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(*erroneously sued as* JILL MARIE GAUTHIER), and JOHN JAMES GAUTHIER

13 **SUPERIOR COURT OF CALIFORNIA**  
14 **FOR THE COUNTY OF MERCED**  
15

16 DEMECIO AGUIRRE VILLEGAS,  
17 individually and on behalf of all other similarly  
situated employees,

18 Plaintiff,

19 vs.

20 G & H PIZZA, INC., a California Corporation ;  
21 JILL MARIE GAUTHIER, an individual;  
JOHN JAMES GAUTHIER, an individual; and  
22 DOES 1 to 100, inclusive,  
23 Defendants.

Case No.: 24CV-00447

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

Filed: January 26, 2024

FAC Filed: April 3, 2024

Trial Date: None Set

1 This Joint Stipulation Regarding Class Action and PAGA Settlement and Release is made and  
2 entered into between the Plaintiff Demecio Aguirre Villegas (“Plaintiff”), on behalf of himself, the Labor  
3 and Workforce Development Agency, Class Members, and Aggrieved Employees, and Defendants G & H  
4 Pizza, Inc., Jill Michelle Gauthier (*erroneously sued as Jill Marie Gauthier*), and John James Gauthier,  
5 (“Defendants”). This Agreement is subject to the terms and conditions set forth below and the approval of  
6 the Court.

7 **1. DEFINITIONS**

8 The following terms, when used in this Agreement, have the following meanings:

9 1.1 “Action” means the above stated lawsuit, *Aguirre Villegas v. G & H Pizza, Inc., et al.*,  
10 Merced County Superior Court, Case No. 24CV-00447, filed January 26, 2024.

11 1.2 “Aggrieved Employee(s)” means all non-exempt employees who worked or continue to  
12 work for Defendants in California at any time between January 26, 2023, and up to either (1) the  
13 Preliminary Approval Date, or (2) March 27, 2026, whichever is earlier.

14 1.3 “Agreement” or “Settlement” or “Settlement Agreement” means this Joint Stipulation  
15 Regarding Class Action and PAGA Settlement and Release.

16 1.4 “Class Counsel” means Galen T. Shimoda, Justin P. Rodriguez and Renald Konini of  
17 Shimoda & Rodriguez Law, PC.

18 1.5 “Class Member(s)” means all non-exempt employees who did not sign an arbitration  
19 agreement and who worked or continue to work for Defendants in California at any time between January  
20 26, 2020, and up to either (1) the Preliminary Approval Date, or (2) March 27, 2026, whichever is earlier.

21 1.6 “Class Period” means any time between January 26, 2020, and up to either (1) the  
22 Preliminary Approval Date, or (2) March 27, 2026, whichever is earlier.

23 1.7 “Class Representative” means Plaintiff Demecio Aguirre Villegas.

24 1.8 “Complaint” means the operative Complaint on file in the Action with the Court.

25 1.9 “Court” means the Merced County Superior Court.

26 1.10 “Defendants” means G & H Pizza, Inc., Jill Michelle Gauthier (*erroneously sued as Jill*  
27 *Marie Gauthier*), and John James Gauthier.

1 1.11 “Defendants’ Counsel” means Weintraub Tobin Chediak Coleman Grodin Law  
2 Corporation.

3 1.12 “Enhancement Payment” means the amount approved by the Court to be paid to the Class  
4 Representative in recognition of the time and effort expended on behalf of Class Members for the benefit  
5 of Class Members, which is in addition to any Individual Settlement Amount paid to the Class  
6 Representative as a Participating Class Member.

7 1.13 “Effective Date” means the Final Approval Date unless there is a timely objection lodged  
8 that has not later been withdrawn, in which case the Effective Date will be either (a) the 60th calendar day  
9 after a signed order approving this settlement has been filed provided no appellate proceeding has been  
10 filed; or (b) seventh (7th) calendar day after any appellate proceeding opposing the settlement has been  
11 finally dismissed with no material change to the terms of this settlement and there is no right to pursue  
12 further remedies or relief, whichever is later.

13 1.14 “Final Approval Date” means the date a signed order granting final approval of this  
14 Agreement is filed with the Court.

15 1.15 “Gross Settlement Amount” is the sum of Seven Hundred Fifty Thousand (\$750,000).

16 1.16 “Individual Settlement Amount” means an individual Class Member’s and Aggrieved  
17 Employee’s allocation of the Net Settlement Amount and PAGA Payment respectively, as defined in  
18 Sections 1.18, 1.22, 5.5, and 5.8.

19 1.17 “LWDA” means the California Labor and Workforce Development Agency.

20 1.18 “Net Settlement Amount” is the portion of the Gross Settlement Amount available for  
21 distribution to Class Members, as described in this Agreement, after deduction of Class Counsel’s  
22 attorneys’ fees and litigation costs, Settlement Administrator Costs, the PAGA Payment, and Enhancement  
23 Payment to the Class Representative.

24 1.19 “Notice of Settlement” means the document substantially in the form attached hereto as  
25 Exhibit 1.

26 1.20 “Notice Period” means forty-five (45) calendar days from the initial mailing of the Notice  
27 of Settlement to Class Members and Aggrieved Employees.

28 1.21 “PAGA” means Private Attorneys General Act.

1 1.22 “PAGA Payment” means the amount allocated from the Gross Settlement Amount towards  
2 resolving claims under the Private Attorneys General Act of 2004, California Labor Code §§ 2698 *et seq.*

3 1.23 “PAGA Claim Period” means January 26, 2023, and up to either (1) the date a signed order  
4 preliminarily approving the class settlement is filed, or (2) March 27, 2026, whichever is earlier.

5 1.24 “Parties” mean Defendants and Plaintiff.

6 1.25 “Participating Class Member” means any and all Class Members who have not made any  
7 timely request to opt-out of the Agreement.

8 1.26 “Preliminary Approval Date” means the date a signed order granting preliminary approval  
9 of this Agreement is filed with the Court.

10 1.27 “QSF” means a Qualified Settlement Fund set up by the Settlement Administrator for the  
11 benefit of the Participating Class Members and/or Aggrieved Employees and from which the payments  
12 under this Agreement shall be made. Any amounts Defendants have agreed to pay under this Agreement  
13 shall remain the property of Defendants until the payments required under the Agreement are made.

14 1.28 “Qualifying Workweeks” are weeks worked by Class Members and/or Aggrieved  
15 Employees during the Class Period and/or PAGA Claim Period, respectively, in California. For Class  
16 Members, workweeks shall be defined as the total length of service (in days) in California during the Class  
17 Period divided by seven. For Aggrieved Employees workweeks shall be defined as the total length of  
18 service (in days) in California during the PAGA Claim Period divided by seven. The calculation of a Class  
19 Member’s and/or Aggrieved Employee’s workweeks and a determination as to whether a Class Member  
20 and/or Aggrieved Employee was actively employed in California in a particular workweek shall be  
21 construed from Defendants’ records.

22 1.29 “Released Class Claims” any and all claims that are alleged in the Complaint (inclusive of  
23 the Complaint filed in Merced Superior Court, Case No. 24CV-00447, on January 26, 2024, and the First  
24 Amended Complaint filed on April 4, 2024), and any additional wage and hour claims that could have been  
25 brought based on the facts alleged in the Complaint, through the Class Period. This release excludes the  
26 release of claims not permitted by law. The Released Class Claims exclude claims for workers’  
27 compensation or unemployment insurance benefits. This release will cover all Class Members who do not  
28 opt out.

1           1.30   “Released PAGA Claims” means any and all claims for civil penalties that were brought  
2 under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.*, contained in Plaintiff’s notice letter  
3 to the LWDA and any additional wage and hour PAGA claims that could have been brought based on the  
4 facts alleged in Plaintiff’s notice letter to the LWDA during the PAGA Claim Period. Aggrieved  
5 Employees cannot opt out of this waiver of claims.

6           1.31   “Releasing Parties” means Defendants, as well as Defendants’ officers, shareholders,  
7 directors, agents, employees, attorneys, administrators, partners, successors, predecessors, benefit plan  
8 fiduciaries and agents, assigns, subsidiaries, affiliates and insurers.

9           1.32   “Settlement Administrator” means and refers to Apex Class Action, LLC, the third-party  
10 entity that will administer the Agreement as outlined in Sections 4 and 7, or any other third-party  
11 administrator agreed to by the Parties and approved by the Court for the purposes of administering this  
12 Agreement. The Parties each represent that they do not have any financial interest in the Settlement  
13 Administrator.

14           1.33   “Settlement Administrator Costs” means the fees and expenses reasonably incurred by the  
15 Settlement Administrator as a result of the procedures and processes expressly required by this Agreement,  
16 and shall include all costs of administering the Agreement, including, but not limited to, all tax document  
17 preparation, custodial fees, and accounting fees incurred by the Settlement Administrator; all costs and fees  
18 associated with preparing, issuing and mailing any and all notices and other correspondence to Class  
19 Members and/or Aggrieved Employees; all costs and fees associated with communicating with Class  
20 Members and/or Aggrieved Employees, Class Counsel, and Defendants’ Counsel; all costs and fees  
21 associated with computing, processing, reviewing, and paying the Individual Settlement Amounts, and  
22 resolving disputes; all costs and fees associated with calculating tax withholdings and payroll taxes, if any,  
23 making related payment to federal and state tax authorities, if any, and issuing tax forms relating to  
24 payments made under the Agreement; all costs and fees associated with preparing any tax returns and any  
25 other filings required by any governmental taxing authority or agency; all costs and fees associated with  
26 preparing any other notices, reports, or filings to be prepared in the course of administering Individual  
27 Settlement Amounts; and any other costs and fees incurred and/or charged by the Settlement Administrator  
28 in connection with the execution of its duties under this Agreement.

