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and JONELLE VELASQUEZ

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

DANIEL HE and JONELLE VELASQUEZ,
individually, and on behalf of others similarly
situated,

Plaintiffs,

v.

BAY PHOTO LAB INC.; CIRCLE
GRAPHICS, INC, a California corporation;
and DOES 1 through 25, inclusive,

Defendants.

Case No.: 24STCV05682
[related to case no. 24STCV07440]

Honorable Samantha P. Jessner
Department SSC-7

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

Complaint Filed: March 6, 2024
FAC Filed: November 6, 2025
Trial Date: Not Set

1 **[REVISED PROPOSED] ORDER**

2 On December 4, 2025 at 11:00 a.m. in Department 7 of the above-captioned Court located at
3 Spring Street Courthouse, 312 North Spring Street, Los Angeles California, 90012, Plaintiffs Daniel
4 He, and Jonelle Velasquez (together as “Plaintiffs”) Motion for Preliminary Approval of Class Action
5 and PAGA Settlement, came on for hearing before the Honorable Samantha P. Jessner. Blackstone
6 Law, APC appeared on behalf of Plaintiffs and Littler Mendelson, P.C. appeared on behalf of
7 Defendants BAY PHOTO LAB INC. and CIRCLE GRPAHICS, INC. (“Defendants”).

8 The Court, having carefully considered the papers, argument of counsel, and all matters
9 presented to the Court, and good cause appearing, hereby **GRANTS** Plaintiffs’ Motion for Preliminary
10 Approval of Class Action and PAGA Settlement.

11 **IT IS HEREBY ORDERED THAT:**

12 1. The Court preliminarily approves the First Amended Joint Stipulation of Class Action
13 and PAGA Settlement Agreement (“Settlement” or “Settlement Agreement”) attached as Exhibit 3 to
14 the Supplemental Declaration of Annabel Blanchard in Support of Plaintiffs’ Motion for Preliminary
15 Approval of Class Action and PAGA Settlement. This is based on the Court’s determination that the
16 Settlement falls within the range of possible approval as fair, adequate, and reasonable.

17 2. This Order incorporates by reference the definitions in the Settlement Agreement, and
18 all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
19 Settlement Agreement.

20 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate, and
21 reasonable. It appears to the Court that extensive investigation and research have been conducted such
22 that counsel for the parties at this time are able to reasonably evaluate their respective positions. It
23 further appears to the Court that the Settlement, at this time, will avoid substantial additional costs by
24 all parties, as well as avoid the delay and risks that would be presented by the further prosecution of
25 the case. It further appears that the Settlement has been reached as the result of intensive, serious, and
26 non-collusive, arms-length negotiations, and was entered into in good faith.

27 4. The Court preliminarily finds that the Settlement, including the allocations for the Class
28 Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service
Payments, Administration Expenses Payment, PAGA Penalties, and payments to the Participating

1 Class Members and Aggrieved Employee provided for in the Settlement Agreement, appear to be
2 within the range of reasonableness of a settlement that could ultimately be given final approval by this
3 Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part of the
4 Settlement and preliminarily finds that the monetary settlement awards made available to the Class
5 Members and Aggrieved Employees are fair, adequate, and reasonable when balanced against the
6 probable outcome of further litigation relating to certification, liability, and damages issues and are
7 consistent with the requirements of California Labor Code § 2699(1).

8 5. The Court concludes that, for settlement purposes only, the proposed Class meets the
9 requirements for certification under section 382 of the California Code of Civil Procedure in that: (a)
10 the Class is ascertainable and so numerous that joinder of all members of the Class is impracticable;
11 (b) common questions of law and fact predominate, and there is a well-defined community of interest
12 amongst the members of the Class with respect to the subject matter of the litigation; (c) Plaintiffs'
13 claims are typical of the claims of the members of the Class; (d) Plaintiffs will fairly and adequately
14 protect the interests of the members of the Class; (e) a class action is superior to other available
15 methods for the efficient adjudication of the controversy; and (f) Class Counsel is qualified to act as
16 counsel for Plaintiffs in their individual capacity and as the representatives of the Class.

17 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
18 follows:

19 All current and former hourly paid and/or non-exempt employees who worked for
20 Bay Photo Lab Inc. in California during the Class Period.

21 (The Class Period is defined as the period from November 19, 2021 through
22 January 1, 2025.)

22 7. The Court provisionally appoints Jonathan M. Genish, Barbara DuVan-Clarke,
23 Danielle Gruppchang, P.J. Van Ert, and Annabel Blanchard of Blackstone Law, APC as counsel for
24 the Class ("Class Counsel").

