair Business Practices.

2.2 On November 17, 2023, pursuant to Labor Code §2699.3, subd. (a), Plaintiff gave notice to the LWDA and Defendants VPB Management II, LLC, KSL Resorts, KSLR Asset

1 Management, LLC, KSLR ORF Management, LLC, and KSLR LM, LLC that Plaintiff intended
2 to proceed with a representative action under PAGA (LWDA-CM-995110-23). On January 22,
3 2024, after the 65-day statutory period passed, Plaintiff filed the Operative PAGA Complaint,
4 alleging claims for penalties pursuant to Labor Code § 2699, *et seq.*

5 2.3 Defendants VPB Management II, LLC, KSL Resorts, KSLR Asset Management, LLC,
6 KSLR ORF Management, LLC, and KSLR LM, LLC deny the allegations in the Actions, deny
7 any failure to comply with the laws identified in the Actions, and deny any and all liability for the
8 causes of action alleged in the Actions.

9 2.4 On May 8, 2025, the Parties participated in an all-day mediation presided over by
10 mediator Jeffrey Fuchsman. The Parties accepted a mediator's proposal and agreed on general
11 settlement terms on May 21, 2025. The Parties memorialized their agreement in a Memorandum
12 of Understanding on December 17, 2025.

13 2.5 In advance of mediation, Class Counsel conducted a thorough investigation into the facts
14 of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed a
15 representative sampling of time and payroll data for Class Members and the necessary policy
16 documents through informal discovery to properly evaluate the strengths and weakness of the
17 claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient
18 to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,
19 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008)
20 ("*Dunk/Kullar*").

21 2.6 The Court has not granted class certification because the Parties engaged in mediation
22 before any class certification motion was due to be filed.

23 2.7 Plaintiff agrees to file a Request for Dismissal as to Defendants KSL Resorts, KSLR
24 Asset Management, LLC, KSLR ORF Management, LLC, and KSLR LM, LLC, without
25 prejudice. If, for any reason, the Court does not approve of the Settlement, or if the Settlement
26 does not become final for any reason, then the dismissal will be deemed withdrawn.

27 3. **MONETARY TERMS.**
28

1 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,
2 Defendant will pay six hundred thousand dollars and zero cents (\$600,000.00) to fully settle,
3 resolve, and extinguish all claims asserted in the Actions, including without limitation all claims
4 asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and does not
5 include employer payroll taxes owed on the wage portions of the Individual Class Payments,
6 which Defendant will pay separately.

7 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct
8 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
9 in the Final Approval:

10 3.2.1 To Plaintiff: A payment for the Class Representative Service Payment to Plaintiff
11 of not more than ten thousand dollars and zero cents (\$10,000.00) in addition to any Individual
12 Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive
13 as a Participating Class Member. Defendant will not oppose Plaintiff's request for a Class
14 Representative Service Payment that does not exceed this amount. As part of the motion for the
15 Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek Court approval for any
16 Class Representative Service Payment no later than sixteen (16) court days prior to the Final
17 Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class
18 Representative Service Payment less than the amount requested, the Administrator will retain the
19 remainder in the Net Settlement Amount to be distributed to Participating Class Members. The
20 Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff
21 assumes full responsibility and liability for employee taxes owed on the Class Representative
22 Service Payment.

23 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the
24 Gross Settlement Amount, which is currently estimated to be two hundred thousand dollars and
25 zero cents (\$200,000.00) and a Class Counsel Litigation Expenses Payment for actual costs, not
26 to exceed thirty thousand dollars and zero cents (\$30,000.00). Defendant will not oppose requests
27 for these payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and
28 Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval

Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment not to exceed eight thousand five hundred ninety dollars and zero cents (\$8,590.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than \$8,590.00, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

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

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest, reimbursement, and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members

assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of thirty thousand dollars and zero cents (\$30,000.00) to be paid from the Gross Settlement Amount, with 75% (\$22,500.00) allocated to the LWDA PAGA Payment and 25% (\$7,500.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of \$7,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents there are 412 Class Members who collectively worked a total of 20,159 workweeks during the Class Period, and 240 Aggrieved Employees who worked a total of 7,222 PAGA Pay Periods during the PAGA Period.

