CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (the "Agreement") is made by and between Plaintiffs Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas (collectively, "Plaintiffs") and Defendants Haru Holdings, Inc.; Globe Haru, Inc.; The Global Punch, Inc.; J&J Entertainment Group, Inc.; and S.D. Haru Group, Inc. (collectively, "Defendants"). The Agreement refers to Plaintiffs and Defendants collectively as the "Parties," and individually as a "Party."

1. DEFINITIONS.

1.1. "Action" means Plaintiffs' lawsuit alleging wage and hour violations against Defendants, captioned *Margarita Franco, et al. v. Haru Holdings, Inc., et al.* (Case No. 24CU009979C), initiated on September 6, 2024 and pending in the Superior Court of the State of California, County of San Diego.

1.2. "Administrator" means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with the motion for Preliminary Approval of the Settlement.

1.4. "Class Address Search" means the Administrator's investigation and search for Class Member and PAGA Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address ("NCOA") database, skip traces, and direct contact by the Administrator with Class Members and PAGA Employees.

1.5. "Class Counsel" means Brian Kohanchi from Kohanchi Law, APC and Sam Sani from Sani Law, APC.

1.6. "Class Counsel Fees Payment" means the amount allocated to Class Counsel for reimbursement of reasonable attorneys' fees incurred to prosecute the Action.

1.7. "Class Counsel Litigation Expenses Payment" means the amount allocated to Class Counsel for reimbursement of reasonable expenses incurred to prosecute the Action.

1.8. "Class Data" means identifying information of Class Members and PAGA Employees in Defendants' possession including names, last-known mailing addresses, Social Security numbers, and allocated number of Workweeks and Pay Periods.

1.9. "Class Member" means a person employed as an hourly, non-exempt employee by Defendants in California during the Class Period.

1.10. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

1.11. "Class Period" means the period from September 6, 2023 through October 31, 2025.

1.12. "Class Representatives" means the named Plaintiffs in the Operative Complaint in the Action seeking Court approval to serve as Class Representatives.

1.13. "Class Representatives' Service Payments" means the payments to the Class Representatives for initiating the Action and providing services in support of the Action.

1.14. "Court" means the Superior Court of California, County of San Diego.

1.15. "Defendants" means Haru Holdings, Inc.; Globe Haru, Inc.; The Global Punch, Inc.; J&J Entertainment Group, Inc.; and S.D. Haru Group Inc.

1.16. "Defense Counsel" means Shannon R. Finley and Jessica C. O'Malley from Pettit Kohn Ingrassia Lutz & Dolin PC.

1.17. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.18. "Final Approval" means the Court's order granting final approval of the Settlement.

1.19. "Final Approval Hearing" means the Court's hearing on the motion for Final Approval of the Settlement.

1.20. "Gross Settlement Amount" means $450,000.00, which is the total amount Defendants agree to pay under the Settlement except as provided in paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representatives' Service Payments, and the Administrator's Expenses.

1.21. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.22. "Individual PAGA Payment" means the PAGA Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.23. "Judgment" means the judgment entered by the Court based upon granting Final Approval.

1.24. "LWDA" means the California Labor and Workforce Development Agency.

1.25. "LWDA PAGA Payment" means the 65% of the PAGA Penalties to be paid to the LWDA under Labor Code section 2699, subd. (i).

1.26. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representatives' Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.27. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.28. "Objection" means a Class Member's submission of a written objection to this Agreement or the Settlement signed by the Class Member.

1.29. "Operative Complaint" means the First Amended Class And Representative Action Complaint filed by Plaintiffs in the Action.

1.30. "PAGA Employee" means a person employed as an hourly, non-exempt employee by Defendants in California during the PAGA Period.

1.31. "PAGA Period" means the period from September 6, 2023 through October 31, 2025.

1.32. "PAGA Notice" means Joaquin Flores, Yolanda Rojas, and Biry Rojas' September 5, 2024 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.33. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the PAGA Employees and the 65% to LWDA in settlement of PAGA claims.

1.34. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.35. "Pay Period" means any pay period during which a PAGA Employee worked for Defendants in California for at least one day during the PAGA Period.

1.36. "Plaintiffs" means Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas.

1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.39. "Released Class Claims" means the claims being released as described in paragraph 5.2 below.

1.40. "Released PAGA Claims" means the claims being released as described in paragraph 5.3 below.

1.41. "Released Parties" means: Defendants and each of their former and present directors, officers, shareholders, owners, attorneys, insurers, reinsurers, insurance carriers and other insurers, predecessors, successors, assigns, subsidiaries, affiliates, and agents.

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the class action portion of the Settlement signed by the Class Member.

1.43. "Response Deadline" means sixty (60) days after the Administrator mails Notice to Class Members and PAGA Employees and shall be the last date on which Class Members may: (a) fax, or U.S. mail Requests for Exclusion from the Settlement, or (b) fax, or U.S. mail their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for Defendants in California for at least one day during the Class Period.

