

THE WHEELER LAW FIRM, APC

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**WORKPLACE LEGAL,
A PROFESSIONAL LAW CORPORATION**

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Attorneys for Defendant, Yuet Cheong & Co., Inc.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO**

ARTURO BENAVIDES, individually, and
on behalf of all others similarly situated,

Plaintiff,

v.

YUET CHEONG & CO., INC., a
California corporation; and DOES 1
through 50, inclusive,

Defendants.

CASE NO.: CGC-24-615159

[Hon. Ethan P. Schulman, Dept. 304]

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

Action Filed: May 31, 2024
Trial Date: None Set

1 This Amendment to the Class Action and PAGA Representative Action Settlement Agreement
2 and Release (“Amendment”) is entered into by and between Arturo Benavides (“Plaintiff”), on behalf
3 of himself and all others similarly situated, on the one hand, and Defendant, Yuet Chong, Inc.
4 (“Defendant”), on the other hand (collectively “Parties”). Subject to approval of the Court, this Action
5 is being settled pursuant to the terms and conditions set forth in this Amendment and the Class Action
6 And PAGA Representative Action Settlement Agreement and Release (“Agreement”).

7 **RECITALS**

8 1. On July 1, 2025, the Honorable Ethan P. Schulman issued a tentative ruling requesting
9 the Parties to amend the Agreement and the Notice of Class and PAGA Settlement (“Class Notice”)
10 as follows: 1) to include the delivery of Class Notice to the Class Members by United States First
11 Class Mail and by electronic mail, update the Class Information that will be provided by the
12 Settlement Administrator to include Class Members’ email addresses, obtain an updated quote from
13 the proposed Settlement Administrator that includes notices to the Class Members by email; and 2) to
14 amend the Agreement and Class Notice to provide that the Settlement Administrator: (a) is the final
15 decisionmaker regarding pay period disputes; and (b) will inform Class Members of the final
16 determination regarding any pay period disputes.

17 2. The Parties were also instructed to amend the Class Notice based upon the deficiencies
18 as outlined by the Court in the July 1, 2025 tentative ruling.

19 3. The Parties stipulated to the July 1, 2025 tentative ruling and the Court adopted that
20 ruling in its Order Continuing Motion for Preliminary Approval of Class Action Settlement (the
21 “Order”), issued July 7, 2025.

22 4. The Parties agree to modify the Agreement based upon the Order. The Amendment is
23 fully incorporated into the Agreement, a true and correct copy of which is attached hereto as **Exhibit**
24 **1**. All definitions set forth in the Agreement shall be used herein unless otherwise specifically
25 stated. All of the terms and exhibits of the Agreement that are not expressly superseded by the
26 Amendment, as set forth herein, remain in full force and effect.

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AMENDMENT TO CLASS ACTION AND PAGA REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND RELEASE

5. The Parties agree Paragraph 5 of the Agreement regarding “Class Information” shall be deleted and replaced in its entirety with the following language:

“5. ‘Class Information’ means information regarding Class Members that Defendant will in good faith compile from its records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each Class Member’s full name; social security number; last known address; last known telephone number and email address (if available); and number of Compensable Pay Periods and Compensable PAGA Pay Periods.”

6. The Parties agree Paragraph 37 of the Agreement regarding “Settlement Administrators” shall be deleted and replaced in its entirety with the following language:

“37. ‘Settlement Administrator’ means Phoenix Settlement Administrators (“Phoenix”). The Settlement Administrator shall be responsible for, *inter alia*: (a) performing Spanish translations of the Notice of Class Settlement; printing, mailing and emailing (if a Class Member’s email address is available) the Notice of Class Settlement to the Class in English and Spanish; (b) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members; (c) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (d) processing and mailing payments to Plaintiff, Class Counsel, the LWDA, and Settlement Class Members; and (e) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Settlement Administrator will provide notice of the continuance of the final approval hearing date if a Class member submits a timely objection. The Parties agree that they have no financial interest or other

relationship with Phoenix that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.”

7. The Parties agree Paragraph 53 of the Agreement regarding “Notice to the Class” shall be deleted and replaced in its entirety with the following language:

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

8. The Parties agree Paragraph 53.b of the Agreement regarding “Disputes Regarding Individual Settlement Payments” shall be deleted and replaced in its entirety with the following language:

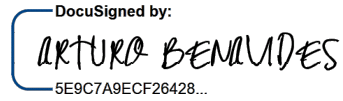
“b. Disputes Regarding Individual Settlement Payments. Class Members will have the opportunity, should they disagree with Defendant’s records regarding the dates of employment stated in the Notice of Class Settlement, to provide documentation and/or an explanation to show contrary information by the Response Deadline. The dispute form must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member’s social security number or full employee ID number; (b) contain the case name and case number; (c) include a clear statement by the Class Member that he or she is disputing the number of Compensable Pay Periods and/or Compensable PAGA Pay Periods

1 and the basis for the dispute; (d) include any documentation demonstrating that the
2 number of Compensable Pay Periods and/or Compensable PAGA Pay Periods listed
3 in the Notice of Class Settlement is incorrect; (e) be signed by the Class Member;
4 and (f) be postmarked by the Response Deadline. The date of the postmark on the
5 return mailing envelope on the dispute form shall be the exclusive means used to
6 determine whether it has been timely submitted. If there is a dispute, the Settlement
7 Administrator will consult with the Parties to determine whether an adjustment is
8 warranted. The Settlement Administrator is the final decisionmaker regarding
9 disputes over the number of Compensable Pay Periods and/or Compensable PAGA
10 Pay Periods and will inform Class Members of the final determination regarding any
11 such disputes. In addition to U.S. Mail, a Class Member may also submit a dispute
12 form by facsimile or email to the Settlement Administrator within the Response
13 Deadline. The Settlement Administrator shall then determine the eligibility for, and
14 the amounts of, any Individual Settlement Payments under the terms of this
15 Agreement. In the absence of circumstances indicating fraud, manipulation or
16 destruction, Defendant's records shall be given a rebuttable presumption of
17 accuracy."

18 9. The Parties have agreed, modified and amended the Class Notice. The amended Class
19 Notice is attached hereto as **Exhibit 2**.

20 10. All other terms and exhibits of the Agreement that are not expressly superseded by the
21 Amendment, remain in full force and effect.

22
23 Dated: 7/11/2025
24 _____

By: 
Arturo Benevides

Yuet Cheong & Co., Inc.

Dated: _____

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

Dated: July 14, 2025

THE WHEELER LAW FIRM, APC



By: _____

Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated: July ____, 2025

WORKPLACE LEGAL, APLC

By: _____

Cari A. Cohorn

Attorneys for Defendant

Yuet Cheong & Co., Inc.