1     **2.     DESCRIPTION OF THE LITIGATION**

2             2.1     On or about January 26, 2024, Plaintiff sent notice to the LWDA to exhaust administrative  
3 remedies under the PAGA for failure to pay overtime wages, failure to pay minimum wages, failure to  
4 provide meal periods or pay meal period premiums in lieu thereof, failure to provide rest periods or pay  
5 rest period premiums in lieu thereof, failure to provide accurate wage statements, failure to pay final wages,  
6 failure to pay reimbursements for expenses, and failure to maintain accurate records, failure to provide paid  
7 sick leave, and untimely payment of wages. The LWDA did not respond to the notice within the statutorily  
8 required time frame and, as such, Plaintiff became authorized to act as a Private Attorney General on all  
9 alleged PAGA claims.

10            2.2     On or about January 26, 2024, Plaintiff filed a class action Complaint in Merced County  
11 Superior Court on behalf of himself and Class Members alleging claims for (1) Failure to Pay Overtime  
12 Wages, (2) Failure to Pay Minimum Wages, (3) Failure to Provide Meal Periods, (4) Failure to Provide  
13 Rest Periods, (5) Wage Statement Violations, (6) Failing to Pay Final Wages, (7) Failure to Reimburse  
14 Expenses, and (8) Unfair Competition. Plaintiff filed a First Amended Complaint on approximately April  
15 3, 2024 to add a PAGA cause of action based on the violations alleged in the January 26, 2024 notice to  
16 the LWDA on behalf of himself and Aggrieved Employees.

17            2.3     Through informal discovery, Defendants and Defendants' Counsel provided Class  
18 Counsel with copies of all applicable versions of its policies and procedures, employee handbooks,  
19 information on Class Members including, but not limited to, Class Members' workweeks, dates of  
20 employment, total number of Class Members, their rates of pay, and pay periods as well as timecard data  
21 and payroll reports for a randomly selected sample of Class Members.

22            2.4     After Class Counsel received the data, the Parties engaged in informal settlement  
23 negotiations, but were not able to come to a resolution. On November 24, 2025, the Parties participated in  
24 a lengthy mediation with private mediator Russ Wunderli. At the conclusion of the mediation, the Parties  
25 were able to come to a resolution. At all times, the Parties' settlement negotiations have been non-collusive,  
26 adversarial, and at arm's length.

27            2.5     Discussions between Plaintiff and Class Counsel, between counsel for the Parties, document  
28 productions, extensive legal analysis, the provision of information by Defendants to Plaintiff and the

1 detailed analysis of the records, including expert analysis, have permitted each side to assess the relative  
2 merits of the claims and the defenses to those claims.

3         2.6     In the Action, Plaintiff contends that Defendants violated California law by 1) failing to  
4 compensate Plaintiff and similarly situated employees for the time spent working off-the-clock, 2) failing  
5 to authorize and permit Plaintiff and similarly situated employees to take uninterrupted meal and rest  
6 periods, 3) failing to reimburse Plaintiff and similarly situated employees for the use of their personal cell  
7 phones for work purposes, and 4) failing to provide Plaintiff and similarly situated employees with all their  
8 earned sick pay. Defendants have denied each of Plaintiff's claims and Defendants have denied that this  
9 Action is appropriate for class certification for anything other than settlement purposes. The agreed upon  
10 Gross Settlement Amount was reached after evaluating the Parties' theories of potential exposure for the  
11 underlying claims and the class data supporting these claims. The Parties, with the assistance of the  
12 mediator, also assessed appropriate discounts to the potential liability based on Defendants' factual and  
13 legal contentions and defenses.

14         2.7     The Parties agree that the above-described investigation and evaluation, as well as discovery  
15 and the information exchanged to date, are more than sufficient to assess the merits of the respective  
16 Parties' positions and to compromise the issues on a fair and equitable basis. Plaintiff, Class Counsel,  
17 Defendants, and Defendants' Counsel have concluded that it is desirable that the Action be settled in a  
18 manner and upon such terms and conditions set forth herein in order to avoid further expense,  
19 inconvenience and distraction of further legal proceedings, and the risk of an adverse outcome each of the  
20 Parties potentially face in the Action. Therefore, the Parties desire to resolve the claims in the Action.  
21 Plaintiff, Class Counsel, Defendants, and Defendants' Counsel are of the opinion that the Agreement for  
22 the consideration and terms set forth herein is fair, reasonable, and adequate in light of all known facts and  
23 circumstances.

### 24     **3.     THE CONDITIONAL NATURE OF THIS AGREEMENT**

25         3.1     This Agreement and all associated exhibits or attachments are made for the sole purpose of  
26 settling the Action. This Agreement and the settlement it evidences are made in compromise of disputed  
27 claims. Because the Action was pled as a class action, this Agreement must receive preliminary and final  
28 approval by the Court. Accordingly, the Parties enter into this Agreement and associated settlement on a

conditional basis. If the Effective Date does not occur, or if the Court's approval of the settlement is reversed or materially modified on appellate review, this Agreement shall be deemed null and void; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the negotiation, terms and entry of the Agreement shall remain subject to the provisions of California Evidence Code Sections 1119 and 1152, Federal Rule of Evidence 408, and any other analogous rules of evidence that may be applicable.

3.2 Defendants have denied all claims as to liability, damages, liquidated damages, penalties, interest, fees, restitution, injunctive relief and all other forms of relief asserted in the Action. Defendants have agreed to resolve the Action via this Agreement, but to the extent this Agreement is deemed void or the Effective Date does not occur, Defendants do not waive, but rather expressly reserve, all rights to challenge all such claims and allegations in the Action upon all procedural and factual grounds, including, without limitation, the ability to challenge class or collective treatment on any grounds, as well as to assert any and all other potential defenses or privileges.

#### **4. SCOPE OF THE CLASS**

4.1 The scope of the class of individuals encompassed under the Agreement and subject to all obligations and duties required under the Agreement, shall include all Class Members as defined in Section 1.5 and all Aggrieved Employees as defined in Section 1.2. However, it shall not include any Class Members who submit valid and timely requests to opt-out of the Agreement and settlement, as set forth in Section 7.5.1.

4.2 Only Participating Class Members and Aggrieved Employees are entitled to recover under this Agreement.

4.3 Any person who believes that he or she is a Class Member or Aggrieved Employee and wishes to participate in the Agreement, but did not receive a Notice of Settlement because his or her name did not appear on the class list provided to the Settlement Administrator prior to mailing, may submit a data request to the Settlement Administrator. The data request must contain all of the following information: (a) the full name and, if applicable, Social Security Number of the individual making the request; (b) the name used by such employee as of the time his or her employment with Defendants ended; (c) the individual's dates of employment with Defendants; and (d) a return address to which a response

1 may be sent. Every data request must be postmarked on or before the conclusion of the Notice Period or  
2 otherwise submitted to the Settlement Administrator such that it is received before the conclusion of the  
3 Notice Period. Upon receipt of any data requests, the Settlement Administrator shall promptly (in no event  
4 more than two business days) transmit the data requests to Defendants' Counsel and request that  
5 Defendants review their records.

6 4.4 If Defendants agree that the person listed in a data request is a Class Member and/or  
7 Aggrieved Employee, the Settlement Administrator shall promptly mail a Notice of Settlement to the  
8 person who submitted the data request, at the address designated for that purpose in the data request. All  
9 provisions of this Agreement relating to the Notice of Settlement shall apply to Notice of Settlements sent  
10 in response to data requests, and any person who submits a data request and is sent a Notice of Settlement  
11 in response shall be treated by the Settlement Administrator as a Class Member and/or Aggrieved  
12 Employee for all other purposes.

13 4.5 If Defendants do not agree that the person listed in a data request is a Class Member and/or  
14 Aggrieved Employee, Defendants' Counsel and Class Counsel shall attempt to resolve any such dispute in  
15 good faith within seven (7) calendar days of Class Counsel being advised in writing of the data request  
16 dispute. Defendants' records shall control unless the individual submitting the data request provides  
17 persuasive evidence to doubt the accuracy of those records. Each data request dispute that Defendants'  
18 Counsel and Class Counsel cannot timely resolve shall be resolved by the Settlement Administrator. The  
19 Settlement Administrator must accept and weigh all the evidence provided in a good faith attempt to resolve  
20 the dispute. The Settlement Administrator must resolve any dispute submitted to it within seven (7)  
21 calendar days after Defendants' Counsel and Class Counsel submit the dispute to the Settlement  
22 Administrator. The decision by the Settlement Administrator shall be final as between the parties, subject  
23 to Court review.

