

1 **THE WHEELER LAW FIRM, APC**

2 Scott Ernest Wheeler (SBN 187998)
3 Justin A. Wheeler (SBN 342226)
4 250 West First Street, Suite 216
5 Claremont, California 91711
6 Telephone: (909) 621-4988
7 Facsimile: (909) 621-4622
8 Email: sew@scottwheelerlawoffice.com
9 jaw@scottwheelerlawoffice.com

10 *Attorneys for Plaintiff and the Putative Class*

11 **LAW OFFICES OF JOHN W. FAGERHOLM LTD**

12 M. Danton Richardson (SBN 141709)
13 John W. Fagerholm (SBN 213852)
14 Stephanie B. Greenberg (SBN 324335)
15 611 North Brand Suite 1300
16 Glendale, CA 91203
17 Telephone: (323) 289-2260
18 Facsimile: (323) 642-5441
19 Email: drichardson@jwflawltd.com
20 jfagerholm@jwflawltd.com
21 sgreenberg@jwflawltd.com

22 *Attorney for Defendants, TIJUANA INC.*
23 *and EL TIJUANA CORP. dba*
24 *BIRRIERIA EL TIJUANA*

25 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

26 **COUNTY OF SAN BERNARDINO**

27 **SAN BERNARDINO JUSTICE CENTER**

28 JOSE IVAN ARROYO, individually, and
on behalf of all others similarly situated,

Plaintiffs,

v.

TIJUANA INC., a California
corporation, EL TIJUANA CORP, a
California corporation, BIRRIERIA EL
TIJUANA, an unknown business entity;
and DOES 1 through 50, inclusive,

Defendants.

CASE NO.: CIVSB2404841

[Hon. Tony Raphael, Dept. S-36]

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
RELEASE**

1 This Class Action and PAGA Settlement and Release ("Settlement Agreement") is entered
2 into by and between Plaintiff Jose Ivan Arroyo ("Plaintiff"), on behalf of himself and the Class, on
3 the one hand, and Defendants, Tijuano Inc. ("Tijuano"), El Tijuano Corp ("ETC") and Birrieria
4 El Tijuano ("BET") (herein collectively referred to as "Defendants"), on the other hand. Plaintiff
5 and Defendants are collectively referred to herein as "Parties" and individually referred to herein as a
6 "Party."

7 In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties
8 agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the
9 Court, this Action and the Released Claims shall be settled and compromised as between Plaintiff and
10 the Class on the one hand and Defendants on the other hand.

11 **DEFINITIONS**

12 1. "Action" means *Jose Ivan Arroyo v. Tijuano Inc., et al.*, Superior Court of the State
13 of California for the County of San Bernardino, Case No. CIVSB2404841.

14 2. "Class" means all non-exempt, hourly employees who worked for Defendants at any time
15 in the state of California from February 6, 2020, through December 31, 2024.

16 3. "Class Counsel" means The Wheeler Law Firm, APC.

17 4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and
18 resolution of this Action and Class Counsel's expenses and costs incurred in connection with this
19 Action.

20 5. "Class Information" means information regarding Class Members that Defendants will
21 in good faith compile from their records and provide to the Settlement Administrator. It shall be
22 formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each
23 Class Member's full name; social security number; last known address; last known telephone number;
24 and number of Compensable Work Weeks and Compensable PAGA Work Weeks.

25 6. "Class Member" means each person who is a member of the Class defined above and
26 who is eligible to participate in this Settlement.

27 7. "Class Period" means the time period from February 6, 2020, through December 31,
28 2024.

1 8. “Class Representative Service Award” means the amount that the Court authorizes to
2 be paid to Plaintiff in recognition of, *inter alia*, Plaintiff’s efforts and risks in assisting with the
3 prosecution of the Action and in return for executing a general release with Defendants.

4 9. “Compensable Work Week” or “Compensable Work Weeks” means a reasonable
5 estimate of weeks worked by each Class Member as a non-exempt employee in California for
6 Defendants individually and collectively by all Class Members during the Class Period based on
7 Defendants’ records and used as a value to calculate Individual Settlement Payments. The number
8 of Compensable Work Weeks for each Class Member will be determined by adding all the calendar
9 days within the inclusive dates of employment for the employee and dividing that number by seven.
10 Any partial workweek will be expressed as a percentage of a full workweek. If it can be readily
11 determined, workweeks where someone was employed but did not record any hours can be excluded
12 from this calculation.

13 10. “Compensable PAGA Work Week” or “Compensable PAGA Work Weeks” means a
14 reasonable estimate of weeks worked by each PAGA Member, as a nonexempt employee in
15 California for Defendants, individually and collectively by all PAGA Members, during the period
16 from of November 28, 2022, through December 31, 2024, based on Defendants’ records and used as
17 a value to calculate PAGA Payments. The number of Compensable PAGA Work Weeks for each
18 PAGA Member, will be determined by adding all the calendar days within the inclusive dates of
19 employment for the employee and dividing that number by seven. Any partial workweek will be
20 expressed as a percentage of a full workweek. If it can be readily determined, workweeks where
21 someone was employed but did not record any hours can be excluded from this calculation.

22 11. “Court” means the Superior Court for the County of San Bernardino, State of
23 California.

24 12. “Defendants” means Tijuano Inc., El Tijuano Corp., and Birrieria El Tijuano.

25 13. “Effective Date” means the date on which the Superior Court’s Final Approval Order
26 and Judgment becomes final and Defendants fully funds the settlement. No matter the date the Final
27 Approval Order is signed, Defendants will not be required to fund the settlement any earlier than
28 January 1, 2026. The Superior Court’s Final Approval Order and Judgment “becomes final” upon the

1 latter of: (a) if there is no Objection to the Settlement, or if there is an Objection but it is withdrawn,
2 then, the date that the Final Approval Order and Judgment is filed by the Court; (b) if there is an
3 Objection to the Settlement that is not withdrawn, but no appeal is commenced thereafter, then, sixty-
4 five (65) calendar days following the date that the Final Approval Order and Judgment is filed by the
5 Court; or (c) if there is an Objection to the Settlement, that is not withdrawn, and any appeal, writ, or
6 other appellate proceeding opposing the Settlement has been filed within sixty-five (65) calendar days
7 following the date that the Final Approval Order and Judgment is filed by the Court, then, when any
8 such appeal, writ, or other appellate proceeding opposing the validity of the Settlement has been
9 resolved finally and conclusively with no right to pursue further remedies or relief.

10 14. "Final Approval Order and Judgment" means an order and judgment that the Court
11 will file which finally approves this Settlement and enters a judgment in favor of Plaintiff.

12 15. "Gross Settlement Amount" means the maximum amount which Defendants are
13 obligated to pay under this Settlement Agreement, which is Two Hundred Fifty Thousand Dollars
14 (\$250,000.00), subject to increase under the circumstances as set forth in paragraph 58. This is an "all
15 in" non-reversionary Settlement in which Defendants are required to pay the entire Gross Settlement
16 Amount. No portion of the Gross Settlement Amount will revert to Defendants under any
17 circumstances. Payments of any appropriate and lawfully-required employer's share of the payroll
18 taxes on the taxable portion of the settlement payments shall be paid separately from the Gross
19 Settlement Amount by Defendants at the time the Gross Settlement Amount is funded.

20 16. "Individual Settlement Payment" means the amount payable from the Net Settlement
21 Amount to each Settlement Class Member.

22 17. "LWDA" means the California Labor and Workforce Development Agency.

23 18. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel
24 Award, Class Representative Service Award, payment to the LWDA and PAGA Members for PAGA
25 penalties, and Settlement Administration Costs.

26 19. "Notice of Class and PAGA Settlement" means the notice, substantially in the form
27 attached hereto as **Exhibit 1**, which the Settlement Administrator will mail to each Class and PAGA
28 Member, and which explains, *inter alia*, the terms of this Settlement Agreement, the settlement

process, and each Class Member's estimated Individual Settlement Payment. Notice of Class Settlement will be provided to the Class in English and Spanish.

20. "Operative Complaint" means the Class Action and PAGA Representative Complaint on file in this action.

21. "Objection" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is objecting to any of the terms of the Settlement.

22. "PAGA Member" or "PAGA Members" means all non-exempt, hourly employees who worked for Defendants at any time in the state of California from November 8, 2022 through December 31, 2024.

23. "Parties" means Plaintiff and Defendants, collectively, and "Party" means either Plaintiff or Defendants, individually and/or collectively.

24. "Payment Ratio" means the respective Compensable Work Weeks for each Settlement Class Member divided by the total Compensable Work Weeks for all Settlement Class Members.

25. "PAGA Payment Ratio" means the respective Compensable PAGA Work Weeks for each PAGA Member divided by the total Compensable PAGA Work Weeks for all PAGA Members.

26. "PAGA Period" means the time period from November 28, 2022 through December 31 2024.

27. "Plaintiff" or "Class Representative" refers to Jose Ivan Arroyo.