2. RECITALS.

2.1 On September 6, 2024, Plaintiffs commenced the Action by filing an initial class action complaint alleging causes of action against Defendants for (1) minimum wage violations; (2) overtime wage violations; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; and (7) unfair competition. On November 12, 2024, Plaintiffs amended their initial pleading and filed the Operative Complaint, adding an eighth cause of action against

Defendants for civil penalties pursuant to the PAGA. Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint, and deny any and all liability for the causes of action alleged in the Operative Complaint.

2.2. Pursuant to Labor Code section 2699.3, subd. (a), Joaquin Flores, Yolanda Rojas, and Biry Rojas gave timely written notice to Defendants and the LWDA by sending the PAGA Notice.

2.3. On October 31, 2025, the Parties participated in an all-day mediation with respected mediator Tagore Subramaniam, which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiffs obtained, through informal discovery: (1) pages from an employee handbook of Defendants; (2) the approximate number of putative class members and allegedly PAGA Employees who worked for Defendants during the Class Period and PAGA Period; (3) the approximate number of Workweeks and Pay Periods worked by putative class members and PAGA Employees during the Class Period and PAGA Period; (4) a 25% sampling of putative class members' and PAGA Employees' timekeeping and payroll records during the Class Period and PAGA Period; and (5) Plaintiffs' personnel files. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar"*).

2.5. The Court has not granted class certification.

2.6. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by paragraph 8 below, Defendants promise to pay $450,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions (defined in paragraph 3.2.4.1 below) of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amount specified by the Court in the Final Approval and Judgment:

3.2.1 To Plaintiffs: Class Representatives' Service Payments to Class Representatives Margarita Franco, Joaquin Flores, Biry Rojas, and Paula Sillas of not more than $10,000.00 to each (for a total of $40,000.00), and a Class Representative Service Payment to Class Representative Yolanda Roja of not more than $5,000.00 (for a grand total of $45,000.00) (in addition to any Individual Class Payment and any Individual PAGA Payment they are entitled to receive as a Participating Class Members and PAGA Employees). Defendants will not oppose Plaintiffs' request for Class Representatives' Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representatives' Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves one or more of the Class Representatives' Service Payments in an amount less than requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representatives' Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representatives' Service Payments.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33.33% of the Gross Settlement Amount, which is currently estimated to be $150,000.00, and a Class Counsel Litigation Expenses Payment of not more than $20,000.00. Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for the Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other plaintiffs' counsel arising from any claim to any portion of the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed $8,500.00, except for a showing of good cause and as approved by the Court. To the extent the Administrator's expenses are less than the amount requested, or the Court approves payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of

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

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

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

3.2.5. To the LWDA and PAGA Employees: PAGA Penalties in the amount of $45,000.00 to be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Employees' 35% share of PAGA Penalties ($15,750.00) by the total number of Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's Pay Periods. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

3.2.5.2. If the Court approves PAGA Penalties in an amount less than requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Member Workweeks and PAGA Employee Pay Periods. Based on a review of their records to date, Defendants estimate there are approximately 339 Class Members who collectively worked a total of 9,724 Workweeks during the Class Period, and 339 PAGA Employees who worked a total 4,862 Pay Periods during the PAGA Period.

4.2 Class Data. Not later than twenty-one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendants will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members and PAGA Employees' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to only Administrator employees who need access to the Class Data to perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted identifying information for any Class Member or PAGA Employee and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or inaccurate Class Data.

4.3. Funding of the Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount, and the amounts necessary to fully pay Defendants' share of employer payroll taxes, by transmitting the funds to the Administrator according to the following schedule: (1) a First Payment in the amount of $150,000.00 by no later than one hundred and twenty (120) days after the Effective Date; (2) a Second Payment in the amount of $150,000.00 by no later than two hundred and forty (240) days after the Effective Date; and (3) a Third Payment in the amount of $150,000.00 by no later than three hundred and sixty-five (365) days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Administration Expenses Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representatives' Service Payments. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representatives' Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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

Payment and Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the NCOA database.

4.4.2. The Administrator must conduct a Class Member Address Search for all Participating Class Members and PAGA Employees whose checks are returned undeliverable without a USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and/or PAGA Employees whose re-mailed checks are returned as undeliverable. The Administrator shall promptly send a replacement check to any Class Member and/or PAGA Employee whose original check was lost or misplaced, if requested by the Class Member or PAGA Employee prior to the void date.

4.4.3 For any Participating Class Member and/or PAGA Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Participating Class Member and/or PAGA Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384, subd. (b).

