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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA

OLIVIA GUERRERO, individually, and on behalf of other members of the general public similarly situated, and as an aggrieved employee pursuant to the Private Attorneys General Act (“PAGA”),

Plaintiff,

vs.

JB RESTAURANT #4365, INC., a California corporation; JB RESTAURANT #401, INC., a California corporation; JB RESTAURANT #438, INC., a California corporation; JB RESTAURANT #476, INC., a California corporation; JB RESTAURANT #483, INC., a California corporation; JB RESTAURANT #3419, INC., a California corporation; JB RESTAURANT, #3425, INC., a California corporation; JB RESTAURANT #3462, INC., a California corporation; JB RESTAURANT #3464, INC., a California corporation; JB RESTAURANT #4388, INC., a California corporation; LJ & MW ENTERPRISES, INC., a California corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 23CV418940

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

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiffs Olivia Guerrero and Edith Martinez (“Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated, and Defendants JB Restaurant #4365, Inc., JB Restaurant #401, Inc., JB Restaurant #438, Inc., JB Restaurant #476, Inc., JB Restaurant #483, Inc., JB Restaurant #3419, Inc., JB Restaurant, #3425, Inc., JB Restaurant #3462, Inc., JB Restaurant #3464, Inc., JB Restaurant #4388, Inc., and LJ & MW Enterprises, Inc. (“Defendants”) (collectively with Plaintiffs, the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Guerrero v. JB Restaurant #4365, Inc.*, No. 23CV418940 (Santa Clara County Superior Court).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$333,333). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Twenty Thousand Dollars (\$20,000), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

3. “Class Counsel” means Capstone Law APC.

4. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator within twenty

(20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member's full name; most recent mailing address and telephone number; Social Security number; dates of employment; the respective number of Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other relevant information needed to calculate settlement payments.

5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendant as non-exempt, hourly employees in the State of California at any time during the Class Period.

6. "Class Notice" means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

7. "Class Period" means the period from July 17, 2019 through October 24, 2025.

8. "Class Representative Enhancement Payments" means the amounts to be paid to Plaintiffs in recognition of their effort and work in prosecuting the Action on behalf of Class Members, and for their general release of claims. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiffs will request Court approval of Class Representative Enhancement Payments of up to Ten Thousand Dollars (\$10,000), each.

9. "Court" means the Santa Clara County Superior Court.

10. "Defendants" means Defendants JB Restaurant #4365, Inc., JB Restaurant #401, Inc., JB Restaurant #438, Inc., JB Restaurant #476, Inc., JB Restaurant #483, Inc., JB Restaurant #3419, Inc., JB Restaurant, #3425, Inc., JB Restaurant #3462, Inc., JB Restaurant #3464, Inc., JB Restaurant #4388, Inc., and LJ & MW Enterprises, Inc.

11. "Effective Date" means the later of: (a) if no timely objections are filed, or are withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an objection to the Settlement, the Effective Date shall be the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

12. "Final Approval" means the date on which the Court enters an order granting final approval of the Settlement Agreement.

1 13. “Gross Settlement Amount” means the Gross Settlement Amount of One Million
2 Dollars (\$1,000,000), to be paid by Defendants in full satisfaction of all Released Class Claims and
3 Released PAGA Claims, which includes all Individual Settlement Payments, Attorneys’ Fees and Costs,
4 the Class Representative Enhancement Payments, the PAGA Settlement Amount, and Settlement
5 Administration Costs. This Gross Settlement Amount has been agreed to by Plaintiffs and Defendants
6 based on the aggregation of the agreed-upon settlement value of individual claims. In no event will
7 Defendants be liable for more than the Gross Settlement Amount except as may otherwise be provided
8 as set forth in paragraph 50(b) hereinafter. There will be no reversion of the Gross Settlement Amount to
9 Defendants. Defendants will be separately responsible for any employer payroll taxes required by law,
10 including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross
11 Settlement Amount.

12 14. “Individual Settlement Payment” means each Participating Class Member’s and PAGA
13 Member’s respective shares of the Net Settlement Fund and PAGA Fund.

14 15. “Net Settlement Fund” means the portion of the Gross Settlement Amount remaining
15 after deducting the Attorneys’ Fees and Costs, the Class Representative Enhancement Payments, the
16 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
17 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
18 Defendants.