## 24 **5. TERMS OF THE SETTLEMENT**

25 The Parties agree as follows:

26 5.1 Gross Settlement Amount: In consideration and exchange for the releases described in  
27 Section 6, Defendants shall pay the Gross Settlement Amount (\$750,000). Funding of the Gross Settlement  
28 Amount shall occur within 21 calendar days after the Effective Date to be held in trust in a QSF by the

1 Settlement Administrator. The Gross Settlement Amount includes payments to Participating Class  
2 Members, Aggrieved Employees, all attorneys' fees, costs and litigation expenses related to the Action  
3 incurred to date, as well as all such fees and costs incurred in documenting the Agreement, administering  
4 the Agreement (including Settlement Administrator Costs), and obtaining final approval of the Agreement,  
5 the Enhancement Payment to the Class Representative and the PAGA Payment. Any monies necessary to  
6 satisfy Defendants' tax obligations (*e.g.* employer FICA, FUTA and SDI contributions on wage payments)  
7 on any monies distributed to Participating Class Members will be paid in addition to the Gross Settlement  
8 Amount.

9       5.2     Attorneys' Fees and Costs: Class Counsel will apply to the Court for attorney's fees of 35%  
10 of the Gross Settlement Amount, which shall be paid from the Gross Settlement Amount. Defendants have  
11 agreed to not oppose Class Counsel's application for attorneys' fees so long as it does not exceed the 35%  
12 threshold. Class Counsel will also be entitled to reimbursement for advanced litigation expenses not to  
13 exceed \$10,000, which shall be paid from the Gross Settlement Amount. Defendants have agreed to not  
14 oppose Class Counsel's request for reimbursement for advanced litigation expenses so long as they do not  
15 exceed the \$10,000 threshold. The Settlement Administrator will issue Class Counsel an IRS Form 1099  
16 for the attorneys' fees and costs paid under this Agreement. In the event that the Court awards less than  
17 the requested attorney's fees and/or costs, the portion of the requested amounts not awarded to Class  
18 Counsel shall be added to the Net Settlement Amount to be distributed to Participating Class Members on  
19 a pro rata basis.

20       5.3     Settlement Administrator Costs: The Settlement Administrator Costs shall be paid from the  
21 Gross Settlement Amount and shall not exceed \$20,000. The difference between any actual costs and the  
22 allocated \$20,000 shall be added to the Net Settlement Amount to be distributed to Participating Class  
23 Members on a pro rata basis.

24       5.4     Enhancement Payment: Class Counsel, on behalf of Plaintiff, shall apply to the Court for  
25 an Enhancement Payment to the Class Representative in an amount not to exceed Ten Thousand (\$10,000)  
26 to compensate for the risks, time, and expense of his involvement in the Action and securing the benefits  
27 of this Agreement for Class Members. The Enhancement Payment is in addition to the Individual  
28 Settlement Amount Plaintiff would otherwise be due under the Agreement as a Participating Class Member.

Defendants have agreed to not oppose Class Counsel's request for an Enhancement Payment to Plaintiff so long as it does not exceed the amount stated herein. The Enhancement Payment will be designated as a non-wage payment and reported on an IRS Form 1099-MISC. In the event that the Court awards less than the Enhancement Payment amount requested, then any portion of the requested amount not awarded to the Class Representative shall be added to the Net Settlement Amount to be distributed to Participating Class Members on a pro rata basis.

5.5 PAGA Payment: One Hundred Thousand Dollars (\$100,000) of the Gross Settlement Amount shall be allocated to resolving claims under the PAGA. Seventy-Five percent (75%) of the PAGA Payment will be paid to the LWDA and Twenty-Five percent (25%) will be paid to Aggrieved Employees on a pro rata basis as described below in Section 5.8. Any amount not approved by the Court for the allocated PAGA Payment shall be added to the Net Settlement Amount to be distributed to Participating Class Members on a pro rata basis.

5.6 Treatment of Residue and Cy Pres: For any portion of the Net Settlement Amount or PAGA Payment allocated to Participating Class Members and/or Aggrieved Employees that were not claimed by cashing their respective settlement checks before the deadline to do so, that remaining amount shall be donated to Capital Pro Bono, Inc, under the doctrine of *cy pres*. No portion of the Gross Settlement Amount will revert to Defendants for any reason.

5.7 No Additional Benefits Contributions: All Individual Settlement Amounts paid to Participating Class Members and Aggrieved Employees shall be deemed to be income solely in the year in which such amounts were actually received. It is expressly understood and agreed that the receipt of such Individual Settlement Amounts will not entitle any Participating Class Member or Aggrieved Employee to any new or additional compensation or benefits under any company bonus or other compensation or benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle any Participating Class Member Aggrieved Employee to any increased retirement, 401(k) and/or 403(b) benefits or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement Amounts provided for in this Agreement are the sole payments to be made by Defendants to the Participating Class Members and Aggrieved Employees in connection with this Agreement

(notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Agreement).

5.8 Pro Rata Distribution Formula: Payment to Participating Class Members and Aggrieved Employees of their Individual Settlement Amount will not require the submission of a claim form. A Net Settlement Amount will be determined by subtracting from the Gross Settlement Amount any amounts for approved attorneys' fees and costs, any Enhancement Payment to the Class Representative, the Settlement Administrator Costs, and the PAGA Payment. Each Class Member's share will be initially determined by dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all Class Members. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member's individual share of the Net Settlement Amount. Any funds allocated to Class Members under this formula who timely opt out of the Settlement will be redistributed to Participating Class Members on a pro rata basis, *i.e.* each Participating Class Member's share will be determined by dividing their total Qualifying Workweeks within the Class Period by the total Qualifying Workweeks of all Participating Class Members and that fraction will then be multiplied by the Net Settlement Amount to arrive at the Participating Class Member's individual share of the Net Settlement Amount. Each Aggrieved Employee's share of the 25% portion of the PAGA Payment will be determined by dividing their total Qualifying Workweeks within the PAGA Claim Period by the total Qualifying Workweeks by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee's individual share.

5.9 Tax Allocation: The Parties recognize that the Individual Settlement Amounts to be paid to Participating Class Members and/or Aggrieved Employees reflect a settlement of a dispute over claimed penalties and wages. The Settlement Administrator shall calculate the employer's share of payroll taxes on the amounts paid to Participating Class Members as wages as well as calculating all required withholdings and deductions from said wage payments. The characterization of Individual Settlement Amounts to Participating Class Members and Aggrieved Employees are as follows:

5.9.1 One Third (1/3) of each Participating Class Members' share of the Net Settlement Amount shall be allocated for payment of disputed wages and shall be subject to required employer taxes.

1 Participating Class Members shall receive an IRS Form W-2 for reporting of this portion of their Individual  
2 Settlement Amount.

3 5.9.2 Two Thirds (2/3) of each Participating Class Members' share of the Net Settlement  
4 Amount shall be allocated for disputed statutory penalties and interest, and no amount shall be deducted  
5 for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for  
6 which the Participating Class Members shall receive IRS Forms 1099-MISC and 1099-INT and this  
7 payment shall be divided equally among the 1099-MISC and 1099-INT designations.

8 5.9.3 The entirety (100%) of each Aggrieved Employee's share of the 25% portion of the  
9 PAGA Payment shall be allocated for payment of disputed civil penalties, and no amount shall be deducted  
10 for any taxes. This portion of the Individual Settlement Amount consists of other income, not wages, for  
11 which the Aggrieved Employees shall receive an IRS Form 1099-MISC.

12 5.10 Participating Class Members and Aggrieved Employees shall be solely responsible for the  
13 reporting and payment of their share of any federal, state and/or municipal income or other taxes on  
14 payments made pursuant to this Agreement, and shall hold the Parties, Class Counsel, and Defendants'  
15 Counsel free and harmless from any claims resulting from treatment of such payments as non-taxable,  
16 including the treatment of such payments as not subject to withholding or deduction for payroll and  
17 employment taxes. No party has made any representation to any of the other Parties as to the taxability of  
18 any payments pursuant to this Agreement, including the payments to Participating Class Members, the  
19 payments to Aggrieved Employees, the payments to Class Counsel, the payments to the Class  
20 Representative, the payroll tax liability of Defendants, or the allocation of the Net Settlement Amount or  
21 PAGA Payment to wage and non-wage income as provided in this Section, or otherwise as to tax  
22 implications of any provision of this Agreement.

23 5.11 No Additional Contribution by Defendants: Defendants' monetary obligation under this  
24 Agreement is limited to the Gross Settlement Amount and any employer side payroll taxes owed on  
25 amounts characterized as wages under this Agreement. All other costs and expenses arising out of or in  
26 connection with the performance of this Agreement shall be paid from the Gross Settlement Amount, unless  
27 expressly provided otherwise herein. However, in the event this agreement is deemed null and void as  
28 described in Section 3 because the Court, in its independent determination, finds that the Agreement does

not meet the standards for settlement approval, then Defendants and Plaintiff shall be equally responsible for the costs of the Settlement Administrator incurred between the date the Agreement was executed and the date of such event.

5.12 Certification For Settlement Purposes: The Parties agree that, for purposes of settlement only, certification of the class as defined in Section 1.5 and 4.1 is appropriate and the requisites for establishing class certification have been met and are met.

5.13 Adequacy of Class Counsel and Class Representative: The Parties agree that, for purposes of settlement only, Class Counsel and Plaintiff are adequate representatives for Class Members and Aggrieved Employees.

## **6. RELEASE**

6.1 Release of Claims by Participating Class Members: Upon the Effective Date, all Participating Class Members will release, acquit and forever discharge all Released Class Claims as to all Released Parties. In addition, on the Effective Date, all Participating Class Members and their respective former and present representatives, agents, attorneys, heirs, executors, administrators, successors and assigns will be permanently enjoined and forever barred from prosecuting any of the Released Class Claims against any of the Released Parties.