25 8. The Court provisionally appoints Plaintiffs Daniel He and Jonelle Velasquez as the
26 representative of the Class ("Class Representative").

27 9. The Court provisionally appoints Apex Class Action to handle the administration of
28 the Settlement ("Administrator").

1 10. Within thirty (30) calendar days after entry of this Order, Defendant will provide the
2 Settlement Administrator with the following information about each Class Member: full name, last
3 known mailing address, Social Security number, and number of Class Period Workweeks and PAGA
4 Pay Periods (collectively referred to as the “Class Data”) in conformity with the Settlement
5 Agreement.

6 11. The Court approves, both as to form and content, the Notice of Class Action Settlement
7 (“Class Notice”) attached hereto as **Exhibit 1**. The Class Notice shall be provided to Class Members
8 in the manner set forth in the Settlement Agreement. The Court finds that the Class Notice appears to
9 fully and accurately inform the Class Members of all material elements of the Settlement, of Class
10 Members’ right to be excluded from the Class Settlement by submitting a Request for Exclusion, of
11 Class Members’ right to dispute the Workweeks and/or PAGA Pay Period credited to each of them by
12 submitting a Challenge to Workweeks, and of each Settlement Class Member’s right and opportunity
13 to object to the Class Settlement by submitting a written objection to the Settlement Administrator.
14 The Court further finds that distribution of the Class Notice substantially in the manner and form set
15 forth in the Settlement Agreement and this Order, and that all other dates set forth in the Settlement
16 Agreement and this Order, meet the requirements of due process and shall constitute due and sufficient
17 notice to all persons entitled thereto. The Court further orders the Settlement Administrator to mail
18 the Class Notice in English and Spanish by First-Class U.S. Mail to all Class Members within fourteen
19 (14) calendar days of receipt of the Class Data, pursuant to the terms set forth in the Settlement
20 Agreement.

21 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
22 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
23 choose to be excluded from the Class Settlement by submitting a Request for Exclusion in conformity
24 with the requirements set forth in the Class Notice, to the Administrator, postmarked on or before the
25 date that is forty-five (45) calendar days from the initial mailing of the Notice to Class Members and
26 Aggrieved Employees, by the Administrator to Class Members (“Response Deadline”), or, in the case
27 of a re-mailed Class Notice, the Response Deadline shall be extended fifteen (15) calendar days from
28 the original Response Deadline. Any such person who timely and validly chooses to opt out of, and

1 be excluded from, the Class Settlement will not be entitled to any recovery under the Class Settlement
2 and will not be bound by the Class Settlement or have any right to object, appeal, or comment thereon.
3 Nevertheless, all Aggrieved Employees will be bound by the PAGA Settlement and issued their
4 Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. All
5 Participating Class Members shall be bound by the Class Settlement, the Settlement Agreement, and
6 the final judgment based thereon. All Aggrieved Employees, including non-participating class
7 members who are Aggrieved Employees, shall be bound by the PAGA Settlement, and any final
8 judgement based thereon.

9 13. A Final Approval Hearing shall be held before this Court on **May 14, 2026**, at 10:00
10 a.m. in Department 7 of the Los Angeles County Superior Court, located at Spring Street Courthouse
11 312 North Spring Street, Los Angeles, California, 90012, to determine all necessary matters
12 concerning the Settlement, including: whether the proposed settlement of the action on the terms and
13 conditions provided for in the Settlement is fair, adequate, and reasonable and should be finally
14 approved by the Court; whether a judgment, as provided in the Settlement, should be entered herein;
15 whether the plan of allocation contained in the Settlement should be approved as fair, adequate, and
16 reasonable to the Class Members and Aggrieved Employees and determine whether to approve the
17 requests for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class
18 Representative Service Payments, Administration Expenses Payment, and allocation for the PAGA
19 Penalties.

20 14. Class Counsel shall file a motion for final approval of the Settlement and for Class
21 Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service
22 Payments, and Administration Expenses Payment, along with the appropriate declarations and
23 supporting evidence, including the Administrator's declaration, by **April 22, 2026**, to be heard at the
24 Final Approval Hearing.

25 15. To object to the Class Settlement, a Participating Class Member must submit their
26 written objection to the Administrator on or before the Response Deadline. The written objection
27 must be signed and must contain the information that is required, as set forth in the Class Notice,
28 including and not limited to the grounds for the objection. Settlement Class Members, individually or

1 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
2 whether they have submitted a written objection.