Dated: Jul 14, 2025

By: Wendy Suen

Name: WENDY SUEN

Title: President

APPROVED AS TO FORM:

Dated: July ____, 2025

THE WHEELER LAW FIRM, APC

By: _____
Scott Ernest Wheeler
Justin A. Wheeler

Attorneys for Plaintiff and the Putative Class

Dated: July 14, 2025

WORKPLACE LEGAL, APLC

By: Cari A. Cohorn
Cari A. Cohorn

Attorneys for Defendant

EXHIBIT 1

1 **THE WHEELER LAW FIRM, APC**

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

10 *Attorneys for Plaintiff and the Putative Class*

11 **WORKPLACE LEGAL,**
12 **A PROFESSIONAL LAW CORPORATION**

13 Cari A. Cohorn (SBN 249056)
14 The Flood Building
15 870 Market Street, Suite 1152
16 San Francisco, California 94102
17 Email: ccohorn@workplacelegalpc.com

18 *Attorneys for Defendant, Yuet Cheong & Co., Inc.*

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

ARTURO BENAVIDES, individually, and
on behalf of all others similarly situated,

Plaintiff,

v.

YUET CHEONG & CO., INC., a
California corporation; and DOES 1
through 50, inclusive,

Defendants.

CASE NO.: CGC-24-615159

[Hon. Ethan P. Schulman, Dept. 304]

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

Action Filed: May 31, 2024

Trial Date: None Set

1 This Class Action and PAGA Settlement and Release (“Settlement Agreement”) is entered
2 into by and between Plaintiff Arturo Benavides (“Plaintiff”), on behalf of himself and all others
3 similarly situated, on the one hand, and Defendant, Yuet Cheong & Co (“Yeut Cheong” or
4 “Defendant”), on the other hand. Plaintiff and Defendant are collectively referred to herein as
5 “Parties” and individually referred to herein as a “Party.” In consideration of the mutual covenants,
6 promises, and agreements set forth herein, the Parties agree that, pursuant to the terms and
7 conditions set forth herein, which are subject to approval of the Court, this Action and the Released
8 Claims shall be settled and compromised as between Plaintiff and the Class on the one hand and
9 Defendant on the other hand.

11 **DEFINITIONS**

12 1. “Action” means *Arturo Benavides v. Yuet Cheong & Co., Inc., et al.*, Superior Court
13 of the State of California for the County of San Francisco, Case No. CGC-24-615159.

14 2. “Class” means all non-exempt, hourly employees who worked for Defendant at any time
15 in the state of California from May 31, 2020, through December 31, 2024.

16 3. “Class Counsel” means Scott Ernest Wheeler and Justin A. Wheeler of The Wheeler
17 Law Firm, APC.

18 4. “Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and
19 resolution of this Action and Class Counsel’s expenses and costs incurred in connection with this
20 Action.

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

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

28 7. “Class Period” means the time period from May 31, 2020, through December 31, 2024.

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

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

13 10. “Compensable PAGA Pay Period” or “Compensable PAGA Pay Periods” means a
14 reasonable estimate of pay periods worked by each PAGA Member, as a nonexempt employee in
15 California for Defendant, individually and collectively by all PAGA Members, during the period
16 from of March 28, 2023, through December 31, 2024, based on Defendant’s records and used as a
17 value to calculate PAGA Payments. The number of Compensable PAGA Pay Periods for each
18 PAGA Member will be determined by adding all the calendar days within the inclusive dates of
19 employment for the employee and dividing that number by fourteen. Any partial pay period will be
20 expressed as a percentage of a full pay periods. If it can be readily determined, workweeks where
21 someone was employed but did not record any hours can be excluded from this calculation.

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

24 12. “Defendant” means Yuet Cheong & Co., Inc.

25 13. “Effective Date” means the date on which the Superior Court’s Final Approval Order
26 and Judgment becomes final and Defendant fully funds the settlement. The Superior Court’s Final
27 Approval Order and Judgment “becomes final” upon the latter of: (a) if there is no Objection to the
28 Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval Order

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

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

11 15. “Gross Settlement Amount” means the maximum amount which Defendant is
12 obligated to pay under this Settlement Agreement, which is Two Hundred and Twenty-Five Thousand
13 Dollars (\$225,000.00), subject to increase *only* under the circumstances set forth in paragraph 58. This
14 is an “all in” non-reversionary Settlement in which Defendant is required to pay the entire Gross
15 Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under any
16 circumstances. Payments of any appropriate and lawfully-required employer’s share of the payroll
17 taxes on the taxable portion of the settlement payments shall be paid separately from the Gross
18 Settlement Amount by Defendant at the time the Gross Settlement Amount is funded.

19 16. “Individual Settlement Payment” means the amount payable from the Net Settlement
20 Amount to each Settlement Class Member.

21 17. “LWDA” means the California Labor and Workforce Development Agency.

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

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

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

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

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

8 22. "PAGA Member" or "PAGA Members" means all non-exempt, hourly employees who
9 worked for Defendant at any time in the state of California from March 28, 2023, through December 31,
10 2024.

11 23. "Parties" means Plaintiff and Defendant, collectively, and "Party" means either
12 Plaintiff or Defendant, individually and/or collectively.

13 24. "Payment Ratio" means the respective Compensable Pay Periods for each Settlement
14 Class Member divided by the total Compensable Pay Periods for all Settlement Class Members.

15 25. "PAGA Payment Ratio" means the respective Compensable PAGA Pay Periods for
16 each PAGA Member divided by the total Compensable PAGA Pay Periods for all PAGA Members.

17 26. "PAGA Period" means the time period from March 28, 2023, through December 31
18 2024.

19 27. "Plaintiff" or "Class Representative" refers to Arturo Benavides.

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

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

26 30. "Released Claims by Plaintiff" are set forth in paragraph 47 below. As of the date
27 Defendant fully funds the Settlement, Plaintiff will, and hereby does, release the Released Claims by
28 Plaintiff.

1 31. “Released Claims by Settlement Class Members” means: As of the date Defendant
2 fully funds this Settlement, Settlement Class Members shall fully and finally release and discharge
3 Released Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs,
4 expenses, attorneys’ fees, damages, or causes of action contingent or accrued for, that are pleaded, or
5 that could have been pleaded, based on the facts and claims alleged in the Operative Complaint,
6 including any claims for: (a) failure to provide required meal periods, California Labor Code §§ 226.7,
7 510, 512, 1194, 1197, IWC Wage Order No. 14-2001, §11; (b) failure to provide required rest periods,
8 California Labor Code §§ 226.7, 512, and IWC Wage Order No. 14-2001, §12; (c) failure to pay
9 overtime wages, California Labor Code §§ 510, 1194, 1198 and IWC Wage Order No. 14-2001, §3;
10 (d) failure to pay minimum wages and split shift premium payments, California Labor Code §§ 1194,
11 1197, and IWC Wage Order No. 14-2001, §4; (e) failure to timely pay wages §§ 204 and 210; (f)
12 failure to timely pay all wages during employment and to discharged and quitting employees,
13 California Labor Code §§ 201-203; (g) failure to furnish accurate, itemized wage statements, in
14 violation of California Labor Code §§ 226, 246, 248.1, 248.2, 248.6 and IWC Wage Order No. 14-
15 2001, §7; (h) failure to maintain required records, in violation of California Labor Code §§226, 1174,
16 1174.5 and IWC Wage Order No. 14-2001, §7; (i) failure to reimburse necessary business expenses,
17 California Labor California Labor Code §2802; (j) failure to provide supplemental COVID-19 sick
18 leave, in violation of California Labor Code §§ 246, 248.1, 248.2, and 248.6; (k) any violation of any
19 section of any applicable IWC Wage Order arising out of the allegations or the primary rights asserted
20 in the Operative Complaint; and (l) unlawful business practices under California, Business and
21 Professions Code §17200, et seq. predicated on any of the violations of the California Labor Code and
22 the applicable IWC Wage Order(s) as alleged in the Operative Complaint including but not limited
23 to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other
24 benefit, wages, penalties, or other amounts claimed on account of the allegations or the primary rights
25 asserted in the Operative Complaint. This release shall apply to any and all claims arising at any point
26 during the Class Period. Plaintiff and Defendant intend that the Settlement described in this
27 Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative
28 claim or action, arbitration, demand, or other action of any kind, by each and all of the Settlement

1 Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the
2 release of claims not otherwise permitted by law, e.g., Worker's Compensation and unemployment
3 insurance benefits.

