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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE – HISTORIC COURT HOUSE

JOSE E. VIDAL and JENTILA CALLAS,
individuals, on behalf of themselves and
others similarly situated,

Plaintiffs,

vs.

SOUTH COAST WINERY, INC., a
California stock corporation; CARTER
HOSPITALITY GROUP, LLC, a Florida
Limited Liability Company; CARTER
ESTATE WINERY AND RESORT, LLC, a
California Limited Liability Company; and
DOES 1 through 50, inclusive,

Defendants.

Case No. CVRI2406840

CLASS ACTION

Assigned for All Purposes To:

Hon. Harold W. Hopp

Dept. 1

**DECLARATION OF MARTA MANUS IN
SUPPORT OF PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: October 21, 2026

Time: 8:30 a.m.

Dept.: 1

Reservation ID: 304963898323

Complaint Filed: February 13, 2024

First Amended Complaint Filed: April 17, 2024

Second Amended Complaint Filed: July 30, 2026

Trial Date: None Set

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**DECLARATION OF MARTA MANUS IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

I, Marta Manus, declare:

1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Courts for the Central, Southern, Eastern and Northern Districts of California. I am an Associate Attorney at D.Law, Inc. ("D.Law"), and attorney of record for Plaintiff Jose E. Vidal. I have personal knowledge of the facts herein. If called as a witness, I could and would competently testify thereto.

2. All the matters set forth herein are within my personal knowledge, except those matters that are stated to be upon information and belief. As to such matters, I believe them to be true. I submit this Declaration in support of Plaintiffs' Motion for Preliminary Approval of the parties' Class Action and PAGA Settlement Agreement ("Settlement Agreement" or "Settlement"), a true and correct copy of which is attached hereto as **Exhibit 1**.

I. PROCEDURAL HISTORY

3. On February 12, 2024, Plaintiff Vidal commenced this Action by filing a Complaint alleging causes of action against Defendants for: (1) Failure to Pay Minimum Wages and Secret Under Payment of Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226; (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (8) Violation of Labor Code § 203; (9) Failure to Maintain Records Required Under Labor Code §§ 1174, 1774.5; (10) Failure to Reimburse Necessary Business Expenses under Labor Code § 2802; and (11) Violation of Business and Professions Code § 17200 *et seq.*

4. On the same day, February 12, 2024, Plaintiff Vidal gave timely notice to the LWDA and Defendants that Plaintiff Jose E. Vidal intended to proceed with a representative action under PAGA (LWDA-CM-1010496-24) pursuant to Labor Code § 2699.3, subd.(a). The LWDA did not express an interest in investigating Plaintiff's claims within the 65-day period. Therefore, on April 30, 2024, Plaintiff Vidal filed First Amended Complaint, which

1 added claims for Civil Penalties under Labor Code § 2698, *et seq.* On April 30, 2024, Plaintiff
2 Vidal filed a First Amended Complaint adding a claim for civil penalties under PAGA.

3 5. On February 21, 2024, Plaintiff Jentila Callas filed a representative action under
4 the PAGA entitled *Jentila Callas v. Carter Hospitality Group, LLC* in Riverside County Superior
5 Court (Case No. CVRI2400874) and alleged the same wage and hour violations. On November
6 30, 2023, Plaintiff Callas gave timely notice to the LWDA and Defendants that Plaintiff intended
7 to proceed with a representative action under PAGA (LWDA-CM-997045-23) pursuant to Labor
8 Code § 2699.3, subd.(a).

9 6. On November 27, 2024, Plaintiff Vidal and Plaintiff Callas (collectively
10 “Plaintiffs”) and their counsel executed a Joint Prosecution and Fee Cost Sharing (“JPA”) to
11 collectively represent the Plaintiffs in the prosecution and litigation. All Parties
12 subsequently agreed to mediate the Plaintiffs’ Class and PAGA claims.

13 7. On July 30, 2026, per stipulation of the Parties, and as part of the terms of the
14 Settlement, Plaintiff Vidal filed a Second Amended Class Action Consolidated Complaint
15 (“SAC”) in this action to add all claims alleged in the Callas Action, and Plaintiff Callas as
16 named Plaintiff. The SAC is the operative complaint in the Action (the “Operative Complaint”),
17 and includes the following cause of action: (1) Failure to Pay Minimum Wages and Secret
18 Under Payment of Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3)
19 Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code §
20 226.7; (5) Violation of Labor Code § 226; (6) Violation of Labor Code § 221; (7) Violation of
21 Labor Code § 204; (9) Violation of Labor Code § 203; (9) Failure to Maintain Records Required
22 Under Labor Code §§ 1174, 1774.5; (10) Failure to Reimburse Necessary Business Expenses
23 under Labor Code § 2802; (11) Violation of Business and Professions Code § 17200 *et seq.*; and
24 (12) Penalties under PAGA, Labor Code § 2698, *et seq.*

25 8. Plaintiffs contend that Defendants violated California’s wage and hour laws by,
26 failing to pay all wages due including all minimum wages and overtime wages, failing to provide
27 all meal periods and rest periods, failing to provide all legally compliant meal and rest periods,
28 failing to fully reimburse work expenses, failing to provide compliant and accurate itemized

1 wage statements, failing to timely pay all wages due upon separation of employment and thereby
2 also violating California Business & Professions Code section 17200, *et seq.*, and incurring
3 penalties under PAGA.

4 9. Defendants deny the allegations in the Operative Complaint and PAGA Notice,
5 denied any failure to comply with the laws identified in the Operative Complaint and PAGA
6 Notice, and denies all liability for the cause of action, claims and violations alleged.

7 10. On April 30, 2025, the Parties participated in a mediation presided over by
8 respected wage and hour mediator the Honorable Howard Broadman (Ret.), an experienced
9 mediator. Recognizing the burdens and risk of continuing with the litigation, the parties were
10 able to reach an agreement on general settlement terms to resolve the Action through a
11 mediator's proposal.

12 11. The Settlement proposes the following Class: all non-exempt hourly employees,
13 including Plaintiffs, who worked for Defendants in California during the Class Period. It shall be
14 an opt-out class, there is no claim form requirement, and no residual will revert to Defendants.
15 (Ex. 1, ¶ 1.5.)

16 **II. THE SETTLEMENT**

17 12. To settle the Action and Released Claims, Defendants agree to pay the Gross
18 Settlement Amount of \$575,000, exclusive of the employer's portion of payroll taxes and fees
19 (i.e. Defendants will pay the employer-side payroll taxes on the wages portion separately from
20 the Gross Settlement Amount). The Gross Settlement Amount represents approximately 68% of
21 the calculated exposure for the underlying Labor Code claims calculated by Plaintiffs and
22 approximately 62% of the overall case value including PAGA penalties, which demonstrates that
23 the settlement is fair and reasonable. Thus, the Settlement represents a fair and reasonable
24 recovery for the claims in the Operative Complaint.

25 13. There are approximately 53,470 Workweeks in the Class Period, resulting in a
26 recovery of an estimated \$5.25 per workweek (estimated Net Settlement Amount¹ of \$280,833
27 _____

28 ¹ The Net Settlement Amount means the Gross Settlement Amount, less the following payments in the
amounts approved by the Court: Class Counsel Fees Payment, Class Counsel Litigation Expenses

divided by 53,470 workweeks). Each Class Member will receive an *average* Individual Settlement Award of approximately \$435.40 (Net Settlement Amount of \$280,833 divided by 645 Class Members), with the *highest* estimated Individual Settlement Award of approximately \$960.75 (total weeks in the Class Period (183) multiplied by \$5.25). Additional proposed disbursements are as follows:

Class Counsel Fees Payment	Up to \$191,667 (1/3 of Gross Settlement Amount), subject to Court approval
Class Counsel Litigation Expenses Payment for actual expenses incurred in litigating the Action	Actual Litigation Expenses verified by Class Counsel and approved by the Court (currently estimated not to exceed \$25,000)
Administration Expenses	Not to exceed \$12,500
Class Representative Enhancement Payments	\$10,000 to Plaintiff Vidal and \$5,000 to Plaintiff Callas (\$15,000 total)
PAGA Penalties	\$50,000 (\$37,500 to LWDA; \$12,500 to Aggrieved Employees)

14. As detailed in the Settlement Agreement, the Parties have selected Phoenix Class Action Administration Solutions (the “Administrator”), an experienced class action settlement administrator, to administer this Settlement. Following preliminary approval, the Administrator will mail the Class Notice per the Settlement Agreement. The Parties have confirmed that the Class Notice will be translated into Spanish. The Parties respectfully request that this Court approve the Class Notice to be disseminated to the Class consistent with the manner and timing as set forth in this Memorandum and the Settlement Agreement.

15. The Parties obtained estimates for the cost of settlement administration from four administrators. The two estimates provided were comparable in terms of total administration costs. After considering the two estimates received, the Parties agreed on Phoenix Class Action Administration Solutions (“Phoenix”) as the Administrator. Phoenix was the lowest estimate. Based on Class Counsel’s prior experience with Phoenix, Phoenix is one of the most experienced and best settlement administrator companies. The Parties respectfully request that this Court

Payment, Class Representative Enhancement Payments, the Administration Expenses, Individual PAGA Payments, and the LWDA PAGA Payment . (Ex. 1, ¶ 1.28.)

1 appoint Phoenix to handle the Class Notice and claims administration procedures, including
2 posting the Judgment on its website. To my knowledge, none of the parties or attorneys involved
3 in this action has ever had any financial interest in or affiliation with the proposed Administrator.

4 16. As such, the Parties respectfully request that this Court appoint the proposed
5 Administrator to handle the notice and claims administration procedures, including posting the
6 Judgment on its website.

7 **III. SETTLEMENT DOCUMENTS**

8 17. The Parties have finalized the terms of the following documents, true and correct
9 copies of which are attached hereto:

10 a. Class Action And PAGA Settlement Agreement attached hereto as

11 **Exhibit 1**; and

12 b. Notice of Class Action Settlement attached to the Class Action and PAGA
13 Settlement Agreement attached to the Class Action and PAGA Settlement
14 Agreement (Exhibit 1 herein) as **Exhibit A**.

15 18. Attached hereto as **Exhibit 2** is true and correct copy of the Declaration of Jodey
16 Lawrence on behalf of Phoenix Class Action Administration Solutions.

17 19. Attached hereto as **Exhibit 3** is a true and correct copy of the confirmation of
18 submission of the Settlement to the LWDA.

19 **IV. CONDITIONAL CERTIFICATION OF THE CLASS FOR SETTLEMENT** 20 **PURPOSES**

21 20. The Class definition is sufficiently specific to enable potential Class Members and
22 the Court to identify the Class Members, all of whom have indeed been identified by
23 Defendants' employment and payroll records. There are approximately 645 Class Members,
24 which is sufficient to satisfy numerosity requirements. The evidence to support the claims as to
25 the Class consists of Defendants' policies, payroll records, time records and the forms of wage
26 statements given to Defendants' non-exempt employees.

27 21. The proposed Class Representatives worked for Defendants as a non-exempt
28 employee under Defendants' uniform employment policies applicable to all non-exempt hourly

1 employees, including Plaintiffs, who worked for Defendants in California during the Class
2 Period. Plaintiffs assert that these are all policy questions that are uniform and can be proven by
3 common objective evidence. The evidence to support these claims on a class wide basis consists
4 of Defendants' policies, payroll records, time records and the forms of wage statements given to
5 Defendants' non-exempt employees. The Class Representatives were subject to the same policies
6 as other Class Members.

7 22. Plaintiffs' claims are typical of those of other Class Members. The Class
8 Representatives have agreed to act as such and understand their responsibilities. The Class
9 Representatives have no claims or other interests that are antagonistic to the Class.

10 **V. PRELIMINARY APPROVAL OF THE SETTLEMENT**

11 23. The Settlement for each participating Class Member is fair, reasonable, and
12 adequate given the inherent risk of litigation, the risk relative to trial, and the costs of litigation.
13 The Settlement represents a fair and reasonable value of all claims. There is no claim form
14 required so all Class Members will be paid unless they opt out, and there is no reversion to
15 Defendants. Finally, the only governmental involvement in this case is the existence of a PAGA
16 claim, and Plaintiffs have notified the LWDA of this Settlement. (Ex. 3 hereto.) The Settlement
17 Amount balanced against the merits of the Plaintiffs' case is reasonable.