28. "Preliminary Approval Date" means the date upon which the Court files an order substantially in the form attached hereto as **Exhibit 2**, and which grants preliminary approval of the Settlement.

29. "Request for Exclusion" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is electing to be excluded from the Settlement.

30. "Released Claims by Plaintiff" is set forth in paragraph 47 below. Plaintiff releases the "Released Claims by Plaintiff" as of the date Defendants fully fund this Settlement.

1 31. “Released Claims by Settlement Class Members” means: As of the date Defendants
2 fully fund this Settlement, Settlement Class Members shall fully and finally release and discharge
3 Released Parties, from February 6, 2020, through December 31, 2024, from any and all claims, debts,
4 liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of
5 action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts
6 and claims alleged in the Operative Complaint, including any claims for: (a) failure to provide required
7 meal periods, California Labor Code §§ 226.7, 510, 512, 1194, 1197, IWC Wage Order No. 5-2001,
8 §11; (b) failure to provide required rest periods, California Labor Code §§ 226.7, 512, and IWC Wage
9 Order No. 5-2001, §12; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194, 1198
10 and IWC Wage Order No. 5-2001, §11; (d) failure to pay minimum wages, California Labor Code §§
11 1194, 1197, and IWC Wage Order No. 5-2001, §4; (e) failure to timely pay wages §§ 204 and 210;
12 (f) failure to timely pay all wages during employment and to discharged and quitting employees,
13 California Labor Code §§ 201-203; (g) failure to maintain required records, in violation of California
14 Labor Code §§ 226, 1174, and IWC Wage Order No. 5-2001, §11; (h) failure to furnish accurate,
15 itemized wage statements, in violation of California Labor Code §§ 226, 246, 248.1, 248.2, 248.6,
16 and 226.3; and IWC Wage Order No. 5-2001, §6; (i) failure to provide supplemental COVID-19 sick
17 leave, in violation of California Labor Code §§ 246, 248.1, 248.2, and 248.6; (j) failure to reimburse
18 necessary business expenses, California Labor California Labor Code §2802; and (k) unlawful
19 business practices under California, Business and Professions Code §17200, et seq.; predicated on any
20 of the violations of the California Labor Code and the applicable IWC Wage Order as alleged in the
21 Operative Complaint including but not limited to, claims for restitution and other equitable relief,
22 liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed
23 on account of the allegations or the primary rights asserted in the Operative Complaint. This release
24 shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final
25 Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members
26 will forever completely release and discharge the Released Parties from the Released Claims for the
27 Release Period. Plaintiff and Defendants intend that the Settlement described in this Settlement
28 Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or

1 action, arbitration, demand, or other action of any kind, by each and all of the Participating Class
2 Members to obtain a recovery to any and all of the Released Claims. This release excludes the release
3 of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance
4 benefits.

5 32. "Released Parties" collectively mean: (i) Defendants; (ii) Defendants' respective past,
6 present and future heirs, executors, administrators, parents, subsidiaries and affiliates, successors and
7 assigns; and (iii) the past, present and future shareholders, managers, officers, partners, members,
8 agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the foregoing.

9 33. "Response Deadline" means forty-five (45) days after the postmark date of the Notice
10 of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date
11 on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the
12 Settlement; or (c) submit a Work Week dispute.

13 34. "Settled PAGA Claims", means penalties only under the Private Attorneys General
14 Act ("PAGA"), based upon the Released Claims by PAGA Members that serves the basis for
15 penalties only pursuant to Labor Code § 2699 *et seq.*, for : (a) failure to provide required meal
16 periods, California Labor Code §§ 226.7, 510 and 512; (b) failure to provide required rest periods,
17 California Labor Code §§ 226.7 and 512; (c) failure to pay overtime wages, California Labor Code
18 §§510, 1194, 1197 and 1198; (d) failure to pay minimum wages, California Labor Code §§ 1194
19 and 1197; (e) failure to timely pay all wages due during employment and to discharged and quitting
20 employees, California Labor Code §§ 201-204, 210; (f) failure to furnish accurate, itemized wage
21 statements, California Labor Code §§ 226 and 226.3; (g) failure to maintain required records,
22 California Labor Code §§ 226, 1174; (h) failure to provide supplemental COVID-19 sick leave, in
23 violation of California Labor Code §§ 246, 248.1, 248.2, and 248.6; (i) failure to provide suitable
24 resting facilities, in violation of IWC Wage Order No. 5-1001, §13; (j) failure to provide suitable
25 seating, in violation of IWC Wage Order No. 5-1001, §14; failure to reimburse for necessary
26 business expenses, California Labor Code § 2802; and primary rights alleged in Plaintiff's Operative
27 Complaint and in Plaintiff's PAGA Notice dated November 28, 2023.

28 35. "Settlement" means the disposition of the Action pursuant to this Agreement.

36. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

37. "Settlement Administrator" means Phoenix Settlement Administrators ("Phoenix"). The Settlement Administrator shall be responsible for, *inter alia*: (a) performing Spanish translations of the Notice of Class Settlement; printing and mailing the Notice of Class Settlement to the Class in English and Spanish; (b) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members; (c) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (d) processing and mailing payments to Plaintiff, Class Counsel, the LWDA, and Settlement Class Members; and (e) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with Phoenix that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.

38. “Settlement Class” or “Settlement Class Members” means all Class Members who have not opted out of the Class by submitting a valid and timely Request for Exclusion.

RECITALS

39. Procedural History. On February 6, 2024, Plaintiff filed a Class Action and PAGA Representative Action Complaint against Defendants, Tijuano Inc., El Tijuano Corp., and Birrieria El Tijuano, in San Bernardino Superior Court, Case No. CIVSB2404841 which is the “Operative Complaint.” Defendants have filed an answer to Plaintiff’s complaint.

40. Investigation and Discovery. The Parties have conducted significant investigation of the facts and law during the prosecution of this Action and before this Settlement was reached. Such discovery and investigation included, *inter alia*, the exchange of information and extensive documents pertaining to Plaintiff and the Class, and numerous meetings and informal conferences wherein the Parties exchanged information, class data, and theories of the case. Plaintiff has also investigated the law as applied to the facts of Plaintiff's claims and Defendants' potential defenses thereto.

1 41. Mediation. The Parties participated in a private mediation session with the highly
2 experienced mediator, E. Will Klatte, Esq., on November 18, 2024. After a full day of mediation, the
3 Parties were able to reach a proposed settlement regarding the material terms for a proposed class
4 action and PAGA settlement that would fully resolve this matter.

5 42. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the
6 expense and length of continued proceedings necessary to litigate Plaintiff's claims through trial and
7 any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of
8 further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel
9 are also aware of the burdens of proof necessary to establish liability for the claims asserted in the
10 Action, both generally and in response to Defendants' defenses thereto, and the difficulties in
11 establishing damages for the Class. Plaintiff and Class Counsel have also taken into account
12 Defendants' agreement to enter into a settlement that confers substantial relief upon the members of
13 the Class. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement
14 set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the
15 best interests of the Class.

16 43. Defendants' Reasons for Settlement. Defendants have concluded that any further
17 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
18 Defendants' time, energy, and resources have been and, unless this Settlement is completed, will
19 continue to be devoted to the defense of the claims asserted by Plaintiff. Defendants have also taken
20 into account the risks of further litigation in reaching their decision to enter into this Settlement. Even
21 though Defendants continue to contend that they are not liable for any of the claims alleged by Plaintiff
22 in this Action, Defendants have agreed, nonetheless, to settle in the manner and upon the terms set
23 forth in this Settlement Agreement to put to rest the claims in this Action.

24 **STIPULATION AND AGREEMENT**

25 44. NOW THEREFORE, in consideration of the mutual covenants, promises, and
26 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

27 45. It is agreed by and among Plaintiff and Defendants that this Settlement shall bind the
28 Plaintiff, Settlement Class Members, and Defendants, subject to the terms and conditions hereof.

1 46. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
2 the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an
3 “other party”) acknowledges and agrees that (1) no provision of this Agreement, and no written
4 communication or disclosure between or among the Parties or their attorneys and other advisers, is or
5 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
6 relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31
7 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its
8 own, independent legal and tax counsel for advice (including tax advice) in connection with this
9 Agreement, (b) has not entered into this Agreement based upon the recommendation of any other
10 party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
11 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty
12 that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party
13 has imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax
14 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
15 acknowledging party of the tax treatment or tax structure of any transaction, including any transaction
16 contemplated by this Agreement.

17 47. Released Claims by Plaintiff. As of the date Defendants fully fund the Settlement,
18 Plaintiff agrees to the Release of Claims by Settlement Class Members, which is set forth in paragraph
19 31 above. In addition to Release of Claims by Settlement Class Members and as a material inducement
20 to Defendants to enter into this Settlement Agreement, Plaintiff does hereby, for himself and for his
21 spouse, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees,
22 conservators, guardians, personal representatives, and assigns, forever and completely release and
23 discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations,
24 promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs,
25 losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated
26 damages, exemplary damages, interest, attorneys’ fees, and costs) of any nature whatsoever, from the
27 beginning of time through the execution of this Settlement Agreement, whether known or unknown,
28 suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating

1 to Plaintiff's employment with or work for Defendants or the remuneration for or termination of such
2 employment.