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members or PAGA Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendants fully fund the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, Plaintiffs, Class Members, PAGA Employees, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs Releases Excluding Yolanda Rojas. Plaintiffs Margarita Franco, Joaquin Flores, Biry Rojas, and Paula Sillas, along with their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns, generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the PAGA Notice and Operative Complaint or ascertained during the Action, and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and PAGA Notice or ascertained during the Action and released under paragraph 5.2 ("Plaintiffs' Release"). Plaintiffs' Release does not include the release of any claims by Plaintiff Yolanda Rojas against the Released Parties. Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits,

unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs, excluding Yolanda Rojas, acknowledge that they may discover facts or law different from, or in addition to, the facts or law that they now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

5.5.1 Plaintiffs' (Excluding Yolanda Rojas) Waiver of Rights Under California Civil Code Section 1542. Plaintiffs Margarita Franco, Joaquin Flores, Biry Rojas, and Paula Sillas expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

Plaintiff Yolanda Rojas does not waive or relinquish any provisions, rights, and benefits of section 1542 of the California Civil Code.

5.2 Release by Participating Class Members: All Participating Class Members including Yolanda Rojas, on behalf of themselves and their respective former and present representatives, agents, attorneys, spouses, heirs, administrators, successors, and assigns, release the Released Parties from the Released Class Claims consisting of all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint that are alleged to have occurred during the Class Period including, e.g., (a) any and all claims involving the alleged failure to provide all required meal periods or pay meal premiums at their respective regular rate of pay; (b) any and all claims involving the alleged failure to provide all required rest periods or pay rest premiums at their respective regular rate of pay; (c) any and all claims involving the alleged failure to pay minimum wage as required; (d) any and all claims involving the alleged failure to pay overtime wages in conformance with the requirements of the law; (e) any and all claims involving the alleged failure to provide accurate and complete itemized wage statements; (f) any and all claims involving the alleged failure to pay all wages earned immediately at the time of termination of employment; and (g) any and all claims involving the alleged engagement in unfair and/or unlawful business practices. Except as set forth in paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on events occurring outside the Class Period.

5.3 Release by PAGA Employees: All PAGA Employees including Yolanda Rojas are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, spouses, heirs, administrators, successors, and

assigns, the Released Parties from the Released PAGA Claims consisting of all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and PAGA Notice that are alleged to have occurred during the PAGA period.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for Preliminary Approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approval motions.

6.1 Defendants' Declaration in Support of Preliminary Approval. Within thirty (30) calendar days of the full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed Declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendants shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiffs' Responsibilities. Plaintiffs and Class Counsel will prepare and deliver to Defendants and Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Class Data, amounts of insurance coverage for any data breach, defalcation of funds, or other misfeasance, all facts relevant to any actual or potential conflicts of interest with any Class Members or PAGA Employees, and the nature and extent of any financial relationship with Plaintiffs, Class Counsel, Defendants, or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, PAGA Employees, and/or the Administrator; (viii) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members and PAGA Employees, their timely transmission to the LWDA of all necessary PAGA documents (including the initial notice of violations (Labor Code § 2699.3, subd. (a)), Operative Complaint (Labor Code § 2699, subd. (l)(1)), and this Agreement (Labor Code § 2699, subd. (l)(2))), and all facts relevant to any actual or potential conflict of interest with Class Members, PAGA Employees, and/or the Administrator. In their declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Joint Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than sixty (60) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and

appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, it agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their respective counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under U.S. Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and specify the number of Class Members, PAGA Employees, Workweeks, and Pay Periods in the Class Data. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to effect and perform under this Agreement. Administrator has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible.

7.4.2 Using its best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members and PAGA Employees identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently state the estimated dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member and/or PAGA Employee, and the number of Workweeks and/or Pay Periods used to calculate these amounts. Before mailing the Class Notices, the Administrator shall update Class Member and PAGA Employee addresses using the NCOA database.

7.4.3 Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undeliverable, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate an updated address or send a Class Notice to Class Members and/or PAGA Employees whose Class Notices are returned by the USPS a second time.

7.4.4 The deadline for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The deadline for PAGA Employees' challenges to Workweeks and/or Pay Periods will also be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all PAGA Employees whose notice is re-mailed. The Administrator will inform the Class Member and/or PAGA Employee of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants, Defense Counsel, or Class Counsel are contacted by or otherwise discovers any persons who believe they should have received a Class Notice, the Parties will expeditiously meet and confer in person or by telephone, in good faith, in an effort to agree on whether to include the persons as Class Members and/or PAGA Employees. If the Parties agree, such persons will be Class Members and/or PAGA Employees entitled to the same rights as other Class Members and/or PAGA Employees, and the Administrator will send, via overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of the Class Notice, or the deadlines stated in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves from (opt-out of) the class action component of the Settlement must send the Administrator, by fax or U.S. mail, a signed written Request for Exclusion not later than sixty (60) calendar days after the Administrator mails the Class Notices (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or their representative that reasonably communicates the Class Member's election to be excluded from the class action component of the Settlement and includes the Class Member's name, mailing address, and/or telephone number. To be valid, a Request for Exclusion must be timely faxed, or postmarked by the Response Deadline.