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

8 33. "Response Deadline" means forty-five (45) days after the postmark date of the Notice
9 of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date
10 on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the
11 Settlement; or (c) submit a dispute concerning the number of Compensable Pay Periods and/or
12 Compensable PAGA Pay Periods he/she/they worked.

13 34. "Settled PAGA Claims" means penalties only under the Private Attorneys General
14 Act ("PAGA"), based upon the Released Claims by Plaintiff and the State of California that serves
15 the basis for penalties only pursuant to Labor Code § 2699 *et seq.*, for : (a) failure to provide
16 required meal periods, California Labor Code §§ 226.7, 510, 512, and IWC Wage Order No. 14-
17 2001, §11; (b) failure to provide required rest periods, California Labor Code §§ 226.7, 512 and
18 IWC Wage Order No. 14-2001, §12; (c) failure to pay overtime wages, California Labor Code
19 §§510, 1194, 1197, 1198, and IWC Wage Order No. 14-2001, §3; (d) failure to pay minimum
20 wages and split shift premiums, California Labor Code §§ 1194, 1197 and IWC Wage Order No.
21 14-2001, §4; (e) failure to timely pay all wages due during employment and to discharged and
22 quitting employees, California Labor Code §§ 201-204, 210; (f) failure to furnish accurate, itemized
23 wage statements, California Labor Code §§ 226, 226.3 and IWC Wage Order No. 14-2001, §7; (g)
24 failure to maintain required records, California Labor Code §§ 226, 1174 and IWC Wage Order No.
25 14-2001, §4; (h) failure to provide supplemental COVID-19 sick leave, in violation of California
26 Labor Code §§ 246, 248.1, 248.2, and 248.6; (i) failure to reimburse for necessary business
27 expenses, California Labor Code § 2802; and the violation of any other primary rights alleged in
28 Plaintiff's Operative Complaint and in Plaintiff's PAGA Notice dated March 26, 2024.

35. “Settlement” means the disposition of the Action pursuant to this Agreement.

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

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

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

RECITALS

39. Procedural History. On May 31, 2024, Plaintiff filed a Class Action and PAGA Representative Action Complaint against Defendant, Yuet Cheong & Co., Inc., in San Francisco Superior Court, Case No. CGC-24-615159 which is the “Operative Complaint.” Defendant has filed an answer to Plaintiff’s complaint.

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

1 41. Mediation. The Parties participated in a private mediation session with the highly
2 experienced mediator, Mark C. Peters, Esq., on December 12, 2024. After a full day of mediation,
3 the Parties were able to reach a proposed settlement regarding the material terms for a proposed class
4 action and PAGA settlement that would fully resolve this matter.

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

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

24 **STIPULATION AND AGREEMENT**

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

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

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

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

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

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

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

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

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

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

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

22 50. Release of Claims by Settlement Class Members. As of the Effective Date, Settlement
23 Class Members release the "Released Claims by Settlement Class Members," as defined.

24 51. Release of Settled PAGA Claims. As of the Effective Date, PAGA Members release
25 the "Settled PAGA Claims," as defined.

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

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

9 a. Undeliverable Notices. Any Notice of Class Settlement returned to the
10 Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to
11 the forwarding address affixed thereto, if any, within ten (10) calendar days. For any undeliverable
12 Notice of Class Settlement returned for which no forwarding address is affixed, the Settlement
13 Administrator will conduct its investigation for an updated address of the Class Member and re-mail
14 the Notice of Class Action Settlement. If an updated address is found, the Settlement Administrator
15 shall have seven (7) days to re-mail the Notice of Class Action Settlement from receipt of the
16 undelivered envelope. The Settlement Administrator will provide a cover letter notifying the Class
17 Member of the extended Response Deadline, i.e., that any Class Member who receives a re-mailed
18 Notice of Class Settlement shall have thirty (30) days after the postmark date of the re-mailed Notice
19 of Class Settlement to: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement;
20 or (c) submit a pay period dispute.

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

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

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

1 released even if the Class Member submits a timely Request for Exclusion. Class Members who fail
2 to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound
3 by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action.

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

24 e. If greater than ten (10) percent of the Class Members opt out or object to this
25 Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount is
26 6% or more, Defendant will have the right to rescind and terminate the Settlement without prejudice
27 to their pre-settlement positions and defenses in the litigation. In such a case, the Parties and any funds
28

1 to be awarded shall be returned to their respective statuses as of the date and time immediately prior
2 to the execution of this Agreement.

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

9 54. Funding Gross Settlement Amount. Within 30 days of entry of an order granting
10 preliminary approval to the Settlement, Defendant will deposit 25% of the Gross Settlement Amount
11 (i.e., \$56,250) into an interest-bearing account established by the Settlement Administrator (the
12 “Qualified Settlement Fund”). Defendant will deposit the remaining 75% of the Gross Settlement
13 Amount (i.e., \$168,750), along with Defendant’s share of the payroll taxes, into the Qualified
14 Settlement Fund within 10 months of entry of an order granting final approval to the Settlement.

15 55. Allocation of Settlement. Individual Settlement Payments will be paid from the Net
16 Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual
17 Settlement Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members’
18 last known mailing address.

19 a. The Settlement Administrator shall calculate the total Compensable Pay
20 Periods and Compensable PAGA Pay Periods for all Settlement Class Members based on the Class
21 Information provided by Defendant. The respective Compensable Pay Periods for each Settlement
22 Class Member will be divided by the total Compensable Pay Periods for all Settlement Class
23 Members, resulting in the Payment Ratio for each Settlement Class Member; a similar calculation will
24 apply to determining the Payment Ratio for Compensable PAGA Pay Periods. Each Settlement Class
25 Member’s Payment Ratio will then be multiplied by the Net Settlement Amount to determine his or
26 her Individual Settlement Payment.

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

1 1. Thirty-Three and One-Third Percent (33.33%) of the Individual
2 Settlement Payment shall represent payment for alleged unpaid wages. This payment shall be
3 subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes
4 and/or contributions will be deducted from the amount paid to Settlement Class Members. The
5 Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this
6 payment.