6.2 Release of Claims by Aggrieved Employees: Upon the Effective Date, all Aggrieved Employees will be deemed to fully, finally and forever release the Released PAGA Claims as to all Released Parties. In addition, on the Effective Date, all Aggrieved Employees and their respective former and present representatives, agents, attorneys, heirs, executors, administrators, successors and assigns will be permanently enjoined and forever barred from prosecuting any of the Released PAGA Claims against any of the Released Parties.

6.3 Release by Class Counsel: Upon the Effective Date, Class Counsel will release on behalf of their present and former attorneys, employees, agents, successors and assigns the Released Parties from all claims for attorneys' fees, costs, and expenses incurred in connection with the Complaint and the PAGA Period facts stated in the Complaint and Plaintiff's notice letter to the LWDA. This release shall not affect any right to fees and costs provided for under this Agreement.

## **7. SETTLEMENT ADMINISTRATION**

1           7.1     Duties of Settlement Administrator: The Settlement Administrator shall be responsible for:

2     1) receiving Class Member and Aggrieved Employee contact information and confirming addresses are

3     valid; 2) calculating estimated Individual Settlement Amounts and any and all taxes associated with the

4     Individual Settlement Amounts, including employer taxes; 3) taking appropriate steps to trace and locate

5     any individual Class Members and Aggrieved Employee whose address or contact information as provided

6     to the Settlement Administrator is inaccurate or outdated and mailing the Notice of Settlement to Class

7     Members; 4) providing notification to the appropriate state and federal officials of this Agreement as

8     required under the law; 5) receiving, independently reviewing, and resolving any challenges (in

9     consultation with Class Counsel and Defendants' Counsel) from Class Members or Aggrieved Employees,

10    including any associated documentation, regarding their Qualified Workweek calculations; 6) receiving

11    and serving on Class Counsel, Defendants' Counsel, and the Court, copies of any written objections, and/or

12    any opt out statements; 7) establishing a toll free telephone line and responding to inquiries and requests

13    for information or assistance from Class Members and/or Aggrieved Employees; 8) maintaining a QSF; 9)

14    determining and paying the final amounts due to be paid under the Agreement after resolution of all

15    challenges, disputes, opt-outs, awarded attorneys' fees and costs, Settlement Administrator Costs, PAGA

16    Payment, taxes, any Enhancement Payments, and for funds that cannot be distributed due to the inability

17    to locate Class Members or Aggrieved Employees; 10) determining the validity of any disputes or late opt-

18    outs by previously unidentified Class Members or Aggrieved Employees; 11) paying any residual funds

19    from uncashed checks; 12) reporting to Class Counsel and Defendants' Counsel regarding the statistics of

20    the administration, including (a) the number of initial Notice of Settlements mailed; (b) the number of

21    forwarded Notice of Settlements; (c) the number of re-mailed Notice of Settlements; (d) the number of

22    total undeliverable Notice of Settlements; (e) the number of address traces performed for undeliverable

23    Notice of Settlements; (f) the number of Notice of Settlements undeliverable from traced addresses; (g) the

24    number of total objections received; (h) the number of opt-out requests received; (i) the number of disputes

25    received; (j) the number of disputes resolved; 13) providing a declaration to the Court regarding the final

26    statistics of the administration and compliance with all payment obligations under the Agreement; 14)

27    completing all necessary tax reporting on the QSF and payment of the Individual Settlement Amounts to

28    Participating Class Members and Aggrieved Employees; and 15) carrying out other related tasks as

1 necessary to effectuate the terms of this Agreement and any Order of the Court. All disputes relating to  
2 the Settlement Administrator's ability and need to perform its duties shall be referred to the Court, if  
3 necessary, which will have continuing jurisdiction over the terms and conditions of this Agreement, until  
4 all payments and obligations contemplated by the Agreement have been fully executed.

5       7.2    Notice to Class Members and Aggrieved Employees: The Notice of Settlement shall be  
6 sent in English and Spanish. The Notice of Settlement will provide Class Members and Aggrieved  
7 Employees with a summary of the terms and conditions of the Agreement, how to participate in the  
8 settlement, how to object to the Agreement, how to dispute the individual's Qualifying Workweeks, and  
9 how to opt-out from the Agreement. The Notice of Settlement will also inform Class Members and  
10 Aggrieved Employees of the Gross Settlement Amount, Net Settlement Amount, proposed attorneys' fees  
11 and costs allocations, any proposed Enhancement Payments, proposed Settlement Administrator Cost  
12 allocations, proposed PAGA Payment allocations, the scope of the class, the nature and extent of the  
13 released claims, dates set for a fairness hearing and hearing on Class Counsels' motion for attorneys' fees  
14 and costs. The Notice of Settlement shall include information regarding Class Member's and Aggrieved  
15 Employee's estimated Individual Settlement Amount. The Notice of Settlement will provide information  
16 on how to access electronic copies online of the Notice of Settlement, any motions for approval of the  
17 Agreement, any motions for approval of attorneys' fees and costs, and any other documents as the Court  
18 directs.

19       7.3    Class Member Data and Mailing: No later than fourteen (14) calendar days after the  
20 Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the first and last  
21 name, last known mailing address, last known telephone number, Social Security Number, start and end  
22 date (if any) of employment of each Class Member and Aggrieved Employee, and any other information  
23 the Settlement Administrator needs to effectuate notice to Class Members and Aggrieved Employees as  
24 outlined herein. The Settlement Administrator shall review the data to determine the number of Qualifying  
25 Workweeks for each Class Member and Aggrieved Employee. No later than fourteen (14) calendar days  
26 after receipt of such address information, the Settlement Administrator will perform a national change of  
27 address ("NCOA") search, update the addresses per the results of the NCOA search, and then mail the  
28 Notice of Settlement, substantially in the form attached as Exhibit 1, to each Class Member and Aggrieved

Employee by first-class mail, postage prepaid. The Settlement Administrator shall maintain all information received from Defendants confidential to itself, and Defendants' Counsel. However, Class Counsel shall be able to review the breakdown of Qualified Workweeks and estimated Individual Settlement Amounts for Class Members and Aggrieved Employees prior to mailing for quality assurance provided the personal identifying information is redacted and/or omitted.

7.4 Returned and/or Re-mailed Notice of Settlements: In the event that a Notice of Settlement is returned to the Settlement Administrator as undeliverable on or before the conclusion of the Notice Period, the Notice of Settlement shall be sent to the forwarding address affixed thereto within five (5) calendar days. If no forwarding address is provided, then the Settlement Administrator shall promptly attempt to determine a correct address using a skip-trace, computer or other search using the name, address and/or Social Security number of the individual involved, and shall then perform a single re-mailing within five (5) calendar days to any more recent address found as a result of the search. Following each search that does not result in a corrected address, for those Class Members who appear to be current employees of Defendants at the time of the Preliminary Approval Date, the Settlement Administrator shall contact Defendants' Counsel for assistance and Defendants shall cooperate in good faith with the Settlement Administrator's reasonable efforts to obtain valid mailing addresses for Class Members to the extent they are active employees of Defendants. In the event the Notice of Settlement is forwarded to a new address and/or re-mailed to a Class Member, the deadline for the Class Member to submit any request to opt-out, a dispute, or an objection shall be the end of the Notice Period or 10 days from the date of the re-mailing/forwarding to a new address, whichever is later. In the event the procedures in this Section are followed and the Class Member does not timely and properly request to opt-out, the Class Member shall be bound by all terms of the Agreement, including the releases contained in Section 6.

7.5 Responses to Notice of Settlement:

7.5.1 *Opt-Outs:* The Notice of Settlement shall provide that Class Members who wish to exclude themselves from the Agreement must submit a request to opt-out as provided in this Section. The request to opt-out must (a) state the Class Member's full name and date of birth; (b) a statement that he or she does not want to be a Class Member, does not want to participate in the settlement, and/or wants to be excluded from the settlement; (c) identify the case name and number (*i.e. Aguirre Villegas v. G & H Pizza,*

1 *Inc., et al.*, Case No. 24CV-00447); (d) be signed; and (e) be post-marked no later than the conclusion of  
2 the Notice Period or the re-mailing timeline stated in Section 7.4. The Class Member must personally sign  
3 the request to opt-out. No request to opt-out may be made on behalf of a group of Class Members. The  
4 date of the postmark on the return-mailing envelope shall be the exclusive means used to determine whether  
5 a request to opt-out has been timely submitted. Any Class Member who requests to opt-out of the  
6 Agreement will not be entitled to any portion of the Net Settlement Amount nor will they have any right  
7 to object, appeal or comment thereon. The name of any Class Member who submits a valid and timely opt  
8 out request will be specifically identified in any proposed order granting final approval. Class Members  
9 who fail to submit a valid and timely request to opt-out shall be bound by all terms of the Agreement and  
10 any order or final judgment thereon. Regardless of whether an Aggrieved Employee opts out of being a  
11 Class Member, they will still receive their share of the PAGA Payment as Aggrieved Employees cannot  
12 opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims.