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

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is deemed to be a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action component of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are PAGA Employees are deemed to release the claims identified in paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks and/or Pay Periods. Class Members and PAGA Employees shall have sixty (60) days after the Administrator mails the Class Notices (plus an additional fourteen (14) days for Class Members and PAGA Employees whose Class Notices are re-mailed) to challenge the number of Workweeks and Pay Periods (if any) allocated to them in their Class Notice. The Class Member and/or PAGA Employee may challenge their Workweek and/or Pay Period allocation by communicating with the Administrator via fax or U.S. mail. The

Administrator must encourage the challenging Class Member and/or PAGA Employee to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member and PAGA Employee's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel, along with the Administrator's determination of the challenges. The Administrator shall promptly provide redacted copies of all challenges to calculation of Workweeks and/or Pay Periods to Class Counsel with Class Members' personal identifiable information redacted, along with the Administrator's determination of the challenges.

7.7 Objections.

7.7.1 Only Participating Class Members may object to the class action component of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representatives' Service Payment.

7.7.2 Participating Class Members may send written Objections to the Administrator, by fax or U.S. mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court on their behalf, at their own expense) to present verbal Objections at the Final Approval Hearing. A Participating Class Member who elects to send a written Objection to the Administrator must do so no later than sixty (60) days after the Administrator's mailing of the Class Notices (plus an additional fourteen (14) days for Class Members whose Class Notices were re-mailed).

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

7.8 Administrator Duties. The Administrator has a duty to perform all tasks to be performed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Mailing Address, and Toll-Free Number. The Administrator will establish, maintain, and use an internet website to post information of interest to Class Members and PAGA Employees, including the date, time and location for the Final Approval Hearing and copies of the Agreement; Motion for Preliminary Approval; Preliminary Approval; Class Notice; Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representatives' Service Payments; Final Approval; and Judgment. The Administrator will also maintain and monitor a mailing address and a toll-free telephone number to receive Class Member and PAGA Employees calls, faxes, and mailed letters.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review, on a rolling basis, Requests for Exclusion received to ascertain their validity. No later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion submitted (whether valid or invalid). Class Counsel will receive the number of Class Members who submitted valid Requests for Exclusion, the number of Class Members who submitted invalid Requests for Exclusion, and copies of all Requests for Exclusion submitted (whether valid or invalid) with personal identifiable information redacted.

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed and/or re-mailed, Class Notices returned undeliverable, Requests for Exclusion (whether valid or invalid) received, Objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). Weekly Reports must include the Administrator's assessment of the validity of the Requests for Exclusion and attach copies of all Requests for Exclusion and Objections received in accordance with the redaction procedures outlined in section 7.8.2.

7.8.4 Administrator's Declaration. No later than fourteen (14) calendar days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a draft declaration suitable for filing with the Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notices, Class Notices returned as undeliverable, re-mailing of Class Notices, attempts to locate Class Members and/or PAGA Employees, and the total number of Requests for Exclusion from Settlement received (both valid or invalid), number of written Objections for approval by Class Counsel and Defense Counsel. Once approved by Class Counsel and Defense Counsel, the Administrator will sign the approved declaration. The Administrator will supplement its declaration as needed or requested by the Parties, their counsel, and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) with the Court.

7.8.5 Final Report by Settlement Administrator. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements, by employee identification number only, of all payments made under this Agreement. At least fifteen (15)

calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a draft declaration suitable for filing with the Court attesting to its disbursement of all payments required under this Agreement for approval by Class Counsel and Defense Counsel. Once approved by Class Counsel and Defense Counsel, the Administrator will sign the approved declaration. Class Counsel is responsible for filing the Administrator's declaration with the Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on their records, Defendants estimate that there are 339 Class Members who were employed for 9,274 Workweeks during the Class Period. If the total number of Workweeks worked by Class Members during the Class Period increases by more than 10% (i.e., Class Members worked more than 10,202 Workweeks during the Class Period), then Defendants shall elect to either (1) increase the Gross Settlement Amount proportionally by the number of Workweeks worked in excess of 10,202 Workweeks (i.e., Defendants shall pay $48.52 (Gross Settlement Amount divided by 9,274 workweeks) for each Workweek in excess of 10,202); or (2) change the end date of the Class Period to the date on which the Class Members worked no more than 10,202 Workweeks. Class Counsel shall provide drafts of these documents to Defense Counsel no later than five (5) court days prior to filing the Motion for Preliminary Approval. Defendants shall, on or before seven (7) calendar days before the hearing date on Plaintiffs' Motion for Preliminary Approval, notify Class Counsel via email to Class Counsel of Defendants' election of option (1) or (2) set forth above. If Defendants do not, on or before seven (7) calendar days before the hearing date on Plaintiffs' Motion for Preliminary Approval, notify Class Counsel via email of Defendants' election of option (1) or (2), then Defendants shall be deemed to have elected option (1), shall not change the end date of the Class Period, and shall pay any required increase in the Gross Settlement Amount, if any, in accordance with the formula set forth in this section.