3 Without limiting the generality of the foregoing, Plaintiff expressly releases all claims arising
4 under the California Labor Code (including, but not limited to, sections 201, 201.3, 202, 203, 204,
5 210, 216, 218.6, 221, 222, 225.5, 223.2, 224, 225, 225.5, 226.7, 227.3, 246, 248.1, 248.2, 248.3, 248.6,
6 450, 510, 511, 512, 558, 1174, 1174.5, 118.12, 1194, 1197, 1197.1, 1197.2, 1198, 2802, 2698 et seq.,
7 and 2802); the Wage Orders of the California Industrial Welfare Commission; the California Private
8 Attorneys General Act of 2004 ("PAGA"); California Business and Professions Code section 17200
9 et seq.; the California Civil Code, to include, but not limited to, section 3336 and 3294; the California
10 common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal common law;
11 and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's Released
12 Claims also include all claims for lost wages and benefits, emotional distress, retaliation, punitive
13 damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination,
14 harassment, and wrongful termination such as by way of example only, (as amended) 42 U.S.C.
15 section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age
16 Discrimination in Employment Act, and the California Fair Employment and Housing Act; and the
17 law of contract and tort. This release excludes the release of claims not permitted by law. As to the
18 Plaintiff's Released Claims only, Plaintiff expressly waives all rights and benefits under the terms
19 of section 1542 of the California Civil Code. Section 1542 reads as follows:

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

23 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full
24 and complete release and discharge of all parties, Plaintiff and Class Counsel expressly acknowledge
25 that this Settlement Agreement is intended to include in its effect, without limitation, all claims that
26 Plaintiff knew of, as well as all claims that he does not know or suspect to exist in his favor against
27 the Released Parties, or any of them, for the time period from the beginning of time to the execution
28 of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment

1 of any such claims. Plaintiff and Plaintiff's Counsel do not currently intend to pursue any claims
2 against Defendants, including, but not limited to, any and all claims relating to or arising from
3 Plaintiff's employment with Defendants, and that Plaintiff's Counsel is not currently aware of any
4 facts or legal theories upon which any claims or causes of action could be brought against
5 Defendants, excepting those facts or legal theories alleged in the Operative Complaint in this
6 Action. This release does not include claims which cannot be released such as unemployment or
7 Worker's Compensation benefits.

8 48. Class Certification. For settlement purposes only, Defendants will stipulate that the
9 Settlement Class Members described herein who do not request exclusion from the Settlement Class
10 may be conditionally certified as a settlement class. This stipulation to certification is in no way an
11 admission that class action certification is proper and shall not be admissible in this or in any other
12 action except for the sole purposes of enforcing this Agreement. Should the Court fail to issue Final
13 Approval for any reason, the Parties' stipulation to class certification as part of the Settlement
14 Agreement shall become null and void *ab initio* and shall have no bearing on but remains protected
15 by California Evidence Code Section 1152 and shall not be admissible in connection with, the issue
16 of whether or not certification would be appropriate in a non-settlement context. Plaintiff expressly
17 reserves his rights and declares that he will continue to pursue class certification and a trial should the
18 Court fail to grant Final Approval.

19 49. Approval of Settlement. Plaintiff will move the Court to grant preliminary and final
20 approval of this class action Settlement. The Parties agree to work diligently and cooperatively to
21 have this matter presented to the Court for preliminary and final approval.

22 50. Release of Claims by Settlement Class Members. Settlement Class Members release
23 the "Released Claims by Settlement Class Members," as defined, as of the date Defendants fully fund
24 the Settlement.

25 51. Release of Settled PAGA Claims. PAGA Members release the "Settled PAGA
26 Claims," as defined, as of the date Defendants fully fund the Settlement.

27 52. Settlement Administration. Within fourteen (14) calendar days after the Preliminary
28 Approval Date, Defendants shall provide the Settlement Administrator with the Class Information.

1 53. Notice to the Class. Upon receipt of the Class Information, the Settlement
2 Administrator will perform a search based on the National Change of Address Database to update and
3 correct any known or identifiable address changes. Within ten (10) calendar days after receiving the
4 Class Information, the Settlement Administrator shall mail copies of the Notice of Class Settlement
5 to all Class Members via regular First Class U.S. Mail in both English and Spanish. The Settlement
6 Administrator shall exercise its best judgment to determine the current mailing address for each Class
7 Member. The address identified by the Settlement Administrator as the current mailing address shall
8 be presumed to be the best mailing address for each Class Member.

9 a. Undeliverable Notices. Any Notice of Class Settlement returned to the
10 Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to
11 the forwarding address affixed thereto within ten (10) calendar days. For any undeliverable Notice of
12 Class Settlement returned for which no forwarding address is affixed, the Settlement Administrator
13 will conduct its investigation for an updated address of the Class Member and re-mail the Notice of
14 Class Action Settlement. If an updated address is found, the Settlement Administrator shall have
15 seven (7) days to re-mail the Notice of Class Action Settlement from receipt of the undelivered
16 envelope. The Settlement Administrator will provide a cover letter notifying the Class Member of the
17 extended Response Deadline. Any Class Member who receives a re-mailed Notice of Class Settlement
18 shall have forty-five (45) days after the postmark date of the re-mailed Notice of Class Settlement to:
19 (a) submit a Request for Exclusion; or (b) submit an Objection to the Settlement.

20 b. Disputes Regarding Individual Settlement Payments. Class Members will have
21 the opportunity, should they disagree with Defendants' records regarding the dates of employment
22 stated in the Notice of Class Settlement, to provide documentation and/or an explanation to show
23 contrary information by the Response Deadline. The dispute form must: (a) contain the full name,
24 address, and telephone number of the Class Member, and the last four digits of the Class Member's
25 social security number or full employee ID number; (b) contain the case name and case number; (c)
26 include a clear statement by the Class Member that he or she is disputing the number of Compensable
27 Workweeks and the basis for the dispute; (d) include any documentation demonstrating that the
28 number of Compensable Workweeks listed in the Notice of Class Settlement is incorrect; (e) be signed

1 by the Class Member; and (f) be postmarked by the Response Deadline. The date of the postmark on
2 the return mailing envelope on the dispute form shall be the exclusive means used to determine
3 whether it has been timely submitted. If there is a dispute, the Settlement Administrator will consult
4 with the Parties to determine whether an adjustment is warranted. In addition to U.S. Mail, a Class
5 Member may also submit a dispute form by facsimile or email to the Settlement Administrator within
6 the Response Deadline. The Settlement Administrator shall then determine the eligibility for, and the
7 amounts of, any Individual Settlement Payments under the terms of this Agreement. In the absence of
8 circumstances indicating fraud, manipulation or destruction, Defendants' records shall be given a
9 rebuttable presumption of accuracy.

10 c. Request for Exclusion. Class Members who wish to exclude themselves from
11 the Settlement must submit to the Settlement Administrator a Request for Exclusion by the Response
12 Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number
13 of the Class Member, and the last four digits of the Class Member's social security number or full
14 employee ID number; (b) contain the case name and case number; (c) contain a clear statement by the
15 Class Member that he or she is electing to be excluded from the Settlement; (d) be signed by the Class
16 Member; and (e) be postmarked by the Response Deadline if submitted by U.S. Mail. The date of the
17 postmark on the return mailing envelope on the Request for Exclusion submitted by U.S. Mail shall
18 be the exclusive means used to determine whether it has been timely submitted. In addition to U.S.
19 Mail, a Class Member may also submit a Request for Exclusion by facsimile or email to the Settlement
20 Administrator within the Response Deadline. A Request for Exclusion shall not be presumptively
21 invalid if it does not contain the requirements of (a) through (d) if the Settlement Administrator can
22 ascertain the identity of the Class Member who wants to exclude themselves from the Settlement. Any
23 Class Member who requests to be excluded from the Settlement Class shall not be entitled to any
24 recovery under the Settlement and shall not be bound by the terms of the Settlement or have any right
25 to object, appeal or comment thereon except as to any distribution based upon PAGA penalties.
26 PAGA Members will receive their share of the PAGA Payment and the Settled PAGA Claims will be
27 released even if the Class Member submits a timely Request for Exclusion. Class Members who fail
28

1 to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound
2 by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action.