4.2 Class Data. Not later than ten (10) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must

maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within ten (10) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator

may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the Void Date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

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

5.1 **Plaintiff's Release.** Plaintiff discharges Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Class Complaint; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent

claims under federal law (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

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

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

5.2 Released Class Claims: All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, alleged or which could have reasonably been alleged based on the facts alleged in the Operative Class Complaint. The enumeration of these specific claims shall neither enlarge nor narrow the scope of *res judicata* based on the claims that were asserted in the Class Action or could have been asserted in the Class Action based on the facts and circumstances alleged in the Complaint. The Released Class Claims are those that accrued during the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees will release all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the Operative PAGA Complaint and in Plaintiff’s November 17, 2023 PAGA Notice. The Released PAGA Claims are those that accrued during the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”).

1 6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining
2 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the
3 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
4 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2));
5 (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;
6 (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness
7 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of
8 interest with Class Members, and/or the Administrator; (v) a signed declaration from Class
9 Counsel firm attesting to its competency to represent the Class Members; its timely transmission
10 to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section
11 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement
12 (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential
13 conflict of interest with Class Members, and/or the Administrator.

14 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
15 for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a
16 prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary
17 Approval no later than sixteen (16) court days before the hearing, unless otherwise ordered by the
18 Court, and deliver the Court's Preliminary Approval Order to the Administrator.

19 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
20 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
21 Defense Counsel will expeditiously work together on behalf of the Parties by meeting over
22 videoconference or by telephone, and in good faith, to resolve the disagreement. If the Court does
23 not grant Preliminary Approval or conditions Preliminary Approval on any material change to
24 this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf
25 of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement
26 and otherwise satisfy the Court's concerns.

27 7. SETTLEMENT ADMINISTRATION.

1 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action
2 Administration to serve as the Administrator and verified that, as a condition of appointment, the
3 Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties
4 specified in this Agreement in exchange for payment of Administration Costs. The Parties and
5 their Counsel represent that they have no interest or relationship, financial or otherwise, with the
6 Administrator other than a professional relationship arising out of prior experiences administering
7 settlements.

8 7.2 Employer Identification Number. The Administrator shall have and use its own
9 Employer Identification Number for purposes of calculating payroll tax withholdings and
10 providing reports to state and federal tax authorities.

11 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
12 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
13 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
14 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
15 to Participating Class Members.

16 7.4 Notice to Class Members.

17 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
18 shall notify Class Counsel that the list has been received and state the number of Class Members,
19 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

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

1 7.4.3 Not later than five (5) calendar days after the Administrator's receipt of any Class
2 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
3 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
4 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
5 Notice to the most current address obtained. The Administrator has no obligation to make further
6 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
7 USPS a second time.

8 7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks
9 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14)
10 days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members
11 whose notice is re-mailed. The Administrator will inform the Class Member of the extended
12 deadline with the re-mailed Class Notice.

13 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
14 discovers any persons who believe they should have been included in the Class Data and should
15 have received Class Notice, the Parties will expeditiously meet and confer in person or by
16 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
17 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
18 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
19 requiring them to exercise options under this Agreement not later than fourteen (14) days after
20 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

21 7.5 Requests for Exclusion (Opt-Outs).

22 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
23 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
24 later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional
25 fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
26 is a letter from a Class Member or his/her representative that reasonably communicates the Class
27 Member's election to be excluded from the Settlement and includes the Class Member's name,
28 address and email address or telephone number. To be valid, a Request for Exclusion must be

1 timely faxed, emailed, or postmarked by the Response Deadline. Any Request for Exclusion
2 received after the Response Deadline will be considered invalid.