9. **DEFENDANTS' RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion exceeds 5% of the total number of Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants remain responsible for paying all Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw no later than seven (7) calendar days after the Administrator sends the final number of non-Participating Class Members who timely opted out of the Class to Defense Counsel; late elections will have no effect.

10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the Final Approval Hearing, Plaintiffs and/or Class Counsel will file the Motion for Final Approval of the Settlement that includes a request for approval of the PAGA portion of the Settlement under Labor Code section 2699, subd. (l), a proposed Final Approval Order, and a proposed Judgment (collectively, "Motion for Final Approval"). Class Counsel shall provide drafts of these documents to Defense Counsel no later than seven (7) court days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any Objection raised by a Participating Class Member, including the right to file responsive documents with the Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement and/or this Agreement (including, but not limited to, the scope of the releases to be granted by Class Members and PAGA Employees), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representatives' Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment pursuant to section 664.6 of the California Code of Civil Procedure, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, PAGA Employees, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of the releases to be granted by Class Members and PAGA Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representatives' Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or

Administration Expenses Payment shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

11. ADDITIONAL PROVISIONS.

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

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

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member or PAGA Employee to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members and PAGA Employees in accordance with Class Counsel's ethical obligations owed to them.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendants, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties and their representatives, and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered, during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with any mediation, other settlement negotiations, or the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of the Class Data.

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal or California state legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by U.S. mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

SANI LAW, APC
Sam Sani (SBN 273993)
595 E. Colorado Blvd., Suite 522
Pasadena, CA 91101
Telephone: (310) 935-0405
Facsimile: (310) 935-0409
ssani@sanilawfirm.com

KOHANCHI LAW, APC
Brian Kohanchi (SBN 331025)
2121 Avenue of the Stars, Suite 800
Century City, CA 90067
Telephone: (310) 691-1610
Brian@KohanchiLaw.com

To Defendants:

Shannon R. Finley – sfinley@pettitkohn.com
Jessica C. O'Malley – jomalley@petittkohn.com
Pettit Kohn Ingrassia Lutz & Dolin
11622 El Camino Real, Suite 300
San Diego, California 92130

Justin J. Shrenger – justin@shrenger.com
Yohan Lee – ylee@yleelaw.com
Chong Roh – croh@yleelaw.com
Law Offices of Yohan Lee
5681 Beach Blvd., Suite 200
Buena Park, California 90621

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or via email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible as evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of this Agreement. In addition, this litigation stay does not include a stay of any claims by Plaintiff Yolanda Rojas against the Released Parties. The Parties further agree that upon the signing of this Agreement, pursuant to California Code of Civil Procedure section 583.330, the date to bring a case to trial under section 583.310 shall be extended for the entire period of this settlement process.

Haru Holdings, Inc.	Margarita Franco (Jul 10, 2026 13:49:27 PDT)
Date_____	Margarita Franco
	Date 07/10/2026
Globe Haru, Inc.	Joaquin Flores (Jul 10, 2026 10:01:00 PDT)
Date_____	Joaquin Flores
	Date 07/10/2026

The Global Punch, Inc. Date_____	Yolanda Rojas (Jul 10, 2026 10:04:36 PDT) Yolanda Rojas Date 07/10/2026
J&J Entertainment Group, Inc. Date_____	Biry Rojas (Jul 10, 2026 10:30:02 PDT) Biry Rojas Date 07/10/2026
S.D. Haru Group, Inc. Date_____	Paula Sillas Date _____

APPROVED AS TO FORM:

SANI LAW, APC

Dated: July 8, 2026

Sam Sani, Esq.
Attorney for Plaintiff
Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas

KOHANCHI LAW, APC

Dated: July 8, 2026

Brian Kohanchi, Esq.
Attorney for Plaintiff
Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas

PETTIT KOHN INGRASSIA LUTZ & DOLIN PC

Dated: _____, 2026

Shannon R. Finley, Esq.
Jessica C. O'Malley, Esq.
Attorneys for Defendant
Haru Holdings, Inc.

LAW OFFICE OF YOHAN LEE

Dated: _____, 2026

Yohan Lee, Esq.
Justin Shrenger, Esq.
Attorneys for Defendants
Globe Haru, Inc., The Punch, Inc., J & J Entertainment Group, Inc., and S.D. Haru Group, Inc.