3 d. Objections. Class Members who wish to object to the Settlement can either
4 mail or send by facsimile or email to the Settlement Administrator a written Objection by the
5 Response Deadline. The Objection should: (a) contain the full name, address, and telephone number
6 of the Class Member, and the last four digits of the Class Member's social security number or full
7 employee ID number; (b) contain the case name and case number; (c) contain the dates of
8 employment of the Class Member; (d) be signed by the Class Member; (e) state the basis for the
9 Objection, including any legal briefs, papers or memoranda in support of the Objection; and (f) be
10 postmarked by the Response Deadline. The date of the postmark on the return mailing envelope on
11 the Objection shall be the exclusive means used to determine whether the Objection has been timely
12 submitted. Class Members who submit a timely Objection will have a right to appear at the final
13 approval hearing in order to have their Objection heard by the Court. At no time shall any of the
14 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit Objections
15 to the Settlement or appeal from the Final Approval Order and Judgment. Class Counsel shall not
16 represent any Class Members with respect to any such Objections. The Settlement Administrator
17 will provide the Parties with any Objection within five (5) calendar days of receipt of the Objection.
18 Plaintiff will file any and all Objections with the Court in advance of the Final Approval Hearing.
19 Oral or written Objections may also be made at the Final Approval hearing without a written
20 objection being submitted, but only with the Court's express permission. If the Court rejects the
21 objection, the individual will be bound by the terms of the Settlement. Objections will still be valid
22 even if the person who submits the Objection does not attend the Final Approval Hearing.

23 e. If greater than six (6) percent of the Class Members opt out or object to this
24 Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount is
25 6% or more, Defendants will have the right to rescind and terminate the Settlement without prejudice
26 to their pre-settlement positions and defenses in the litigation. In such a case, the Parties and any funds
27 to be awarded shall be returned to their respective statuses as of the date and time immediately prior
28 to the execution of this Agreement.

1 f. Except for those Settlement Class Members who exclude themselves in
2 compliance with the Request for Exclusion procedures set forth above, all Settlement Class Members
3 will: (i) be deemed to be Participating Class Members for all purposes under this Settlement
4 Agreement; (ii) will be bound by the terms and conditions of this Settlement Agreement, the
5 Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be
6 deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy
7 of the Settlement.

8 54. Funding Gross Settlement Amount. After Final Approval by the Court or January 1,
9 2026, whichever is later, Defendants shall wire transfer the full Gross Settlement Amount along with
10 Defendants' share of the payroll taxes to the Settlement Administrator within ten (10) calendar days .

11 55. Allocation of Settlement. Individual Settlement Payments will be paid from the Net
12 Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual
13 Settlement Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members'
14 last known mailing address.

15 a. The Settlement Administrator shall calculate the total Compensable Work
16 Weeks and Compensable PAGA Work Weeks for all Settlement Class Members based on the Class
17 Information provided by Defendants. The respective Compensable Work Weeks for each Settlement
18 Class Member will be divided by the total Compensable Work Weeks for all Settlement Class
19 Members, resulting in the Payment Ratio for each Settlement Class Member; a similar calculation will
20 apply to determining the Payment Ratio for Compensable PAGA Work Weeks. Each Settlement Class
21 Member's Payment Ratio will then be multiplied by the Net Settlement Amount to determine his or
22 her Individual Settlement Payment.

23 b. Individual Settlement Payments due to each Settlement Class Member shall be
24 designated as follows:

25 1. Thirty-Three and One-Third Percent (33.33%) of the Individual
26 Settlement Payment shall represent payment for alleged unpaid wages. This payment shall be
27 subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes
28 and/or contributions will be deducted from the amount paid to Settlement Class Members. The

1 Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this
2 payment.

3 2. Thirty-Three and One-Third Percent (33.33%) of the Individual
4 Settlement Payment shall represent payment of all penalties. These payments will not be subject to
5 withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form
6 1099 to each Settlement Class Member in relation to these payments.

7 3. Thirty-Three and One-Third Percent (33.33%) of the Individual
8 Settlement Payment shall represent payment of all interest. These payments will not be subject to
9 withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form
10 1099 to each Settlement Class Member in relation to these payments.

11 (a). Class Members With Missing/Unverifiable Social Security
12 Numbers and Withholdings of Taxes and Applicable Penalties. In the event that an Individual
13 Settlement Payment exceeds the threshold amount that must be reported to the Internal Revenue
14 Service by means of a Form 1099, Class Counsel, and the Settlement Administrator, will take all
15 necessary and reasonable steps to obtain W-9's from Class Members and to comply with applicable
16 IRS regulations on issuing 1099's without a social security number or tax entity identification number,
17 and shall take all reasonable and necessary steps to avoid imposition of IRS penalties against the Gross
18 Settlement Amount, including, but not limited to, limiting payments below the reportable threshold
19 and/or withholding of taxes and any applicable penalties. The Settlement Administrator will contact
20 Class Members who are entitled to payments that exceed the taxable income threshold twice, with at
21 least 30 days between the two contacts.

22 c. Uncashed Settlement Checks. Individual Settlement Payment checks shall
23 remain negotiable for one hundred and eighty (180) days from the postmark date of issuance. If the
24 Settlement Check is not cashed, deposited, or otherwise negotiated within the 180-day deadline, the
25 check will be voided, and the funds associated with any such voided checks shall be distributed to the
26 State of California Controller's Office, Unclaimed Property Division, in the name of the affected Class
27 Member. The Release will be binding upon all Participating Class Members, including those who do
28 not cash their checks within the 180-day period. The Parties agree that this disposition results in no

1 “unpaid cash residue,” or “unclaimed or abandoned funds” as the entire Net Settlement Amount will
2 be paid out to the Participating Class Members, whether or not they all cash their payment checks.

3 d. Certification By Settlement Administrator. The Parties have the right to
4 monitor and review administration of the Settlement. Any disputes not resolved by the Settlement
5 Administrator concerning the administration of the Settlement will be resolved by the Court, under
6 the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties
7 will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon
8 completion of administration of the Settlement, the Settlement Administrator shall provide written
9 certification of such completion to counsel for the Parties, and which shall be filed with the Court as
10 necessary.

11 e. Settlement Awards Do Not Trigger Additional Benefits. All monies received
12 by Settlement Class Members shall be deemed to be income to such Settlement Class Members solely
13 in the year in which such awards actually are received by the Settlement Class Members. It is expressly
14 understood and agreed that the receipt of such Individual Settlement Payments will not entitle any
15 Settlement Class Member to additional compensation or benefits under any company compensation
16 or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle
17 any Settlement Class Member to any increased pension and/or retirement, or other deferred
18 compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments
19 provided for in this Agreement are the sole payments to be made by Defendants to the Settlement
20 Class Members in connection with this Settlement, and that the Settlement Class Members are not
21 entitled to any new or additional compensation or benefits as a result of having received the Individual
22 Settlement Payments (notwithstanding any contrary language or agreement in any benefit or
23 compensation plan document that might have been in effect during the period covered by this
24 Settlement).

25 f. Class Representative Service Award. Defendants agree not to oppose or object
26 to a Class Representative Service Award to Plaintiff of up to Seven Thousand Dollars (\$7,000.00),
27 subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099 – MISC to
28 Plaintiff in connection with the Class Representative Service Award payment. Plaintiff shall be solely

1 and legally responsible to pay any and all applicable taxes on his Class Representative Service Award
2 and shall hold harmless Defendants and Class Counsel from any claim or liability for taxes, penalties,
3 or interest arising as a result of the Class Representative Service Award payment. The Class
4 Representative Service Award shall be in addition to Plaintiff's Individual Settlement Payment. This
5 Settlement is not contingent upon the Court awarding Plaintiff a Class Representative Service Award
6 in any amount, and any amount requested by Plaintiff for the Class Representative Service Award that
7 is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement
8 Class Members as provided in this Agreement.

9 g. Class Counsel Award. Defendants agree not to oppose or object to any
10 application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross
11 Settlement Amount, or Eighty-Three Thousand and Two-Hundred and Fifty Dollars (\$83,250.00).
12 Defendants further agree not to oppose any application or motion by Class Counsel for the
13 reimbursement of any costs or expenses associated with Class Counsel's prosecution of this matter
14 from the Gross Settlement Amount not to exceed Fifteen Thousand Dollars (\$15,000.00). Class
15 Counsel shall be solely and legally responsible to pay all applicable taxes on the payment made
16 pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 – MISC to
17 Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent
18 upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any
19 amount requested by Class Counsel for the Class Counsel Award and costs that is not granted by the
20 Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as
21 provided in this Agreement.

22 h. Settlement Administration Costs. The Settlement Administrator shall be paid
23 for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of
24 notice and administration for the disbursement of the Gross Settlement Amount shall not exceed Eight
25 Thousand and Five Thousand Dollars (\$8,500.00). Prior to the filing of a motion for final approval of
26 this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the
27 costs of administration. Any amount requested by the Settlement Administrator for administration
28

costs that is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement Class members as provided in this Settlement Agreement.

i. PAGA Payment. Ten Thousand dollars (\$10,000) from the Gross Settlement Amount will be allocated to penalties under the Private Attorneys General Act of 2004. Seventy-five percent (75%) of that amount, or \$7,500, will be paid to the LWDA and twenty-five (25%) of that amount, or \$2,500, will be paid to the PAGA Members based upon Compensable PAGA Work Weeks as determined by the PAGA Payment Ratio as set forth in Paragraph 25. This PAGA Payment is made pursuant to California Labor Code § 2699(i).