18 24. Here, the Settlement was reached through arm's-length negotiation with an
19 experienced, highly regarded neutral mediator, the Honorable Howard Broadman (Ret.). Before
20 mediation, the Parties engaged in informal discovery. To prepare for the mediation, Defendants
21 provided extensive documentation of its policies and practices and data related to the claims
22 asserted in this case, including a class list with job positions, employment dates, and hourly rates
23 for approximately 577 employees and a sampling of time and payroll data for 20% Class
24 Members, and other information necessary for Plaintiffs to create a damages exposure analysis.
25 Plaintiffs hired an expert, Berger Consulting Group – Economic Data Analysts, to prepare
26 damage calculations and an exposure analysis for the mediation.

27 25. The Settlement here provides pro rata distribution to Class Members based upon
28 the number of workweeks. (Ex. 1, ¶ 1.23.) Accordingly, the Settlement treats the Class Members

equitably, and the proposed distribution plan supports preliminary approval.

26. The Settlement that has been reached, subject to this Court's approval, is the product of tremendous effort and a great deal of expense and time by the Parties and their Counsel. Class Counsel are knowledgeable about and have done extensive research with respect to the applicable law and potential defenses to the claims of the Class Members. Such investigation included the exchange of information and documents through informal discovery. Among other things, Class Counsel reviewed all relevant policy documents, a class list with job positions, employment dates, and hourly rates for approximately 577 employees and a sampling of time and payroll data for 20% Class Members for Plaintiffs to create a damages exposure analysis. The Parties' investigation also included preparing for and attending a full day of mediation with well-known mediator, Honorable Howard Broadman (Ret.), an experienced mediator. The Parties investigated relevant law as applied to the facts of the case, potential defenses, and damages claimed by Plaintiffs on behalf of themselves, the Class, and the Aggrieved Employees. (Ex. 1, ¶¶ 2.7, 2.8.)

27. Based on the documents and information provided by Defendants and their own independent investigation and evaluation, Class Counsel and Plaintiffs are of the opinion that the Settlement is fair, reasonable, and adequate, and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendants, and numerous potential appellate issues.

VI. ESTIMATED VALUE OF EACH CLAIM

28. The Gross Settlement Amount is, of course, a compromise figure. Plaintiffs considered the risks of decertification, the risks related to proof of Plaintiffs' claims, and the strengths and weaknesses of Defendants' defenses. Plaintiffs also considered the possibility that if a settlement were reached after additional years of litigation, the great expenses of litigation would reduce the amount of funds available to class members for settlement. Furthermore, Plaintiffs took into consideration the time delay and financial repercussions of liability trials, numerous damages trials, and the possibility of an appeal by Defendants. The details for the

1 reasonably expected recovery per claim are detailed below in the following paragraphs.

2 **29. Failure to Pay All Wages Due to Off-the-Clock Work**

3 *a. Facts*

4 Plaintiffs alleged that Class Members performed work while under Defendants' control
5 but were not paid for all hours worked.

6 Plaintiffs alleged that Defendant's policy and practice of requiring systematic off the
7 clock work occurred, in part, from allegedly unlawful timekeeping procedures. Plaintiffs
8 contended that Defendants instructed employees to record compliant meal periods regardless of
9 whether the meal periods were actually timely provided, lasted the full 30 minutes, or were
10 interrupted by customer or guest needs, management demands, or other work-related
11 requirements. Additionally, on numerous occasions, Defendants also issued verbal warnings
12 when recorded time entries did not reflect compliance with these timekeeping instructions.

13 Further, Plaintiffs reported that after clocking out for a meal period, Plaintiffs were
14 frequently required to continue working by attending to tables and the needs of customers and
15 guests, particularly when Defendants were understaffed.

16 Finally, off-the-clock work occurred in the instances where Plaintiffs and Class Members
17 were required to wait in line to clock in for their shifts or clock in for lunch.

18 *b. Law*

19 Labor Code §§ 510 and 1194 require employers to pay applicable wages for all hours
20 worked. "Hours worked" means the time during which an employee is subject to the control of
21 an employer and includes all the time during which the employee is suffered or permitted to
22 work, whether or not required to do so." (*Morillion v. Royal Packing Co.* (2000) 22 Cal.4th 575,
23 582.)

24 *c. Expected Recovery*

25 Plaintiffs' expert assumed 10 minutes of off-the-clock time per shift (48.4% attributable
26 to overtime based on the time records analyzed by Plaintiffs' expert). The estimated total amount
27 of unpaid wages for other off-the-clock work totaled \$446,661 (excluding interest). Plaintiffs
28 estimated the probability of prevailing on this claim is approximately 25% because Defendants

1 contended that proof of this claim would depend largely on anecdotal evidence such as Class
2 Member testimony as there are not records of time worked off-the-clock, and ultimately this
3 claim may be determined to be too individualized for purposes of class certification. As such, the
4 Plaintiff's adjusted calculated exposure for this claim was calculated to be approximately
5 **\$111,665.25.**

6 **30. Failure to Pay Overtime**

7 *a. Facts*

8 Defendants compensated Plaintiffs and Class Members performance-based bonuses,
9 "BQT" payments, service charges, and other forms of remuneration. Plaintiffs alleged that
10 Defendants failed to include these additional forms of remuneration in the regular rate of pay to
11 determine the legal overtime pay for the Class Members and failed to use the correct regular rate
12 to pay meal premiums and sick leave.

13 Further, Defendants allegedly systematically underpaid Plaintiffs and the Class Members
14 by failing to pay them at the required overtime rates for all hours over eight in a work shift or
15 over forty in a work week, and all hours over twelve in a day at the required double time rate.

16 *b. Law*

17 "[A]n employee's 'regular rate of pay' for purposes of Labor Code sections 510 and the
18 IWC wage orders is not the same as the employee's straight time rate (i.e., his or her normal
19 hourly wage rate)." (*Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 554.)
20 Instead, the regular rate of pay must include "adjustments to the straight time rate, reflecting,
21 among other things, shift differentials and the per-hour value of any non-hourly compensation
22 the employee has earned," such as incentive pay. (*Ibid.*) Earned bonuses must be included in the
23 calculation of the regular rate of pay. (*Marin v. Costco Wholesale Corp.* (2008) 169 Cal.App.4th
24 804, 807 [holding that bonus must be included in overtime rate calculation]; 29 U.S.C. § 207(e)
25 [regular rate includes "all remuneration for employment paid to, or on behalf of, the
26 employee"].)

27 "Any work in excess of eight hours in one workday and any work in excess of 40 hours
28 in any one workweek and the first eight hours worked on the seventh day of work in any one

workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” (Labor Code § 510.)

c. Expected Recovery

Based on the data provided by Defendants and analyzed by Plaintiffs’ expert, the total exposure for this claim was calculated to be approximately \$128,887 (\$59,956 for underpaid overtime; \$11,229 for underpaid meal break premiums; \$4,122 for underpaid rest break premiums; and (\$53,580 for underpaid sick leave). The probability of prevailing on this claim was approximately 60% because time and pay records to prove liability and damages. The risk is the general risks of class certification and trial. As such, the adjusted estimated exposure for this claim was approximately **\$77,332.20**.

31. Failure to Provide All Meal Periods:

a. Facts

Plaintiffs alleged that Defendants failed to provide Plaintiffs and Class Members with all required meal periods. Defendants instructed employees to record these compliant meal periods regardless of whether the meal periods were actually timely provided, lasted the full 30 minutes, or were interrupted by customer or guest needs, management demands, or other work-related requirements.

To the extent that Plaintiffs and Class Members were, at times, able to take a meal period and clock out for it, Plaintiffs alleged that their meal periods were often interrupted by work demands or otherwise untimely. Moreover, to the extent Plaintiffs and other Class Members worked shifts of greater than ten hours worked, if at all, Plaintiffs contended that they were not provided with second timely and duty-free second meal periods on eligible shifts.

b. Law

Employers must generally provide “a first meal period [of at least 30 minutes] no later than the end of an employee's fifth hour of work, and a second meal period [of at least 30 minutes] no later than the end of an employee's 10th hour of work.” (*Brinker v. Superior Court* (2012) 53 Cal.4th 1004, 1041.)

c. Expected Recovery

1 Plaintiffs' damages analysis determined that the data showed unique meal break
2 violations of 14.5%, yielding an estimated recovery of approximately \$412,188, which was
3 offset by \$103,199 in meal premiums paid by Defendants.

4 Defendants contended that employees were provided with the opportunity to take all meal
5 periods, and if they did not do so, it was purely voluntary. Defendants argued that under
6 California law, employers do not have a duty to ensure that employees take all meal periods, so
7 long as they provide meal periods and do not inhibit employees from taking all compliant meal
8 periods. Further, Defendants paid meal period premiums for some facial meal period violations.
9 Accordingly, taking the Defendants' defenses into account, as well as the likelihood of
10 certification, the realistic recovery was approximately 25%, resulting in an adjusted estimated
11 valued of approximately **\$103,047**.

12 **32. Failure to Authorize and Permit All Rest Periods:**

13 *a. Facts*

14 Similar violations resulted from Defendants' failure to authorize and permit Plaintiffs and
15 the Class Members to take duty-free, net ten-minute rest breaks for every four hours of work, or
16 major fraction thereof. Plaintiffs and the Class Members were often not provided the opportunity
17 to take required rest breaks or, when breaks were provided, Plaintiffs and Class Members were
18 required to remain on duty, respond to management, or attend to job and customer demands. Rest
19 breaks were not consistently scheduled and were frequently untimely, shortened, interrupted, or
20 otherwise taken while employees remained subject to Defendants' control.

21 Plaintiffs and the Class Members regularly worked shifts of at least eight hours, requiring
22 at least two rest breaks, and often worked shifts exceeding ten hours, requiring at least three.
23 Even when a first rest break was authorized and permitted, employees were frequently not
24 provided subsequent breaks. When breaks were provided, they were often delayed, interrupted,
25 or cut short by work-related duties and requirements.

26 Finally, Plaintiffs and the Class Members were required to remain on duty, respond to
27 calls and instructions, and prevented from leaving the premises and otherwise remain under
28 Defendants' control during rest breaks.

1 b. Law

2 “Employees are entitled to 10 minutes’ rest for shifts from three and one-half to six
3 hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts
4 of more than 10 hours up to 14 hours, and so on.” (*Brinker Restaurant Corp. v. Superior Court*
5 (2012) 53 Cal.4th 1004, 1029.) “Employees are entitled to 10 minutes’ rest for shifts from three
6 and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours,
7 30 minutes for shifts of more than 10 hours up to 14 hours, and so on.” (*Brinker Restaurant*
8 *Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1029.) The applicable wage order imposes a
9 similar obligation, and states that rest breaks must occur in the middle of each work period,
10 insofar as is practicable. (8 C.C.R. § 11040(12).)

11 Further, “[d]uring required rest periods, employers ***must . . . relinquish any control over***
12 ***how employees spend their break time.***” (*Augustus v. ABM Security Servs., Inc.* (20016) 2
13 Cal.5th 257, 260.) This includes both meal and rest periods. (*Ibid.*; *Brinker v. Superior Court*
14 (2012) 53 Cal.4th 1004, 1038-1039 [discussing requirement to relinquish control over employees
15 during breaks].)

16 Restricting employees to the employer’s premises, i.e., controlling where an employee
17 must physically spend his or her rest period, is a form of employer control, just as the Supreme
18 Court in *Brinker* found that an employer impermissibly exerts control over an employee during a
19 meal period when it restricts the employee to the employer’s premises. (*Id.* at p. 1036
20 [employees must be “free to leave the premises” during meal periods].)