3 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
4 to contain all the information specified in the Class Notice. The Administrator shall accept any
5 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
6 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
7 determination shall be final and not appealable or otherwise susceptible to challenge. If the
8 Administrator has reason to question the authenticity of a Request for Exclusion, the
9 Administrator may demand additional proof of the Class Member's identity. The Administrator's
10 determination of authenticity shall be final and not appealable or otherwise susceptible to
11 challenge.

12 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
13 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
14 bound by all terms and conditions of the Settlement, including the Participating Class Members'
15 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
16 Class Member actually receives the Class Notice or objects to the Settlement.

17 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
18 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
19 right to object to the class action components of the Settlement. Because future PAGA claims are
20 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
21 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
22 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

23 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45)
24 days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for
25 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
26 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
27 may challenge the allocation by communicating with the Administrator via fax, email or mail.
28 The Administrator must encourage the challenging Class Member to submit supporting

1 documentation. In the absence of any contrary documentation, the Administrator is entitled to
2 presume that the Workweeks contained in the Class Notice are correct so long as they are
3 consistent with the Class Data. The Administrator's determination of each Class Member's
4 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
5 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
6 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
7 Administrator's determination of the challenges.

8 **7.7 Objections to Settlement.**

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

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

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

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

23 7.8.1 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
24 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later
25 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
26 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
27 and other identifying information of Class Members who have timely submitted valid Requests
28 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class

Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

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

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

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

7.8.5 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days

before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendant represents there are 412 Class Members who collectively worked a total of 20,159 Workweeks during the Class Period, and 240 Aggrieved Employees who worked a total of 7,222 PAGA Pay during the PAGA Period. If, on final calculation, the total number of Workweeks is greater than 10% higher than 20,159 Workweeks (i.e. greater than 22,175 Workweeks), then, at Defendant's option, the Gross Settlement Amount will be proportionally increased by the Workweeks worked in excess of 22,175 by multiplying the excess Workweeks by the per Workweek value, or the Class Period will end on the date the number of Workweeks exceeds 22,175. Defendant shall provide the Settlement Administrators with the Class Data to verify the total Workweeks prior to the filing for preliminary approval. If the Escalator Clause is triggered Defendant shall select an option prior to the filing for preliminary approval. If this provision is triggered so as to increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third (1/3) of the Gross Settlement Amount after the upward adjustment required by this provision is implemented. If this provision is triggered so as to end the Class Period on the date the number of Workweeks exceeds 22,175, the Parties agree the PAGA Period will end on the same date as the Class Period.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** Defendant represents, as of the date of this Settlement Agreement, there are 412 Class Members. If the number of valid Requests for Exclusion identified in the Exclusion List is greater than 7%, Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point.

Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

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

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

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

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

1 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
2 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
3 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
4 counsel, and all Participating Class Members who did not object to the Settlement as provided in
5 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
6 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
7 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
8 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
9 obligations to perform under this Agreement will be suspended until such time as the appeal is
10 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
11 of the Net Settlement Amount.

12 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
13 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
14 modification of this Agreement (including, but not limited to, the scope of release to be granted
15 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
16 expeditiously work together in good faith to address the appellate court's concerns and to obtain
17 Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration
18 Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the
19 Court's award of the Class Representative Service Payment or any payments to Class Counsel
20 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
21 as long as the Gross Settlement Amount remains unchanged.

22 11. **AMENDED JUDGMENT**. If any amended judgment is required under Code of Civil
23 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended
24 judgment.

25 12. **ADDITIONAL PROVISIONS**.

26 12.1 No Admission of Liability, Class Certification or Representative Manageability for
27 Other Purposes. This Agreement represents a compromise and settlement of highly disputed
28 claims. Nothing in this Agreement is intended or should be construed as an admission by

1 Defendant that any of the allegations in the Operative Complaint has merit or that Defendant has
2 any liability for any claims asserted; nor should it be intended or construed as an admission by
3 Plaintiff that Defendant's defenses in the Actions have merit. The Parties agree that class
4 certification and representative treatment is for purposes of this Settlement only. If, for any
5 reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant
6 reserves the right to contest certification of any class for any reason, Defendant reserves all
7 available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class
8 certification on any grounds available and to contest Defendant's defenses. The Settlement, this
9 Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be
10 admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
11 Settlement and this Agreement).