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

11 3. Thirty-Three and One-Third Percent (33.33%) of the Individual
12 Settlement Payment shall represent payment of all interest. These payments will not be subject to
13 withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form
14 1099 to each Settlement Class Member in relation to these payments.

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

26 c. Uncashed Settlement Checks. Individual Settlement Payment checks shall
27 remain negotiable for one hundred and eighty (180) days from the postmark date of issuance. If the
28 Settlement Check is not cashed, deposited, or otherwise negotiated within the 180-day deadline, the

1 check will be voided, and the funds associated with any such voided checks shall be distributed to the
2 State of California Controller's Office, Unclaimed Property Division, in the name of the affected Class
3 Member. The Release will be binding upon all Participating Class Members, including those who do
4 not cash their checks within the 180-day period. The Parties agree that this disposition results in no
5 "unpaid cash residue," or "unclaimed or abandoned funds" as the entire Net Settlement Amount will
6 be paid out to the Participating Class Members, whether or not they all cash their payment checks.

7 1. Uncashed PAGA Member Checks. Uncashed PAGA Member
8 settlement checks shall be distributed to the State of California Controller's Office, Unclaimed
9 Property Division, in the name of the PAGA Member.

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

18 e. Settlement Awards Do Not Trigger Additional Benefits. All monies received
19 by Settlement Class Members shall be deemed to be income to such Settlement Class Members solely
20 in the year in which such awards actually are received by the Settlement Class Members. It is expressly
21 understood and agreed that the receipt of such Individual Settlement Payments will not entitle any
22 Settlement Class Member to additional compensation or benefits under any company compensation
23 or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle
24 any Settlement Class Member to any increased pension and/or retirement, or other deferred
25 compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments
26 provided for in this Agreement are the sole payments to be made by Defendant to the Settlement Class
27 Members in connection with this Settlement, and that the Settlement Class Members are not entitled
28 to any new or additional compensation or benefits as a result of having received the Individual

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

4 f. Class Representative Service Award. Defendant agrees not to oppose or object
5 to a Class Representative Service Award to Plaintiff of up to Seven Thousand Dollars (\$7,000.00),
6 subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099 – MISC to
7 Plaintiff in connection with the Class Representative Service Award payment. Plaintiff shall be solely
8 and legally responsible to pay any and all applicable taxes on his Class Representative Service Award
9 and shall hold harmless Defendant and Class Counsel from any claim or liability for taxes, penalties,
10 or interest arising as a result of the Class Representative Service Award payment. The Class
11 Representative Service Award shall be in addition to Plaintiff's Individual Settlement Payment. This
12 Settlement is not contingent upon the Court awarding Plaintiff a Class Representative Service Award
13 in any amount, and any amount requested by Plaintiff for the Class Representative Service Award that
14 is not granted by the Court shall return to the Net Settlement Amount and be distributed to Settlement
15 Class Members as provided in this Agreement.

16 g. Class Counsel Award. Defendant agrees not to oppose or object to any
17 application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross
18 Settlement Amount, or Seventy-Four Thousand, Nine Hundred Twenty-Five (\$74,925). Defendant
19 further agrees not to oppose any application or motion by Class Counsel for the reimbursement of any
20 costs or expenses associated with Class Counsel's prosecution of this matter from the Gross
21 Settlement Amount not to exceed Fifteen Thousand Dollars (\$15,000.00). Class Counsel shall be
22 solely and legally responsible to pay all applicable taxes on the payment made pursuant to this
23 paragraph. The Settlement Administrator shall issue an IRS Form 1099 – MISC to Class Counsel for
24 the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court
25 awarding Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by
26 Class Counsel for the Class Counsel Award and costs that is not granted by the Court shall return to
27 the Net Settlement Amount and be distributed to Settlement Class Members as provided in this
28 Agreement.

1 h. Settlement Administration Costs. The Settlement Administrator shall be paid
2 for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of
3 notice and administration for the disbursement of the Gross Settlement Amount shall not exceed
4 Twelve Thousand and Five Thousand Dollars (\$12,500.00). Prior to the filing of a motion for final
5 approval of this Settlement, the Settlement Administrator shall provide the Parties with a statement
6 detailing the costs of administration. Any amount requested by the Settlement Administrator for
7 administration costs that is not granted by the Court shall return to the Net Settlement Amount and be
8 distributed to Settlement Class members as provided in this Settlement Agreement.

9 i. PAGA Payment. Twenty Thousand dollars (\$20,000) from the Gross
10 Settlement Amount will be allocated to penalties under the Private Attorneys General Act of 2004.
11 Seventy-five percent (75%) of that amount, or \$15,000, will be paid to the LWDA and twenty-five
12 (25%) of that amount, or \$5,000, will be paid to the PAGA Members based upon Compensable PAGA
13 Pay Periods as determined by the PAGA Payment Ratio as set forth in Paragraph 25. This PAGA
14 Payment is made pursuant to California Labor Code § 2699(i).

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

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

8 58. Pay Period Differential. It is currently estimated that Class Members collectively
9 worked 2,018 pay periods. If it is determined by Plaintiff's counsel and confirmed by the Settlement
10 Administrator that more than ten percent (10%) additional pay periods exist through final approval,
11 the Gross Settlement Amount will be increased on a pro rata basis according to the number of
12 additional pay periods in excess of ten percent (10%) more pay periods than 2,018.

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

18 60. Nullification of Settlement Agreement. In the event: (a) the Court does not enter the
19 Order for preliminary approval of the Settlement; (b) the Court does not finally approve the
20 Settlement; (c) the Court does not enter a Final Approval Order and Judgment as provided herein;
21 (d) the Settlement does not become final for any other reason; or (e) the Court fails or refuses to
22 approve any material condition of this Settlement Agreement which effects a fundamental change of
23 the Settlement Agreement, this entire Settlement Agreement shall be null and void and
24 unenforceable as to all Parties herein at the option of any Party but remains protected by California
25 Evidence Code Section 1152, and any order or judgment entered by the Court in furtherance of this
26 Settlement shall be treated as void from the beginning. In such cases, the Parties and any funds to be
27 awarded under this Settlement shall be returned to their respective statuses as of the date and time
28 immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as

1 if this Agreement had not been executed. Further, if the Settlement Agreement is voided or fails for
2 any reason, Plaintiff and Defendant will have no further obligations under the Settlement
3 Agreement, including any obligation by Defendant to pay the Settlement Amount, or any amounts
4 that otherwise would have been owed under this Settlement Agreement. In the event an appeal is
5 filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought,
6 administration of the Settlement shall be stayed pending final resolution of the appeal or other
7 appellate review, and any fees incurred by the Settlement Administrator prior to it being notified of
8 the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate
9 review, shall be paid to the Settlement Administrator by the party or person that filed the appeal,
10 within thirty (30) calendar days of said notification.

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

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

25 63. Exhibits and Headings. The terms of this Settlement Agreement include the terms set
26 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
27 Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any
28

1 paragraphs or sections of this Agreement are inserted for convenience of reference only and do not
2 constitute a part of this Agreement.