21 Indeed, the Court in *Augustus* found that the Labor Code and the applicable Wage Order
22 provisions treat meal periods and rest periods identically with respect to the employer’s
23 obligation to relinquish control over employees. The Court noted that “section 226.7’s
24 prohibition applies in identical fashion to meal and rest periods, with its premium-pay remedy
25 (§226.7(b)) triggered by the failure to provide either.” (*Augustus, supra*, 2 Cal.5th at p. 265,
26 emphasis added.) Citing *Brinker*, the Court explained that “during meal periods, employers must
27 ‘relieve the employee of all duty and relinquish any employer control over the employee and
28 how he or she spends the time.’” (*Ibid.*) Therefore, “It would be difficult to cast aside section

226.7's parallel treatment of meal periods and rest periods and conclude that employers had completely distinct obligations when providing meal and rest periods. What makes sense instead is to infer that *employers' responsibilities are the same for meal and rest periods* - an inference that also reflects the protective purpose of both." (*Id.* at p. 265, emphasis added.)

c. Expected Recovery

Plaintiffs' damages analysis assumed a 100% violation rate on shifts of 3.5 or more hours for an estimated recovery is approximately \$2,911,336, without interest, in unpaid rest period premiums, which was offset by \$17,371 in rest break premiums paid by Defendants. Defendants contended that Class Members were permitted all required breaks and were not discouraged or prevented from taking their rest breaks. Because no records reflect whether the Class Members took rest breaks and individualized issues and experiences could prevent class certification, the probability of prevailing on this claim was estimated to be 10%. As such, the adjusted estimated exposure for this claim is approximately **\$291,133.60**.

33. Failure to Fully Reimburse Work Expenses:

a. Facts

Plaintiffs alleged that Plaintiffs and other Class Members incurred expenses while performing reasonable and necessary work-related duties. Defendants failed to reimburse Plaintiffs and Class Members for the work-related use of their personal cellphones. Further, Plaintiffs and other Class Members reported costs incurred in laundering and maintaining their work uniforms.

b. Law

Labor Code § 2802 states that "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." This section "is designed to prevent employers from passing their operating expenses on to their employees." (*Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554, 562.)

c. Expected Recovery

Assuming a recovery of \$10 per pay period for cell phone expenses, Plaintiffs' damages

analysis estimated that Class Members' estimated recovery was approximately \$203,230 in unreimbursed expenses. Defendants contended that Class Members were not required to use their personal cell phones and maintain their work uniforms and that any unreimbursed business expenses pertaining to personal cell phone usage or work uniform maintenance were not necessary expenditures as required by Labor Code section 2802. The probability of prevailing on this claim was approximately 25%. As such, the adjusted calculated exposure for this claim is approximately **\$50,807.50.**

34. Failure To Provide Compliant Wage Statements:

a. Facts

If Plaintiffs prevails on any of the underlying claims, they will prevail on the derivative Labor Code § 226 claim. Because of Defendants' allegedly illegal wage and hour policies as set forth above, all wages earned, and all hours worked were not accurately reflected on Class Members' wage statements.

b. Law

Labor Code § 226(a) requires every employer, semimonthly or at the time of each payment of wages, to furnish each of its employees an accurate itemized statement in writing showing, among other things, total hours worked by the employee, all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate. The only triable issue of this claim is whether the violation of § 226 was knowing and intentional, which can be established by demonstrating that Defendant was "aware of the factual predicate underlying the violation[s]." (*Novoa v. Charter Commc'ns, LLC* (E.D. Cal. 2015), 100 F.Supp.3d 1013, 1028.)

Because Defendant's conduct was intentional, there can be no argument that it acted "reasonably and in good faith, albeit mistakenly." (*Naranjo v. Spectrum Security Services, Inc.* (2024) 15 Cal.5th 1056, 1087.)

c. Expected Recovery

Plaintiffs' damages analysis estimated that the maximum recovery for this claim was approximately \$831,050 for the one-year statutory period, which included approximately 591

1 Class Members. However, Plaintiffs must prove intentional violations to prevail. Further, this is
2 a penalty and not a wage loss, and courts rarely grant the full amount of the penalty. Based on
3 these risks, the probability of prevailing on this claim was approximately 10%, for a total
4 adjusted exposure of **\$83,105.**

5 35. **Failure to Pay all Wages Due Upon Separation – Labor Code § 203:**

6 a. *Facts*

7 If Plaintiffs prevails on any of the underlying wage claims, she will prevail on the
8 derivative Labor Code § 203 claim, because Defendants have not paid all wages and penalties as
9 a result of these alleged violations. A total of 332 Class Members separated employment in the
10 liability period. Thus, Defendants is liable to Plaintiffs and other Class Members to whom it
11 failed to provide timely final wages.

12 b. *Law*

13 Under Labor Code § 203, Class Members who are no longer employed by Defendants are
14 entitled to 30 days of waiting time penalties because Defendants did not pay them all wages due
15 and/or related penalties upon separation. This violation is derivative and so if Plaintiffs prevail
16 on any of the substantive wage claims, she will prevail on this claim. The only potential liability
17 issue is whether the violations are “willful.” However, Defendants have not provided any
18 argument or evidence of a good faith defense.

19 c. *Expected Recovery*

20 During the statutory period, approximately 332 employees left Defendants’ employ.
21 Based on average hourly rates, the 30-day maximum waiting time penalties for those Class
22 Members is \$1,235,260. Plaintiffs estimated a 10% chance of prevailing at the time of trial on
23 this claim as it is derivative of the underlying claims, and Plaintiffs must prove this is a “willful”
24 violation to prevail. Furthermore, trial judges rarely if ever grant the full amount of the penalty
25 on top of wages owed. Finally, there are the general risks of trial. As such, the adjusted exposure
26 for this claim was approximately **\$123,526.**

27 36. **Business & Professions Code § 17200, et. seq.:** Regarding the claim for
28 violations of Business & Professions Code section 17200, *et. seq.*, the forgoing analysis assumes

1 the longer four-year statute of limitations that is available under the UCL for the unpaid wage
2 and break violations. This cause of action is derivative of the other claims that have already been
3 analyzed. Accordingly, the damages available under this cause of action have already been
4 analyzed or are duplicative of damages discussed above.

5 37. **PAGA Penalties – Labor Code § 2698, et seq.**: Regarding the claim for
6 violations of the Private Attorneys General Act (PAGA), estimated Defendant’s maximum total
7 exposure on the PAGA claim at approximately \$863,800 (\$100 x 8,638 PAGA pay periods). The
8 estimated exposure was calculated using the initial violation rate of \$100 per pay period in the
9 PAGA Period. The strength of the PAGA claim would be impacted by the factors discussed
10 above for the non-PAGA claims. Based on recent PAGA decisions, even if Plaintiffs were
11 successful on this claim through trial, the Court would likely exercise its discretion under PAGA
12 and significantly reduce the penalties and would also not impose PAGA penalties on top of Cal.
13 Labor Code § 226 and 203 penalties. Thus, the PAGA penalties were reduced by 90% for a
14 realistic exposure of a total of \$86,380 in PAGA penalties. Given the discretionary nature of
15 PAGA penalties and the need to prove each underlying violation, the \$50,000 that the parties
16 allocated to PAGA Penalties is a reasonable settlement of that claim. Of this amount, 25%, or
17 \$12,500, will be distributed to Aggrieved Employees.

18 38. The proposed PAGA Penalties portion of the Settlement is both just and in the
19 public’s interest. The Parties believe and agree that the Settlement provides for a fair, adequate,
20 and reasonable resolution of the representative PAGA claim. The Parties also believe that the
21 proposed Settlement is to the advantage of the State of California and the Aggrieved Employees
22 when considering the time and expense necessary to complete protracted litigation which,
23 regardless of the verdict, would undoubtedly be subject to further significant delay and expense
24 pending possible appeals. Moreover, the Settlement provides a substantial sum to the State. It
25 also provides a small sum to each Aggrieved Employee on a pro-rata basis based on the number
26 of PAGA Pay Periods they worked during the PAGA Period (defined as the period from
27 December 10, 2022, through December 31, 2025.) Plaintiffs estimated approximately 8,638
28 PAGA Pay Periods worked by the Aggrieved Employees in the PAGA Period.

1 39. Based upon the foregoing, this case had a reasonable value of approximately
2 \$840,616.55 for the underlying Labor Code claims. After considering the sharply disputed
3 factual and legal issues involved in the lawsuit, the risks attending further prosecution, and the
4 substantial benefits to be received under the compromise and settlement of the action, Class
5 Counsel are of the opinion that settlement is in the best interests of the Class and is fair and
6 reasonable. Accordingly, the Gross Settlement Amount of \$575,000 represents approximately
7 **68%** of the maximum potential value of the underlying Labor Code claims (valued at
8 \$840,616.55) and approximately **62%** of the overall value including PAGA penalties (total case
9 value of \$926,996.55 (\$840,616.55 + \$86,380), which is an exceptional result.

10 40. After analyzing and weighing the evidence discussed above as well as the legal
11 issues, Class Counsel and Plaintiffs concluded that the settlement of \$575,000 represents a fair
12 and reasonable discount from the realistic recovery. The Settlement will allow the parties to
13 avoid the expense and time commitments of continued litigation and provides a significant
14 benefit for the Class which would not otherwise have been available. The Gross Settlement
15 Amount is a fair, reasonable, and adequate settlement for the claims at issue.

16 **VII. THE NOTICE PROCEDURE SHOULD BE APPROVED.**

17 41. The Class Notice provides proper notice to the Class of the terms of the
18 Settlement Agreement and the options available to the Class, including the ability of the
19 Class Members to Opt-Out or submit a Request for Exclusion from the non-PAGA portion
20 of the Settlement and not be bound by the non-PAGA portion of the Settlement Agreement
21 or receive any Individual Class Payment under it; to object to the terms of the Settlement; or
22 to do nothing and receive a Settlement Payment and be bound by the terms of the
23 Settlement; the date of the Final Approval Hearing, and how to obtain further information
24 through Class Counsel, the Administrator's website, or the Court's docket. The Class Notice
25 will be sent via first-class mail to each Class Members at their addresses from Defendants'
26 records.

27 42. Class Members will receive separate checks for the class portion and PAGA
28 portion, respectively.

1 43. The Class Notice should be approved as the best and most practicable way to
2 ensure the greatest possible number of Class Members will receive notice. Plaintiffs
3 respectfully request that this Court approve the Class Notice to be disseminated to the Class
4 consistent with the manner and timing as set forth in this Memorandum and the Parties'
5 Settlement Agreement.

6 **VIII. ATTORNEYS' EXPERIENCE**

7 44. D.Law (formerly known as Davtayan Law Firm) prosecutes wage and hour cases,
8 including class actions and PAGA actions on behalf of employees and others who have had their
9 rights violated. D.Law, either on its own or with co-counsel, is currently serving as plaintiffs'
10 counsel of record in numerous wage and hour and employment class action and PAGA action
11 cases pending in both state and federal court.

12 45. D.Law is well-qualified and has ample experience, knowledge, and resources to act
13 as counsel and represent Plaintiffs and the putative Class and aggrieved employees in this action.
14 Our practice is exclusively focused on employment matters and representing plaintiffs in wage and
15 hour actions with the same or similar causes of actions brought forth in the matter pending before
16 this Court.