12 12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and
13 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
14 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
15 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
16 or indirectly, specifically or generally, to any person, corporation, association, government
17 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
18 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
19 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
20 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
21 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
22 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense
23 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
24 communication, before the filing of the Motion for Preliminary Approval, with any third party
25 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
26 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
27 communications with Class Members in accordance with Class Counsel's ethical obligations
28 owed to Class Members.

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

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

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

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

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

12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied

upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

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

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

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

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

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

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

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

12.16 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

John G. Yslas
john.yslas@wilshirelawfirm.com
Diego Aviles
diego.aviles@wilshirelawfirm.com
Harry Erganyan
harry.erganyan@wilshirelawfirm.com
Mariam Nazaretyan
mariam.nazaretyan@wilshirelawfirm.com
Lisa B. Iturriaga
lisa.iturriaga@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

To Defendant:

Daniel H. Handman (SBN 236345)
dhandman@hkemploymentlaw.com
Casey N. Engstrom (SBN 335058)
cengstrom@hkemploymentlaw.com
HIRSCHFELD KRAEMER LLP
233 Wilshire Boulevard, Suite 600
Santa Monica, CA 90401
Telephone: (310) 255-0705
Facsimile: (310) 255-0986

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

12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

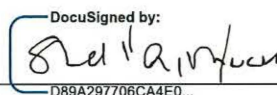
12.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise

1 might apply under federal or state law. The Parties further agree and intend that the San Luis
2 Obispo County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure
3 § 664.6. The Court may award reasonable attorneys' fees and costs to the prevailing party in any
4 motion or action taken and based on an alleged violation of any material term of this Agreement.

5 IT IS SO AGREED.

6
7 By the Parties:

8
9 DATED: 5/5/2026

DocuSigned by:

D89A297706CA4E0...

Plaintiff Shelley Moore

10
11
12 DATED: 04/30/2026



Defendant VPB Management II, LLC

By: Greg Kennealey

Position: Chief Executive Officer

16 Approved by counsel:

17
18 DATED: May 5, 2026

WILSHIRE LAW FIRM

19
20 BY: 

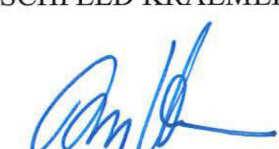
John G. Yslas

Diego Aviles

Counsel for Plaintiff

23
24 DATED: May 5, 2026

HIRSCHFELD KRAEMER LLP

25
26 BY: 

Daniel H. Handman

Casey N. Engstrom

Counsel for Defendant

EXHIBIT A

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

Shelley Moore v. VPB Management II, LLC, et al., Case Nos. 23CV-0120 and 24CV-0059

***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 action lawsuit (“Action”) against VPB Management II, LLC (“VPB Management” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former VPB Management employee Shelley Moore (“Plaintiff”) and seeks payment of (1) back wages for a class of hourly-paid or non-exempt employees (“Class Members”) who worked for VPB Management during the Class Period April 25, 2021 to August 6, 2025; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly-paid or non-exempt employees who worked for VPB Management during the PAGA Period November 17, 2022 to August 6, 2025 (“Aggrieved Employees”).

The proposed settlement has two main parts: (1) a class settlement requiring VPB Management to fund individual class payments, and (2) a PAGA settlement requiring VPB Management to fund individual PAGA payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on VPB Management’s records, and the parties’ current assumptions, **your individual class payment is estimated to be \$ [REDACTED] (less withholding) and your individual PAGA payment is estimated to be \$ [REDACTED]**. 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 individual PAGA payment, then according to VPB Management’s records you are not eligible for an individual PAGA payment under the settlement because you didn’t work during the PAGA Period.)

The above estimates are based on VPB Management’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] workweeks** during the PAGA Period. If you believe that you worked more workweeks during the Class Period, you can submit a challenge by the deadline date. See Section IV 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 VPB Management to make payments under the settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against VPB Management.