56. Tax Liability: Class Counsel and Defendants make no representation as to the tax treatment or legal effect of payments called for hereunder, and Plaintiff and the Settlement Class Members are not relying on any statement or representation by Class Counsel or Defendants in this regard. Plaintiff and Participating Class Members understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Settlement Agreement, the processes set forth in this Section may be modified in a manner to bring Defendants into compliance with any such changes.

57. Distribution of Settlement Payments. Individual Settlement Payments to Settlement Class Members, the Class Representative Service Awards, the Class Counsel Award, Settlement Administration Costs, Defendants' share of employer payroll taxes and PAGA Payment, shall all be distributed by the Settlement Administrator within ten (10) calendar days of receipt of the full Gross Settlement Amount from Defendants. Prior to distribution of Individual Settlement Payments to the Settlement Class Members and PAGA Members, the Settlement Administrator shall update the Class and PAGA Members addresses using the National Change of Address Database.

1 58. Pay Period Differential. It is currently estimated that Class Members collectively
2 worked 4,020 pay periods. If it is determined by Plaintiff's counsel and confirmed by the Settlement
3 Administrator that more than ten percent (10%) additional pay periods exist through final approval,
4 the Gross Settlement Amount will be increased on a pro rata basis according to the number of
5 additional pay periods in excess of ten percent (10%) more than 4,422.

6 59. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of
7 the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final
8 approval of the Settlement and amounts properly payable for: (a) Individual Settlement Payments; (b)
9 the Class Counsel Award; (c) the Class Representative Service Award; (d) PAGA Payment; and (e)
10 the Settlement Administration Costs.

11 60. Nullification of Settlement Agreement. In the event: (a) the Court does not enter the
12 Order for preliminary approval of the Settlement; (b) the Court does not finally approve the
13 Settlement; (c) the Court does not enter a Final Approval Order and Judgment as provided herein;
14 (d) the Settlement does not become final for any other reason; or (e) the Court fails or refuses to
15 approve any material condition of this Settlement Agreement which effects a fundamental change of
16 the Settlement Agreement, this entire Settlement Agreement shall be null and void and
17 unenforceable as to all Parties herein at the option of any Party but remains protected by California
18 Evidence Code Section 1152, and any order or judgment entered by the Court in furtherance of this
19 Settlement shall be treated as void from the beginning. In such cases, the Parties and any funds to be
20 awarded under this Settlement shall be returned to their respective statuses as of the date and time
21 immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as
22 if this Agreement had not been executed. Further, if the Settlement Agreement is voided or fails for
23 any reason, Plaintiff and Defendants will have no further obligations under the Settlement
24 Agreement, including any obligation by Defendants to pay the Settlement Amount, or any amounts
25 that otherwise would have been owed under this Settlement Agreement. In the event an appeal is
26 filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought,
27 administration of the Settlement shall be stayed pending final resolution of the appeal or other
28 appellate review, and any fees incurred by the Settlement Administrator prior to it being notified of

1 the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate
2 review, shall be paid to the Settlement Administrator by the party or person that filed the appeal,
3 within thirty (30) calendar days of said notification.

4 61. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement Class
5 Members pursuant to this Agreement shall be deemed not to be pensionable earnings and shall not
6 have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations,
7 holiday pay, retirement plans, etc.) of Plaintiff or Settlement Class Members.

8 62. No Admission by Defendants. Defendants deny any and all claims alleged in this
9 Action and deny all wrongdoing whatsoever. This Settlement Agreement is not a concession or
10 admission and shall not be used against Defendants as an admission or indication with respect to any
11 claim of any fault, concession, or omission by Defendants. Nonetheless, Defendants desire to settle
12 and compromise the matters at issue in the Action to avoid further substantial expense and the
13 inconvenience and distraction of protracted and burdensome litigation. Defendants also have taken
14 into account the uncertainty and risks inherent in litigation, and without conceding any infirmity in
15 the defenses that they have asserted or could assert against Plaintiff and/or any Settlement Class
16 Member, have determined that it is desirable and beneficial that the claims of Plaintiff and the
17 Settlement Class be settled in the manner and upon the terms and conditions set forth in this Settlement
18 Agreement.

19 63. Exhibits and Headings. The terms of this Settlement Agreement include the terms set
20 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
21 Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any
22 paragraphs or sections of this Agreement are inserted for convenience of reference only and do not
23 constitute a part of this Agreement.

24 64. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
25 except such proceedings necessary to implement and complete the Settlement, holding the Action in
26 abeyance pending the final approval hearing to be conducted by the Court.

1 65. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the
2 interpretation, calculation or payment of Settlement claims, or other disputes regarding compliance
3 with this Agreement shall be resolved as follows:

4 a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
5 Member, or Defendants' Counsel, on behalf of Defendants, at any time believe that the other Party
6 has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of
7 the alleged violation.

8 b. Upon receiving notice of the alleged violation or dispute, the responding Party
9 shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party
10 with the reasons why the Party disputes all or part of the allegation.

11 c. If the response does not address the alleged violation to the initiating Party's
12 satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their
13 differences.

14 d. If Class Counsel and Defendants' Counsel are unable to resolve their
15 differences after twenty (20) calendar days, either Party shall first contact the mediator (E. Will Klatte,
16 Esq.) to try to resolve the dispute. If that proves unsuccessful, the party may file an appropriate motion
17 for enforcement with the Court. The briefing of such motion should be in letter brief form and shall
18 not exceed five (5) single-spaced pages (excluding exhibits).

19 e. Reasonable attorneys' fees and costs for work done in resolving a dispute under
20 this Section may be recovered by any Party that prevails under the standards set forth within the
21 meaning of applicable law.

22 66. Notice. Unless otherwise specifically provided herein, all notices, demands or other
23 communications given hereunder shall be in writing and shall be deemed to have been duly given as
24 of the third business day after (i) emailing and (ii) mailing by United States registered or certified
25 mail, return receipt requested, addressed:

26 ///

27 ///

1 To the Settlement Class:

2 THE WHEELER LAW FIRM, APC
3 Scott Ernest Wheeler
4 Justin A. Wheeler
5 250 West First Street, Suite 216
6 Claremont, California 91711
7 Telephone: (909) 621-4988
8 Facsimile: (909) 621-4622
9 Email: sew@scottwheelerlawoffice.com
10 jaw@scottwheelerlawoffice.com

11 To Defendants:

12 LAW OFFICES OF JOHN W. FAGERHOLM LTD
13 M. Danton Richardson (SBN 141709)
14 John W. Fagerholm (SBN 213852)
15 Stephanie B. Greenberg (SBN 324335)
16 611 North Brand Suite 1300
17 Glendale, CA 91203
18 Telephone: (323) 289-2260
19 Facsimile: (323) 642-5441
20 Email: drichardson@jwflawltd.com
21 jfagerholm@jwflawltd.com
22 sbgreenberg@jwflawltd.com

23 67. Amendment or Modification. This Agreement may be amended or modified only by
24 a written instrument signed by counsel for all Parties and approved by the Court.

25 68. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
26 the entire Agreement among these Parties, and no oral or written representations, warranties, or
27 inducements have been made to any Party concerning this Agreement or its Exhibits other than the
28 representations, warranties, and covenants contained and memorialized in the Agreement and its
Exhibits.

69. 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
Agreement and to take all appropriate actions required or permitted to be taken by such Parties
pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
and use their best efforts to affect the implementation of the Settlement. In the event the Parties are

1 unable to reach agreement on the form or content of any document needed to implement the
2 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of
3 this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such
4 disagreement. The persons signing this Agreement on behalf of Defendants represent and warrant that
5 he/she is authorized to sign this Agreement on behalf of Defendants. Plaintiff represents and warrants
6 that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim,
7 covered by this Settlement to a third-party.

8 70. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
9 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

10 71. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they
11 have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or
12 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
13 or rights released and discharged by this Settlement Agreement.

14 72. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
15 Order and Judgment, nothing contained herein, nor the consummation of this Settlement Agreement,
16 is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
17 part of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into
18 this Settlement Agreement with the intention of avoiding further disputes and litigation with the
19 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it,
20 along with all related documents such as the notices, and motions for preliminary and final approval,
21 shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be
22 inadmissible as evidence in any proceeding, except an action or proceeding to approve the Settlement,
23 and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part
24 of this Settlement Agreement is for settlement purposes only and if for any reason the Settlement is
25 not approved, the stipulation will be of no force or effect.

26 73. California Law Governs. All terms of this Settlement Agreement and the Exhibits
27 hereto shall be governed by and interpreted according to the laws of the State of California.

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1 74. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement
2 is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after
3 extensive arms-length negotiations, taking into account all relevant factors, present and potential.

4 75. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6,
5 the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
6 of the terms of this Settlement Agreement and all orders and judgments entered in connection
7 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes
8 of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders
9 and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to
10 approval by the Court.