17 46. D.Law has litigated and successfully resolved many wage and hour class action
18 cases involving failure to pay wages and derivative Labor Code claims and penalties. *See e.g. De*
19 *La Rosa v. The Coca Cola Company et al.* (Superior Court of California in Napa, 17CV000787),
20 *Harvey v. Bed Bath & Beyond of California Limited Liability Company* (Superior Court of
21 California in Alameda, RG17885153), *Paredes v. Bottling Group LLC et. al.* (Superior Court of
22 California in Kern), *Ramirez v. Harris Ranch Beef Company* (Superior Court of California in
23 Fresno, 16CECG04103), *Gates v. Gate Gourmet, Inc. et. al.* (Southern District of California, 16-
24 cv-01084-L-AGS), *Hargrave v. Antelope Valley Hospital* (Superior Court of California in Los
25 Angeles, BC663252), *Ramirez v. Milton Roy et. al.* (Superior Court of California in Los Angeles,
26 BC 632 276), *Hawkins v. AvalonBay Communities* (Superior Court of California in Santa Clara,
27 17CV316492), *Jones Tharpe et al. v. Sprint Corporation et al.* (Superior Court of California in Los
28 Angeles, BC644645), *Ortega et al. v. Nestle Waters North America, Inc. et al.* (Superior Court of

1 California in Los Angeles, BC623610), *Schultz v. Jimbo's Natural Family, Inc.* (Superior Court of
2 California in San Diego, 37-2017-00022348-CUE-OE-CTL), *Ambrose v. Victor Valley Global et*
3 *al.* (Superior Court of California in San Bernardino, CIVDS1709289), *Puerta-Gildardo v. Real*
4 *Time Staffing Services LLC et. al.* (Superior Court of California in Los Angeles, BC565445),
5 *Vargo v. Pregis Innovative Packaging LLC* (Superior Court of California in Tulare, 270836),
6 *Conlin v. Aegis Senior Communities LLC* (Northern District of California, 17-cv-05534-LHK),
7 *Galarza v. Kloeckner Metals Corporation* (Central District of California, 2:17-cv-04910-FMO),
8 *Estes v. L3 Technologies, Inc. et al.* (Southern District of California, 3:17-cv-02356-H-JMA),
9 *Rowser v. Trunk Club, Inc.* (Central District of California, 2:17-cv-05064-DSF-RAO), *Leach v.*
10 *The Claremont Colleges, Inc.* (Superior Court of California in Los Angeles, BC686451), *Vaesau v.*
11 *PCT Enterprises, Inc. dba Precision Cabinets* (Superior Court of California, County of Contra
12 Costa MSC18-02404), *Terry v. TF Louderback, Inc. dba Bay Area Beverage Company* (Superior
13 Court of the State of California, County of Contra Costa, MSC18-00859), *Roach v. Westcare*
14 *California, Inc.* (Superior Court of California in Kern County, BCV-17-102367-SDS), *Patton v.*
15 *Church & Dwight Co., Inc.* (Central District of California, EDCV 18-903-MWF (KKx)), *Juarez v.*
16 *ISL Employees, Inc.* (Superior Court of California in Madera, MCV074787), *Ferraro v. USC*
17 *Verdugo Hill s Hospital, et al.* (Superior Court of California in Los Angeles, 18STCV09463), *Ford*
18 *v. Account Control Technology, Inc., et al.* (Superior Court of California in Los Angeles,
19 19STCV09369), *Ornelas v. iStorage, et al.* (Superior Court of California in San Francisco, CGC-
20 18-571421), *Martinez v. Ronpak, Inc.* (Superior Court of California in Riverside, RIC1901307),
21 *Barrera et al. v. Exclusive Wireless, Inc.* (Superior Court of California in Stanislaus, 9000687),
22 *Barajas v. Mancha Development Company LLC* (Superior Court of California in Orange County,
23 30-2018-00974707-CU-OE-CXC), *Prado v. IMAX Corporation dba IMAC Worldwide Home*
24 (Superior Court of California in San Bernardino, CIVDS1820265), *Rodriguez v. ND Industries,*
25 *Inc.* (Superior Court of California in Los Angeles, 19STCV38096), *Singletary v. Motel 6*
26 *Operating LP, et al.* (Southern District of California, 3:20-cv-0270-LAB-AHG), *Quizon v. CF*
27 *Watsonville East, LLC, et al.* (Superior Court of California in Santa Cruz, 20CV01868),
28 *Stephenson v. Bakersfield Dodge, Inc.* (Superior Court of California in Kern, BCV-20-102693),

1 *Bacerra v. Hugo Boss Retail, Inc.* (Superior Court of California in San Diego, 37-2021-00002933-
2 CU-OE-CTL), *Walker v. Ariat International, Inc.* (Superior Court of California in Alameda,
3 HG19026439), *Orr v. Petvet Care Centers (California) Inc.* (Superior Court of California in Santa
4 Clara, 19CV354063), *Jimenez v. OEC Distribution Services, Inc.* (Superior Court of California in
5 San Bernardino, CIVDS1915743), *Viridi v. Absolute Security International* (Superior Court of
6 California in San Bernardino, CIVDS 1909589), *Raj v. First Transit, Inc.* (Superior Court of
7 California in Sacramento, 34-2021-00295895-CU-OE-GDS), *Marchbanks v. Torrid*
8 *Administration, Inc.* (Superior Court of California in San Diego, 37-2020-00008179-CU-OE-NC),
9 among others.

10 47. I am a 2008 California Western School of Law graduate and was admitted to the
11 California State Bar in December 2008. Since graduating from law school, I have dedicated my
12 entire career to litigating employment class and PAGA actions. I have litigated and settled
13 hundreds of wage and hour class actions and have obtained numerous six and seven figure
14 settlements. As such, I have significant experience specifically working on wage and hour class
15 actions from the plaintiff's side.

16 48. The collective experience of the D.Law attorneys in litigating employment wage
17 and hour matters has been integral in identifying legal issues, evaluating the strengths and
18 weaknesses of a case, and generally negotiating fair and reasonable class and representative action
19 settlements. Practice in the narrow field of wage and hour litigation requires skill and knowledge
20 concerning the constantly evolving substantive law (state and federal), as well as the procedural
21 law of class and representative action litigation. In this action, the attorneys at D.Law are fully
22 equipped to use the skills and knowledge developed over decades of prosecuting and defending
23 wage and hour class actions to fairly and adequately represent the interests of the Class Members
24 and aggrieved employees. Therefore, based on our resources, experience, and knowledge, the
25 attorneys at D.Law are well-qualified to act as class counsel and represent the Plaintiffs and the
26 putative Class Members and aggrieved employees in this action.

27 49. We understand the responsibilities owed as counsel to the Settlement Class
28 Members and aggrieved employees we represent. The attorneys at D.Law thoroughly investigated

1 the claims asserted in this action and have remained committed to dedicating the resources
2 necessary to represent the Class and vigorously pursue their claims. Based upon my experience and
3 understanding of the claims and defenses in this action, I believe the settlement is fair, adequate,
4 and reasonable for the Class Members and aggrieved employees and all involved, and that the
5 Settlement is well within the range of reasonableness that would permit it to be finally approved. I
6 am not aware of any conflict of interest with Plaintiffs or any other Class Member that would
7 interfere with the duties as Class Counsel.

8 **IX. THE STIPULATED AWARD OF ATTORNEYS' FEES AND COSTS**

9 50. Under the Settlement, Class Counsel will request, without opposition from
10 Defendants, an award of Attorneys' Fees and Costs of One Hundred Ninety-One Thousand Six
11 Hundred Sixty-Seven and Zero Cents (\$191,667), one-third of the Gross Settlement Amount, and
12 actual reasonable litigation costs incurred, estimated not to exceed \$25,000. This request is fair,
13 reasonable, and adequate to compensate Class Counsel for the substantial work they have put into
14 this case and, moreover, the risk they assumed by taking it in the first place. The attorneys' fees
15 award is intended to reimburse Class Counsel for all uncompensated work that they have already
16 done and for all the work they will continue to do in carrying out and overseeing the notification to
17 Class Members, communicating with Class Members regarding their claims, and assisting in the
18 administration of the settlement if it is preliminarily approved. At the time of filing the Motion for
19 Final Approval of Settlement and Attorneys' Fees and Costs, Plaintiffs will submit detailed time
20 records and invoices supporting the request for attorneys' fees and litigation costs. Defendants will
21 not oppose Class Counsel's fees and cost request.

22 51. Class Counsels' Joint Prosecution and Attorney Fee Split Agreement provides that
23 50% of the fees awarded by the Court will be paid to to D.Law, Inc., and 50% will be paid to
24 Crosner Legal, P.C.

25 **IX. THE CLASS REPRESENTATIVES' ENHANCEMENT PAYMENTS**

26 52. The Settlement provides for a Class Representative Enhancement Payments of
27 \$10,000 to Plaintiff Vidal and \$5,000 to Plaintiff Callas (\$15,000 total) for their service in
28 litigating the action. Plaintiffs have devoted a substantial amount of time to helping Class

1 Counsel effectively develop and prosecute this action at every stage of the litigation. Plaintiffs
2 have provided Class Counsel with information about Defendants, reviewed documents, consulted
3 Class Counsel throughout the litigation, participated in the mediation process, and reviewed and
4 signed the settlement agreement. Plaintiffs have spent a significant amount of time with Class
5 Counsel detailing their knowledge of Defendants' practices. Plaintiffs have diligently,
6 adequately, and fairly represented the Class Members, and have not placed their interests above
7 any member of the putative Class. These sort of payments to Class Representatives have been a
8 common feature of settlements negotiated by Class Counsel and routinely approved by courts.
9 The Class Representative Enhancement Payments of \$10,000 to Plaintiff Vidal and \$5,000 to
10 Plaintiff Callas (\$15,000 total) is fair and reasonable. Filed concurrently herewith are the
11 declarations of the Class Representatives detailing their efforts in assisting Class Counsel in the
12 litigation to date.

13 **X. THE PRESENCE OF A GOVERNMENTAL PARTICIPANT**

14 53. Class Counsel will be submitting the Settlement Agreement to the LWDA
15 concurrently with the filing of this motion pursuant to Labor Code § 2699(1)(2). On the date of
16 the date of filing the Motion for Preliminary Approval, Plaintiffs submitted the Motion to the
17 LWDA. Attached hereto as **Exhibit 3** is the LWDA confirmation.

18 I declare under penalty of perjury under the laws of the State of California and the United
19 States of America that the foregoing is true and correct.

20 Executed on September 24, 2026, in San Diego, California.

21
22 

23 Marta Manus, Esq.

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Jose E. Vidal and Jentila Callas (“Plaintiffs”) and Defendants Carter Hospitality Group, LLC, Carter Estate Winery and Resort, LLC, and South Coast Winery, Inc. (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means Plaintiffs’ lawsuits alleging wage and hour violations against Defendant South Coast Winery, Inc. captioned *Jose E. Vidal v. South Coast Winery, Inc., et al*, Riverside County Superior Court, Case No. CVRI2406840 and Defendant Carter Hospitality Group, LLC captioned *Jentila Callas v. Carter Hospitality Group, LLC, et al.*, Riverside County Superior Court, Case No. CVRI2400874. This Agreement may reference both lawsuits as “Actions” in the singular, or in the plural.
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employees” means all current and former non-exempt employees who worked for Defendants at any time during the PAGA Period.
- 1.5. “Class” means all non-exempt hourly employees, including Plaintiffs, who worked for Defendants in California during the Class Period.
- 1.6. “Class Counsel” means Alvin B. Lindsay, Enoch J. Kim, and Marta Manus of D.Law, Inc., and Zachary Crosner, Jamie Serb, and Brandon Brouillette, of Crosner Legal, P.C
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means information regarding Class Members that Defendants will compile from its records and provide to the Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class Member’s full name; last known address; Social Security Number; start dates and end dates of employment.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Settlement Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Settlement Administrator with Class Members.
- 1.11. “Class Notice” means the Court Approved Notice of Class Action Settlement and hearing date for Final Court Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12. “Class Period” or “Settlement Class Period” means the period from June 28, 2022, through December 31, 2025, or the date of preliminary approval whichever is earlier (“Settlement Period”).
- 1.13. “Class Representatives” means the named Plaintiffs in the Operative Complaint (defined below) in the Action seeking Court approval to serve as a Class Representatives.
- 1.14. “Class Representative Enhancement Payments” means the payments of \$10,000.00 to Plaintiff Jose E. Vidal and \$5,000 to Plaintiff Jentila Callas (\$15,000.00 total) for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Riverside.
- 1.16. “Defendants” means Defendants Carter Hospitality Group, LLC, Carter Estate Winery and Resort, LLC, and South Coast Winery, Inc.
- 1.17. “Defense Counsel” means Michael J. Studenka, Esq., and Jessica L. Garland, Esq. and Newmeyer & Dillion LLP.
- 1.18. “Effective Date” means the date on which the Court enters Judgment on its order granting Final Approval of the Settlement and the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” or “GSA” means \$575,000.00, which is the total amount Defendants agrees to pay under the Settlement except as provided in Paragraph 8 below.
- 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.
- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” or “NSA” means Gross Settlement Amount, less the following payments in the amount approved by the Court: Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Enhancement Payments, the Settlement Administration Expenses, Individual PAGA Payments, and the LWDA PAGA Payment.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Settlement Administrator a valid and timely Request for Exclusion.
- 1.30. “Operative Complaint” means the operative Second Amended Complaint to be filed by Plaintiff Vidal, adding the claims pled in the Callas case and adding Plaintiff Callas as a named Plaintiff in the Vidal case.
- 1.31. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
- 1.32. “PAGA Period” means the period from December 10, 2022, through December 31, 2025.
- 1.33. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.)