If you worked for VPB Management 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 individual class payment and/or an individual

PAGA payment. As a participating class member, though, you will give up your right to assert Class Period wage claims against VPB Management.

- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the class settlement (opt-out) by submitting the written request for exclusion or otherwise notifying the Administrator in writing. If you opt-out of the settlement, you will not receive an individual class payment. You will, however, preserve your right to personally pursue Class Period wage claims against VPB Management, and, if you are an Aggrieved Employee, remain eligible for an individual PAGA payment. You cannot opt-out of the PAGA portion of the proposed settlement.

VPB Management 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 individual class payment and an individual PAGA payment (if any). In exchange, you will give up your right to assert the wage claims against VPB Management that are covered by this settlement ("Released Claims").
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Administrator a written request for exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an individual class payment. Non-Participating Class Members cannot object to any portion of the proposed settlement. See Section VI of this notice. You cannot opt-out of the PAGA portion of the proposed settlement. VPB Management must pay individual PAGA payments to all Aggrieved Employees, and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by	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 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 VII of this notice.

You Can Participate in the [REDACTED] Final Approval Hearing	The Court's final approval hearing is scheduled to take place on [REDACTED]. 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 VIII of this notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your individual class payment and individual PAGA payment (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 of Class Period workweeks and number of PAGA Period pay periods you worked according to VPB Management's records is stated on the first page of this notice. If you disagree with the number of Class Period workweeks, you must challenge it by [REDACTED]. See Section IV of this notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiff is a former VPB Management employee. The Action accuses VPB Management of violating California labor laws by failing to pay minimum, straight time, and overtime wages, wages due upon termination, and reimbursable expenses, failing to provide meal periods, rest periods, and accurate itemized wage statements, and unfair business practices. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.). Plaintiff is represented by attorneys in the Action: John G. Yslas, Diego Aviles, Harry Erganyan, and Mariam Nazaretyan of Wilshire Law Firm.

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

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

So far the Court has made no determination whether VPB Management or Plaintiff is correct on the merits. In the meantime, Plaintiff and VPB Management hired an experienced neutral mediator in an effort to resolve the Action by negotiating an agreement to settle the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement and agreeing to ask the Court to enter a judgment ending the Action, Plaintiff and VPB Management 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, VPB Management 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) VPB Management 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. The Court preliminarily approved the proposed settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine final approval.

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

1. VPB Management Will Pay \$600,000.00 as the Gross Settlement Amount (“Gross Settlement”). VPB Management has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the settlement. The Administrator will use the Gross Settlement to pay the individual class payments, individual PAGA payments, a class representative service payment, Class Counsel’s attorneys’ fees and expenses, the Administrator’s expenses, and penalties to be paid to the LWDA. Assuming the Court grants final approval, VPB Management will fund the Gross Settlement not more than 14 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 Gross Settlement. At the final approval hearing, Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court:
 - A. Up to \$200,000.00 (one-third of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$30,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 to Plaintiff as a class representative award for filing the Action, working with Class Counsel and representing the Class. A class representative award will be the only monies Plaintiff will receive other than Plaintiff’s individual class payment and any individual PAGA payment.
 - C. Up to \$8,950.00 to the Administrator for services administering the settlement.
 - D. Up to \$30,000.00 for PAGA penalties, allocated 75% to the LWDA and 25% to individual PAGA payments to Aggrieved Employees based on their pay periods during the PAGA Period.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making individual class payments to Participating Class Members based on their Class Period workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and VPB Management are asking the Court to approve an allocation of 20% of each individual class payment to taxable wages (“Wage Portion”) and 80% to interest, reimbursement, and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. VPB Management will separately pay employer payroll taxes it owes on the Wage Portion. The individual PAGA payments are counted as penalties rather than wages for tax purposes. The Administrator will report the

individual PAGA payments and the Non-Wage Portions of the individual class payments on IRS 1099 Forms. Although Plaintiff and VPB Management 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 individual class payments and individual PAGA payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will 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 Fund, 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 [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed request for exclusion by the [REDACTED] response deadline. The request for exclusion should be a letter from the Class Member or Class Member's representative setting forth the Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the settlement. Class Members who opt out will not receive individual class payments, but will preserve their rights to personally pursue wage and hour claims against VPB Management.