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

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

9 a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
10 Member, or Defendant's Counsel, on behalf of Defendant, at any time believe that the other Party has
11 breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the
12 alleged violation.

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

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

19 d. If Class Counsel and Defendant's Counsel are unable to resolve their
20 differences after twenty (20) calendar days, either Party shall first contact the mediator (Mark C.
21 Peters, Esq.) to try to resolve the dispute. If that proves unsuccessful, the party may file an appropriate
22 motion for enforcement with the Court. The briefing of such motion should be in letter brief form and
23 shall not exceed five (5) single-spaced pages (excluding exhibits).

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

27 66. Notice. Unless otherwise specifically provided herein, all notices, demands or other
28 communications given hereunder shall be in writing and shall be deemed to have been duly given as

1 of the third business day after (i) emailing and (ii) mailing by United States registered or certified
2 mail, return receipt requested, addressed:

3 To the Settlement Class:

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

10 To Defendant:

11 WORKPLACE LEGAL, APLC
12 Cari A. Cohorn
13 The Flood Building
14 870 Market Street, Suite 1152
San Francisco, California 94102
Email: ccohorn@workplacelegalpc.com

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

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

22 69. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
23 represent they are expressly authorized by the Parties whom they represent to negotiate this
24 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
25 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
26 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
27 and use their best efforts to affect the implementation of the Settlement. In the event the Parties are
28 unable to reach agreement on the form or content of any document needed to implement the

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

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

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

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

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

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

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

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

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

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

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

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

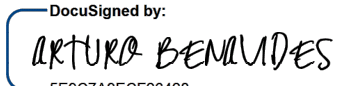
81. Voluntary Agreement. The Parties acknowledge that they have entered into this Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress, or undue influence of any Party, and not in reliance on any promises, representations, or statements made by the other Parties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

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

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

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

Dated: 2/24/2025

DocuSigned by:

 5E9C7A9ECF26428...
 Arturo Benevides

Yuet Cheong & Co., Inc.

Dated: _____

By: _____

Title: _____

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

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

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

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

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

23 Dated: _____

By: _____

Arturo Benevides

Yuet Cheong & Co., Inc.

24
25
26 Dated: March 3, 2015

By: Wendy Sma

Title: President

1 **APPROVED AS TO FORM:**

2 Dated: March 13, 2025

THE WHEELER LAW FIRM, APC

3

By: 

Scott Ernest Wheeler
Justin A. Wheeler

4

5

Attorneys for Plaintiff and the Putative Class

6

7

Dated: March 3, 2025

WORKPLACE LEGAL, APLC

8

9

By: 

Cari A. Cohorn

10

11

Attorneys for Defendant

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1 **APPROVED AS TO FORM:**

2 Dated: February ____, 2025_____ THE WHEELER LAW FIRM, APC

3

4

By: _____

5

Scott Ernest Wheeler

Justin A. Wheeler

6

Attorneys for Plaintiff and the Putative Class

7

Dated: February ____, 2025

WORKPLACE LEGAL, APLC

8

9

10

By: _____

Cari A. Cohorn

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Attorneys for Defendant

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EXHIBIT 1

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Arturo Benavides v. Yuet Cheong & Co., Inc., et al.

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SAN FRANCISCO
CASE NUMBER: CGC-24-615159

PLEASE READ THIS NOTICE

A class and representative action under the Private Attorneys General Act, California Labor Code sections 2699-2699.5. (“PAGA”) against Defendant, Yuet Cheong & Co., Inc. (“Defendant”) has been preliminarily approved for settlement. In the lawsuit, Plaintiff, Arturo Benavides (“Plaintiff”), alleged that Defendant failed to properly compensate Class Members for all hours worked, failed to provide Class Members with compliant meal and/or rest periods or compensation in lieu thereof, failed to pay overtime wages, failed to pay minimum wages, failed to timely pay all wages, failed to pay all wages due to quitting and discharged employees at the time of separation, failed to provide accurate wage statements, failed to maintain accurate payroll records, failed to reimburse for reasonable and necessary business expenses, failed to provide and maintain records regarding COVID-19 supplemental sick pay, unfair business practices and penalties predicated on the Labor Code violations pursuant to Labor Code sections 2699-2699.5 (“PAGA”). Defendant denies Plaintiff’s allegations and contends that it complied with the applicable laws.

“Class Member(s)” are defined as: all non-exempt, hourly employees who worked for Defendant at any time in the State of California from May 31, 2020, through December 31, 2024. (Collectively, the Class Members are referred to as the “Class”).

“Class Period” means the time period from May 31, 2020, through December 31, 2024.

“PAGA Member(s)” are defined as: all non-exempt, hourly employees who worked for Defendant at any time in the State of California from March 28, 2023, through December 31, 2024.

The “PAGA Period” is the time period from March 28, 2023, through December 31, 2024.

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

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

1. WHY DID I GET THIS NOTICE?

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

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

2. WHAT IS THIS CASE ABOUT?

The Class Action Complaint for Damages was filed on May 31, 2024, in the Superior Court of California, County of San Francisco, commencing the lawsuit entitled *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Case No. CGC-24-61559. Plaintiff alleged on behalf of himself and the Class the following claims against Defendants for: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay timely wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to furnish accurate, itemized wage statements; (8) failure to maintain records; (9) failure to reimburse necessary business expenses; (10) failure to pay and maintain records regarding COVID-19 supplemental sick pay; (11) unfair business practices; and (12) violation of PAGA, predicated on the violations of the California Labor Code and applicable IWC Wage Order as alleged in the Operative Complaint.

The resolution of the PAGA claim (“PAGA Settlement”) includes any all non-exempt, hourly employees who worked for Defendants at any time in the State of California from March 28, 2023, through December 31, 2024 (“PAGA Members”).

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

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

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendant has agreed to pay a Gross Settlement Amount of Two Hundred and Twenty-Five Thousand Dollars (\$225,000.00) to settle the Action if approved by the Court.

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

- Service Payment to Plaintiff for his service as Class Representative in the amount of up to Seven Thousand Dollars and Zero Cents (\$7,000.00);
- Attorneys’ Fees not to exceed Seventy-Four Thousand Nine Hundred and Twenty-Five Dollars (\$74,925.00) (i.e., 1/3 of the Gross Settlement Amount) to Class Counsel and up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for reimbursement of litigation costs and expenses (“Attorneys’ Costs”);
- The amount of Twenty Thousand Dollars and Zero Cents (\$20,000.00) allocated to the payment of civil penalties under PAGA (the “PAGA Allocation”);
- The costs associated with administration of the Settlement, estimated to be Twelve Thousand and Five Hundred Dollars and Zero Cents (\$12,500.00) (“Settlement Administration Costs”).

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

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

Based on your Compensable Pay Periods, your Individual Settlement Payment as a Settlement Class Member is estimated to be \$_____.

PAGA Payment: A total of Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been allocated to PAGA Settlement. Of this amount, 75% or Fifteen Thousand Dollars and Zero Cents (i.e., \$15,000.00) will be paid to California’s

Labor & Workforce Development Agency, and 25% or Five Thousand Dollars and Zero Cents (i.e., \$5,000.00) (the “Net PAGA Distribution Amount”) will be paid on a *pro-rata* basis to PAGA Members.