The Global Punch, Inc. Date_____	Yolanda Rojas Date _____
J&J Entertainment Group, Inc. Date_____	Biry Rojas Date _____
S.D. Haru Group, Inc. Date_____	Paula Sillas (Jul 10, 2026 17:27:33 PDT) Paula Sillas Date 07/10/2026

APPROVED AS TO FORM:

SANI LAW, APC

Dated: _____, 2026

_____
Sam Sani, Esq.
Attorney for Plaintiff
Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas

KOHANCHI LAW, APC

Dated: July 8, 2026

Brian Kohanchi
_____
Brian Kohanchi, Esq.
Attorney for Plaintiff
Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas

PETTIT KOHN INGRASSIA LUTZ & DOLIN PC

Dated: _____, 2026

_____
Shannon R. Finley, Esq.
Jessica C. O'Malley, Esq.
Attorneys for Defendant
Haru Holdings, Inc.

LAW OFFICE OF YOHAN LEE

Dated: _____, 2026

_____
Yohan Lee, Esq.
Justin Shrenger, Esq.
Attorneys for Defendants
Globe Haru, Inc., The Punch, Inc., J & J Entertainment Group, Inc., and S.D. Haru Group, Inc.

KOHANCHI LAW, APC
Brian Kohanchi (SBN 331025)
2121 Avenue of the Stars, Suite 800
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Telephone: (310) 691-1610
Brian@KohanchiLaw.com

To Defendants:

Shannon R. Finley – sfinley@pettitkohn.com
Jessica C. O'Malley – jomalley@petittkohn.com
Pettit Kohn Ingrassia Lutz & Dolin
11622 El Camino Real, Suite 300
San Diego, California 92130

Justin J. Shrenger – justin@shrenger.com
Yohan Lee – ylee@yleelaw.com
Chong Roh – croh@yleelaw.com
Law Offices of Yohan Lee
5681 Beach Blvd., Suite 200
Buena Park, California 90621

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or via email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible as evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement, the litigation shall be stayed, except to effectuate the terms of this Agreement. In addition, this litigation stay does not include a stay of any claims by Plaintiff Yolanda Rojas against the Released Parties. The Parties further agree that upon the signing of this Agreement, pursuant to California Code of Civil Procedure section 583.330, the date to bring a case to trial under section 583.310 shall be extended for the entire period of this settlement process.

Eunhee Pyo

Haru Holdings, Inc.
Date 07/04/2026

Margarita Franco
Date _____

Eunhee Pyo

Globe Haru, Inc.
Date 07/07/2026

Joaquin Flores
Date _____

Eunhee Pyo

The Global Punch, Inc.
Date 07/07/2026

Yolanda Rojas
Date _____

Eunhee Pyo

J&J Entertainment Group, Inc.
Date 07/07/2026

Biry Rojas
Date _____

Eunhee Pyo

S.D. Haru Group, Inc.
Date 07/07/2026

Paula Sillas
Date _____

APPROVED AS TO FORM:

SANI LAW, APC

Dated: _____, 2026

Sam Sani, Esq.
Attorney for Plaintiff
Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas

KOHANCHI LAW, APC

Dated: _____, 2026

Brian Kohanchi, Esq.
Attorney for Plaintiff
Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paula Sillas

PETTIT KOHN INGRASSIA LUTZ & DOLIN PC

Dated: July 8, 2026

Shannon R. Finley, Esq.
Jessica C. O'Malley, Esq.
Attorneys for Defendant
Haru Holdings, Inc.

LAW OFFICE OF YOHAN LEE

Dated: July 8, 2026

Yohan Lee, Esq.
Justin Shrenger, Esq.
Attorneys for Defendants
Globe Haru, Inc., The Punch, Inc., J & J Entertainment Group, Inc., and S.D. Haru Group, Inc.

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

Margarita Franco, et al. v. Haru Holdings, Inc., et al.
San Diego Superior Court Case No.: 24CU009979C

The Superior Court for the State of California authorized this Class Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (the "Action") against Haru Holdings, Inc.; Globe Haru, Inc.; The Global Punch, Inc.; J&J Entertainment Group, Inc.; and/or S.D. Haru Group, Inc. (collectively, "Defendants") for alleged wage and hour violations. The Action was filed by former employees Margarita Franco, Joaquin Flores, Yolanda Rojas, Biry Rojas, and Paulas Sillas (collectively, "Plaintiffs") and seeks payment of (1) alleged back wages for a class of hourly, non-exempt employees who worked for Defendants during the Class Period (September 5, 2023 through October 31, 2025) ("Class Members"); and (2) alleged penalties under the California Private Attorneys General Act of 2004 ("PAGA") for all hourly, non-exempt employees who worked for Defendants during the PAGA Period (September 6, 2023 through October 31, 2025) ("PAGA Employees").

The proposed Settlement has two main parts: (1) the class action component of the Settlement requiring Defendants to fund Individual Class Payments, and (2) the PAGA portion of the Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA"). Defendants strongly deny violating any laws or failing to pay any wages and contends it complied with all applicable laws at all times.