- 1.34. “PAGA Notice” means Plaintiffs’ Jose E. Vidal’s February 12, 2024, and Jentila Callas’ November 30, 2023, letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to the LWDA in settlement of PAGA Claims.
- 1.36. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.37. “Plaintiffs” means Jose E. Vidal and Jentila Callas, the named plaintiffs in the Action.
- 1.38. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval of the Class Action and PAGA Settlement.
- 1.40. “Released Class Claims” means the claims being released as described in Paragraph 5.1 below.
- 1.41. “Released PAGA Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.42. “Released Parties” means Defendants, together with their officers, directors, employees and agents.
- 1.43. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.44. “Response Deadline” means 60 days after the Settlement Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her objection to the Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.45. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.46. “Workweek” means any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member was employed by Defendants during the Class Period in California.

2. RECITALS.

- 2.1. On February 12, 2024, Plaintiff Vidal commenced this Action by filing a Complaint alleging causes of action against Defendants for (1) Failure to Pay Minimum Wages and Secret Under Payment of Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest-Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226; (6) Violation of Labor Code § 221; (7) Violation of Labor Code § 204; (9) Violation of Labor Code § 203; (9) Failure to Maintain Records Required Under Labor Code §§ 1174, 1774.5; (10) Failure to Reimburse Necessary Business Expenses under Labor Code § 2802; and (11) Violation of Business and Professions Code § 17200 *et seq.*
- 2.2. On the same day, February 12, 2024, Plaintiff Vidal gave timely notice to the LWDA and Defendants that Plaintiff Jose E. Vidal intended to proceed with a representative action under PAGA (LWDA-CM-1010496-24) pursuant to Labor Code § 2699.3, subd.(a). On April 30, 2024, Plaintiff Vidal filed First Amended Complaint, which added claims for Civil Penalties under Labor Code § 2698, *et seq.*
- 2.3. On February 21, 2024, Plaintiff Callas filed a representative action under the PAGA entitled *Jenita Callas v. Carter Hospitality Group, LLC* in Riverside County Superior Court (Case No. CVRI2400874) and alleged the same wage and hour violations. On November 30, 2023, Plaintiff gave timely notice to the LWDA and Defendants that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-997045-23) pursuant to Labor Code § 2699.3, subd.(a).
- 2.4. On November 27, 2024, Plaintiffs and their counsel executed a Joint Prosecution and Fee Cost Sharing (“JPA”) to collectively represent the Plaintiffs in the prosecution and litigation. All Parties subsequently agreed to mediate the Plaintiffs’ Class and PAGA claims.
- 2.5. The Parties will stipulate to Plaintiff Vidal filing a Second Amended Complaint with the approving Court in the Callas case to add the claims that have been pled in the Callas case, which shall be the Operative Complaint in this Action. Solely for purposes of implementing the settlement, the Parties will stipulate that the amendments of the claims shall related back to the filing of the original and shall cover the Settlement Class Period. The Parties further agree the proposed preliminary approval order and Final Judgment shall request that should the Settlement not be fully and finally approved, the amendments will be withdrawn, the original complaints of the Plaintiffs shall be deemed the operative complaints, any preliminary certification of a class for settlement purposes shall be deemed void, and the Parties shall revert to their positions prior to entering the Settlement in all respects.

- 2.6. Defendants generally and specifically denies any and all liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes that any wages, damages and penalties claimed by Plaintiff, alleged in the Operative Complaint, and alleged in Plaintiff's PAGA Notice are owed, and further contends that the Action is not appropriate for class or representative treatment, other than for the limited purpose of effectuating this Settlement. Defendants assert a number of defenses to the alleged claims, and contends, among other things, that it has made substantial good faith efforts to comply with the California Labor Code and the Industrial Welfare Commission Wage Orders at all times during the Class Period. Defendants asserts that it adopted compliant wage and hour practices. and require a comprehensive Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement is or may be construed as a concession, admission, or indication by or against Defendants, or any of the Released Parties, of any fault, wrongdoing, or liability whatsoever. This Agreement is not a concession or admission by Defendants that Plaintiffs can serve as an adequate class representative, except for the limited purpose of effectuating this Settlement. There has been no determination by any court as to the merits of the claims Plaintiffs assert against Defendants or whether a class should be certified for any purpose other than settlement.
- 2.7. On April 30, 2025, the Parties participated in private mediation with experienced wage and hour mediator, Judge Howard Broadman (Ret.). After further discussions and negotiations, Plaintiffs and Class Counsel have engaged in good faith, arms-length negotiations with Defendants and Defense Counsel concerning possible settlement of the claims asserted in the Action. After further discussions and negotiations, the Parties were able to reach a settlement through a mediator's proposal.
- 2.8. In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Prior to mediation, Plaintiffs also obtained a class list with job positions, employment dates, and hourly rates for approximately 577 employees and a sampling of time and payroll data for 20% Class Members and the necessary policy documents through informal discovery to properly evaluate the strength and weaknesses of the claim and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116 (2008) ("*Dunk/Kullar*").
- 2.9. Class Counsel has concluded, taking into account the sharply contested issues involved, the defenses asserted by Defendants, the expense and time necessary to pursue the Action through trial and any appeals, the risks and costs of further prosecution of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits to be received by Plaintiffs and the Class Members and State of California pursuant to this Agreement, that a settlement with Defendants on the terms and conditions set forth

herein is fair, reasonable, adequate, and in the best interests of the Class and State of California. Plaintiffs, on their own behalf, on behalf of the Class, and as a private attorney general on behalf of the State of California with respect to PAGA Members, has agreed to settle the Action with Defendant on the terms set forth herein.

- 2.10. Defendants have concluded that, because of the substantial expense of defending against the Action, the length of time necessary to resolve the issues presented herein, the inconvenience involved, and the concomitant disruption to its business operations, it is in Defendants' best interest to accept the terms of this Agreement. Substantial amounts of time, energy, and resources of Defendants have been devoted and, absent this Settlement, will continue to be devoted to the defense against the claims asserted by Plaintiffs. Settlement will allow Defendants to avoid the burden, expense and uncertainty of continuing litigation and put to rest the controversies engendered by the Action.
- 2.11. The Court has not granted class certification because the Parties engaged in mediation before any class certification. The Parties are stipulating to class certification for settlement purposes only.
- 2.12. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay the Gross Settlement Amount of Five Hundred Seventy-Five Thousand Dollars and Zero cents (\$575,000.00), on a non-reversionary basis. The Gross Settlement Amount does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendants will pay separately as calculated by the Settlement Administrator. Defendant has no obligation to pay the Gross Settlement Amount or any payroll taxes before the deadline stated in Paragraph 4.3. The Settlement Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment.
- 3.2. Payments from the Gross Settlement Amount. The Settlement Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1 To Plaintiffs: Class Representative Enhancement Payments to Plaintiff Vidal of \$10,000.00 and Plaintiff Callas of \$5,000.00 (\$15,000.00 total) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiffs' request for a Class Representative Enhancement Payments that does not exceed this amount. As part of the motion for Class Counsel

Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Enhancement Payments less than the amount requested, the Settlement Administrator will allocate the remainder in the Net Settlement Amount. An award of less than the requested amount for the Class Representative Enhancement Payments will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Class Representative Enhancement Payments, at its discretion at the final approval stage. The Settlement Administrator will pay the Class Representative Enhancement Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Enhancement Payments.

- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$191,667.00, split 50% to D.Law, Inc. and 50% to Crosner Legal, P.C and a Class Counsel Litigation Expenses Payment of actual, documented, and reasonable litigation costs and expenses incurred to prosecute the Action. Defendant will not oppose requests for these payments, provided the requests do not exceed the amounts set forth in this Agreement. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Released Parties shall have no liability to Class Counsel arising from any claim to any portion of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and hold Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3 To the Administrator: The Administration Expenses not to exceed \$13,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than \$13,000.00, the Administrator will allocate the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked

by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$50,000.00 to be paid from the Gross Settlement Amount, with 75% (\$37,500.00) allocated to the LWDA PAGA Payment and 25% (\$12,500.00) allocated to the Individual PAGA Payments. Subject to Court approval, the PAGA Penalties will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were brought in the Action under PAGA based on the factual allegations in the Operative Complaint and PAGA Notice.

3.2.5.1 The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$12,500.00) by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Pay Periods. The Individual PAGA Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 The Court has the authority under this Agreement to increase (or reduce) the PAGA Penalties up to and including at the final approval hearing, and the Parties respectfully reserve the right to increase (or reduce) the PAGA Penalties up to and including at the final approval stage, subject to the

Court's final approval. If the Court approves PAGA Penalties of less than the amount requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Delivery of Class Data to Administrator. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.2. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.3. Payments from the Gross Settlement Amount. Within 15 days after Defendants fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Settlement Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Enhancement Payments.

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

qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States Postal Service ("USPS") forwarding addresses. Within 3 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Settlement Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall redistribute the value of the funds represented by such checks to Class Members who have cashed their checks by the void date. However, if the total value of the funds represented by uncashed or voided checks is less than \$5,000.00, then the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member.
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 4.4.5 The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees, who have no right to opt-out or otherwise exclude themselves from the settlement and release of PAGA claims set forth in this Settlement.
- 4.5 Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendants' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendants' portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendants fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the following releases will become effective:

5.1 **Released Class Claims:** Upon entry of final judgment and funding of the Gross Settlement Amount, all Participating Class Members shall release Released Parties from all claims alleged or which could have reasonably been alleged based solely upon the facts alleged in the original Complaints and any amended complaints. The Released Class Claims are those that accrued during the Class Period. This release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

5.2 **Released PAGA Claims:** Plaintiffs, and through Plaintiffs the LWDA, release all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations unidentified in Plaintiffs' pre-filing letters to the LWDA. The Released PAGA Claims are those that accrued during the period from December 10, 2022, through December 31, 2025. Plaintiff does not release any aggrieved employee's claim for wages or damages. This PAGA release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval of the Class Action and PAGA Action Settlement, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the

Settlement Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Settlement Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.1. Responsibilities of Counsel. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than 16 court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Settlement Administrator.
- 6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, or forthcoming motions or joint stipulations for approval, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. Should the Court decline to approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4. Notice to Class Members.

- 7.4.1 No later than three (3) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation (if required), substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members’ written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion form (enclosed with the Class Notice) not later than 60 days after the Settlement Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). To be valid, a Request for Exclusion form must be timely faxed, emailed, or postmarked by the Response Deadline.

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

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.1 and 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment, nor shall they have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees have no right to object or exclude themselves from the PAGA Settlement and are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks and/or PAGA Pay Periods. Each Class Member and/or Aggrieved Employee shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member or Aggrieved Employee in the Class Notice. The Class Member and/or Aggrieved Employee may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary

documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. All Workweek and/or PAGA Pay Periods disputes will be resolved and decided by the Settlement Administrator, and the Administrator's decision on all Workweek and/or PAGA Pay Periods disputes will be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Settlement Administrator, by email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at their own cost) by attending the Final Approval Hearing.

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

7.8 Administrator Duties. The Administrator has a duty to perform and/or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise and as necessary to effectuate and administer the Settlement in a manner consistent with the terms of this Agreement.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The

Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion forms; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 Final Report by Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide

Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendants have provided an estimate of approximately 645 Class Members who worked an estimated total of 53,470 workweeks from the beginning of the Settlement Class Period through December 31, 2025. If the total number of workweeks is more than 10% higher (i.e., more than 58,817 workweeks), then the Gross Settlement Amount is to be increased proportionally by the workweeks worked in excess of 58,817 workweeks multiplied by the per workweek value. For example, if the total workweeks for the applicable period are 59,352, representing an 11% increase in the number of workweeks, then the gross settlement will increase by 1%. If this provision is triggered, the Parties agree that the portion of the Class Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third of the Gross Settlement Amount after the upward adjustment required by this provision is implemented. In the alternative, Defendants may choose not to increase the Gross Settlement Amount and instead, Defendants may choose to adjust the release period such that the end of the release period results in a workweek count that does not exceed 58,817.
9. **DEFENDANT'S RIGHT TO WITHDRAW.** Defendants shall have the right to withdraw from this Settlement or terminate this Settlement if more than 10% of the putative class members, or a number of putative class members whose settlement shares would be worth more than 10% submit timely requests to opt out of the settlement.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven (7) days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1. **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in

Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

- 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Enhancement Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Settlement Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Alameda County Superior Court shall retain continuing jurisdiction over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the appellate court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Settlement Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. ADDITIONAL PROVISIONS.