13           7.5.2 *Objection Procedures:* Any Class Member who does not opt-out, but who wishes  
14 to object to this Agreement or otherwise to be heard concerning this Agreement, may submit a written  
15 objection to the Settlement Administrator, who will promptly provide copies of the objection to Class  
16 Counsel and Defendants' Counsel. The Notice of Settlement shall make clear that the Court can only  
17 approve or deny the Agreement, not change the terms of the Agreement. The written objection should (a)  
18 state the Class Member's full name and date of birth; (b) provide evidence that the individual is, in fact, a  
19 Class Member; (c) state the reasons for the objection(s), including any supporting documentation; (d)  
20 identify the case name and number (*i.e. Aguirre Villegas v. G & H Pizza, Inc., et al.*, Case No. 24CV-  
21 00447); (e) be signed; and (f) be post-marked no later than the conclusion of the Notice Period or the re-  
22 mailing timeline stated in Section 7.4. Additionally, or in the alternative to sending a written objection to  
23 the Settlement Administrator, any Class Member may appear at the final approval hearing to state their  
24 objection.

25           7.5.3 *Dispute Procedures:* Any Class Member who disputes the number of Qualifying  
26 Workweeks on the Notice of Settlement shall contact the Settlement Administrator. The dispute must (a)  
27 identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c)  
28 be signed; and (d) be post-marked no later than the conclusion of the Notice Period or the re-mailing

1 timeline stated in Section 7.4. The Settlement Administrator shall promptly (in no event more than two  
2 business days) forward all such disputes to Defendants' Counsel and request that Defendants review the  
3 dispute. Defendants' records shall presumptively control unless the Class Member can produce  
4 documentation evidencing other periods of employment worked. If Defendants agree with submitted  
5 information, the Class Member shall be credited or subtracted Qualifying Workweeks in accordance with  
6 their submitted dispute and that final number of Qualified Workweeks shall govern the calculation of that  
7 Class Member's Individual Settlement Amount. If Defendants disagree with the submitted information,  
8 Defendants' Counsel will promptly advise Class Counsel of the dispute, which includes turning over any  
9 documentation submitted by the Class Member as part of the dispute. Defendants' Counsel and Class  
10 Counsel shall attempt in good faith to resolve any such dispute within five (5) calendar days of Class  
11 Counsel being advised of the dispute. Each dispute that Defendants' Counsel and Class Counsel cannot  
12 timely resolve shall be resolved by the Settlement Administrator, subject to Court review.

13           7.5.4 *Deficient Opt-Outs, Objections, or Disputes:* In the event that a deficient opt-out,  
14 objection, or dispute is received on or before the conclusion of the Notice Period, the Settlement  
15 Administrator shall mail a letter to the Class Member within five (5) calendar days informing them of the  
16 deficiency. If a deficiency letter is mailed to a Class Member, the deadline for the Class Member to cure  
17 the deficiency shall be the end of the Notice Period or 10 calendar days from the date of the deficiency  
18 letter, whichever is later.

19           7.6 Due Process Acknowledgement: Compliance with the procedures set forth in Sections 7.1  
20 to 7.5.4 shall constitute due and sufficient notice to Class Members of the Action and the Agreement and  
21 shall satisfy Class Members' due process rights. Nothing else shall be required of the Parties, Class  
22 Counsel or Defendants' Counsel to provide notice of the proposed Agreement.

23           7.7 Settlement Administrator Declaration Regarding Notice Period: Within fourteen (14)  
24 calendar days after the conclusion of the Notice Period, the Settlement Administrator shall provide Class  
25 Counsel and Defendants' Counsel with a signed declaration under penalty of perjury providing a complete  
26 and detailed report regarding the statistics and responses of settlement administration to date and all the  
27 Settlement Administrators' obligations under Sections 5.8 to 5.9.3 and 7.1 to 7.5.4.  
28

1           7.8     Settlement Administrator Payments to Participating Class Members, Class Counsel and  
2 Plaintiff: Within seven (7) calendar days after the Effective Date and the Court's determination of the  
3 amount of attorneys' fees and costs payable to Class Counsel, the Enhancement Payment payable to  
4 Plaintiff, the PAGA Payment, and Settlement Administrator Costs, the Settlement Administrator shall  
5 calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class  
6 Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these  
7 calculations Class Counsel and Defendants' Counsel. Defendants shall wire the Gross Settlement Amount  
8 and applicable taxes necessary to fund the Settlement as described in Section 5.1 to the Settlement  
9 Administrator within twenty-one (21) calendar days after the Effective Date to be held in trust in a QSF.  
10 Within seven (7) calendar days after Defendants fund the settlement, the Settlement Administrator shall  
11 deliver payment of Class Counsels' attorney's fees and costs, the Enhancement Payment payable to  
12 Plaintiff, the 75% portion of the PAGA Payment payable to the LWDA, Settlement Administrator Costs,  
13 and payment to Participating Class Members and/or Aggrieved Employees as required under this  
14 Agreement and approved by Court.

15           7.8.1 The Settlement Administrator shall wire the Court-approved attorneys' fees and  
16 costs to Class Counsel unless another method is requested by Class Counsel. Class Counsel shall provide  
17 the Settlement Administrator with the pertinent taxpayer identification number and payment instructions  
18 after the Final Approval Date.

19           7.8.2 The Settlement Administrator shall send a check by mail for the Court-approved  
20 Enhancement Payment to the Class Representative, care of Class Counsel unless another method is  
21 requested by Class Counsel.

22           7.8.3 Only Participating Class Members and Aggrieved Employees will receive their  
23 Individual Settlement Amount.

24           7.8.4 The Settlement Administrator shall remit and report the applicable portions of the  
25 payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this  
26 Agreement. Defendants agree to reasonably cooperate with the Settlement Administrator to the extent  
27 necessary to determine the amount of the payroll tax payment required.

7.9 Settlement Check Expiration and Uncashed Checks: The Settlement Administrator shall issue Individual Settlement Amounts to Participating Class Members and Aggrieved Employees in the form of a check, which shall become null and void if not deposited within one hundred eighty (180) calendar days of issuance. After one hundred eighty (180) calendar days of issuance, the checks shall be voided and funds from all uncashed checks shall be transmitted in accordance with Section 5.6. The Settlement Administrator shall deliver these funds within fourteen (14) calendar days after the check cashing deadline.

7.10 Settlement Administrator Declaration Regarding Compliance and Settlement Administration: Within twenty-one (21) calendar days after the last day for Participating Class Members and Aggrieved Employees to cash their settlement checks, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a signed declaration under penalty of perjury providing a complete and detailed report regarding the settlement administration documenting that all payments under the Agreement have been made, that the Court's final approval order has been complied with, and that all the obligations of the Settlement Administrator have been completed.

## **8. PRELIMINARY SETTLEMENT ADMINISTRATION SCHEDULE**

8.1 The schedule may be modified depending on whether and when the Court grants necessary approvals, orders notice to Class Members and Aggrieved Employees, and sets further hearings. The schedule may also be modified to correct clerical errors and to reflect the provisions in the Agreement as described above. In the event of such modification, the Parties shall cooperate to complete the settlement procedures as expeditiously as reasonably practicable. The preliminary schedule for notice, approval, and payment procedures carrying out the Agreement is as follows:

|                                                                                                                                                              |                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Last day for Defendants to provide Settlement Administrator with Class Member and Aggrieved Employee information                                             | Within 14 calendar days after the Preliminary Approval Date                                                        |
| Last day for Settlement Administrator to complete NCOA search, update Class Member and Aggrieved Employee mailing information, and mail Notice of Settlement | Within 14 calendar days after the Settlement Administrators' receipt of Class Members' information from Defendants |

|                                                                                                                                                                                                                                                                                                             |                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Last day for Class Members to opt-out, submit disputes, submit objections, and submit data requests                                                                                                                                                                                                         | 45 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later |
| Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics                                                                                                                                                                          | Within 14 calendar days after end of the Notice Period                                                                               |
| Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Amounts for Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendants' Counsel | Within 7 calendar days after the Effective Date                                                                                      |
| Last day for Defendants to fund settlement                                                                                                                                                                                                                                                                  | Within 21 calendar days after the Effective Date                                                                                     |
| Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Settlement Administrator Costs, payment to Participating Class Members, and payment to Aggrieved Employees                                                       | Within 7 calendar days after Defendants have funded the settlement                                                                   |
| Last day for Participating Class Members and Aggrieved Employees to cash settlement checks                                                                                                                                                                                                                  | 180 calendar days after issuance of checks to Participating Class Members and Aggrieved Employees                                    |
| Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries                                                                                                                                                                                        | Within 14 calendar days after settlement check cashing deadline                                                                      |
| Last day for Settlement Administrator to provide Parties with compliance declaration                                                                                                                                                                                                                        | Within 21 calendar days after settlement check cashing deadline                                                                      |

## 9. DUTIES OF THE PARTIES

9.1 Preliminary Approval: The Parties will cooperate in obtaining, through an unopposed motion to be filed as soon as reasonably practicable, an order from the Court preliminarily approving this Agreement at the earliest possible date concurrently with the Court's certification of the Action as a class

1 action for settlement purposes. The Parties further agree to fully cooperate in the drafting and/or filing of  
2 any further documents or filings reasonably necessary to be prepared or filed, shall take all steps that may  
3 be requested by the Court relating to, or that are otherwise necessary to the approval and implementation  
4 of this Agreement and shall otherwise use their respective best efforts to obtain certification for settlement  
5 purposes, approval of, and implementation of this Agreement. The Parties will submit this Agreement to  
6 the Court for preliminary approval of its terms and for approval of the steps to be taken to obtain its final  
7 approval. The Parties agree to act immediately and diligently to perform their obligations under this  
8 Agreement, including the review and approval of documents related to obtaining Court approval. The  
9 Parties will request that the Court's preliminary approval of this Agreement be embodied in an Order  
10 Granting Preliminary Approval of Class Action and PAGA Settlement.