19 16. “Notice of Objection” means a Class Member’s valid and timely written objection to the
20 Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector’s full
21 name and signature, (b) a written statement of all grounds for the objection accompanied by any legal
22 support for such objection; (c) copies of any papers, briefs, or other documents upon which the objection
23 is based; and (d) a statement whether the objector intends to appear at the final fairness hearing.

24 17. “PAGA Members” means all persons who worked for Defendant as non-exempt, hourly
25 employees in the State of California at any time during the PAGA Period.

26 18. “PAGA Period” means the period from May 13, 2022 through October 24, 2025.

27 19. “PAGA Settlement Amount” means the amount that the Parties have agreed to pay to
28 the Labor and Workforce Development Agency (“LWDA”) and PAGA Members in connection with

1 Plaintiffs' claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
2 *et seq.*, "PAGA") ("PAGA Settlement"). The Parties have agreed that Sixty Thousand Dollars (\$60,000)
3 of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to PAGA, Seventy-
4 Five Percent (75%), or Forty-Five Thousand Dollars (\$45,000), of the PAGA Settlement Amount will
5 be paid to the California Labor and Workforce Development Agency ("Labor and Workforce
6 Development Agency Payment"), and Twenty-Five Percent (25%), or Fifteen Thousand Dollars
7 (\$15,000) ("PAGA Fund"), of the PAGA Settlement will be disbursed to PAGA Members, and
8 regardless whether they request to be excluded from the Settlement Class.

9 20. "Parties" means Plaintiffs and Defendants collectively.

10 21. "Participating Class Members" means all Class Members who do not submit timely and
11 valid Requests for Exclusion.

12 22. "Plaintiffs" means Plaintiffs Olivia Guerrero and Edith Martinez.

13 23. "Preliminary Approval" means the date on which the Court enters an order granting
14 preliminary approval of the Settlement Agreement.

15 24. "Released Class Claims" means all claims, rights, demands, liabilities, and causes of
16 action that are alleged in the operative Complaint, or which could have been alleged by reason of, or in
17 connection with, any matter or fact set forth or referred to in the operative Complaint, including claims
18 for violation of: (1) California Labor Code sections 510 and 1198 (unpaid overtime); (2) California
19 Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (3) California
20 Labor Code sections 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (4) California Labor
21 Code sections 226.7, 516, and 1198 (failure to authorize and permit rest periods); (5) California Labor
22 Code sections 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll
23 records); (6) California Labor Code sections 201 and 202 (wages not timely paid upon termination); (7)
24 California Labor Code section 204 (failure to timely pay wages during employment); (8) California
25 Labor Code section 2802 (unreimbursed business expenses); (9) California Business & Professions
26 Code sections 17200, *et seq.* (unlawful business practices); and (10) California Business & Professions
27 Code sections 17200, *et seq.* (unfair business practices).

28 25. "Released PAGA Claims" means all claims for civil penalties under California Labor

Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiffs' LWDA letters during the PAGA Period.

26. "Released Parties" means Defendants, their past or present officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

27. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the name; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

28. "Response Deadline" means the deadline by which Class Members must postmark or fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

29. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of approximately One Thousand Seven Hundred Seventy-Five (1,775) Class Members, the Settlement Administration Costs are currently estimated to be Fifteen Thousand Five Hundred Dollars (\$15,500).

30. "Settlement Administrator" means Phoenix Settlement Administrators, or any other

1 third-party class action settlement administrator agreed to by the Parties and approved by the Court for
2 the purposes of administering this Settlement. The Parties each represent that they do not have any
3 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
4 Administrator that could create a conflict of interest.

5 31. "Workweeks" means the number of days of employment for each Class Member during
6 the Class Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to
7 the nearest whole number. All Class Members will be credited with at least one Workweek during the
8 Class Period, and all PAGA Members will be credited with at least one Workweek during the PAGA
9 Period.

10 **TERMS OF AGREEMENT**

11 The Plaintiffs, on behalf of themselves and the Settlement Class, and Defendants agree as
12 follows:

13 32. Funding of the Gross Settlement Amount. Defendants will make a one-time deposit of
14 the Gross Settlement Amount of One Million Dollars (\$1,000,000) into a Qualified Settlement Account
15 to be established by the Settlement Administrator. Defendants will pay the employer's share of payroll
16 taxes separately. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual
17 Settlement Payments; (b) the Labor and Workforce Development Agency Payment; (c) the Class
18 Representative Enhancement Payments; (d) Attorneys' Fees and Costs; and (e) Settlement
19 Administration Costs. Defendants will deposit the Gross Settlement Amount and the employer's share of
20 payroll taxes within thirty (30) calendar days of the Effective Date ("Funding Date"). Upon such
21 deposit, Defendants shall have no other or further funding obligations except as may be provided by
22 paragraph 50(b) hereinafter.