12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor is it intended or should be construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

- 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

- 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13. Confidentiality. Any settlement shall remain confidential until a motion for approval is filed with the court.
- 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or the California Rules of Court. Not later than 90 days after the date when the Court discharges the Settlement Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Settlement Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

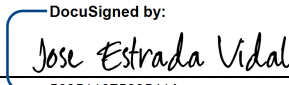
To Plaintiffs	To Defendants
D.Law, Inc. Alvin B. Lindsay a.lindsay@d.law Enoch J. Kim e.kim@d.law Marta Manus m.manus@d.law 250 N Madison Ave, 2nd Floor	Newmeyer & Dillion LLP Michael J. Studenka, Esq. Michael.Studenka@ndlf.com Jessica L. Garland, Esq. Jessica.Garland@ndlf.com 895 Dove Street, Second Floor Newport Beach, CA 92660 Telephone: (949) 854-7000

Pasadena, CA 91101 Telephone: (818) 962-6465 Fax: (818) 962-6469 Crosner Legal, P.C Zachary Crosner zach@crosnerlegal.com Jamie Serb jamie@crosnerlegal.com Brandon Brouillette bbrouillette@crosnerlegal.com 9440 Santa Monica Blvd, Ste 301 Beverly Hills, CA 90210 Telephone: (866) 276-7637 Fax: (310) 510-6429	Facsimile: (949) 854-7099
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12.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

DATED: 7/18/2026

BY: 
56351167523541A...
Jose E. Vidal

DATED: 07 / 28 / 2026

BY: 
Jentila Callas

DATED:

BY: _____
Title: _____
South Coast Winery, Inc.

Pasadena, CA 91101 Telephone: (818) 962-6465 Fax: (818) 962-6469 Crosner Legal, P.C Zachary Crosner zach@crosnerlegal.com Jamie Serb jamie@crosnerlegal.com Brandon Brouillette bbrouillette@crosnerlegal.com 9440 Santa Monica Blvd, Ste 301 Beverly Hills, CA 90210 Telephone: (866) 276-7637 Fax: (310) 510-6429	Facsimile: (949) 854-7099
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DATED: 7/18/2026

BY: DocuSigned by:
Jose Estrada Vidal
56351167523541A...
Jose E. Vidal

DATED:

BY: _____
Jentila Callas

DATED: 7/27/2026

BY: Signed by:
Jeff Carter
5DC9F284306541E...
Title: Managing Member
South Coast Winery, Inc.

DATED:

Signed by:
BY: Jeff Carter
5DC9F284306541E...
Title: Managing Member
Carter Hospitality Group LLC

DATED:

Signed by:
BY: Jeff Carter
5DC9F284306541E...
Title: Managing Member
Carter Estate Winery and Resort

APPROVED AS TO FORM:

DATED: 7/20/2026

D.LAW, INC.

BY: 
Alvin B. Lindsay
Enoch J. Kim
Marta Manus
Counsel for Plaintiff Jose E. Vidal

DATED:

CROSNER LEGAL P.C

BY: _____
Zachary Crosner
Jamie Serb
Brandon Brouillette
Counsel for Plaintiff Jentila Callas

DATED:

NEWMAYER & DILLION LLP

BY: _____
Michael J. Studenka
Jessica L. Garland
Counsel for Defendants

DATED:

BY: _____

Title: _____

Carter Hospitality Group LLC

DATED:

BY: _____

Title: _____

Carter Estate Winery and Resort

APPROVED AS TO FORM:

DATED: 7/20/2026

D.LAW, INC.

BY: _____

Alvin B. Lindsay

Enoch J. Kim

Marta Manus

Counsel for Plaintiff Jose E. Vidal

DATED: 07/29/2026

CROSNER LEGAL P.C

BY: _____

Zachary Crosner

Jamie Serb

Brandon Brouillette

Counsel for Plaintiff Jentila Callas

DATED:

NEWMEYER & DILLON LLP

BY: _____

Michael J. Sanderka

Jessica L. Garland

Counsel for Defendants

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT

Jose E. Vidal and Jentila Callas v. South Coast Winery, Inc., Carter Hospitality Group, LLC, and Carter Estate Winery and Resort, LLC

(Riverside County Superior Court, Case No. CVRI12406840)

**The Riverside County Superior Court authorized this notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.**

You may be eligible to receive money from a class action lawsuit filed by Jose E. Vidal and Jentila Callas (“Plaintiffs” or “Class Representatives”) against Defendants Carter Hospitality Group, LLC, Carter Estate Winery and Resort, LLC, and South Coast Winery, Inc (“Defendants”) for alleged violations of the California Labor Code (the “Action”). (Plaintiffs and Defendants are referred to as the “Parties”).

The Action seeks payment of (1) unpaid wages, statutory damages and penalties, interest and attorneys’ fees on behalf of all Class Members, who are defined current and former non-exempt employees (“Class Members”) who worked for Defendants during the Class Period (June 28, 2022, to December 31, 2025 (“Class Period”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) on behalf of all Aggrieved Employees, who are defined as all current and former non-exempt employees who worked for Defendants during the PAGA Period (December 10, 2022, through December 31, 2025). PAGA is a California law that allows employees to bring claims for civil penalties on behalf of the California Labor and Workforce Development Agency (“LWDA”) and all Aggrieved Employees for alleged violations of the Labor Code, and any payment for PAGA penalties shall be paid 75% to the LWDA and 25% to all Aggrieved Employees as civil penalties (rather than wages).

The proposed Settlement has two main parts: (1) a class action settlement requiring Defendants to fund Individual Class Payments to Class Members, and (2) a PAGA settlement requiring Defendants to fund Individual PAGA Payments to Aggrieved Employees and pay penalties to the LWDA. Based on Defendants’ records, and the Parties’ current assumptions, your Individual Class and PAGA Payments are shown in the charts below, along with the applicable data points from which these estimates are derived.

[*CLASS MEMBER NAME*] [*ID/CONTROL NUMBER*]

<i>Calculations and Data Points for Estimated Individual Class Payment</i>	
Weeks Worked during Class Period	<i>Estimated Individual Class Payment</i>
INSERT	INSERT

<i>Calculations and Data Points for Estimated Individual PAGA Payment</i>	
PAGA Pay Periods worked during PAGA Period	<i>Estimated Individual PAGA Payment</i>
INSERT	INSERT

Please note that the actual amount you receive may be different from the above and will depend on several factors. (If no amount is stated for your Individual PAGA Payment then, according to Defendant’s records, you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work for Defendants in California during the PAGA Period.) If you believe that you worked a different number of weeks and/or pay periods during the periods than is shown in the chart above, you can submit a dispute by **[DATE]** (“**Response Deadline**”). See **Section 4, subsection 3** of this notice.

In granting preliminarily approval of the proposed Settlement and approving this notice, the Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing. Your legal rights are affected whether you act or do not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to

give up their rights to assert certain claims against Defendant.

If you worked for Defendants in California during the Class Period and/or the PAGA Period, you have a few options as shown in the Chart below:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT	If you want to receive your full settlement payment, then no further action is required on your part. You will automatically receive a settlement payment if the Settlement receives final approval by the Court. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Class Claims described in Section 3 below . <i>Defendant will not retaliate against you for participating or not participating in this Settlement.</i>
EXCLUDE YOURSELF	If you do not wish to participate in the proposed Settlement of the Class Claims, you may “opt-out” of the Settlement of the Class Claims. If you choose to opt-out, you must submit a Request for Exclusion form by [DATE] (see Section 6 below for more details on how to opt-out). If you opt-out, you will no longer be a Participating Class Member, and you will (1) <u>not</u> receive an Individual Class Payment, but you will have the right to pursue the Released Class Claims described below subject to applicable statutes of limitations, and (2) be barred from filing an objection to the settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees. See Section 6 of this notice.
OBJECT	If you decide to object to the settlement with respect to the class action claims because you find it unfair or unreasonable, you must submit an objection form stating why you object to the settlement by [DATE] (see Section 7 for more details on how to object).
DISPUTE THE NUMBER OF WEEKS WORKED	If you believe the number of workweeks and/or pay periods that you were credited with working in the chart above is incorrect, you may submit a dispute and any supporting evidence to [NAME] (the “Administrator”), a third party responsible for sending this notice (see Section 4 for more details on how to submit a dispute). Defendant’s records will be presumed correct, but you may provide evidence to the Administrator showing how many Workweeks or PAGA Pay Periods you believe you should be credited and the Administrator and the Parties will consider your documentation and make a determination.

YOU MAY ATTEND THE FINAL APPROVAL HEARING, BUT IT’S NOT REQUIRED	
DATE: [DATE] TIME: [TIME]	The Court’s Final Approval Hearing is scheduled to take place on [DATE]. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. See Section 8 of this notice.

1. WHAT IS THE ACTION ABOUT?

The Action accuses Defendants of violating California labor laws due to the alleged failure to pay all wages, failure to provide all meal periods and rest breaks, failure to reimburse business expenses, failure to maintain required records, unlawfully failure to timely pay wages upon separation of employment, failure to provide accurate itemized wage statements, and unfair and unlawful competition. Based on the same claims, Plaintiffs also asserted a claim for civil penalties under PAGA.

Defendants deny violating any laws or failing to pay any wages and contends they complied with all applicable laws.

Both Parties are represented by attorneys in the Action. See **Section 9** below for their contact information.

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

The Parties hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. By signing a lengthy written settlement agreement (“Agreement”), Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims. In fact, Defendants contend that it has at all times complied with California law.

So far, the Court has made no determination whether Defendants or Plaintiffs are correct on the merits, and has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at final hearing. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this notice, and scheduled a hearing to determine Final Approval.

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

1. The Gross Settlement Amount. Defendants will pay a total gross settlement amount of \$575,000.00 (the “Settlement Amount”) and will deposit the Settlement Amount into an account controlled by the Administrator. The Administrator will use the Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Enhancement Awards, Class Counsel Fee Payment, Class Counsel Litigation Expenses payment, the Administrator’s Costs, and PAGA Penalties to be paid to the LWDA. Assuming the Court grants Final Approval of the settlement and that the Judgment entered by the Court becomes final, Defendant will fund the Gross Settlement Amount and payments will be made shortly thereafter. The Judgment will be final on the date the Court enters Judgment, or a later date if the Judgment is appealed.

2. Court Approved Deductions from Settlement Amount. At the Final Approval Hearing, Class Counsel will ask the Court to approve the following deductions from the Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to one-third (1/3) of the Gross Settlement Amount to Class Counsel for attorneys' fees (\$191,667.00), plus actual costs incurred in the Action. To date, Class Counsel has incurred expenses in the Action without payment.

B. Up to \$15,000.00 to the Class Representatives as an Enhancement Payments for litigating the Action, working with Class Counsel, and representing the Class. The Enhancement Payments will be the only monies the Plaintiffs will receive other than the Individual Class Payment and any Individual PAGA payment from this Settlement.

C. Up to \$13,000.00 to the Administrator for services administering the Settlement.

D. \$50,000.00 for PAGA Penalties, allocated 75% to the LWDA and 25% in Individual PAGA Payments to the Aggrieved Employees based on their share of PAGA Pay Periods during the PAGA Period.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the remainder of the Settlement Amount (the “Net Settlement Amount”) by making Individual Class Payments to Participating Class Members based on their pro rata share of total Workweeks the Participating Class Member worked during the Class Period.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of twenty percent (20%) of each Individual Class Payment to taxable wages (“Wage Portion”) and eighty percent (80%) to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on

IRS W-2 Forms. Defendant will separately pay employer-side payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendants have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the “void date”). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be redistributed to the Participating Class Members who cashed their checks on a pro rata basis. You will still be bound by the Judgment, even if you do not cash your check.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement not later than the Response Deadline. See **Section 6** of this notice for details on how to opt-out.

7. The Proposed Settlement Will be Void If the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. Administrator. The Court has appointed a neutral company, [NAME] (the “Administrator”) to send this notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also assist the Parties with deciding any disputes over weeks worked, mail and re-mail (if necessary) settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in **Section 9** of this notice.

9. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Settlement Amount, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against the “Released Parties” (which means Defendants, and all of its present and former officers, directors, employees, and agents) based on the facts alleged in the Action for the duration of the Class Period, which are resolved by this Settlement.