11           9.1.1 Plaintiff's motion shall seek an order: 1) Preliminarily approving the Agreement; 2)  
12 Approving as to form and content the proposed Notice of Settlement; 3) Directing the mailing of the Notice  
13 of Settlement by first class mail to Class Members and Aggrieved Employees; 4) Preliminarily appointing  
14 Plaintiff and Class Counsel as representatives of Class Members; 5) Preliminarily approving settlement  
15 administration services to be provided by the Settlement Administrator; 6) Preliminarily approving the  
16 proposed Enhancement Payment to Plaintiff; 7) Preliminarily approving the application for payment of  
17 reasonable attorneys' fees and reimbursement of litigation-related expenses to Class Counsel; and 8)  
18 Scheduling a fairness hearing on the question of whether the proposed Agreement should be finally  
19 approved as fair, reasonable and adequate as to the Class Members.

20           9.1.2 Defendants shall not oppose Plaintiff's motion for approval of the proposed  
21 Agreement.

22           9.1.3 The Parties shall cooperate with each other and the Settlement Administrator during  
23 the process of giving Class Members notice and opportunity to object to the Agreement, as necessary and  
24 appropriate to assure effective communication to individual Class Members of information about their  
25 rights and obligations under this Agreement.

26           9.2 Final Approval and Fairness Hearing: On a date approved by the Court and set forth in the  
27 Notice of Settlement, the Court shall hold the Final Approval and Fairness Hearing where objections, if  
28 any, may be heard. Class Counsel shall provide the Court as part of the motion for final approval of the

1 Agreement, a declaration by the Settlement Administrator of due diligence and proof of mailing of the  
2 Notice of Settlement required to be mailed to Class Members by this Agreement, and of the delivery results  
3 of the Settlement Administrator's mailings including tracing and re-mailing efforts. The Settlement  
4 Administrator declaration shall identify, by name, any Class Member who submitted a timely and valid  
5 request to opt out during the Notice Period.

6 9.2.1 Class Counsel and Defendants shall work in good faith to draft a mutually agreeable  
7 Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment. The  
8 Proposed Order Granting Final Approval of Class Action and PAGA Settlement and Final Judgment shall  
9 include findings and orders: 1) Approving the Agreement, adjudging the terms thereof to be fair, reasonable  
10 and adequate, and directing that its terms and provisions be carried out; 2) Approving the payment of an  
11 Enhancement Payment to the Class Representative; 3) Approving Class Counsel's application for an award  
12 of attorneys' fees and reimbursement of out-of-pocket litigation expenses; 4) Approving the Settlement  
13 Administrator Costs; and 5) Providing that the Court will retain jurisdiction to oversee administration and  
14 enforcement of the terms of the Agreement and the Court's orders.

15 9.2.2 Following entry of the Court's order granting final approval of the Agreement, the  
16 Parties will each act to ensure the fulfillment of all its provisions, including but not limited to the following:  
17 1) Should an appeal be taken from the final approval of the Agreement or motion to set aside the judgement  
18 be filed, all parties will support the final approval order on appeal or otherwise; 2) Class Counsel will assist  
19 the Settlement Administrator as needed or requested in the process of identifying and locating Participating  
20 Class Members and Aggrieved Employees entitled to payments under the Agreement and assuring delivery  
21 of such payments; 3) Class Counsel and Defendants' Counsel will cooperate with each other and assist the  
22 Settlement Administrator as needed or requested in completing the distribution of any residual amounts, as  
23 specified above, to the *cy pres* beneficiaries; 4) Class Counsel, in conjunction with the Settlement  
24 Administrator, will certify to the Court completion of all payments required to be made by this Agreement.

25 9.3 Final Judgment: If the Court approves this Agreement at the final approval and fairness  
26 hearing, the Parties will request that the Court enter an Order Granting Final Approval of Class Action and  
27 PAGA Settlement and Final Judgment.

1           9.4    Notice to LWDA: Plaintiff will provide notice to the Labor and Workforce Development  
2 Agency (“LWDA”) of this settlement in accordance with Labor Code § 2699(1)(2).

3   **10.    MISCELLANEOUS TERMS**

4           10.1   Defendant’s Right to Withdraw Based on Opt-Outs: If, prior to the Final Approval Date,  
5 10% or more of the Class Members have submitted proper and timely requests to opt-out in accordance  
6 with the provisions of the Agreement, Defendants may rescind the Agreement and all actions taken in its  
7 furtherance will be thereby null and void. Defendants must exercise this right of rescission, in writing, to  
8 Class Counsel, within seven (7) calendar days after the Settlement Administrator notifies the Parties of the  
9 total number of opt-outs. If the option to rescind is exercised, then any Settlement Administrator Costs  
10 shall be paid by Defendants. Defendants have represented that there are no more than 19,959 workweeks  
11 during the Class Period and have also represented that there are no more than 14,987 pay period during  
12 the PAGA Claim Period. In the event the number of workweeks during the Class Period is more than  
13 21,954.9 (*i.e.*, greater than 10% more than 19,959) or the number of pay periods during the PAGA Claim  
14 Period is more than 16,485.7 (*i.e.* greater than 10% more than 14,987), then the Gross Settlement Amount  
15 shall be increased proportionally by the workweeks in excess of 21,954.9 or by the pay periods in excess  
16 of 16,485.7, whichever is greater. For example, if there were 11,000 workweeks represented to exist  
17 during the Class Period, but there are actually 12,500 workweeks in the Class Period, then Defendants  
18 would have to increase the Gross Settlement Amount by 3.3% (12,500 – 12,100 workweeks (*i.e.*, 10%  
19 more than 11,000) = 400 excess workweeks. 400 divided by 12,100 = 3.3%).

20           10.2   Circular 230 Disclaimer: EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF  
21 THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT  
22 OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND  
23 AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN  
24 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR  
25 ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH  
26 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON  
27 AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT  
28 CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS

1 RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX  
2 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS  
3 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE  
4 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY  
5 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR  
6 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX  
7 PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO  
8 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT  
9 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX  
10 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON  
11 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX  
12 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY  
13 THIS AGREEMENT.

14 10.3 No Prior Assignments: The Parties represent, covenant, and warrant that they have not  
15 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to  
16 any person or entity any portion of any liability, claim, demand, action, cause of action or right released  
17 and discharged in this Agreement.

18 10.4 Waiver of Appeal and Ability to Opt Out: To the extent permitted by applicable law, by  
19 signing this Agreement Defendants are waiving any rights to appeal from the Court's approval of the  
20 settlement unless the Court materially modifies the settlement. Furthermore, by signing this Agreement  
21 Plaintiff is waiving any right or ability to opt out of this Agreement during the Notice Period or otherwise.

22 10.5 Exhibits Incorporated by Reference: The terms of this Agreement include the terms set  
23 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in this  
24 Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

25 10.6 Judgment and Retention of Jurisdiction to Enforce: Upon the Effective Date, judgment will  
26 be entered according to this Agreement. The Parties stipulate and agree that the Merced County Superior  
27 Court shall have continuing jurisdiction to enforce the terms of the Agreement pursuant to Civil Procedure  
28

Code section 664.6 and that the prevailing party any action necessary to enforce the terms of the Agreement after default by the other party may recover reasonable attorney's fees and costs related thereto.

10.7 Mutual Cooperation: The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Agreement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other action as may reasonably be necessary to fulfill the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Agreement and the terms set forth herein.

10.8 No Admission of Liability: Neither the acceptance nor the performance by Defendants of the terms of this Agreement, nor any of the related negotiations or proceedings, is or shall be claimed to be, construed as, or deemed to be, an admission by Defendants of the truth of any of the allegations in the Complaint, the representative character of the Action, the validity of any of the claims that were or could have been asserted by Plaintiff and/or Class Members in the Action, or of any liability or guilt of Defendants in the Action. Nothing in this Agreement shall be construed to be or deemed an admission by Defendants of any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class Members, or any other person, and Defendants specifically disclaim any liability, culpability, negligence, or wrongdoing toward Plaintiff, the Class Members, or any other person. Each of the Parties has entered into this Stipulation with the intention to avoid further disputes and litigation.

10.9 Notices: Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States certified mail, return receipt requested, addressed as follows:

To Plaintiff and the Class:

Galen T. Shimoda  
Justin P. Rodriguez  
Renald Konini  
Shimoda & Rodriguez Law, PC  
9401 East Stockton Blvd., Suite 120  
Elk Grove, CA 95624

To Defendants:

Ryan E. Abernethy

1 John Slavik  
2 Weintraub Tobin Chediak Coleman Grodin  
3 Law Corporation  
4 400 Capitol Mall, 11th Floor  
5 Sacramento, California 95814

6 10.10 Mutual Drafting of Agreement: The Parties hereto agree that the terms and conditions of  
7 this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that  
8 this Agreement shall not be construed in favor of or against any party by reason of the extent to which any  
9 party or its counsel participated in the drafting of this Agreement.