1. The Settlement Administrator will determine the number of pay periods worked by PAGA Members as non-exempt employees in California during the period from March 28, 2023, through December 31, 2024 (“Compensable PAGA Pay Periods”);
2. The Settlement Administrator will determine the value of a single Compensable PAGA Pay Period by dividing the Net PAGA Distribution Fund by the total number Compensable PAGA Pay Periods by all PAGA Members.
3. Each PAGA Member shall receive a PAGA Payment equal to his or her Compensable PAGA Pay Periods multiplied by the value of a single Compensable PAGA Pay Period.

Based on these PAGA Compensable Pay Period, your PAGA Payment is estimated to be \$.

If you dispute the above information, you may submit a written dispute of the number of Compensable Pay Periods and/or Compensable PAGA Pay Periods allocated to you (“Dispute”) to the Settlement Administrator. Your Dispute must: (1) contain your name, address, and telephone number and the case name and number of this action, *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Superior Court of the State of California, County of San Francisco, Case No. CGC-24-615159; (2) be signed by you; (3) be postmarked, emailed or fax stamped on or before INSERT DATE and returned to the Settlement Administrator at the address, email or fax number listed below; (4) clearly state the number of Compensable Pay Periods and/or Compensable PAGA Pay Periods you believe are correct; and (5) attach any documentary evidence you have to prove the number of contented Compensable Pay Periods and/or Compensable PAGA Pay Periods.

Phoenix Settlement Administrators
Re: *Arturo Benavides v. Yuet Cheong & Co., Inc.*

INSERT ADDRESS

Phone: (800)

Facsimile: (714)

Email: INSERT EMAIL ADDRESS

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

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

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

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

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

If and when the Court grants final approval of the Settlement, as of the Effective Date, all Class Members who do not opt out of the Settlement (“Settlement Class Members”) hereby do and shall fully and finally release and discharge the Released Parties, from May 31, 2020, through December 31, 2024, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, including any claims for: (a) failure to provide required meal periods, California Labor Code §§ 226.7, 510, 512, 1194, 1197, IWC Wage Order No. 14-2001, §11; (b) failure to provide required rest periods, California Labor Code §§ 226.7, 512, and IWC Wage Order No. 14-2001, §12; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194, 1198 and IWC Wage Order No. 14-2001, §3; (d) failure to pay minimum wages and split shift premium payments, California Labor Code §§ 1194, 1197, and IWC Wage Order No. 14-2001, §4; (e) failure to timely pay wages §§ 204 and 210; (f) failure to timely pay all wages during employment and to discharged and quitting employees, California Labor Code §§ 201-203; (g) failure to furnish

accurate, itemized wage statements, in violation of California Labor Code §§ 226, 246, 248.1, 248.2, 248.6 and IWC Wage Order No. 14-2001, §7; (h) failure to maintain required records, in violation of California Labor Code §§226, 1174, 1174.5 and IWC Wage Order No. 14-2001, §7; (i) failure to reimburse necessary business expenses, California Labor Code §2802; (j) failure to provide supplemental COVID-19 sick leave, in violation of California Labor Code §§ 246, 248.1, 248.2, and 248.6; (k) any violation of any section of any applicable IWC Wage Order arising out of the allegations or the primary rights asserted in the Operative Complaint; and (l) unlawful business practices under California, Business and Professions Code §17200, et seq.; and (m) a cause of action pursuant to PAGA predicated on any of the violations of the California Labor Code and the applicable IWC Wage Orders as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations or the primary rights asserted in the Operative Complaint. (Collectively, these claims are the “Settled Claims.”) This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period.

“Released Parties” collectively means: (i) Defendant; (ii) Defendant’s respective past, present and future parents, subsidiaries and affiliates, successors and assigns; and (iii) the past, present and future shareholders, owners, managers, officers, directors, partners, members, agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the foregoing.

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

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

“Settled PAGA Claims” means claims for penalties under PAGA only, and not for underlying wage and hour claims which the claims for penalties are based upon, as alleged in the Operative Complaint and the PAGA Notice dated March 26, 2024, filed by Plaintiff, and as described in section 4, above.

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

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

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

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

A valid and complete Opt-Out Request must (1) contain the name, address, and telephone number of the Class Member requesting exclusion and the case name and number of the *Benavides* Action (i.e., *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Superior Court of the State of California, County of San Francisco, Case No. CGC-24-61559); (2) be signed by the Class Member; (3) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number listed in section 3 of this Notice above; and (4) contain a statement something substantially similar to:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE ARTURO BENAVIDES V. YUET CHEONG & CO., INC., LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT FROM THE SETTLEMENT OF THE LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED.”

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

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

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

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

If you wish to object, you must submit the written objection to the Settlement Administrator (“Objection”) to the following address or fax number listed in section 3 of this Notice above. A valid and timely Objection must: (1) contain the name, address, and telephone number of the Settlement Class Member objecting and the case name and number of the *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Superior Court of the State of California, County of San Francisco, Case No. CGC-24-615159; (2) be signed by the Settlement Class Member; (3) give the legal and factual basis for their objection; and (4) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number in section 3 of the Notice above. Any written objection will not be presumptively invalidated if the objections do not comply with requirements (1), (2) and (3) as long as the written objection is timely received pursuant to requirement (4).

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

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

The Final Approval Hearing is scheduled to take place on [INSERT DATE AND TIME] in Department 304 of the Superior Court of the State of California, County of San Francisco, located at 400 McAllister Street, San Francisco, California 94102. The final approval hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class are:

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

Attorneys for Defendant is:

WORKPLACE LEGAL,
A PROFESSIONAL LAW CORPORATION
Cari A. Cohorn
The Flood Building
870 Market Street, Suite 1152
San Francisco, California 94102
Email: ccohorn@workplacelegalpc.com

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

10. SHOULD I GET MY OWN LAWYER?

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

11. FURTHER INFORMATION.

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Superior Court of the State of California, County of San Francisco, located at 400 McAllister Street, San Francisco, California 94102 or at the Court’s website at: [Online Services | Superior Court of California | County of San Francisco](#). Documents regarding this Settlement may also be found on the Internet at: [Online Services | Superior Court of California | County of San Francisco](#)

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

EXHIBIT 2

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

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF SAN FRANCISCO**

13 ARTURO BENAVIDES, individually, and
14 on behalf of all others similarly situated,

15 Plaintiff,

16 v.

17 YUET CHEONG & CO., INC., a
18 California corporation; and DOES 1
19 through 50, inclusive,

20 Defendants.
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CASE NO.: CGC-24-615159

[Hon. Ethan P. Schulman, Dept. 304]

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

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

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

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

9 2. The Court conditionally certifies for settlement purposes the following class (the
10 “Class” or “Settlement Class”): all non-exempt, hourly employees who worked for Defendant at any
11 time in the State of California during the Class Period.

12 “Class Period” means the time period from May 31, 2020, through December 31,
13 2024.