23 33. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or
24 motion for attorneys' fees and costs by Class Counsel for Attorneys' Fees and Costs of not more than
25 Three Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars (\$333,333), plus the
26 reimbursement of all out-of-pocket costs and expenses associated with Class Counsel's litigation and
27 settlement of the Action (including expert/consultant fees, investigations costs, etc.), not to exceed
28 Twenty Thousand Dollars (\$20,000), both of which will be paid from the Gross Settlement Amount.

1 34. Class Representative Enhancement Payments. In exchange for a general release, and in
2 recognition of their effort and work in prosecuting the Action on behalf of Class Members, Defendants
3 agree not to oppose or impede any application or motion for Class Representative Enhancement
4 Payments of up to Ten Thousand Dollars (\$10,000) to each Plaintiff. The Class Representative
5 Enhancement Payments will be paid from the Gross Settlement Amount and will be in addition to
6 Plaintiffs' Individual Settlement Payment paid pursuant to the Settlement. Plaintiffs will be solely and
7 legally responsible to pay any and all applicable taxes on the Class Representative Enhancement
8 Payments. Plaintiffs understand and agree that this Settlement Agreement shall remain in full force and
9 effect even if the full amount of Class Representative Enhancement Payments sought by Plaintiffs is not
10 ultimately awarded by the Court.

11 35. Settlement Administration Costs. The Settlement Administrator will be paid for the
12 reasonable costs of administration of the Settlement and distribution of payments from the Gross
13 Settlement Amount, which is currently estimated to be Fifteen Thousand Five Hundred Dollars
14 (\$15,500). These costs, which will be paid from the Gross Settlement Amount, will include, *inter alia*,
15 the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS
16 Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount, and
17 providing necessary reports and declarations.

18 36. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
19 of Sixty Thousand Dollars (\$60,000) from the Gross Settlement Amount will be designated for
20 satisfaction of Plaintiffs' PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Forty-Five
21 Thousand Dollars (\$45,000), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or
22 Fifteen Thousand Dollars (\$15,000), will be paid to PAGA Members in proportion to the number of
23 Workweeks worked during the PAGA Period.

24 37. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement
25 resolves claims and actions brought pursuant to PAGA by Plaintiffs acting as proxies and as Private
26 Attorneys General of, and for, the State of California and the LWDA, the Parties agree that no PAGA
27 Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and
28 all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA

Member has the right to object to the PAGA Settlement Amount.

38. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendants.

39. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No portion of the PAGA Fund will revert to or be retained by Defendants.

40. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of Workweeks a Class Member worked during the Class Period and PAGA Period. Specific calculations of Individual Settlement Payments will be made as follows:

40(a) Payments from the Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member during the Class Period and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated "Individual Settlement Payment" from the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member as specifically set forth herein, including employee-side tax withholdings or deductions. The entire Net Settlement Fund will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payment for each Participating Class Member according to the number of Workweeks worked, so that the amount actually distributed to the

Settlement Class equals 100% of the Net Settlement Fund.

40(b) Payments from the PAGA Fund. Defendants will calculate the total number of Workweeks worked by each PAGA Member during the PAGA Period and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's "Individual Settlement Payment" will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. The entire PAGA Fund will be disbursed to all PAGA Members.

41. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating Class Members under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

42. Administration Process. The Parties agree to cooperate in the administration of the settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

43. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

44. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class List from Defendants, the Settlement Administrator will mail a Class Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

1 45. Confirmation of Updated Contact Information in the Class Lists. Prior to mailing, the
2 Settlement Administrator will perform a search based on the National Change of Address Database for
3 information to update and correct for any known or identifiable address changes. Any Class Notices
4 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will,
5 within five (5) business days of receipt, be sent promptly via regular First-Class U.S. Mail to the
6 forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-
7 mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will
8 promptly attempt to determine the correct address using a skip-trace, or other search using the name,
9 address and/or Social Security Number of the Class Member involved, and will then perform a single re-
10 mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by
11 request, will have either (a) an additional fifteen (15) calendar days or (b) until the Response Deadline,
12 whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