Based on Defendants' records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $_____ (less federal and state tax withholdings) and your Individual PAGA Payment is estimated to be $_____**. The actual amounts you may receive will likely be different and depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then, according to Defendants' records, you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

The above estimates are based on Defendants' records showing that **you worked ___ workweeks** during the Class Period and **___ pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the Response Deadline date. See section 4 of this Class Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or do not act. Read this Class Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Gross Settlement Amount will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a Judgment that requires Defendants to make payments under the Settlement and requires

Class Members and PAGA Employees to give up their rights to assert certain claims against Defendants.

If you worked for Defendants during the Class Period and/or the PAGA Period, you have two options under the Settlement:

(1) **Do Nothing**. You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert any wage claims for damages or penalties during the Class Period and PAGA Period against Defendants.

(2) **Opt Out of the Class Action Component of the Settlement**. You can exclude yourself from the class action component of the Settlement (opt out) by submitting a written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue wage claims against Defendants during the Class Period. If you are a PAGA Employee, you will remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the Settlement.

Defendants will not retaliate against you for any actions you take or do not take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Do Not Have to Do Anything to Participate in the Settlement	If you do nothing in response to this Class Notice, you will be a Participating Class Member and eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (the "Released Claims").
You Can Opt Out of the Class Action Component of the Settlement but not the PAGA Portion of the Settlement **The Opt-Out Deadline is _____**	If you do not want to fully participate in the proposed Settlement, you can opt out of the class action component of the Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See section **6** of this Class Notice. You cannot opt out of the PAGA portion of the Settlement. Defendants must pay Individual PAGA Payments to all PAGA Employees, and the PAGA Employees must give up their rights to pursue the released by the PAGA Release (defined below).

Participating Class Members Can Object to the Class Action Component of the Settlement but not the PAGA Portion of the Settlement **Written Objections Must be Submitted by** _____	All Class Members who do not opt out of the Settlement ("Participating Class Members") can object to any aspect of the Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class Members and PAGA Employees. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel and/or Plaintiffs if you think they are unreasonable. See section **7** of this Class Notice.
You Can Participate in the Final Approval Hearing on _____	The Court's Final Approval Hearing is scheduled to take place on _____. You do not have to attend, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See section **8** of this Class Notice.
You Can Challenge the Calculation of Your Workweeks and/or Pay Periods **Written Challenges Must be Submitted by** _____	The amounts of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many Workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Workweeks and Pay Periods you worked according to Defendants' records is stated on the first page of this Class Notice. If you disagree with either of these numbers, you must challenge it by _____. See section **4** of this Class Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of one or more Defendants. The Action accuses Defendants of violating California labor laws by failing to pay minimum and overtime wages, failing to timely pay wages due during employment and upon termination of employment, and failing to provide meal periods, rest breaks, and accurate itemized wage statements. Based on these claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act of 2004 (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys in the Action: Brian Kohanchi of Kohanchi Law, APC and Sam Sani of Sani Law, APC ("Class Counsel"). Class Counsel also represents the interests of the Class Members and PAGA Employees.

Defendants strongly deny violating any laws or failing to pay any wages and contends it complied with all applicable laws at all times.

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

So far, the Court has made no determination whether Defendants or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendants hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement (the "Agreement") and agreeing to jointly ask the Court to enter a Judgment ending the Action, approving the Settlement, and enforcing the Agreement, Plaintiffs and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree that the proposed Settlement is a compromise of disputed claims.

By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims. Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and corresponding defenses and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Class Members and PAGA Employees. The Court preliminarily approved the Settlement as fair, reasonable, and adequate, authorized this Class Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

1. Defendants Will Pay $450,000.00 as the Gross Settlement Amount. Defendants have agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representatives' Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administration Expenses, and penalties to the LWDA. Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement Amount by no later than three hundred sixty-five (365) days after the Judgment is final. The Judgment will be final on the date the Court enters Judgment, or a later date if any Participating Class Members object to the Settlement or the Judgment is appealed.

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

    A. Up to $150,000.00 (33.33% of the Gross Settlement Amount) to Class Counsel for attorneys' fees ("Class Counsel Fees Payment") and up to $20,000.00 for their litigation expenses ("Class Counsel Litigation Expenses Payment"). To date, Class Counsel have worked and incurred expenses in the Action without payment.

    B. Up to $10,000.00 as a Class Representatives' Service Payment to Plaintiffs Margarita Franco, Joaquin Flores, Biry Rojas, and Paula Sillas (for a total

of $40,000.00) and up to $5,000.00 to Plaintiff Yolanda Rojas, for an overall total of $45,000.00, for filing the Action, working with Class Counsel, and representing the Class Members and PAGA Employees. Class Representatives' Service Payment will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and Individual PAGA Payment (if any).

C. Up to $8,500.00 to the Administrator for services administering the Settlement.

D. Up to $45,000.00 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% to the PAGA Employees as Individual PAGA Payments based on their Pay Periods during the PAGA period.