3 16. In the event the Settlement does not become effective in accordance with the terms of
4 the Settlement Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails
5 to become effective for any reason, this Order shall be rendered null and void, shall be vacated, and
6 the parties shall revert back to their respective positions as of before entering into the Settlement
7 Agreement. The fact that the Court certified the Class for settlement purposes shall not be admissible
8 or have any bearing on the issue of whether any class should be certified in a non-settlement context.

9 17. The Court reserves the right to adjourn or continue the date of the Final Approval
10 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
11 Members and retains jurisdiction to consider all further applications arising out of or connected with
12 the Settlement.

13 **IT IS SO ORDERED.**

14 Dated: _____

Honorable Samantha P. Jessner
Judge of the Superior Court

1 EXHIBIT 1

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

4 ***Daniel He and Jonelle Velasquez v. Bay Photo Lab, Inc. and Circle Graphics, Inc.***
5 **Superior Court of California for the County of Los Angeles, Case Nos. 24STCV05682**

6 **PLEASE READ THIS CLASS NOTICE CAREFULLY.**

7 **You have received this Class Notice because Defendants’ records indicate that you may be eligible to**
8 **take part in the class action settlement reached in the above-referenced case.**

9 **You do not need to take any action to receive a settlement payment.**

10 **This Class Notice is designed to advise you of your rights and options with respect to the settlement, and**
11 **how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or**
12 **dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.**

13 **YOU ARE NOTIFIED THAT:** A class and representative action settlement has been reached between
14 Plaintiffs Daniel H and Jonelle Velasquez (“Plaintiffs”) and Defendants Bay Photo Lab, Inc. and Circle
15 Graphics, Inc. (“Defendants”) (Plaintiffs and Defendants are collectively referred to as the “Parties”) in the case
16 entitled *Daniel He and Jonelle Velasquez v. Bay Photo Lab, Inc. et al.*, Los Angeles County Superior Court,
17 Case No. 24STCV05682 (“Action”), which may affect your legal rights. On [date of Preliminary Approval], the
18 Court granted preliminary approval of the settlement and scheduled a hearing on May 14, 2026, at 10:00 a.m.
19 (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

20 **I. IMPORTANT DEFINITIONS**

21 **“Class” or “Class Member(s)”** means all current and former hourly paid and/or non-exempt employees who
22 worked for Bay Photo Lab, Inc. in California during the Class Period.

23 **“Class Period”** means the period from November 19, 2021 through January 1, 2025.

24 **“Class Settlement”** means the settlement and resolution of all Released Class Claims.

25 **“Aggrieved Employee(s)”** means all current and former hourly paid and/or non-exempt employees who
26 worked for Bay Photo Lab, Inc. in California during the PAGA Period.

27 **“PAGA Period”** means the period from January 17, 2023 through January 1, 2025.

28 **“PAGA Settlement”** means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On January 17, 2024, Plaintiff Velasquez provided written notice to the California Labor and Workforce
Development Agency (“LWDA”) and Defendants of the specific provisions of the California Labor Code that
Plaintiffs contend were violated (“PAGA Letter”). On March 6, 2024, Plaintiffs commenced a putative class
action lawsuit by filing a Class Action Complaint for Damages in the Action (“Class Action Complaint”). On
March 25, 2024, Plaintiff Velasquez filed a Complaint for Enforcement Action Under the Private Attorneys
General Act, Cal. Labor Code §§ 2698, et seq. (“PAGA Complaint”). On November 6, 2025, Plaintiffs filed a
First Amended Class and Representative Action Complaint in the Action, effectively consolidating the PAGA
claims with the class action claims in the Action (“Operative Complaint”).

Plaintiffs contend that Defendants failed to properly pay minimum and overtime wages, provide compliant meal
and rest breaks and associated premiums, timely pay wages during employment and upon termination of
employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business

1 expenses, and thereby engaged in unfair business practices in violation of the California Business and
2 Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under the Private Attorneys
3 General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* ("PAGA"). Plaintiffs seek, among
other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses,
restitution, penalties, interest, and attorneys' fees and costs.

4 Defendants deny all of the allegations in the Action or that it violated any law.

5 The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached
6 a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement
Agreement ("Settlement" or "Settlement Agreement").

7 On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The
8 Court has appointed Apex Class Action as the administrator of the Settlement ("Settlement Administrator"),
9 Plaintiffs Daniel He and Jonelle Velasquez as representatives of the Class ("Class Representatives"), and the
following Plaintiffs' attorneys as counsel for the Class ("Class Counsel"):

10 Jonathan M. Genish
11 Barbara DuVan-Clarke
12 Danielle GruppChang
13 P.J. Van Ert
14 Annabel Blanchard
15 **Blackstone Law, APC**
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

15 If you are a Class Member, you need not take any action to receive an Individual Class Payment, but you have
16 the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual
17 Class Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Pay Periods
18 credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved
Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the
opportunity to object or seek exclusion from the PAGA Settlement and all Aggrieved Employees will be bound
to the PAGA Settlement if the Court grants final approval of the Settlement.