13 46. Class Notices. All Class Members will be mailed a Class Notice. Each Class Notice will
14 provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal
15 terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each
16 respective Class Member and PAGA Member worked for Defendants during the Class Period and
17 PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment
18 and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class
19 Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of
20 Objection; (h) the deadlines by which the Class Member must postmark or fax Request for Exclusions,
21 or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

22 47. Disputed Information on Class Notices. Class Members will have an opportunity to
23 dispute the information provided in their Class Notices. To the extent Class Members dispute their
24 employment dates or the number of Workweeks on record, Class Members may produce evidence to the
25 Settlement Administrator showing that such information is inaccurate. Defendants' records will be
26 presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the
27 Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline,
28 and will be decided within ten (10) business days after the Response Deadline.

1 48. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
2 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
3 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
4 receiving the defective submission to advise the Class Member that his/her/their submission is defective
5 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
6 until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter,
7 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for
8 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

9 49. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
10 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
11 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
12 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
13 for Exclusion has been timely submitted.

14 50. Escalator Clause. Defendants represent that as of July 24, 2025, Class Members worked
15 an aggregate total of approximately Seventy Thousand Five Hundred Ninety-Nine (70,599) Workweeks
16 during the Class Period. If the actual aggregate total of Workweeks worked during the entire Class
17 Period is greater than One Hundred and Ten Percent (110%) of this estimate; i.e., greater than Seventy-
18 Seven Thousand Six Hundred Fifty-Nine (77,659) Workweeks, then Defendants must either: (a)
19 advance the end date of the Class Period and PAGA Period to the last date on which the total number of
20 Workweeks worked by Class Members in aggregate during the Class Period is no greater than Seventy-
21 Seven Thousand Six Hundred Fifty-Nine (77,659); or, Defendants' sole option, (b) increase the Gross
22 Settlement Amount proportionately for each Workweek above the One Hundred and Ten Percent
23 (110%) allowance (e.g., if the total number of Workweeks increases by 111%, the Gross Settlement
24 Amount will increase by 1%).

25 51. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
26 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
27 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class
28 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the

1 Settlement.

2 52. Releases by Participating Class Members. Upon the Funding Date, and except as to such
3 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
4 together and individually, on their behalf and on behalf of their respective heirs, executors,
5 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
6 Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

7 53. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or
8 claims as may be created by this Settlement Agreement, each PAGA Member, together and individually,
9 on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys,
10 shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the
11 Released PAGA Claims during the PAGA Period.

12 54. Objection Procedures. To object to the Settlement Agreement, a Class Member may
13 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
14 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by
15 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be
16 deemed to have waived all objections to the Settlement and will be foreclosed from making any
17 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the
18 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
19 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class
20 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a
21 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for
22 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the
23 Class Member shall not participate in or be bound by the Settlement.

24 55. Certification Reports Regarding Individual Settlement Payment Calculations. The
25 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that
26 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
27 the Settlement, and whether any Class Member has submitted a challenge to any information contained
28 in their Class Notice, including those received after the Response Deadline. Additionally, the Settlement

1 Administrator will provide to counsel for both Parties any updated reports regarding the administration
2 of the Settlement Agreement as needed or requested.

3 56. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
4 of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class
5 Members and PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiffs; and
6 (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved
7 services performed in connection with the Settlement.

8 57. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment
9 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
10 more than one hundred and eighty (180) calendar days after issuance will be tendered to the State
11 Controller's Office, Unclaimed Property Division in the name of each Class Member who did not
12 negotiate his or her check, thereby leaving no "unpaid residue" subject to the requirements of California
13 Code of Civil Procedure Section 384, subd. (b).

14 58. Certification of Completion. Upon completion of administration of the Settlement, the
15 Settlement Administrator will provide a written declaration under oath to certify such completion to the
16 Court and counsel for all Parties.

17 59. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
18 be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be
19 allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be
20 allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA
21 Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be
22 issued.

23 60. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
24 will be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Members, and Class
25 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
26 this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes
27 and penalties to the appropriate government authorities.

28 61. Tax Liability. The Parties make no representation as to the tax treatment or legal effect

1 of the payments called for hereunder, and Plaintiffs, Participating Class Members, and PAGA Members
2 are not relying on any statement, representation, or calculation by Defendants or by the Settlement
3 Administrator in this regard.