11 76. Construction. The Parties hereto agree that the terms and conditions of this Settlement
12 Agreement are the result of lengthy, intensive arms'-length negotiations among the Parties and that
13 this Settlement Agreement shall not be construed in favor of or against any Party based on the extent
14 to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff
15 and Defendants expressly waive the common-law and statutory rule of construction that ambiguities
16 should be construed against the drafter of an agreement and further agree, covenant, and represent that
17 the language in all parts of this Settlement Agreement shall be in all cases construed as a whole,
18 according to its fair meaning.

19 77. Captions and Interpretations. Paragraph titles or captions contained herein are inserted
20 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope
21 of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is
22 contractual and not merely a recital.

23 78. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to
24 the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
25 successors and assigns.

26 79. Signatures of All Class Members Unnecessary to be Binding. It is agreed that,
27 because the members of the Settlement Class are numerous, it is impossible or impractical to have
28 each Settlement Class Member execute this Settlement Agreement. The Notice will advise all

1 Settlement Class Members of the binding nature of the release provided herein and such Release
2 shall have the same force and effect as if this Settlement Agreement were executed by each
3 Settlement Class Member.

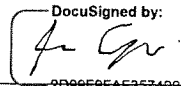
4 80. Voluntary Agreement. The Parties acknowledge that they have entered into this
5 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress,
6 or undue influence of any Party, and not in reliance on any promises, representations, or statements
7 made by the other Parties other than those contained in this Settlement Agreement. Each of the
8 Parties hereto expressly waves any right they might ever have to claim that this Settlement
9 Agreement was in any way induced by fraud.

10 81. Opportunity to Consult with Counsel. Prior to execution of this Settlement
11 Agreement, each Party has read this entire Settlement Agreement and has been given the
12 opportunity to consult with independent counsel of their choosing and to have such independent
13 counsel advise as to the meaning of this Settlement Agreement and its legal effect.

14 82. Counterparts. This Settlement Agreement may be executed in counterparts, and when
15 each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed
16 an original, and, when taken together with other signed counterparts, shall constitute one fully-signed
17 Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic
18 signatures shall have the same force and effect as an original.

19 83. Invalidity of Any Provision. Before declaring any provision of this Settlement
20 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent
21 possible consistent with applicable precedents so as to define all provisions of this Agreement valid
22 and enforceable.

23 Dated: 1/13/2025

By: 
Jose Ivan Arroyo
2D99F9FAF357420...

Tijuanazo Inc.

26 Dated: _____

By: _____

Title: _____

1 Settlement Class Members of the binding nature of the release provided herein and such Release
2 shall have the same force and effect as if this Settlement Agreement were executed by each
3 Settlement Class Member.

4 80. Voluntary Agreement. The Parties acknowledge that they have entered into this
5 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress,
6 or undue influence of any Party, and not in reliance on any promises, representations, or statements
7 made by the other Parties other than those contained in this Settlement Agreement. Each of the
8 Parties hereto expressly waves any right they might ever have to claim that this Settlement
9 Agreement was in any way induced by fraud.

10 81. Opportunity to Consult with Counsel. Prior to execution of this Settlement
11 Agreement, each Party has read this entire Settlement Agreement and has been given the
12 opportunity to consult with independent counsel of their choosing and to have such independent
13 counsel advise as to the meaning of this Settlement Agreement and its legal effect.

14 82. Counterparts. This Settlement Agreement may be executed in counterparts, and when
15 each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed
16 an original, and, when taken together with other signed counterparts, shall constitute one fully-signed
17 Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic
18 signatures shall have the same force and effect as an original.

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20 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent
21 possible consistent with applicable precedents so as to define all provisions of this Agreement valid
22 and enforceable.

23 Dated: _____

By: _____

Jose Ivan Arroyo

Tijuanazo Inc.

24
25
26 Dated: 01 / 29 / 2025

By: Brenda Marroquin

Title: Ceo

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El Tijuano Corp.

Brenda Marroquin

Dated: 01 / 29 / 2025

By: _____

Title: Ceo

Birrieria El Tijuano

Brenda Marroquin

Dated: 01 / 29 / 2025

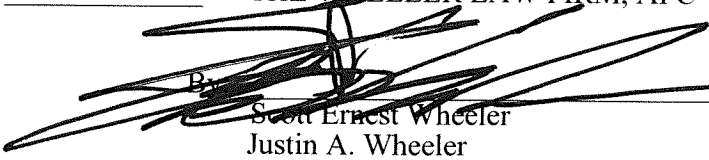
By: _____

Title: Ceo

APPROVED AS TO FORM:

Dated: January 13, 2025

THE WHEELER LAW FIRM, APC


By: Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated: January 22, 2025

LAW OFFICES OF JOHN W. FAGERHOLM LTD

By: Stephanie Greenberg

M. Danton Richardson
John W. Fagerholm
Stephanie B. Greenberg

Attorneys for Defendants

EXHIBIT 1

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Jose Ivan Arroyo v. Tijuano Inc., El Tijuano Corp., et al.

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SAN BERNARDINO
CASE NO. CIVSB2404841

PLEASE READ THIS NOTICE

A class and representative action under the Private Attorneys General Act, California Labor Code sections 2699-2699.5 ("PAGA") against Defendants, Tijuano Inc., El Tijuano Corp., and Birrieria el Tijuano ("Defendants") has been preliminarily approved for settlement. In the lawsuit, Plaintiff, Jose Ivan Arroyo ("Plaintiff"), alleged that Defendants failed to properly compensate Class Members for all hours worked, failed to provide Class Members with compliant meal and/or rest periods or compensation in lieu thereof, failed to pay overtime wages, failed to pay minimum wages, failed to timely pay all wages, failed to pay all wages due to quitting and discharged employees at the time of separation, failed to maintain accurate payroll records, failed to provide accurate wage statements, failed to reimburse for reasonable and necessary business expenses, and penalties predicated on the Labor Code violations pursuant to Labor Code sections 2699-2699.5 ("PAGA"). Defendants deny Plaintiff's allegations and contends that they complied with the applicable laws.

Class Member(s) are defined as: all non-exempt, hourly employees who worked for Defendants at any time in the state of California from February 6, 2020, through December 31, 2024. ("Class Period" and collectively, the Class Members are referred to as the "Class").

"Class Period" means the time period from February 6, 2020, through December 31, 2024.

"PAGA Member(s) are defined as: all non-exempt, hourly employees who worked for Defendants at any time in the state of California from November 28, 2022, through December 31, 2024.

The "PAGA Period" is time period from November 28, 2022, through December 31, 2024.

You have been identified by Defendants' records as a Class Member in the above-entitled action, and as such, you are subject to the terms of the Class Action and PAGA Settlement Agreement And Release ("Settlement"), preliminarily approved by the Court. Please read this notice carefully. It may affect your legal rights. Defendants will not retaliate against you for any actions you take with respect to the settlement.

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT	
Participate in the Settlement	If you want to remain in the Class, be bound by the Settlement and receive your Individual Settlement Payment, and if eligible, PAGA Payment , then you need not do anything.
Exclude Yourself From the Settlement	If you do not want to be bound by the Settlement, you must follow the instructions in Section 6 to exclude yourself. If you exclude yourself, you will not receive your Individual Settlement Payment, and you will not release the Settled Claims against Released Parties defined in Section 4 below. If this Settlement is approved by the Court, and you are a PAGA Member, you will receive your PAGA payment and the Settled PAGA Claims will be released even if you exclude yourself from the Settlement.
Object to the Settlement	If you want to object to the Settlement, you must follow the instructions in Section 7. If you object, you will still be bound by the terms of the Settlement, if approved by the Court.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendants' records reflect that you are a Class Member as defined above. This Notice provides you with information about (1) the terms of the Settlement, including the claims that are being released, (2) the total monetary amount of the Settlement, (3) your estimated Individual Settlement Payment provided you remain a Settlement Class Member, and (4) where to find additional information regarding the case and the Settlement.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you do nothing, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

2. WHAT IS THIS CASE ABOUT?

The Class Action Complaint for Damages was filed on February 6, 2024, in the Superior Court of California, County of San Bernardino, commencing the lawsuit entitled *Jose Ivan Arroyo v. Tijuana Inc., et al.*, Case No. CIVSB2404841. Plaintiff alleged on behalf of himself and the Class the following claims against Defendants for: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay timely wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to furnish accurate, itemized wage statements; (8) failure to maintain records; (9) unfair business competition; (10) failure to reimburse necessary business expenses; and (11) violation of PAGA, predicated on the violations of the California Labor Code and applicable IWC Wage Order as alleged in the Operative Complaint.

The resolution of the PAGA claim ("PAGA Settlement") includes any all non-exempt, hourly employees who worked for Defendants at any time in the state of California from November 28, 2022, through December 31, 2024 ("PAGA Members").

The Court has not ruled on the merits of Plaintiff's claims. By preliminarily approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case on the merits. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable and any final determination of those issues will be made at the final approval hearing.

3. THE SETTLEMENT TERMS AND CALCULATION OF INDIVIDUAL SETTLEMENT PAYMENTS AND PAGA PAYMENTS.

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendants have agreed to pay a Gross Settlement Amount of Two Hundred and Fifty Thousand Dollars (\$250,000.00) to settle the Action if approved by the Court.