19 The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is
20 intended or will be construed as an admission by Defendants that the claims in the Action have merit or that
21 Defendants have any liability to Plaintiffs, Class Members, or Aggrieved Employees. Plaintiffs and Defendants,
22 and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side
of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class
Members, the State of California, and Aggrieved Employees.

23 **III. SUMMARY OF THE PROPOSED SETTLEMENT**

24 **A. Settlement Formula**

25 The total gross settlement amount is Six Hundred Fifty Thousand Dollars (\$650,000) (the "Gross Settlement
26 Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is
27 referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount
28 less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to
exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$227,500), and reimbursement of
litigation costs and expenses, in an amount not to exceed Forty Thousand Dollars (\$40,000) to Class Counsel;
(2) Class Representative Service Payments in an amount not to exceed Seven Thousand Five Hundred Dollars
(\$7,500) to each Plaintiff (for a total of \$15,000) for their services in the Action; (3) the amount of Fifty
Thousand Dollars (\$50,000) allocated toward civil penalties under the Private Attorneys General Act ("PAGA")

Amount”), of which the LWDA will be paid 75% (\$37,500) (“LWDA Payment”) and the remaining 25% (\$12,500) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Ten Thousand Nine Hundred Dollars (\$10,900) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Class Share”) based on the number of weeks each Class Member worked for Defendants for at least one day, during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members and has multiplied each Class Member’s individual Workweeks by the result, in order to yield an estimated Individual Class Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Participating Class Members”) will be issued their final Individual Class Payment.

Each Individual Class Share will be allocated as one-third (1/3) as wages, which will be reported on an IRS Form W-2, and two-thirds (2/3) as penalties and interest, which will be reported on an IRS Form 1099 (if applicable). Each Individual Class Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Class Shares resulting in a net payment to the Participating Class Member (“Individual Class Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Class Payments (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Settlement Amount.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each Aggrieved Employee worked for Defendants for at least one day during the PAGA Period (“Pay Periods”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Penalties, by the Pay Periods of all Aggrieved Employees and multiplied each Aggrieved Employee’s individual Pay Periods by the result, to yield each Aggrieved Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

Should the Court grant Final Approval on May 14, 2026, Defendants shall transmit the Gross Settlement Amount to the Administrator no later than **July 28, 2026**.

If the Court grants final approval of the Settlement, Individual Class Payments will be mailed to Participating Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendant’s Records

According to Defendant’s records:

- **From November 19, 2021 through January 1, 2025 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From January 17, 2023 through January 1, 2025 (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Pay Periods.**

If you wish to dispute the Workweeks and/or PAGA Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Challenge to Calculation of Workweeks” or “Challenge”). The Challenge must: (a) contain the case name and number of the Action (*He, et al. v. Bay Photo Lab, Inc., et al.*, Case No. 24STCV05682); (b) contain your full name, signature, address, telephone number, and the last four

(4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Class Payment and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Pay Periods (if applicable) credited to you.

Under the terms of the Settlement, your Individual Class Payment is estimated to be \$ [REDACTED]. The Individual Class Payment is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Class Payment and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Class Payment and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Class Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the full funding of the Gross Settlement Amount and all employer taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs and all Participating Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means all claims which were alleged or which reasonably could have been alleged based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action for unpaid wages (including premiums) or other compensation allegedly owed, or for damages, penalties, restitution, interest, liquidated damages, attorneys' fees, or costs, or any other recovery including under the California Labor Code and corresponding provisions of the California Code of Regulations, Title 8 and IWC Wage Orders, including, e.g., (1) Violation of Cal. Lab. Code §§ 1194, 1197, 1197.1 and 1194.2 (Unpaid Minimum Wages); (2) Violation of Cal. Lab. Code §§ 510, 1198, and 1194 (Unpaid Overtime); (3) Violation of Cal. Lab. Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (4) Violation of Cal. Lab. Code § 226.7 (Unpaid Rest Period Premiums); (5) Violation of Cal. Lab. Code §§ 204 and 210 (Wages Not Timely Paid During Employment); (6) Violation of Cal. Lab. Code § 226(a) (Failure to Provide Accurate Wage Statements); (7) Violation of Cal. Lab. Code §§ 201, 202, and 203 (Untimely Final Wages); (8) Violation of Cal. Lab. Code §§ 2800 and 2802 (Failure to Reimburse Necessary Business Expenses); and (9) Violation of Cal. Business & Professions Code §§ 17200, et seq. Except as set forth in Section 5.4 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period