4 62. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES
5 OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
6 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”)
7 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND
8 NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES
9 OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR
10 WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED
11 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
12 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
13 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
14 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
15 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS
16 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
17 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY
18 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO
19 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
20 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
21 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
22 ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER
23 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
24 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
25 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
26 AGREEMENT.

27 63. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
28 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,

1 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of
2 action or right herein released and discharged.

3 64. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
4 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other
5 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
6 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
7 likewise be treated as void from the beginning.

8 65. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
9 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval
10 Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b)
11 preliminary approval of the proposed Settlement Agreement, (c) setting a date for a final fairness
12 hearing. The Preliminary Approval Order will provide for the Class Notice to be sent to all Class
13 Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will
14 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the
15 proposed Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for
16 drafting all documents necessary to obtain preliminary approval.

17 66. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
18 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
19 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the
20 Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b)
21 the Class Representative Enhancement Payments; (c) Individual Settlement Payments; (d) the Labor and
22 Workforce Development Agency Payment; (e) all Settlement Administration Costs. Class Counsel will
23 be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be
24 responsible for drafting the attorneys' fees and costs application to be heard at the final approval hearing.

25 67. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
26 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
27 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
28 addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement

1 administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as
2 set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement
3 Administrator's website.

4 68. Release by Plaintiffs. Upon the Funding Date, in addition to the claims being released by
5 all Participating Class Members, Plaintiffs, and their respective former and present spouses,
6 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, will release
7 and forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and all
8 claims, known and unknown, asserted and not asserted, which Plaintiffs have or may have against the
9 Released Parties as of the date of execution of this Settlement Agreement, including, but not limited to:
10 (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the
11 Complaint including but not limited to any and all any claims related to their employment with
12 Defendants and for wages, bonuses, severance pay, vacation pay, penalties, employment benefits, stock
13 options, violation of any personnel policy, any and all claims arising from their employment or damages
14 of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant
15 of good faith and fair dealing, or any federal, state, or other governmental statute, executive order,
16 regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by
17 law, and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained
18 in the Complaints, Plaintiffs' PAGA Notice or released under Paragraphs 5.2 and 5.3, below ("Plaintiffs'
19 Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to
20 any claims for vested benefits, unemployment benefits, disability benefits, social security benefits,
21 workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period.
22 Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts
23 or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs' Release shall
24 be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs'
25 discovery of them.

26 69. To the extent the foregoing release is a release to which Section 1542 of the California
27 Civil Code or similar provisions of other applicable law may apply, Plaintiffs expressly waive any and
28 all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil

Code or similar provisions of applicable law which are as follows:

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.

70. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

72. Amendment or Modification. No amendment, change, or modification to this Settlement Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved by the Court.

73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties

1 may seek the assistance of the Court to resolve such disagreement.

2 74. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
3 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

4 75. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
5 will be governed by and interpreted according to the laws of the State of California.

6 76. Execution and Counterparts. This Settlement Agreement is subject only to the execution
7 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
8 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
9 copies of the signature page, will be deemed to be one and the same instrument.

10 77. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
11 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
12 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account
13 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
14 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
15 fairness and reasonableness of this Settlement.

16 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
17 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
18 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
19 valid and enforceable.

20 79. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
21 certification for purposes of this Settlement only; except, however, that Plaintiffs or Class Counsel may
22 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
23 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

24 80. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
25 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
26 approved, the stipulation to certification will be void. The Parties further agree that certification for
27 purposes of the Settlement is not an admission that class action certification is proper under the standards
28 applied to contested certification motions and that this Settlement Agreement will not be admissible in

1 this or any other proceeding as evidence that either (a) a class action should be certified or (b) Defendants
2 are liable to Plaintiffs or any Class Member, other than according to the Settlement's terms.

3 81. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
4 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
5 entering into this Settlement, Defendants do not admit, and specifically deny, that they violated any
6 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
7 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
8 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
9 respect to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
10 of the negotiations connected with it, will be construed as an admission or concession by Defendants of
11 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
12 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be
13 offered or received as evidence in any action or proceeding to establish any liability or admission on the
14 part of Defendants or to establish the existence of any condition constituting a violation of, or a non-
15 compliance with, federal, state, local or other applicable law.