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

3. Net Settlement Amount Distributed to Class Members. After making the above deductions in the amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendants are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to penalties and interest ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay the employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are allocated 100% as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check are sent to the California Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the class action component of the Settlement, unless you notify the Administrator in writing, not later than ___, that you wish to opt out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be the completed Request for Exclusion form or a letter from a Class Member or their representative setting forth a Class Member's name, present address, telephone number, and a statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, and Non-Participating Class Members' names will be published in Court filings, but will preserve their rights to personally pursue wage and hour claims against Defendants.

   You cannot opt out of the PAGA portion of the Settlement. Class Members who exclude themselves from the class action component of the Settlement (i.e., Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the facts alleged in the Action.

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

8. Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the "Administrator") to send this Class Notice, calculate and make payments from the Settlement, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Members' challenges to Workweeks and/or Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in section 9 of this Class Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendants have fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Proposed Settlement. This means that unless you opted out by validly excluding yourself from the class action component of the Settlement, you cannot sue, continue to sue, or be a part of any other lawsuit against the Released Parties, including Defendants and related entities, for wages based on the facts alleged in the Action and resolved by this Settlement.

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

> All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, spouses, heirs, administrators, successors, and assigns, release the Released Parties from the Released Class Claims consisting of all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action including (a) any and all claims involving the alleged failure to provide all required meal periods or pay meal premiums at their respective regular rate of pay; (b) any and all claims involving the alleged failure to provide all required rest periods or pay rest premiums at their respective regular rate of pay; (c) any and all claims involving the alleged failure to pay minimum wage as required; (d) any and all claims involving the alleged failure to pay overtime wages in conformance with the requirements of the law; (e) any and all claims involving the alleged failure to provide accurate and complete itemized wage statements; (f) any and all claims involving the alleged failure to pay all wages earned immediately at the time of termination of employment; and (g) any and all claims involving the alleged engagement in unfair and/or unlawful business practices. Except as set forth in paragraph 5.2 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. PAGA Employees' PAGA Release. After the Court's Judgment is final, and Defendants have paid the Gross Settlement Amount and employer payroll taxes, all PAGA Employees will be barred from asserting PAGA claims against Defendants, whether or not they exclude themselves from the Settlement. This means that all PAGA Employees, including those who are Participating Class Members and those who opt out of the class action component of the Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against the Released Parties, including Defendants and their related entities, based on the facts alleged in the Action and resolved by this Settlement.

The PAGA Employees will be bound by the following release:

> All PAGA Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, spouses, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims consisting of all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and PAGA Notice that are alleged to have occurred during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT(S)?

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

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $15,750.00 by the total number of Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by the number of Pay Periods worked by each individual PAGA Employee during the PAGA Period.

3. Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated on the first page of this Class Notice. You have until ____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via U.S. mail or fax. Section 9 of this Class Notice has the Administrator's contact information.

   You need to support your challenge to your allocated Workweeks and/or Pay Periods by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defense Counsel. The Administrator's decision is final. You cannot appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who does not opt out from the Settlement), including those who also qualify as PAGA Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. PAGA Employees. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Employee, including Non-Participating Class Members who qualify as PAGA Employees.

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

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

To opt out of the class action component of the Settlement, you must submit the Request to Opt-Out Form or a written and signed letter with your name, present address, telephone number, and a statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Margarita Franco, et al. vs. Haru Holdings, Inc., et al.*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of this Class Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least sixteen (16) court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and states (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amounts Plaintiffs are requesting as Class Representatives' Service Awards. Upon reasonable request, Class Counsel (whose contact information is in section 9 of this Class Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____ or the Court's website _____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval, and/or Motion for Fees, Litigation Expenses, and Service Awards may wish to object, for example, that the Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written Objections to the Administrator is _____**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your Objection on the Objection form or other written letter. Make sure you identify the Action as *Margarita Franco, et al. vs. Haru Holdings, Inc., et al.*, and include your name, current address, telephone number, and approximate dates of employment and sign the Objection. Section 9 of this Class Notice has the Administrator's contact information.

A Participating Class Member can object (or personally retain a lawyer to object on your behalf at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that

support your Objection. See section 8 of this Class Notice for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on _____ in Department C-64 of the San Diego Superior Court, located at 330 W. Broadway, San Diego, California 92101. At the hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and the Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via **https://www.sdcourt.ca.gov/sdcourt/civil2/civilicvirtualhearings**. Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the Administrator's website at _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

SANI LAW, APC
Sam Sani (SBN 273993)
595 E. Colorado Blvd., Suite 522
Pasadena, CA 91101
Telephone: (310) 935-0405
Facsimile: (310) 935-0409
ssani@sanilawfirm.com

KOHANCHI LAW, APC
Brian Kohanchi (SBN 331025)
2121 Avenue of the Stars, Suite 800
Century City, CA 90067
Telephone: (310) 691-1610
Brian@KohanchiLaw.com

Settlement Administrator:
Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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