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

Upon entry of final judgment and funding of the Gross Settlement Amount, all Participating Class Members shall release Released Parties from all claims alleged or which could have reasonably been alleged based solely upon the facts alleged in the original Complaints and any amended complaints. The Released Class Claims are those that accrued during the Class Period. This release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside of the Class Period.

10. Released PAGA Claims. Plaintiffs, and through Plaintiffs the LWDA, release all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations unidentified in Plaintiffs’ pre-filing letters to the LWDA. The Released PAGA Claims are those that accrued during the period from December 10, 2022, through December 31, 2025. Plaintiff does not release any aggrieved employee’s claim for wages or damages. This PAGA release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.

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

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each Participating Class Members' Workweeks during the Class Period.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$12,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of PAGA Pay Periods for each Aggrieved Employee during the PAGA Period.

3. Disputing Weeks Worked. The number of weeks and pay periods you worked during the Class and PAGA Periods, as recorded in Defendant's records, are stated in the tables on page 1 of this notice. You have until **DATE** (the "Response Deadline") to dispute the number of Workweeks or PAGA Pay Periods credited to you by submitting a dispute to the Administrator. Section 9 of this notice has the Administrator's contact information. You need to support your dispute by sending copies of pay stubs or other records. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve challenges based on your submission and on input from Class Counsel and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members and Aggrieved Employees. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (which includes every Class Member who does not opt-out) and Aggrieved Employee. The single check will combine the Individual Class Payment and the Individual PAGA Payment (if you are entitled to an Individual PAGA Payment).

2. Non-Participating Class Members/Aggrieved Employees Only. If you opted out of the Class settlement, but qualify as an Aggrieved Employee, then the Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee, including those who opt out of the Class Settlement.

Your check will be sent to the same address as this notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this notice has the Administrator's contact information.

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

You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement before the Response Deadline. To opt-out, you must complete, sign, and mail the accompanying Request for Exclusion Form to the Administrator, postmarked on or before the Response Deadline (as a reminder, **the "Response Deadline" is [DATE]**). Any person who submits a timely Request for Exclusion from the Class Claims (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive an Individual Class Payment; (3) will preserve the right to pursue the Released Class Claims, and (4) will not be bound by this Settlement, or the Judgment, as to the Released Class Claims.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Claims remain eligible to receive an Individual PAGA Payment.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Settlement may wish to object. If you wish to object to the proposed Settlement, you or your own attorney must submit a written objection on the enclosed Objection Form and include any and all evidence and supporting documentation or papers. The Objection Form and any accompanying documentation and papers must be sent to the Administrator at the address listed in Section 9 on the Objection Form, **postmarked** on or before the Response Deadline. If you do not comply with these procedures, the Court may not consider your objection at the Final Approval Hearing, and you may lose the right to contest the approval of the Settlement. You are still eligible to receive a settlement

payment should the settlement become Final even if you object to the settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

8. WHEN IS THE FINAL APPROVAL HEARING?

On [REDACTED], at ____ a.m./p.m., the Court will hold a public hearing in Department 1 of the Superior Court for the State of California, County of Riverside, 4050 Main St, Riverside, CA 92501, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve Class Counsels' applications for attorneys' fees and costs, whether to approve the proposed payment to the LWDA, and whether to approve Plaintiffs' request for an Enhancement Awards. This hearing may be continued or rescheduled by the Court. Objectors to the proposed settlement will be provided notice in the event that the Final Approval Hearing is continued to a later date. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to attend the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

If you have questions about this notice, the enclosed Request for Exclusion Form or Objection Form, or the Settlement itself, or if you did not receive this notice in the mail and you believe that you are or may be a member of the Class, you should contact the Administrator for more information or to request that a copy of this notice and request for Exclusion and Objection Forms be sent to you in the mail. If you wish to communicate directly with Class Counsel, you may contact them at the information below. You may also seek advice and guidance from your own private attorney at your own expense if you so desire.

This notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is on file with the Court and attached to the Declaration of [NAME] in Support of Motion for Preliminary Approval of Class Action Settlement filed on [DATE] and available to be inspected at any time during regular business hours at the Clerk's Office, Superior Court for the State of California, County of Riverside, 4050 Main St, Riverside, CA 92501. You may also review the pleadings, records, and other papers on file in this lawsuit at the Clerk's Office or online at <https://epublic-access.riverside.courts.ca.gov/public-portal/>. To access the case file, click on "Case Number Search," then create a free online account, then type in the case number (CVRI2406840) where requested, and click "Search." You may also email Class Counsel and request a copy of the Settlement Agreement.

You may also visit [case URL] for up-to-date case information and to review important documents.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

The contact information for Class Counsel and the Administrator are below:

Class Counsel	Administrator
Alvin B. Lindsay a.lindsay@d.law Enoch J. Kim e.kim@d.law Marta Manus m.manus@d.law D.LAW, INC. 250 N. Madison Ave, 2nd Floor Pasadena, CA 91101 Tel.: (818) 962-6465	Phoenix Class Action Administration Solutions Mailing Address Telephone Number

Zachary Crosner zach@crosnerlegal.com Jamie Serb jamie@crosnerlegal.com Brandon Brouillette bbrouillette@crosnerlegal.com Crosner Legal, P.C 9440 Santa Monica Blvd, Suite 301 Beverly Hills, CA 90210	
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10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it if you request a replacement before the void date on the face of the original check.

11. WHAT IF I CHANGE MY ADDRESS?

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

REQUEST FOR EXCLUSION FORM

Jose E. Vadal, et al. v. South Coast Winery, Inc., et al.
(Riverside County Superior Court, Case No. CVRI2406840)

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

DO YOU WANT TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE A SETTLEMENT CHECK? (check the box that applies)

☐ **YES: STOP HERE -- DO NOT RETURN THIS FORM. NO FURTHER ACTION IS NEEDED TO PARTICIPATE IN THE SETTLEMENT.**

☐ **NO: SIGN, DATE AND RETURN THIS FORM TO EXCLUDE YOURSELF FROM THE SETTLEMENT.**

DEFENDANT WILL NOT RETALIATE AGAINST YOU FOR PARTICIPATING OR NOT PARTICIPATING IN THIS SETTLEMENT.

By signing below, I am excluding myself from the Settlement:

By signing below, I represent that I do NOT want to participate in the settlement in *Jose E. Vadal, et al. v. South Coast Winery, Inc., et al.* (Riverside County Superior Court Case No. CVRI2406840). I understand by excluding myself that I will no longer be a Class Member, and I will not receive an Individual Class Payment. I further understand that I cannot opt-out of the PAGA portion of the Settlement, and that if I qualify as an Aggrieved Employee (see first page of the Notice), I will receive an Individual PAGA Payment and will have no right to pursue the Released PAGA Claims even if I exclude myself.

Signed on _____

[NAME]

FAX, EMAIL, OR MAIL TO THE ADMINISTRATOR NO LATER THAN [INSERT DEADLINE]:

<u>Administrator:</u>
Name
Mailing Address
Fax Number
Email Address

OBJECTION FORM

Jose E. Vadal, et al. v. South Coast Winery, Inc., et al.
(Riverside County Superior Court, Case No. CVRI2406840)

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

DO YOU OBJECT TO THE SETTLEMENT? (check the box that applies)

☐

NO: STOP HERE -- DO NOT RETURN THIS FORM

☐

YES: COMPLETE AND RETURN THIS FORM

The Court will consider your objection at the Final Approval Hearing if you submit a timely and valid written statement of objection. Any objection should describe the nature of and basis for the objection, and any other information that you would like the Court to consider.

I OBJECT to the Settlement in the case of *Jose E. Vadal, et al. v. South Coast Winery, Inc., et al.* (Riverside County Superior Court Case No. CVRI2406840) on the following grounds (if additional space is necessary, please include additional sheets of paper):

Signed on _____

[NAME]

FAX, EMAIL, OR MAIL TO THE ADMINISTRATOR NO LATER THAN [INSERT DEADLINE]:

Administrator:

Name
Mailing Address
Fax Number
Email Address

EXHIBIT 2

D.LAW, INC.

Alvin B. Lindsay (SBN 220236)
Enoch J. Kim (261146)
Marta Manus (260132)
250 Madison Ave., 2nd Floor
Pasadena, CA 91101-1639
Telephone: (818) 962-6465
Facsimile: (818) 962-6469
Emails: a.lindsay@d.law, e.kim@d.law m.manus@d.law

Attorneys for Plaintiff JOSE E. VIDAL

[Additional counsel listed on following page]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE – HISTORIC COURT HOUSE**

JOSE E. VIDAL and JENTILLA CALLAS,
individuals, on behalf of themselves and
others similarly situated,

Plaintiffs,

vs.

SOUTH COAST WINERY, INC., a
California stock corporation; CARTER
HOSPITALITY GROUP, LLC, a Florida
Limited Liability Company; CARTER
ESTATE WINERY AND RESORT, LLC, a
California Limited Liability Company; and
DOES 1 through 50, inclusive,

Defendants.

Case No. CVRI2406840

CLASS ACTION

Assigned for All Purposes To:

Hon. Harold W. Hopp
Dept. 1

**DECLARATION OF JODEY LAWRENCE
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Date: October 21, 2026
Time: 8:30 a.m.
Dept.: 1

Reservation ID: 304963898323

Complaint Filed: February 13, 2024
First Amended Complaint Filed: April 17, 2024
Second Amended Complaint Filed: July 30, 2026
Trial Date: None Set

CROSNER LEGAL, PC

Jamie K. Serb, Esq. (SBN 289601)

jamie@crosnerlegal.com

Brandon Brouillette, Esq. (SBN 273156)

bbrouillette@crosnerlegal.com

Zachary M. Crosner, Esq. (SBN 272295)

zach@crosnerlegal.com

9440 Santa Monica Blvd. Suite 301

Beverly Hills, CA 90210

Telephone: (866) 276-7637

Facsimile: (310) 510-6429

Attorneys for Plaintiff JENTILLA CALLAS

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I, Jodey Lawrence, declare as follows:

1. I have personal knowledge of the facts set forth herein and if called upon to
I could and would do so competently under oath.

2. I am employed by Phoenix Class Action Administration Solutions (“Phoenix”),
 President of Business Development.

3. I personally have over seventeen years of experience in claims management and administration of class and collective action matters.

4. Phoenix has never had any financial interest in, nor any affiliation with, the or their counsel in the matter of *Vidal-Callas v. South Coast Winery, Inc.* Phoenix also actual or potential conflicts of interest with the Class.

Qualifications and Experience as an Administrator

5. A true and correct copy of Phoenix's Curriculum Vitae is attached hereto as **Exhibit A**.

6. Phoenix has extensive experience administering class action matters and has appointed as the administrator in matters pending in both State and Federal courts. Phoenix has administered complex wage-and-hour, labor and employment, consumer/product liability, TCPA, FLSA, FACTA, ERISA, PAGA, and class action matters through final judgment and distribution. Phoenix has developed a robust system of quality assurance measures to ensure that the highest quality service is provided.

7. Phoenix has extensive experience in, and are experts, at all aspects of administering complex class action matters. This includes: (a) preparing, translating, printing, and tracking privacy notices; (b) operating a 24/7/365 multi-lingual call center; (c) building settlement websites; (d) claims management; (e) USPS processes and systems, including third party tracing and the use of reverse telephone directory services; (f) database management, programming and security protocols; (g) calculating and issuing settlement amounts; and (8) tax management, filings, and account reconciliation.

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8. Phoenix's Claims Management Group has extensive experience in all aspects of Notification and Identification of Class Members, Claims Processing, Formulation and Calculation Methodologies, Award Distribution and Taxation, and Accounting and Reconciliation.

Protection of Class Data

9. Phoenix has adequate procedures in place to safeguard the data and funds to be entrusted to it. Phoenix's Technology and Banking Groups are directly involved with Management on all issues regarding Information Security and Settlement Fund transfers, as it pertains to the continuance of business processes, and all risk, vulnerability, and security assessments as it pertains to sensitive data. The groups, along with Phoenix's internal systems, monitor and communicate with Management on a comprehensive level to prevent potential Strategic or Compliance Risks. All processing of confidential and personal information is handled and maintained within the organization and therefore all data received is kept within a strict chain of custody internally. All informational assets are classified and assigned based on an initial case assessment as well as client and procedural requirements. The Technology Group handles all higher-level ownership of information and physical peripherals, as well as ownership of direct/indirect assets associated with technology and the continuance of business. Specific Users, Groups, or Entities are assigned Shared Ownership or Management Capability based on procedural needs and security level granted.