You cannot opt-out of the PAGA portion of the settlement. Class Members who opt out of the class settlement remain eligible for individual PAGA payments and are required to give up their right to assert PAGA claims against VPB Management 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 not grant final approval of the settlement or not enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Plaintiff and VPB Management have agreed that, in either case, the settlement will be void, VPB Management will not pay any money, and Class Members will not release any claims against VPB Management.
8. Administrator. The Court has appointed a neutral company, Apex Class Action Administration (the "Administrator") to send this notice, calculate and make payments, and process Class Members' requests for exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the settlement. The Administrator's contact information is contained in Section IX of this notice.

9. Participating Class Members' Release. After the Judgment is final and VPB Management has fully funded the Gross Settlement (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 VPB Management or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the Class Period. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on events occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and VPB Management has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against VPB Management, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, 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 VPB Management or its related entities based on the PAGA Period facts alleged in the Action and resolved by this settlement.

The Aggrieved Employees' Release is as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the PAGA Period and the PAGA Notice.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate individual class payments 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. Individual PAGA Payments. The Administrator will calculate individual PAGA payments by (a) dividing \$7,500.00 by the total number of PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.
3. Workweek Challenges. The number of Workweeks you worked during the Class Period, as recorded in VPB Management's records, is stated in the first page of this notice. You have until [REDACTED] to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section IX of this notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept VPB Management's calculation of Workweeks based on VPB Management's 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 Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and VPB Management's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

1. Participating Class Members. The 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 Aggrieved Employees. The single check will combine the individual class payment and the individual PAGA payment (if any).
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single individual PAGA payment check to every Aggrieved Employee who opts out of the class settlement.

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

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

To opt out of the class action 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 *Shelley Moore v. VPB Management II, LLC, et al.*, 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. **You must send your request to be excluded to the Administrator by [REDACTED], or it will be invalid.** Section IX of the notice has the Administrator's contact information.

VII. 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 VPB Management are asking the Court to approve. At least sixteen (16) days before the final approval hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed settlement is fair and states (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a class representative service award. Upon reasonable request, Class Counsel (whose contact information is in Section IX 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 [REDACTED] or the Court's website <https://www.slo.courts.ca.gov>.

A Participating Class Member who disagrees with any aspect of the settlement or the Motion for Final Approval 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 Administrator is [REDACTED].** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action and include your name, current address, telephone number and approximate dates of employment for VPB Management and sign the objection. Section IX of this notice has the Administrator's contact information.

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 VIII of this notice (immediately below) for specifics regarding the final approval hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the final approval hearing on [REDACTED] at [REDACTED] in Department 2 of the San Luis Obispo Superior Court, located at 1050 Monterey Street, San Luis Obispo, CA 93408. At the hearing, the judge will decide whether to grant final approval of the settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the 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 Zoom (<https://www.slo.courts.ca.gov>). 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 Administrator's website [REDACTED] beforehand or contact Class Counsel to verify the date and time of the final approval hearing.

IX. HOW CAN I GET MORE INFORMATION?

The settlement agreement sets forth everything VPB Management and Plaintiff have promised to do under the proposed settlement. The easiest way to read the settlement agreement, the judgment or any other settlement documents is to go to Apex Class Action Administration's website at [REDACTED]. 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.slo.courts.ca.gov>) and entering the Case Number for the Action, Case No. 23CV-0120. You can also make an appointment to personally review court documents in the Clerk's Office at the San Luis Obispo Branch by calling (805) 706-3600.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

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Facsimile: (213) 381- 9989

Settlement Administrator:

Apex Class Action Administration

Email Address

Mailing Address

Telephone

Fax Number

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the 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 for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

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