16 82. No Public Comment: Prior to Preliminary Approval, the Parties and their counsel agree
17 that they will not issue any press releases, initiate any contact with the press, respond to any press
18 inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.
19 Plaintiffs and Plaintiffs' Counsel agree that, prior to Preliminary Approval of the Settlement, they will
20 keep the terms of this Settlement confidential except for purposes of communicating with Plaintiffs only.
21 Plaintiffs shall be informed that the Settlement is confidential and shall be advised to keep the Settlement
22 confidential. From and after Preliminary Approval of the Settlement, Plaintiffs and Class Counsel may
23 discuss the Settlement: (1) as required by law; (2) as required under the terms of the Settlement; or (3) as
24 required under counsel's duties and responsibilities as Class Representatives and Class Counsel,
25 comment regarding the specific terms of the Settlement. In all other cases, Plaintiffs and Class Counsel
26 agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic
27 (including the world wide web), to say the Action has been resolved and that Plaintiffs and Class
28 Counsel are satisfied with the Settlement terms. Nothing in this Section is intended to interfere with Class

1 Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not
2 limited to, communicating with Class Members regarding the Settlement. This Settlement shall not be
3 advertised or mentioned on any source, including Class Counsel's personal or firm website(s).
4 Notwithstanding the foregoing, Class Counsel may disclose in court filings the name of the Parties in this
5 action, the venue/case number, and settlement details available in the public record, for the limited
6 purpose of allowing Class Counsel to prove adequacy as class counsel in other actions or for purposes of
7 seeking approval of an unrelated settlement.

8 83. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
9 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
10 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

11 84. Enforcement Actions. In the event that one or more of the Parties institutes any legal
12 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
13 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
14 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
15 expert witness fees incurred in connection with any enforcement actions.

16 85. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
17 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
18 more strictly against one party than another merely by virtue of the fact that it may have been prepared
19 by counsel for one of the Parties, it being recognized that, because of the arms'-length negotiations
20 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

21 86. Representation By Counsel. The Parties acknowledge that they have been represented
22 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
23 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,
24 Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

25 87. All Terms Subject to Final Court Approval. All amounts and procedures described in
26 this Settlement Agreement herein will be subject to final Court approval.

27 88. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
28 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this

Settlement Agreement.

89. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

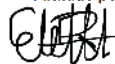
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PLAINTIFF

Dated: 1/26/2026

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DEFENDANTS

Dated: _____

 [Please Print Name of Authorized Signatory]
 JB RESTAURANT #4365, INC., JB
 RESTAURANT #401, INC., JB RESTAURANT
 #438, INC., JB RESTAURANT #476, INC., JB
 RESTAURANT #483, INC., JB RESTAURANT
 #3419, INC., JB RESTAURANT, #3425, INC., JB
 RESTAURANT #3462, INC., JB RESTAURANT
 #3464, INC., JB RESTAURANT #4388, INC., AND
 LJ & MW ENTERPRISES, INC.

1 Settlement Agreement.

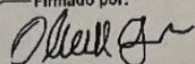
2 89. Binding Agreement. The Parties warrant that they understand and have full authority to
3 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
4 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in
5 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
6 otherwise might apply under federal or state law.

7 **READ CAREFULLY BEFORE SIGNING**

8 **PLAINTIFF**

9
10 Dated: 1/20/2026

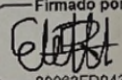
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11
12 **PLAINTIFF**

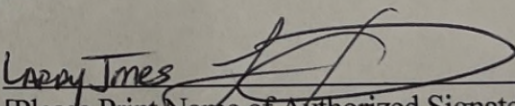
13
14 Dated: 1/26/2026

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16
17 **DEFENDANTS**

18
19 Dated: 2/16/26


[Please Print Name of Authorized Signatory]

20 JB RESTAURANT #4365, INC., JB
21 RESTAURANT #401, INC., JB RESTAURANT
22 #438, INC., JB RESTAURANT #476, INC., JB
23 RESTAURANT #483, INC., JB RESTAURANT
24 #3419, INC., JB RESTAURANT, #3425, INC., JB
25 RESTAURANT #3462, INC., JB RESTAURANT
26 #3464, INC., JB RESTAURANT #4388, INC., AND
27 LJ & MW ENTERPRISES, INC.
28

Exhibit A

Guerrero v. JB Restaurant #4365, Inc., No. 23CV418940
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SANTA CLARA
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

Si desea una traducción al Español de este Aviso, por favor llame al administrador al ***--*******

To: All persons who worked for Defendants JB Restaurant #4365, Inc., JB Restaurant #401, Inc., JB Restaurant #438, Inc., JB Restaurant #476, Inc., JB Restaurant #483, Inc., JB Restaurant #3419, Inc., JB Restaurant, #3425, Inc., JB Restaurant #3462, Inc., JB Restaurant #3464, Inc., JB Restaurant #4388, Inc., and LJ & MW Enterprises, Inc. (“Defendants”) as non-exempt, hourly employees in the State of California at any time during the period from July 17, 2019 through October 24, 2025 (“Class Members”).