10 10.11 Attorneys' Fees and Costs Limitations: Neither Class Counsel nor any other attorneys  
11 acting for, or purporting to act for, the Class, Class Members, or Plaintiff, may recover or seek to recover  
12 any amounts for fees, costs, or disbursements from the Releasees or the Gross Settlement Amount except  
13 as expressly provided in this Agreement.

14 10.12 No Modifications: This Agreement may be amended or modified only by a written  
15 instrument signed by counsel for all Parties or their successors-in-interest. This Agreement may not be  
16 discharged except by performance in accordance with its terms.

17 10.13 Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant and  
18 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and  
19 to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement  
20 to effectuate its terms and to execute any other documents required to effectuate the terms of this  
21 Agreement.

22 10.14 Class Member Signatories: Because the Action has not yet been certified, and the Class  
23 Members are so numerous, the Parties agree that it is impossible or impractical to have each Class Member  
24 sign this Agreement. It is agreed that, for purposes of seeking approval of the Agreement, this Agreement  
25 may be executed on behalf of all Class Members by the Class Representative.

26 10.15 Counterparts: This Agreement shall become effective upon its execution by all of the  
27 undersigned. Plaintiff, Class Counsel, Defendants and Defendants' Counsel may execute this Agreement  
28 in counterparts, and execution of counterparts shall have the same force and effect as if each had signed

1 the same instrument. Facsimile, electronic, and/or scanned copies of signatures shall have the same force  
2 and effect of originals.

3 10.16 Choice of Law: The Agreement and any exhibits hereto shall be considered to have been  
4 negotiated, executed, and delivered, and to have been wholly performed, in the State of California, and the  
5 rights and obligations of the Parties to the Agreement shall be construed and enforced in accordance with,  
6 and governed by, the substantive laws of the State of California without giving effect to that State's choice  
7 of law principles.

8 10.17 Headings and Captions: Section titles or captions contained in the Agreement are inserted  
9 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of  
10 this Agreement, or any provision thereof.

11 10.18 No Retaliation or Discouragement: The Parties agree they will take no action that could be  
12 construed as retaliation against any Class Members for participating or seeking to participate in this class  
13 action settlement. The Parties will not discourage any class member from participating or seeking to  
14 participate in this class action settlement. This is a material term of the Agreement and non-breaching  
15 Parties will seek court intervention if this provision is breached.

16 10.19 Integrated Agreement: This Agreement sets forth the entire understanding between the  
17 Parties and supersedes any and all prior agreements, oral or written, pertaining to the subject matter hereof.  
18 Each party acknowledges that there is no representation, inducement, promise or agreement which has been  
19 made, orally or otherwise, by the other party, concerning the terms or conditions of this Agreement, which  
20 is not expressly embodied in this Agreement. In entering into this Agreement, the Parties represent that the  
21 terms of this Agreement are fully understood and voluntarily accepted by the Parties.

22 10.20 Binding on Successors and Assigns: This Agreement will be binding upon, and inure to the  
23 benefit of, the successors or assigns of the Parties to this Agreement, as previously defined.

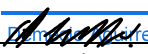
24 10.21 Invalidity of Any Provision: Before declaring any provision of this Agreement invalid, the  
25 Court will first attempt to construe the provision as valid to the fullest extent possible consistent with  
26 applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

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

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

**For Plaintiff:**

Date: 02/18/2026

  
Demecio Aguirre Villegas (Feb 18, 2026 16:32:38 PST)

**FOR Defendants:**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
For G & H Pizza, Inc.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
For Jill Michelle Gauthier

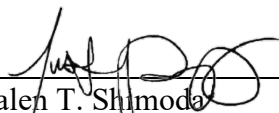
Date: \_\_\_\_\_

By: \_\_\_\_\_  
For John James Gauthier

APPROVED AS TO FORM

**Shimoda & Rodriguez Law, PC**

Dated: 02/18/2026

By:   
Galen T. Shimoda  
Justin P. Rodriguez  
Renald Konini  
Attorney for Plaintiff and Aggrieved  
Employees

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

IN WITNESS WHEREOF, this Agreement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

**For Plaintiff:**

Date: \_\_\_\_\_

Demecio Aguirre Villegas

**FOR Defendants:**

Date: Feb 18, 2026 | 5:06 PM MST



By: G&H Pizza  
For G & H Pizza, Inc.

Date: Feb 20, 2026 | 11:14 AM PST



By: Jill Gauthier  
For Jill Michelle Gauthier

Date: Feb 18, 2026 | 5:07 PM MST



By: John Gauthier  
For John James Gauthier

APPROVED AS TO FORM

**Shimoda & Rodriguez Law, PC**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Galen T. Shimoda  
Justin P. Rodriguez  
Renald Konini  
Attorney for Plaintiff and Aggrieved  
Employees

1 APPROVED AS TO FORM

WEINTRAUB TOBIN CHEDIAK COLEMAN  
GRODIN LAW CORPORATION

2  
3 Dated: February 20, 2026

4 By:   
5 Ryan E. Abernethy  
6 John Slavik  
7 Attorney for Defendants  
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# Exhibit 1

CALIFORNIA SUPERIOR COURT  
FOR THE COUNTY OF MERCED

DEMECIO AGUIRRE VILLEGAS, individually and on  
behalf of all other similarly situated employees,

Plaintiff,

vs.

G & H PIZZA, INC., a California Corporation; JILL  
MARIE GAUTHIER, an individual; JOHN JAMES  
GAUTHIER, an individual; and DOES 1 to 100, inclusive,

Defendants.

Case No. 24CV-00447

NOTICE OF PROPOSED CLASS ACTION AND PAGA  
SETTLEMENT, AND HEARING DATE FOR FINAL  
COURT APPROVAL OF SETTLEMENT

**ATTENTION:** All non-exempt employees who did not sign an arbitration agreement and who worked or continue to work for Defendants in California at any time between January 26, 2020, to [REDACTED] (“Class Members”); and All non-exempt employees who worked or continue to work for Defendants in California at any time between January 26, 2023, to [REDACTED] (“Aggrieved Employees”).

**PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION AND POTENTIAL DISBURSEMENT OF SETTLEMENT FUNDS TO YOU. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO PARTICIPATE IN OR OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.**

You are receiving this notice pursuant to an order from the Merced County Superior Court (“Court”) granting Plaintiff’s motion for preliminary approval of a Joint Stipulation Regarding Class Action and PAGA Settlement and Release (“Agreement” or “Settlement”) as fair, reasonable, and adequate. The Settlement was entered into between Plaintiff Demecio Aguirre Villegas (“Plaintiff” or “Class Representative”), and Defendants G & H Pizza, Inc., Jill Michelle Gauthier (*erroneously sued as Jill Marie Gauthier*), and John James Gauthier (“Defendants”) on behalf of Class Members as defined above. The terms of the Settlement are outlined herein. You are receiving this notice because Defendants’ records indicate you fall within the definition of “Class Member” and/or “Aggrieved Employee.” Defendants’ records also indicate that you worked [REDACTED] weeks during the applicable Class Period and [REDACTED] pay periods during the applicable PAGA Claim Period, which means your total share of the settlement proceeds is estimated to be [REDACTED]. Your actual share of the settlement proceeds will vary depending on the total number of Class Members that choose to participate and the resolution of any workweek disputes as described in this notice.

The terms of the Agreement and a description of the case are identified in this notice. Pursuant to the Court’s order, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

**I. BACKGROUND OF THE CASE**

On January 26, 2024, Plaintiff filed a Complaint against Defendants in the Merced County Superior Court of California on behalf of himself and Class Members. The term “Action” means this putative class action pending in Merced County Superior Court, Case No. 24CV-00447. The Class Period is January 26, 2020, to [REDACTED] (the “Class Period”).

In the Action, Plaintiff sought to obtain unpaid wages, interest, statutory penalties, civil penalties, fees, and costs on behalf of himself, Class Members, and Aggrieved Employees. Plaintiff alleged that Defendants violated California law by 1) failing to pay overtime wages, 2) failing to pay minimum wages, 3) failing to provide meal periods, 4) failing to provide rest periods, 5) failing to provide accurate wage statements, 6) failing to pay final wages, 7) failing to reimburse expenses, 8) failing to maintain accurate records, 9) failing to provide paid sick leave, and 10) untimely payment of wages. Defendants have denied all of Plaintiff’s allegations. The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation

and information. Furthermore, the Parties have participated in a full day mediation facilitated by a neutral third party. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Agreement, Defendants continue to deny all allegations and claims. Defendants have entered into this Settlement to fully, finally, and forever resolve this Action, based on the terms set forth in the Agreement, in order to avoid the burden and expense associated with ongoing litigation.