The following amounts will be paid from the Gross Settlement Amount:

- Service Payment to Plaintiff for his service as Class Representative in the amount of up to Seven Thousand Dollars and Zero Cents (\$7,000.00);
- Attorneys' Fees not to exceed Eighty-Three Thousand Two Hundred and Fifty Dollars (\$83,250.00) (i.e., 1/3 of the Gross Settlement Amount) to Class Counsel and up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for reimbursement of litigation costs and expenses ("Attorneys' Costs");
- The amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) allocated to the payment of civil penalties under PAGA (the "PAGA Allocation");
- The costs associated with administration of the Settlement, estimated to be Eight Thousand and Five Hundred Dollars and Zero Cents (\$8,500.00) ("Settlement Administration Costs").

Individual Settlement Payment: The amount remaining from the Gross Settlement Amount after the above deductions is called the "Net Settlement Amount". The Net Settlement Amount will be allocated to all Class Members who do not request to be excluded from the Settlement ("Settlement Class Members") on a *pro rata* basis, based on their number of Compensable Work Weeks. Each payment is called an "Individual Settlement Payment" and will be calculated as follows:

1. The Settlement Administrator will determine the number of work weeks worked by Class Members in California as a non-exempt employee during the Class Period ("Compensable Work Weeks");
2. The Settlement Administrator will determine the value of a single Compensable Work Week by dividing the Net Settlement Amount by the total number of Compensable Work Weeks for each Settlement Class Member resulting in a payment ratio; and
3. Each Settlement Class Member shall receive a gross Individual Settlement Payment equal to his or her Compensable Work Week payment ratio multiplied by the Net Settlement Amount.

Based on your Compensable Work Weeks, your individual settlement payment as a Settlement Class Member is estimated to be \$_____.

PAGA Payment: A total of Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Amount has been allocated to PAGA Settlement. Of this amount, 75% or Seven Thousand Five Hundred Dollars (i.e., \$7,500.00) will be paid to California's Labor

& Workforce Development Agency, and 25% or Two Thousand Five Hundred Dollars (i.e., \$2,500.00) (the “Net PAGA Distribution Amount”) will be paid on a *pro-rata* basis to PAGA Members.

1. The Settlement Administrator will determine the number of weeks worked by PAGA Members as non-exempt employees in California during the period from November 28, 2022, through December 31, 2024 (“Compensable PAGA Work Weeks”);
2. The Settlement Administrator will determine the value of a single Compensable PAGA Work Week by dividing the Net PAGA Distribution Fund by the total number Compensable PAGA Work Weeks by all PAGA Members.
3. Each PAGA Member shall receive a PAGA Payment equal to his or her Compensable PAGA Work Weeks multiplied by the value of a single Compensable PAGA Work Week.

Based on these PAGA Compensable Work Weeks, your PAGA Payment is estimated to be \$ _____.

If you dispute the above information, you may submit a written dispute to the number of Compensable Work Weeks and/or Compensable PAGA Work Weeks allocated to you (“Dispute”) to the Settlement Administrator. Your Dispute must: (1) contain your name, address, and telephone number and the case name and number of this action, *Jose Ivan Arroyo v. Tijuano Corp., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2404841; (2) be signed by you; (3) be postmarked, emailed or fax stamped on or before (INSERT DATE) and returned to the Settlement Administrator at the address, email or fax number listed below; (4) clearly state the number of Compensable Work Weeks and/or Compensable PAGA Work Weeks you believe are correct; and (5) attach any documentary evidence you have to prove the number of contented Compensable Work Weeks and/or Compensable PAGA Work Weeks.

Phoenix Settlement Administrators
Re: *Jose Ivan Arroyo v. Tijuano Inc., et al.*
INSERT ADDRESS
Phone: (800) _____
Facsimile: (714) _____
Email: **INSERT EMAIL ADDRESS**

Thirty-three and one-third percent (33.33%) of each Individual Settlement Payment will be allocated to wages and subject to all applicable employee state and federal tax withholdings; thirty-three and one-third percent (33.33%) of each Individual Settlement Payment will be considered penalties and any other non-wage related amount; and thirty-three and one-third (33.33%) of each Individual Settlement Payment will be considered interest. The amount allocated as wages will be reported on an IRS form W-2, and the remaining amount allocated as penalties, liquidated damages, interest and other non-wage payments will be reported on an IRS form 1099. One hundred percent (100%) of each PAGA Payment will be allocated as penalties and be reported on an IRS form 1099.

In addition to the Gross Settlement Amount, Defendants will pay all employer-payroll taxes and contributions in connection with the portion of the Settlement allocated towards wages at the time the Gross Settlement Amount is funded.

Class Members are responsible for paying taxes on any amounts received. This Notice is not tax advice and you should consult your tax advisor. Checks will be valid and negotiable for one-hundred and eighty (180) days; after that checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one-hundred and eighty (180) days of mailing, or are returned to the Settlement Administrator, will be cancelled and the Settlement Administrator shall send the funds associated with uncashed checks to the State of California Controller’s Office, Unclaimed Property Division, in the name of the affected Class Member. **Class Members will be bound by the Settlement even if they do not cash their settlement checks.**

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

If you do nothing, you will receive your Individual Settlement Payment.

If and when the Court grants final approval of the Settlement, as of the Effective Date, all Class Members who do not opt out of the Settlement (“Settlement Class Members”) hereby do and shall fully and finally release and discharge Released Parties, from February 6, 2020, through December 31, 2024, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, including any claims for: (a) failure to provide required meal periods, California Labor Code §§ 226.7, 510, 512, 1194, 1197, IWC Wage Order No. 5-2001, §11; (b) failure to provide required rest periods, California Labor Code §§ 226.7, 512, and IWC Wage Order No. 5-2001, §12; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194, 1198 and IWC Wage Order No. 5-2001, §11; (d) failure to pay minimum wages, California Labor Code §§ 1194, 1197, and IWC Wage Order No. 5-2001, §4; (e) failure to timely pay wages §§ 204 and 210; (f) failure to timely pay all wages during employment and to discharged and quitting employees, California Labor Code §§ 201-203; (g) failure to maintain required records, in violation of California Labor Code §§ 226, 1174, and IWC Wage Order No. 5-2001, §11; (h) failure to furnish accurate, itemized wage statements,

in violation of California Labor Code §§ 226, 246, 248.1, 248.2, 248.6, and 226.3; and IWC Wage Order No. 5-2001, §6; (i) failure to provide supplemental COVID-19 sick leave, in violation of California Labor Code §§ 246, 248.1, 248.2, and 248.6; (j) failure to reimburse necessary business expenses, California Labor Code §2802; and (k) unlawful business practices under California, Business and Professions Code §17200, et seq., predicated on any of the violations of the California Labor Code and the applicable IWC Wage Order as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations or the primary rights asserted in the Operative Complaint. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period.

“Released Parties” collectively mean: (i) Defendants; (ii) Defendants’ respective past, present and future heirs, executors, administrators, parents, subsidiaries and affiliates, successors and assigns; and (iii) the past, present and future shareholders, managers, officers, partners, members, agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the foregoing.

5. WHAT AM I RELEASING AS A PAGA MEMBER UNDER THE SETTLEMENT?

As of the Effective Date, all PAGA Members, hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all Settled PAGA Claims.

“Settled PAGA Claims” means penalties under PAGA only, and not for underlying wage and hour claims which the claims for penalties are based upon, as alleged in the Operative Complaint and the PAGA Notice filed by Plaintiff, and as described in section 4, above.

Released Parties are defined in section 4 of this Notice above.

PAGA MEMBERS CANNOT OPT-OUT OR EXCLUDE THEMSELVES FROM THE PAGA SETTLEMENT OR RELEASE OF SETTLED PAGA CLAIMS AND WILL RECEIVE A PAGA PAYMENT EVEN IF THEY OPT-OUT OR EXCLUDE THEMSELVES FROM THE CLASS SETTLEMENT.

6. WHAT IF I DON'T WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Class Member and with regards to the settlement of Settled Claims, but you are not able to exclude yourself as a PAGA Member. To exclude yourself as a Settlement Class Member, you must submit a written Request for Exclusion to the Settlement Administrator (“Opt-Out Request”) at the address, email or fax number listed in section 3 of this Notice above.

A valid and complete Opt-Out Request must (1) contain the name, address, and telephone number of the Class Member requesting exclusion and the case name and number of the *Arroyo* Action (i.e., *Jose Ivan Arroyo v. Tijuano Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2404841); (2) be signed by the Class Member; (3) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number listed in section 3 of this Notice above; and (4) contain a statement something substantially similar to:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE JOSE IVAN ARROYO V. TIJUANAZO CORP, ET AL., LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT FROM THE SETTLEMENT OF THE LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED.”

It is your responsibility to ensure that the Settlement Administrator timely receives your request to be excluded from the Settlement. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval of the Settlement.