All persons who worked for Defendant as non-exempt, hourly employees in the State of California at any time during the period from May 13, 2022 through October 24, 2025 (“PAGA Members”).

On _____, the Honorable Beth McGowen of the Santa Clara County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at __:00 __.m. on _____, 2025 in Department 22 of the Santa Clara County Superior Court located at 161 North First Street San Jose, California 95113.

Although Class Members may appear in person, the judge overseeing this case encourages remote appearances. (As of August 15, 2022, the Court’s remote platform is Microsoft Teams.) Class Members who wish to appear remotely should contact class counsel at least three days before the hearing if possible. Instructions for appearing remotely are provided at <https://santaclara.courts.ca.gov/remote-appearances> and should be reviewed in advance.

Please also note that the Final Approval Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

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 deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Member, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendants based on the same facts alleged in the Action during the Class Period.
---	---

You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to participate in the proposed class settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.
The Opt-out Deadline is [DATE]	You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed class settlement, but not the PAGA settlement.
Written Objections Must be Submitted by [DATE]	
You Can Participate in the [DATE] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [DATE] in Department 7 of the Santa Clara County Superior Court located at 191 North First Street San Jose, California 95113. 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. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.

Summary of the Litigation

Plaintiffs Olivia Guerrero and Edith Martinez, on their behalf and on behalf of other current and former non-exempt employees, allege that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; and (4) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On July 24, 2025, the parties participated in a mediation with Monique Ngo-Bonnici, Esq., an experienced and well-respected class action mediator. With Ms. Ngo-Bonnici's guidance, the parties were able to negotiate a complete settlement of Plaintiffs' claims.

Counsel for Plaintiffs, and the attorneys appointed by the Court to represent the class, Capstone Law APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiffs' claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiffs.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Summary of The Proposed Settlement Terms

Plaintiffs and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$1,000,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) Class Representative Enhancement Payments of \$10,000, each, to Olivia Guerrero and Edith Martinez for their services on behalf of the class, and for a release of all claims arising out of their employment with Defendants; (3) \$333,333 in attorneys' fees and up to \$20,000 in litigation costs and expenses; (4) a \$60,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$45,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with the PAGA, and a \$15,000 payment ("PAGA Fund") to all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$15,500. After deducting the above payments, a total of approximately \$551,167 will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the \$15,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member from July 17, 2019 through October 24, 2025 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$ ____.

Payments from PAGA Fund. Defendants will calculate the total number of Workweeks worked by each PAGA Member from May 13, 2022 through October 24, 2025 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he/she/they submits a valid Request for Exclusion.

According to Defendants' records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$ ____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$ _____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator

c/o _____

Fax No. _____

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, on the date on which Defendants fully fund the Gross Settlement Amount, you will be deemed to have released or waived the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims:

Released Class Claims: All claims, rights, demands, liabilities, and causes of action that are alleged in the operative Complaint, or which could have been alleged by reason of, or in connection with, any matter or fact set forth or referred to in the operative Complaint, including claims for violation of: (1) California Labor Code sections 510 and 1198 (unpaid overtime); (2) California Labor Code sections 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (3) California Labor Code sections 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (4) California Labor Code sections 226.7, 516, and 1198 (failure to authorize and permit rest periods); (5) California Labor Code sections 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (6) California Labor Code sections 201 and 202 (wages not timely paid upon termination); (7) California Labor Code section 204 (failure to timely pay wages during employment); (8) California Labor Code section 2802 (unreimbursed business expenses); (9) California Business & Professions Code sections 17200, *et seq.* (unlawful business practices); and (10) California Business & Professions Code sections 17200, *et seq.* (unfair business practices).

Released PAGA Claims: All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiffs' LWDA letters during the PAGA Period.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name and signature. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

The Request for Exclusion must be postmarked or faxed not later than _____, 2026. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2026, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Approval Hearing to object to the Settlement. Written objections must provide: (1) your full name and signature, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2026. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Approval Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Santa Clara and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: 1 (888) 356-2907

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS' ATTORNEYS WITH INQUIRIES.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******