1 “Released PAGA Claims” means all claims for PAGA penalties under Labor Code section 2698 et seq. that
2 were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative
3 Complaint, the PAGA Notice, and ascertained in the course of the Action, including, e.g., under Labor Code
4 sections 201, 202, 203, 204, 210, 218.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1,
5 1198, 2800, 2802, and all applicable IWC Wage Orders. The express purpose of this Agreement and the
6 Judgment to be entered by the Court following approval of this settlement is to forever bar Plaintiffs, the
7 LWDA, and any other individual or entity acting on behalf of or purporting to act on behalf of the LWDA
(including all Aggrieved Employees) from asserting any of the Released PAGA Claims in any future litigation.
It is the intent of the Parties that, to the greatest extent provided by law, including under the holding of *Arias v.*
Superior Court, 46 Cal. 4th 969, 986 (2009), the ability of Plaintiffs, the State of California or any Aggrieved
Employee to bring a PAGA claim on behalf of the LWDA based on the Released PAGA Claims for the PAGA
Period is completely and forever foreclosed.

8 All Aggrieved Employees, including Non-Participating Class Members, are to be bound by the PAGA portion
9 of the Settlement upon its approval by the Court, regardless of whether he or she negotiates (i.e. cashes or
deposits) his or her Individual PAGA Payment

10 “Released Parties” means Defendants, their subsidiaries, and affiliates, and each of their former and present
11 directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns,
agents, reinsurers, and any individual or entity which could be jointly liable with Defendants.

12 **E. Attorneys’ Fees and Costs to Class Counsel**

13 Class Counsel will seek attorneys’ fees in an amount not to exceed thirty-five percent (35%) of the Gross
14 Settlement Amount (i.e., \$227,500) and reimbursement of litigation costs and expenses in an amount not to
15 exceed Forty Thousand Dollars (\$40,000) (collectively, “Attorneys’ Fees and Costs”), subject to approval by
16 the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount.
Class Counsel has been prosecuting the Action on behalf of Plaintiffs, Class Members, and Aggrieved
Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all
litigation costs and expenses.

17 **F. Class Representative Service Payments to Plaintiffs**

18 Plaintiffs will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500) (“Class Representative
19 Service Payment(s)”), each in recognition of their services in connection with the Action. The Class
20 Representative Service Payments will be paid from the Gross Settlement Amount, subject to approval by the
Court, and if awarded, it will be paid to Plaintiffs in addition to their Individual Class Payments and Individual
PAGA Payments that they are entitled to under the Settlement.

21 **G. Settlement Administration Costs to Settlement Administrator**

22 Payment to the Settlement Administrator is estimated not to exceed Ten Thousand Nine Hundred Dollars
23 (\$10,900) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process,
24 including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests
for Exclusion, Objections, and Challenges to Workweeks, calculating Individual Settlement Shares, Individual
Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the
Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

25 **IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?**

26 **A. Participate in the Settlement**

27 **If you want to participate in the Class Settlement and receive money from the Class Settlement, you do**
28 **not have to do anything.** You will automatically be included in the Class Settlement and issued your Individual
Class Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are an Aggrieved Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and Aggrieved Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*He, et al. v. Bay Photo Lab, Inc., et al.*, Case No. 24STCV05682); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Class Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. Aggrieved Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Objection") to the Settlement Administrator.

The Objection must: (a) contain the case name and number of the Action (*He, et al. v. Bay Photo Lab, Inc., et al.*, Case No. 24STCV05682); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted an Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 7 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on May 14, 2026, at 10:00 a.m., to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked

1 to approve and grant the Attorneys' Fees and Costs to Class Counsel, Class Representative Service Payments to
2 Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.
3 The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved
Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you
wish to.

4 **VI. ADDITIONAL INFORMATION**

5 The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the
6 Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on
file with the Court.

7 You may view the Settlement Agreement and other documents filed in the Action by visiting
<https://www.lacourt.org/>

8 You may also visit the Settlement Administrator's website at [REDACTED] for key documents in the Action.

9 **PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR
INFORMATION REGARDING THIS SETTLEMENT.**

10 **IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT
THE FOLLOWING TOLL-FREE NUMBER: [REDACTED], OR YOU MAY ALSO CONTACT CLASS
11 COUNSEL.**