Class Members who request to be excluded from the Settlement will NOT receive their Individual Settlement Payment and will not release any of the Settled Claims. However, Class Members who are also PAGA Members will receive their PAGA Payment and release the Settled PAGA Claims regardless of whether they submit an Opt-Out Request.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Settlement Class Member may object to the Settlement or to any settlement term. If the Court denies approval, no payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

If you wish to object, you must submit the written objection to the Settlement Administrator (“Objection”) to the following address or fax number listed in section 3 of this Notice above. A valid and timely Objection must: (1) contain the name, address, and telephone

number of the Settlement Class Member objecting and the case name and number of the *Jose Ivan Arroyo v. Tijuanazo Inc., et al.*, Superior Court of the State of California for the County of San Bernardino, Case No. CIVSB2404841; (2) be signed by the Settlement Class Member; (3) give the legal and factual basis for their objection; and (4) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number in section 3 of the Notice above. Any written objection will not be presumptively invalidated if the objections do not comply with requirements (1), (2) and (3) as long as the written objection is timely received pursuant to requirement (4).

The submission of an objection will **not** exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still receive an Individual Settlement Payment and will be barred from pursuing the Settled Claims. **Do not file both an Objection and Opt-Out Request.** If you file both an Objection and an Opt-Out Request, you will be excluded from the Settlement and the Objection will not be considered.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on [INSERT DATE AND TIME] in Department S-36 of the Superior Court of the State of California, San Bernardino – Civil Justice Center, located at 247 West 3rd Street, San Bernardino, California 92415. The final approval hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class are:

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622

Attorneys for Defendants are:

LAW OFFICES OF JOHN W. FAGERHOLM,
LTD.
M. Danton Richardson (SBN 141709)
John W. Fagerholm (SBN 213852)
Stephanie B. Greenberg (SBN 324335)
611 North Brand Suite 1300
Glendale, CA 91203
Telephone: (323) 289-2260
Facsimile: (323) 642-5441
Email: drichardson@jwflawltd.com
jfagerholm@jwflawltd.com
sgreenberg@jwflawltd.com

The Court has decided that the Attorney for Plaintiff and the Class are qualified to represent the Settlement Class Members. Other than the Attorneys' Fees and Attorneys' Costs approved by the Court, which will be paid out of the Gross Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION.

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Superior Court of the State of California, San Bernardino – Civil Justice Center, located at 247 West 3rd Street, San Bernardino, California 92415 or at the Court's website at: <https://www.SB-court.org>. Documents regarding this Settlement may also be found on the Internet at: [https:// https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales](https://https://www.sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales).

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.

EXHIBIT 2

1 **THE WHEELER LAW FIRM, APC**
2 Scott Ernest Wheeler (SBN 187998)
3 Justin A. Wheeler (SBN 342226)
4 250 West First Street, Suite 216
5 Claremont, California 91711
6 Telephone: (909) 621-4988
7 Facsimile: (909) 621-4622
8 Email: sew@scottwheelerlawoffice.com
9 jaw@scottwheelerlawoffice.com
10

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF SAN BERNARDINO**
13 **SAN BERNARDINO JUSTICE CENTER**

14 JOSE IVAN ARROYO, individually, and
15 on behalf of all others similarly situated,

16 Plaintiff,

17 v.

18 TIJUANA INC., a California
19 corporation, EL TIJUANZO CORP, a
20 California corporation, BIRRIERIA EL
21 TIJUANAZO, an unknown business entity;
22 and DOES 1 through 50, inclusive,
23

24 Defendants.
25
26
27
28

Case No.: CIVSB2404841

[Hon. Tony Raphael, Dept. S-36]

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT
AGREEMENT AND RELEASE**

1 **[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL**

2 The Court now has before it, Plaintiff's unopposed Motion for Preliminary Approval of Class
3 Action Settlement ("Motion"). After reviewing the Motion, the Class Action and PAGA Settlement
4 Agreement and Release ("Settlement Agreement") and exhibits attached thereto, and good cause
5 appearing therefore, the Court hereby finds and orders as follows:

6 1. The Court finds on a preliminary basis that the settlement memorialized in the
7 Settlement Agreement appears to be fair and adequate, and falls within the range of reasonableness,
8 and therefore meets the requirement for preliminary approval.

9 2. The Court conditionally certifies for settlement purposes only the following class (the
10 "Class" or "Settlement Class"):

11 3. "Class" means: all non-exempt, hourly employees who worked for Defendants at any time in
12 the state of California from February 6, 2020, through December 31, 2024.

13 "Class Period" means the time period from February 6, 2020 through
14 December 31, 2024.

15 4. The Court conditionally approves for settlement purposes only the PAGA allocation of
16 this settlement to the California Labor and Workforce Development Agency ("LWDA") and PAGA
17 Members.

18 The PAGA Period is from November 28, 2022 through December 31, 2024.

19 5. The Court finds, for settlement purposes only, that the Class meets the requirements
20 for certification under California Code of Civil Procedure § 382 in that: (1) the Class is so numerous
21 that joinder is impractical; (2) there are questions of law and fact that are common, or of general
22 interest, to the Class, which predominate over any individual issues; (3) Plaintiff's claims are typical
23 of the claims of the Class; (4) Plaintiff and Plaintiff's counsel will fairly and adequately protect the
24 interests of the Class; and (5) a class action is superior to other available methods for the fair and
25 efficient adjudication of the controversy.

26 6. The Court appoints, for settlement purposes only, Plaintiff Jose Ivan Arroyo as
27 Representative for the Class.

28 7. The Court appoints, for settlement purposes only, The Wheeler Law Firm, APC, as

Counsel for the Class.

8. The Parties are ordered to carry out the Settlement according to the terms of the Settlement Agreement.

9. The Court appoints Phoenix Settlement Administrators ("Phoenix") as the Settlement Administrator and is ordered to carry out the administration of the settlement according to the terms of the Settlement Agreement.

10. The Court approves as to form and content of the Class Action and PAGA Settlement Notice. The Court finds that the dates selected for the mailing and distribution of the Notice Packet meet the requirements of due process, provide the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto.

11. If any Class Member objects to the Settlement Agreement, the objecting party is not required, either personally or through counsel: 1) to appear at the hearing on the motion for final approval for that party's objection to be considered; or 2) to file or serve, or to state in the objection, a notice of intention to appear at the hearing on the motion for Final Approval of the Class Settlement.

12. Phoenix, the Settlement Administrator, shall provide notice to any objecting party of any continuance of the hearing of Plaintiff's Motion for Final Approval.

13. The Parties are ordered to carry out the Settlement according to the following implementation schedule:

Event	Date
Last day for Defendants to provide the Settlement Administrator with the Class Information	
Last day for Settlement Administrator, Phoenix to mail Class Notice	
Last day for Class Members to submit a dispute regarding Workweeks, Request for Exclusion, or written Objection	
Last Day for Plaintiffs to file Motion for Final Approval of the Class Settlement, Attorneys' Fees and Costs and Class Representative Service Award	Per Code
Final Approval Hearing	

1 14. The Court finds that the method of giving notice to the Class constitutes the best means
2 practicable of providing notice under the circumstances. The Court further finds that the Notice Packet
3 and the method of giving notice to the Class meet the requirements of California Code of Civil
4 Procedure § 382, California Rules of Court, Rules 3.766 and 3.769, and due process under the
5 California and United States Constitutions, and other applicable law.

6 15. At the Final Approval Hearing, the Court will consider whether the Settlement should
7 be finally approved as fair, reasonable and adequate, whether a final judgment should be entered, and
8 whether the payments provided for under the Settlement, including attorneys' fees and costs and class
9 representative service award, should be finally approved and granted.

10 16. Pending the Final Approval Hearing, all proceedings in this Action, other than
11 proceedings necessary to implement the Settlement and this Order, are stayed.

12 **IT IS SO ORDERED.**

13
14 DATED: _____

HONORABLE TONY RAPHAEL
JUDGE OF THE SUPERIOR COURT

Title	Class Action and PAGA Settlement Agreement and Release.pdf
File name	Class%20Action%20...and%20Release.pdf
Document ID	8bcceadc3a61495415a3f9c2e3038c4e3553b4fc
Audit trail date format	MM / DD / YYYY
Status	 Signed

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 SENT	01 / 22 / 2025 17:03:10 UTC	Sent for signature to Birrieria El Tijuano Corp. (Tijuano, Inc.) (brendamarroquin75@yahoo.com) from sgreenberg@jwflawltd.com IP: 73.6.29.87
 VIEWED	01 / 29 / 2025 19:23:22 UTC	Viewed by Birrieria El Tijuano Corp. (Tijuano, Inc.) (brendamarroquin75@yahoo.com) IP: 76.166.200.165
 SIGNED	01 / 30 / 2025 00:11:56 UTC	Signed by Birrieria El Tijuano Corp. (Tijuano, Inc.) (brendamarroquin75@yahoo.com) IP: 45.51.114.82
 COMPLETED	01 / 30 / 2025 00:11:56 UTC	The document has been completed.