10. In addition to high levels of Data Center Policies/Procedures and Facility/Maintenance Security Protocols, Phoenix conducts semi-annual training to maintain additional safeguards regarding the following:

- a. Phoenix's Business Continuity Policy;
- b. Phoenix's Disaster Recovery Plan;
- c. Phoenix's Incident Response Plan;
- d. Phoenix's Personal Computer Security Policy;
- e. Phoenix's Data Archiving and Retention Policy;
- f. Phoenix's Personnel Security Policy;

- g. Phoenix's Risk Assessment;
- h. Phoenix's Service Provider Risk Assessment;
- i. Phoenix's Classification and Access Rights Policy;
- j. Phoenix's Password Policy;
- k. Phoenix's Certification of Destruction; and
- l. Phoenix's Security Awareness Training Program.

11. Phoenix currently maintains an errors and omissions insurance policy, with a limit of liability of \$2,000,000, in addition to cyber insurance policy, with a limit of liability of \$3,000,000.

Procedures for Notice Preparation

12. As part of the procedures for mailing the Class Notice, Phoenix will run the names of all Class Members through the National Change of Address Database ("NCOA") to determine any updated addresses prior to the initial mailing. If a Class Notice from the initial notice mailing is returned as undeliverable, Phoenix will attempt to obtain a current address for the Class Member to whom the returned Class Notice had been mailed within 3 (three) calendar days of receipt of the returned Class Notice by undertaking skip tracing. If Phoenix is successful in obtaining a new address, it will promptly remail the Class Notice to the Class Member. Furthermore, any Class Notices that are returned to Phoenix with a forwarding address before the Response Deadline will be promptly remailed to the forwarding address affixed thereto.

Phoenix Policies/Procedures for Data Breach and/or Mishandling of Funds

13. **Incident Identification and Reporting:** Phoenix utilizes monitoring tools and internal reporting procedures to promptly detect any suspected data breach or irregularity involving confidential information or case-related funds. Any employee who becomes aware of a potential incident must immediately notify Phoenix's Compliance and Information Security teams.

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14. **Investigation and Containment Procedures:** Upon receiving notice of a suspected breach or mishandling event, Phoenix initiates an internal investigation to determine scope, cause, and impact. Phoenix takes immediate steps to contain the incident, secure affected systems or funds, and prevent additional unauthorized access or transactions.

15. **Notification Protocols:** If a breach of confidential or personal information is confirmed, Phoenix follows all applicable legal and contractual notification requirements. This includes timely notification to counsel, affected Parties, and, when necessary, regulatory agencies. Phoenix provides details of the incident, corrective actions taken, and any recommended steps for impacted individuals.

16. **Remediation and Corrective Action** Phoenix promptly implements corrective measures to address identified vulnerabilities and prevent future incidents. This may include system enhancements, employee retraining, policy updates, or additional monitoring mechanisms.

17. **Detection of Financial Irregularities:** Any discrepancies, unauthorized transactions, or indications of mishandling are immediately escalated to Phoenix’s Finance and Compliance teams. Phoenix reviews bank records, transaction logs, and authorization records to determine the root cause.

18. **Response to Mishandling of Funds:** If mishandling is confirmed, Phoenix takes immediate steps to correct the error, notify counsel, and implement appropriate safeguards. Phoenix may temporarily suspend affected processes until the issue is resolved, ensuring full accountability and documentation.

Settlement Administration Cost

19. Phoenix only employs certified and/or qualified translators to translate Court-approved notices for posting on Phoenix's website and dissemination to the Class.

20. Phoenix's costs are reasonable and competitive when compared to the industry.

21. To complete the settlement administration for this matter as defined herein, Phoenix's fee will include hard cost and hourly costs detailed below:

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a. Hard Cost: Postage, Printing Supplies, Toll Free Setup, QSF Bank Setup, NCOA, Skip Tracing, Remailing and Translation.

b. Hourly Cost: The hourly rates include Programming Database & Setup, Project Management, Notice Packet Formatting, Programming Undeliverable, Programming Claims Database, Programming Calculations, Disbursement Review, Printing of Notice & Checks, Reconcile Uncashed Checks, Conclusion Reports, Potential Tax Filing, and Case Management/Maintenance.

22. Phoenix prepared a detailed breakdown illustrating how its fee was calculated. A true and correct copy of Phoenix's Will Not Exceed Total bid of **\$12,500** is attached hereto as **Exhibit B**.

I declare under the penalty of perjury under the laws of the United States and state of California that the foregoing is true and correct. Executed on September 9, 2026 Orange, California.


Jodey Lawrence

Exhibit A



1411 N. Batavia Street, Suite 105, Orange, CA 92867

800.523.5773

www.phoenixclassaction.com

CURRICULUM VITAE

Phoenix, Class Action Administrators, PSA Overview

Phoenix Settlement Administrators, PSA, is a National Class Action Notification and Claims Administration firm, located in Orange County, California. PSA's core competencies ensure delivery of the highest quality and accuracy to its Clients and Class members. With a combined 38 years of expert experience, PSA's Managing Partners, Case Supervisors, Managers and Associates, Data Programming, and Certified Secure Strategic Partners possess all the qualities that our clients expect throughout the Noticing and Administration process to Final Approval. It is our Value Pricing, Efficiency, Experience, Consultative Expertise and Delivery, that has perpetuated PSA, as an emerging leader in Class Action Settlement Administration. Expert PSA staff members are currently managing Consumer and Product Liability, TCPA, ADA, Complex Labor & Employment, FLSA, ERISA and PAGA cases.

PSA has over 400 Attorney & Law Firm Clients, which have entrusted us with the management of their claims administration, because of the "Boutique" attention every case receives. PSA is value driven on all size cases. large or small, cases receive expert management, secure data custody, neutral communication and a dedicated team. This seamless process maintains superior case continuity to ensure our clients receive timely final approval and conclusion to their actions. Phoenix Settlement Administrators implements its successful C.A.S.E. solutions on all our class action matters.

With Hundreds of Millions of dollars in award distributions and currently under management since our inception, PSA has the ability and strengths to manage all levels of Complex Cases. PSA's Staff "Synergy" is our greatest attribute. It allows our people to work closely together and solve our client's case issues. PSA prides itself as a true "Third Party Administrator" and holds Neutrality and Service as a mantra. Because of this approach, both Defense and Plaintiff Clients experience fairness, trust and confidence in us, and allows for continued business from both parties. PSA has been appointed Third Party Administrator in State and Federal Courts.

We look forward to working with you on your next Class Action Noticing Campaign or Claims Administration. Let us design a C.A.S.E. solution, which will allow us to showcase the difference you'll experience. Superior Service, Class Savings Value Pricing and Timely Outcomes is why our clients come back to PSA.



Expert Core Services

Initial Planning and Consultative Service on Class Action Cases and Noticing Plans.

State/Nationwide Noticing Expertise: Privacy, Media, Publication, Internet & Email Campaigns.

Attorney General(s) CAFA Notification & ADA Cases.

Claims Programming, Administration, Processing and Reporting.

24/7/365 Multi-Lingual Call Center Support and Claims Processing

Secure Data Management Environment, Individual Firewalls, Encrypted Data and Storage

Settlement Fund Calculations, Solutions, Award Distribution, Award Reconciliation

Tax Filings: State, Federal, EDD, ETT, FUTA, PAGA Payments

Partial PSA Client List, Defense and Plaintiff

**Fisher & Phillips
Gordon & Rees
Paul Plevin Sullivan & Connaughton
Call & Jensen
Seyfarth Shaw
McKenna Long & Aldridge
Greenberg Traurig
Manning & Kass
Littler Mendelson
Perkins Coie
Orrick Herrington & Sutcliffe
Ogletree Deakins Nash Smoak & Stewart
Morrison Foerster
O'Hagan Meyer
Winston & Strawn
Sheppard Mullins
Lewis Brisbois Bisgaard & Smith
Morgan Lewis & Bockius
Paul Hastings
Snell & Wilmer
Sidley Austin
Higgs Fletcher & Mack
Jackson Lewis
Norton Rose Fulbright**

**Lavi & Ebrahimian, LLP
Work Lawyers, PC
Mahoney Law Group, APC
Law Office of Thomas Rutledge
Lawyers for Justice PC
Matern Law Group, PC
Rastegar Law Group
Diversity Law Group
Righetti & Glugoski
Cohelan, Khoury & Singer
Moon Law Group, PC
Tunyan Law, APC
The Spivak Law Firm
Law Offices of Kenneth Yoon
Paul Haines Law Group
Parris Law Firm
Mallison & Martinez
Jackson, APC
David Yeremian & Associates
Aegis Law Firm
Lauby, Mankin & Lauby, APC
Parker & Minne, LLP
Crosner Legal, APC
Setareh Law Group**

Exhibit B



CLASS ACTION ADMINISTRATION SOLUTIONS

July 16, 2026

CASE ASSUMPTIONS

Class Members	650
Opt Out Rate	1%
Opt Outs Received	2
Total Class Claimants	648
Subtotal Admin Only	\$12,500.00

Flat Fee Total \$12,500.00

For 650 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

Language Translation, Printing & Mailing Included

Case: Vidal-Callas v. South Coast Winery, Inc., Opt-Out Administration

Phoenix Contact: Melissa Meade

Contact Number: 949.331.0865

Email: melissa@phoenixclassaction.com

Requesting Attorney: Marta Manus

Firm: D. Law

Contact Number: 818-962-6465

Email: m.manus@d.law

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly.

Estimate is based on **650** Class Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 day

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$125.00	2	\$250.00
Programming Database & Setup	\$125.00	2	\$250.00
Toll Free Setup*	\$141.77	1	\$141.77
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$220.00	2	\$440.00
Total			\$1,113.77

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Language Translation / Website

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$125.00	3	\$375.00
ATA Language Translation	\$1,250.00	1	\$1,250.00
Data Merge & Duplication Scrub	\$0.50	650	\$325.00
Notice Packet & Opt-Out Form	\$1.25	650	\$812.50
Estimated Postage (up to 2 oz.)*	\$0.79	650	\$513.50
Static Website	\$250.00	1	\$250.00
Total			\$3,526.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



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CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Associate	\$55.00	3		\$165.00
Skip Tracing Undeliverables	\$1.50	65		\$97.50
Remail Notice Packets	\$1.25	65		\$81.25
Estimated Postage	\$0.79	65		\$51.35
Programming Undeliverables	\$50.00	3		\$150.00
Total				\$545.10

Database Programming / Processing Opt-Outs, Deficiencies or Disputes				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Database	\$135.00	2		\$270.00
Non Opt-Out Processing	\$200.00	1		\$200.00
Case Associate	\$55.00	2		\$110.00
Deficiency & Dispute Letters	\$10.00	3		\$30.00
Case Manager	\$85.00	2		\$170.00
Total				\$780.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Calculations	\$125.00	3		\$375.00
Disbursement Review	\$125.00	3		\$375.00
Programming Manager	\$95.00	3		\$285.00
QSF Bank Account & EIN	\$100.00	2		\$200.00
Check Run Setup & Printing	\$125.00	4		\$500.00
Mail Class Checks *	\$1.00	644		\$643.76
Estimated Postage	\$0.79	644		\$508.37
Mail Class Checks * (Redistribution)	\$1.00	400		\$400.00
Estimated Postage (Redistribution)	\$0.79	400		\$316.00
Total				\$3,603.13

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing & Instructions for downloading tax forms from PHX secure portal



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Supervisor	\$115.00	4		\$460.00
Remail Checks (Postage Included)	\$2.00	61		\$122.00
Case Associate	\$55.00	3		\$165.00
Reconcile Uncashed Checks	\$85.00	3		\$255.00
Conclusion Reports	\$115.00	2		\$230.00
Case Manager Conclusion	\$85.00	2		\$170.00
Final Reporting & Declarations	\$115.00	2		\$230.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting & Escheating to the State of CA Included)	\$1,300.00	1		\$1,300.00
Total				\$2,932.00
* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.				
Estimate Total:				\$12,500.00



TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf

EXHIBIT 3