The Agreement applies to any and all Class Members, as defined above. The Agreement also applies to Aggrieved Employees, which are defined as all non-exempt employees who worked or continue to work for Defendants in California at any time between January 26, 2023, to [REDACTED]. If you are a Class Member, you have the opportunity to participate in the Settlement, or to exclude yourself (“opt out”) from the Settlement. This notice is to advise Class Members of how they can either participate in the Settlement or be excluded from the Settlement. As set forth below, Aggrieved Employees cannot opt out of this Agreement as it relates to the PAGA Payment or Released PAGA Claims regardless of whether they opt out of being a Class Member. Aggrieved Employees will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

## **II. SUMMARY OF THE PROPOSED SETTLEMENT**

### **A. The Amount of the Settlement**

Under the terms of the Agreement, Defendants have agreed to pay a total sum of Seven Hundred Fifty Thousand Dollars (\$750,000) (“Gross Settlement Amount”). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorney’s fees not to exceed 35% of the Gross Settlement Amount, attorney’s costs not to exceed \$10,000, Settlement Administrator Costs estimated not to exceed \$20,000, an Enhancement Payment to the Class Representative not to exceed \$10,000, and \$100,000 for alleged PAGA penalties (the “PAGA Payment”), which will result in a “Net Settlement Amount” for distribution to all Class Members. Any employer side taxes attributable to payments allocated as wages will be paid by Defendants in addition to the Gross Settlement Amount. As explained further below, the amount of each Class Member’s share of the Net Settlement Amount will depend on the number of weeks worked by Participating Class Members during the Class Period. Of the \$100,000 allocated to resolving the PAGA claims, 75% of the PAGA Payment will be paid to the State of California Labor and Workforce Development Agency and 25% of the PAGA Payment will be divided among Aggrieved Employees.

The number of weeks you worked during the Class Period and your estimated total share of the Net Settlement Amount and PAGA Payment (“Individual Settlement Amount”) is stated on the first page of this notice. The actual amount received may be more or less than the amount stated depending on the actual number of weeks worked by Participating Class Members (*i.e.*, those who do not opt out of the Settlement), the resolution of any disputes regarding workweeks, and on the distributions finally approved and allocated by the Court. However, whether Class Members opt out will have no effect on Aggrieved Employees’ allocations for the PAGA claim.

### **B. Individual Settlement Amounts and Allocation Between Class Members and Aggrieved Employees**

Defendants will pay Individual Settlement Amounts through the Settlement Administrator, as described below, to each Participating Class Member and to Aggrieved Employees. All Individual Settlement Amounts will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that the amount payable to eligible Class Members from the Net Settlement Amount will be allocated and paid as 2/3 for disputed interest, statutory penalties, and other non-wage damages for which IRS Forms 1099-MISC and 1099-INT will be issued and 1/3 for disputed wages for which IRS Forms W-2 will be issued. The PAGA Payment to Aggrieved employees will be paid as 100% for civil penalties for which IRS Forms 1099-MISC will be issued.

Payment to Participating Class Members and Aggrieved Employees will not require the submission of a claim form. Each Participating Class Member’s share will be determined by dividing their total weeks worked within the Class Period by the total weeks worked by all Participating Class Members within the Class Period. That fraction will then be multiplied by the Net Settlement Amount to arrive at the Class Member’s individual share of the Net Settlement Amount. Each Aggrieved Employee’s share of the 25% portion of the PAGA Payment will be determined by dividing their total weeks worked within the PAGA Claim Period by the total weeks worked by all Aggrieved Employees within the PAGA Claim Period. That fraction will then be multiplied by the 25% portion of the PAGA Payment to arrive at the Aggrieved Employee’s individual share. The PAGA Claim Period is defined as any time between January 26, 2023, to [REDACTED]. Defendants’ records indicate that you worked [REDACTED] weeks during the applicable PAGA Claim Period, which means your share of the PAGA Payment is estimated to be [REDACTED]. This amount is included in your estimated Individual Settlement Amount stated on the first page of this notice, not in addition to it. You will still receive your share of the PAGA Payment even if you opt out of being a Class Member. Receipt of the Individual Settlement Amounts will not entitle any Class Member or

Aggrieved Employee to additional compensation or benefits under any compensation, retirement or benefit plan or agreement in place during the period covered by the Settlement.

**C. Calculations to Be Based on Defendants' Records and Resolution of Workweek Disputes**

For each Class Member, the amount payable will be calculated by the Settlement Administrator from Defendants' records. Defendants' records will be presumed correct unless evidence to the contrary is provided to the Settlement Administrator. Defendants' records and any additional evidence will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendants' records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute must (a) identify the nature of the dispute; (b) provide any information or documentation supporting the dispute; (c) be signed; and (d) be post-marked no later than [redacted]. The dispute will be resolved by the Settlement Administrator based on the records and evidence provided.

**D. Release of Claims**

For those Class Members who do not opt out and Aggrieved Employees, the Agreement contains the following releases:

Class members who do not opt out will be deemed to have released . . . [1.29]

Aggrieved Employees will be deemed to have released . . . [1.30]

The individuals released ("Released Parties") include [1.31].

Class Members and/or Aggrieved Employees can talk to one of the lawyers appointed as Class Counsel (listed below) for free or talk to their own lawyer if they have questions about the released claims and what they mean.

**III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER**

**A. Participating in the Settlement as a Class Member**

If you wish to be a Participating Class Member and believe your workweek information is accurate, **you do not need to take any further action**. Payment will be automatically made to you consistent with the terms of the Agreement and Court Order. If you wish to dispute the workweek calculation, you may follow the procedures outlined in Section II.C above. California law protects Class Members from retaliation based on their decision to participate in the Settlement.

**B. Excluding Yourself from the Settlement as a Class Member**

The Court will exclude you from being a Class Member if you request this by [redacted]. If you do not wish to be bound by the Settlement as a Class Member, you may request to be excluded (*i.e.*, "opt out") by submitting a timely written request to the Settlement Administrator. The request to opt-out must (a) state your full name and date of birth; (b) a statement that you do not want to be a Class Member, do not want to participate in the Settlement, and/or wants to be excluded from this Settlement; (c) identify the case name and number (*i.e.* *Aguirre Villegas v. G & H Pizza, Inc., et al.*, Case No. 24CV-00447); (d) be signed; and (e) be post-marked no later than [redacted]. The request to opt out must be mailed by First Class U.S. Mail, or the equivalent, to:

[admin info]

If you submit a request to opt out which is not postmarked by [redacted], your request to opt out will be rejected, and you will be bound by the release and all other terms of the Agreement. Do not use a postage meter as that may not result in a postmark appearing on the envelope containing your request to opt out. Any Class Member who submits a complete and timely request to opt out shall, upon receipt by the Settlement Administrator, no longer be a Class Member and not receive their share of the Net Settlement Amount. Aggrieved Employees cannot opt out of this Agreement and will receive their share of the PAGA Payment regardless of whether they opt out of being a Class Member.

**C. Objection to Settlement**

If you do not opt out of the Settlement, you can object to the terms of the Settlement. However, if the Court rejects your objection,

you will still be bound by the terms of the Settlement. You can ask the Court to deny approval by submitting an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. You may submit a written objection, which should (a) state your full name and date of birth; (b) provide evidence that you are, in fact, a Class Member; (c) state the reasons for the objection(s), including supporting documentation; (d) identify the case name and number (*i.e. Aguirre Villegas v. G & H Pizza, Inc., et al.*, Case No. 24CV-00447); (e) be signed; and (f) be post-marked no later than [REDACTED]. Written objections must be sent to the Settlement Administrator at the address identified in Section III.B.

Additionally, or in the alternative to sending a written objection to the Settlement Administrator, you may appear at the final approval hearing to state your objection. Any Class Member who does not request exclusion may, if the Class Member so desires, enter an appearance through an attorney. If you appear through your own attorney, you are responsible for paying that attorney.

#### **IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS**

If the Court grants final approval of the Settlement, the Court will make and enter judgment consistent therewith. A notice of entry of judgment will be filed with the Court and available online at <https://jpportal.mercedcourt.org/MERCEDPUBLIC/>. The judgment, whether favorable or not, will bind all Class Members who do not request exclusion. After final approval, each and every Class Member who does not opt out of the Settlement and Aggrieved Employee, will release Defendants and the Released Parties from the Released Class Claims and the Released PAGA Claims described above. In other words, if you were employed as a Class Member by Defendants in California during the Class Period, and you do not exclude yourself from the Settlement, you will be deemed to have entered into these releases and to have released the above-described claims. In addition, you will be barred from ever suing Defendants and the Released Parties with respect to the claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

#### **V. FINAL SETTLEMENT APPROVAL HEARING**

The Court will hold a hearing in Department 8, 2260 N Street, Merced, California, on [REDACTED] at [REDACTED] to determine whether the Agreement should be finally approved as fair, reasonable and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs, the Settlement Administrator Costs, and the Class Representative's Enhancement Payment. The hearing may be continued without further notice. It is not necessary for you to appear at this hearing.

#### **VI. ADDITIONAL INFORMATION**

You may access the Complaint, Class Counsel's motion for preliminary approval, the Agreement, and any other documents required by the Court at <https://jpportal.mercedcourt.org/MERCEDPUBLIC/>. You can also contact Class Counsel or Defendants' Counsel as follows:

Galen T. Shimoda  
Justin P. Rodriguez  
Renald Konini  
Shimoda & Rodriguez Law, PC  
9401 East Stockton Blvd., Suite 120  
Elk Grove, CA 95624  
Telephone: (916) 525-0716  
Facsimile: (916) 760-3733  
*On behalf of Plaintiff*

Ryan E. Abernethy  
John Slavik  
Weintraub Tobin Chediak Coleman Grodin  
Law Corporation  
400 Capitol Mall, 11th Floor  
Sacramento, California 95814  
Telephone: 916.558.6000  
Facsimile: 916.446.1611  
*On behalf of Defendants*

**PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE THIS SETTLEMENT OR THE CLAIM PROCESS. IF YOU HAVE ANY QUESTIONS, CALL [number]**

**BY ORDER OF THE COURT**