14 3. The Court conditionally approves for settlement purposes the PAGA allocation of this
15 settlement to the California Labor and Workforce Development Agency (“LWDA”) and PAGA
16 Members.

17 The PAGA Period is from March 28, 2023, through December 31, 2024.

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

25 5. The Court appoints, for settlement purposes, Plaintiff Arturo Benavides as
26 Representative for the Class.

27 6. The Court appoints, for settlement purposes, The Wheeler Law Firm, APC, as Counsel
28

1 for the Class.

2 7. The Parties are ordered to carry out the Settlement according to the terms of the
3 Settlement Agreement.

4 8. The Court appoints Phoenix Settlement Administrators (“Phoenix”) as the Settlement
5 Administrator and is ordered to carry out the administration of the settlement according to the terms
6 of the Settlement Agreement.

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

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

15 11. Phoenix, the Settlement Administrator, shall provide notice to any objecting party of
16 any continuance of the hearing of Plaintiff’s Motion for Final Approval.

17 12. The Parties are ordered to carry out the Settlement according to the following
18 implementation schedule:

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

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

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

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

12 **IT IS SO ORDERED.**

13
14 DATED: _____

HONORABLE ETHAN P. SCHULMAN
JUDGE OF THE SUPERIOR COURT

EXHIBIT 2

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Arturo Benavides v. Yuet Cheong & Co., Inc., et al.

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF SAN FRANCISCO
CASE NUMBER: CGC-24-615159

PLEASE READ THIS NOTICE

You are receiving this notice because you have been identified as someone who worked for Yuet Cheong & Co. (“Defendant”) during the period of time from May 31, 2020, through December 31, 2024.

In the lawsuit, Plaintiff, Arturo Benavides (“Plaintiff”), alleged that Defendant failed to properly compensate Class Members for all hours worked, failed to provide Class Members with compliant meal and/or rest periods or compensation in lieu thereof, failed to pay overtime wages, failed to pay minimum wages, failed to timely pay all wages, failed to pay all wages due to quitting and discharged employees at the time of separation, failed to provide accurate wage statements, failed to maintain accurate payroll records, failed to reimburse for reasonable and necessary business expenses, failed to provide and maintain records regarding COVID-19 supplemental sick pay, unfair business practices and penalties predicated on the Labor Code violations pursuant to Labor Code sections 2699-2699.5 (“PAGA”). Defendant denies Plaintiff’s allegations and contends that it complied with the applicable laws.

“Class Member(s)” are defined as: all non-exempt, hourly employees who worked for Defendant at any time in the State of California from May 31, 2020, through December 31, 2024. (Collectively, the Class Members are referred to as the “Class”).

“Class Period” means the time period from May 31, 2020, through December 31, 2024.

“PAGA Member(s)” are defined as: all non-exempt, hourly employees who worked for Defendant at any time in the State of California from March 28, 2023, through December 31, 2024.

The “PAGA Period” is the time period from March 28, 2023, through December 31, 2024.

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

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

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendant’s records reflect that you are a Class Member as defined above. This Notice provides you with information about (1) the terms of the Settlement, including the claims that are being released, (2) the total monetary amount

of the Settlement, (3) your estimated Individual Settlement Payment provided you remain a Settlement Class Member, and (4) where to find additional information regarding the case and the Settlement.

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

2. WHAT IS THIS CASE ABOUT?

The Class Action Complaint for Damages was filed on May 31, 2024, in the Superior Court of California, County of San Francisco, commencing the lawsuit entitled *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Case No. CGC-24-615159. Plaintiff alleged on behalf of himself and the Class the following claims against Defendant for: (1) failure to provide meal periods; (2) failure to provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay timely wages; (6) failure to pay all wages due to discharged and quitting employees; (7) failure to furnish accurate, itemized wage statements; (8) failure to maintain records; (9) failure to reimburse necessary business expenses; (10) failure to pay and maintain records regarding COVID-19 supplemental sick pay; (11) unfair business practices; and (12) and violation of PAGA, predicated on the violations of the California Labor Code and applicable IWC Wage Order as alleged in the Operative Complaint.

The resolution of the PAGA claim (“PAGA Settlement”) includes any all non-exempt, hourly employees who worked for Defendant at any time in the State of California from March 28, 2023, through December 31, 2024 (“PAGA Members”).

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

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

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendant has agreed to pay a Gross Settlement Amount of Two Hundred and Twenty-Five Thousand Dollars (\$225,000.00) to settle the Action if approved by the Court.

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

- Service Payment to Plaintiff for his service as Class Representative in the amount of up to Seven Thousand Dollars and Zero Cents (\$7,000.00);
- Attorneys’ Fees not to exceed Seventy-Four Thousand Nine Hundred and Twenty-Five Dollars (\$74,925.00) (i.e., 1/3 of the Gross Settlement Amount) to Class Counsel and up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for reimbursement of litigation costs and expenses (“Attorneys’ Costs”);
- The amount of Twenty Thousand Dollars and Zero Cents (\$20,000.00) allocated to the payment of civil penalties under PAGA (the “PAGA Allocation”);
- The costs associated with administration of the Settlement, estimated to be Twelve Thousand and Five Hundred Dollars and Zero Cents (\$12,500.00) (“Settlement Administration Costs”).

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

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

Based on your Compensable Pay Periods, your Individual Settlement Payment as a Settlement Class Member is estimated to be \$.

PAGA Payment: A total of Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been allocated to PAGA Settlement. Of this amount, 75% or Fifteen Thousand Dollars and Zero Cents (i.e., \$15,000.00) will be paid to California's Labor & Workforce Development Agency, and 25% or Five Thousand Dollars and Zero Cents (i.e., \$5,000.00) (the "Net PAGA Distribution Amount") will be paid on a *pro-rata* basis to PAGA Members.

1. The Settlement Administrator will determine the number of pay periods worked by PAGA Members as non-exempt employees in California during the period from March 28, 2023, through December 31, 2024 ("Compensable PAGA Pay Periods");
2. The Settlement Administrator will determine the value of a single Compensable PAGA Pay Period by dividing the Net PAGA Distribution Fund by the total number Compensable PAGA Pay Periods by all PAGA Members.
3. Each PAGA Member shall receive a PAGA Payment equal to his or her Compensable PAGA Pay Periods multiplied by the value of a single Compensable PAGA Pay Period.

Based on these PAGA Compensable Pay Periods, your PAGA Payment is estimated to be \$ [REDACTED].

If you dispute the above information the Compensable Pay Periods credited to you, you may submit a written dispute of the number of Compensable Pay Periods and/or Compensable PAGA Pay Periods allocated to you ("Dispute") to the Settlement Administrator by mail, facsimile or e-mail to [REDACTED]. The dispute must be postmarked, faxed or emailed no later than the [Response Deadline]. Your Dispute must: (1) contain your name, address, and telephone number and the case name and number of this action, *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Superior Court of the State of California, County of San Francisco, Case No. CGC-24-615159; (2) be signed by you; (3) be postmarked, emailed or fax stamped on or before (INSERT DATE) and returned to the Settlement Administrator at the address, email or fax number listed below; (4) clearly state the number of Compensable Pay Periods and/or Compensable PAGA Pay Periods you believe are correct; and (5) attach any documentary evidence you have to prove the number of Compensable Pay Periods and/or Compensable PAGA Pay Periods that you believe are owed to you.

Phoenix Settlement Administrators
Re: *Arturo Benavides v. Yuet Cheong & Co., Inc.*

[REDACTED ADDRESS]

Phone: (800) [REDACTED]

Facsimile: (714) [REDACTED]

Email: [REDACTED EMAIL ADDRESS]

The Settlement Administrator will be the final decisionmaker regarding any Disputes and will inform Class Members of the final determination regarding any Disputes.

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

In addition to the Gross Settlement Amount, Defendant will pay all employer-payroll taxes and contributions in connection with the portion of the Settlement allocated towards wages at the time the Gross Settlement Amount is funded. Defendant will fund the Gross Settlement Amount over a period of time. Within thirty (30) days of entry of an order by the Court of granting preliminary approval to the Settlement, Defendant will deposit 25% of the Gross Settlement Amount, or Fifty-Six Thousand Two Hundred Fifty Dollars (\$56,250) into an interest-bearing account established by the Settlement Administrator (the "Qualified Settlement Fund"). Defendant will deposit the remaining 75% of the Gross Settlement Amount, or One Hundred Sixty-Eight Thousand Seven Hundred Fifty Dollars (\$168,750), along with Defendant's share of the payroll taxes, into the Qualified Settlement Fund within ten (10) months of entry of an order granting final approval to the Settlement. It is estimated that Individual Settlement Payments will be mailed to Class Members by [REDACTED].

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

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

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

If and when the Court grants final approval of the Settlement, as of the Effective Date, all Class Members who do not opt out of the Settlement (“Settlement Class Members”) hereby do and shall fully and finally release and discharge the Released Parties, from May 31, 2020, through December 31, 2024, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint, including any claims for: (a) failure to provide required meal periods, California Labor Code §§ 226.7, 510, 512, 1194, 1197, IWC Wage Order No. 14-2001, §11; (b) failure to provide required rest periods, California Labor Code §§ 226.7, 512, and IWC Wage Order No. 14-2001, §12; (c) failure to pay overtime wages, California Labor Code §§ 510, 1194, 1198 and IWC Wage Order No. 14-2001, §3; (d) failure to pay minimum wages and split shift premium payments, California Labor Code §§ 1194, 1197, and IWC Wage Order No. 14-2001, §4; (e) failure to timely pay wages §§ 204 and 210; (f) failure to timely pay all wages during employment and to discharged and quitting employees, California Labor Code §§ 201-203; (g) failure to furnish accurate, itemized wage statements, in violation of California Labor Code §§ 226, 246, 248.1, 248.2, 248.6 and IWC Wage Order No. 14-2001, §7; (h) failure to maintain required records, in violation of California Labor Code §§226, 1174, 1174.5 and IWC Wage Order No. 14-2001, §7; (i) failure to reimburse necessary business expenses, California Labor Code §2802; (j) failure to provide supplemental COVID-19 sick leave, in violation of California Labor Code §§ 246, 248.1, 248.2, and 248.6; (k) any violation of any section of any applicable IWC Wage Order arising out of the allegations or the primary rights asserted in the Operative Complaint; and (l) unlawful business practices under California, Business and Professions Code §17200, et seq.; and (m) a cause of action pursuant to PAGA predicated on any of the violations of the California Labor Code and the applicable IWC Wage Orders as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations or the primary rights asserted in the Operative Complaint. (Collectively, these claims are the “Settled Claims.”) This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period.

“Released Parties” collectively means: (i) Defendant; (ii) Defendant’s respective past, present and future parents, subsidiaries and affiliates, successors and assigns; and (iii) the past, present and future shareholders, owners, managers, officers, directors, partners, members, agents, employees, attorneys, insurers, predecessors, successors and assigns of any of the foregoing.

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

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

“Settled PAGA Claims” means claims for penalties under PAGA only, and not for underlying wage and hour claims which the claims for penalties are based upon, as alleged in the Operative Complaint and the PAGA Notice dated March 26, 2024, filed by Plaintiff, and as described in section 4, above.

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

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

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

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

A valid and complete Opt-Out Request must (1) contain the name, address, and telephone number of the Class Member requesting exclusion and the case name and number of the *Benavides* Action (i.e., *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Superior Court of the State of California, County of San Francisco, Case No. CGC-24-615159); (2) be signed by the Class Member; (3) be postmarked, emailed or fax stamped on or before [INSERT DATE] and returned to the Settlement Administrator at the specified address, email address or fax number listed in section 3 of this Notice above; and (4) contain a statement something substantially similar to:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE ARTURO BENAVIDES V. YUET CHEONG & CO., INC., LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT FROM THE SETTLEMENT OF THE LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED.”

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

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

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

If you believe the proposed Settlement is not fair or reasonable in any way, you may object to the entire settlement or to specific terms of the Settlement, such as the requested attorney’s fees and/or costs, the amount of the requested Service Award, or the amount of the settlement administrator costs, etc.

To object, you can appear at the final approval hearing and make an oral objection. If you wish to object in writing, you should mail to the Settlement Administrator at [REDACTED], a written statement of objection, or e-mail the written objection to [REDACTED]. The written objection must: (1) contain your full name, address, and telephone number, the last four digits of your social security number; (2), contain the case name and case number of the *Arturo Benavides v. Yuet Cheong & Co., Inc.*, Superior Court of the State of California, County of San Francisco, Case No. CGC-24-615159; (3) contain the dates of your employment with Defendant; (4) provide a legal and factual basis for your objection and (5) be signed by you. In order to be timely, the written objection must be postmarked, or e-mailed, on or before [REDACTED]. Class Counsel will provide the Court with your written objection prior to the final approval hearing.

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

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

The Final Approval Hearing is scheduled to take place on [INSERT DATE AND TIME] in Department 304 of the Superior Court of the State of California, County of San Francisco, located at 400 McAllister Street, San Francisco, California 94102. The final approval hearing may be continued without further notice to Class Members, except that those Class Members who submit timely objections will receive notice from the Settlement Administrator of the continued hearing date. You are not required to attend the Final Approval Hearing in order to receive payment under the Settlement.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class are:

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

Attorneys for Defendant is:

WORKPLACE LEGAL,
A PROFESSIONAL LAW CORPORATION
Cari A. Cohorn
The Flood Building
870 Market Street, Suite 1152
San Francisco, California 94102
Email: ccohorn@workplacelegalpc.com

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

10. SHOULD I GET MY OWN LAWYER?

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

11. FURTHER INFORMATION.

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, to review the Court docket, the pleadings and other records in this litigation may be examined during regular court hours at the Superior Court of the State of California, County of San Francisco, located at 400 McAllister Street, San Francisco, California 94102 or at the Court's website at: <https://sf.courts.ca.gov/>. The Court's online docket to review documents relating to this Settlement may also be found at: <https://webapps.sftc.org/ci/CaseInfo.dll?&SessionID=04DF5407C705E9C8EDEBA95EC79B0A06E83376B3>.

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