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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

ABIGAIL SALAS, individually and on behalf
of all others similarly situated,

Plaintiff,

vs.

WELLNESS EATERY CORONADO, LLC, a
Delaware limited liability company;
WELLNESS EATERY BEVERLY HILLS,
LLC, a Delaware limited liability company;
WELLNESS EATERY BRENTWOOD, LLC,
a Delaware limited liability company;
WELLNESS EATERY CARLSBAD, LLC, a
Delaware limited liability company;
WELLNESS EATERY CARMEL VALLEY,
LLC, a Delaware limited liability company;
WELLNESS EATERY LA JOLLA, LLC, a
Delaware limited liability company;
WELLNESS EATERY LITTLE ITALY, LLC,
a Delaware limited liability company;
WELLNESS EATERY NEWPORT BEACH,
LLC, a Delaware limited liability company;
and DOES 1 through 10, inclusive,

Defendants.

Lead No.: 25CU010532C
(Consolidated with Case No. 25CU004356C)

*[Assigned for All Purposes to the Honorable
Loren G. Freestone, Dept. C-64]*

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Preliminary Approval Hearing:

Date: December 18, 2026

Time: 10:30 a.m.

Dept.: C-64

Action Filed: August 30, 2024

DECLARATION OF JOHN G. YSLAS

I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiff Abigail Salas (“Plaintiff”) in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On August 30, 2024, Plaintiff filed this putative class action against Defendants Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC (“Defendants”) alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices (“Class Action”).

4. On November 19, 2024, Plaintiff provided written notice to the LWDA and Defendant the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. A true and correct copy of Plaintiff’s letter to Defendant and the LWDA is attached hereto as **Exhibit 1**. The LWDA did not notify Plaintiff that intended to investigate within 65 days of this written notice. Therefore, on January 24, 2025 Plaintiff filed a separate action against Defendants in the Superior Court of California, County of San Diego, for civil penalties under PAGA, Case No. 25CU004356C (the “PAGA Action”). On April 14, 2026, the Court deemed the Class Action and PAGA Action related and designated the Class Action as the lead case.

5. On June 22, 2026, the Court consolidated the Class Action and PAGA Action with the Class Action designated the lead case.

6. On May 12, 2026, the Parties subsequently participated in a private full-day mediation with PAGA mediator Gig Kyriacou. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. The mediator made a proposal, which was accepted by the Parties.

7. The parties negotiated the terms of the Settlement over the next several weeks, which was finalized in June of 2026. A true and correct copy of the Parties' fully executed Class and PAGA Representative Action Settlement agreement is attached hereto as **Exhibit 2**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice.

8. On August 26, 2026, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. A true and correct copy of the confirmation of submission my office received after submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 3**.

Investigation and Exposure Analysis

9. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiff's Counsel assessed the value to the class claims using the data and documents that Defendant produced in informal discovery, including the number of Class Members, the number of workweeks in the Class Period, the number of pay periods in the PAGA Period, Plaintiff's personnel file/documents concerning Plaintiff, Defendant's employee handbook(s), Defendant's written wage-and-hour policies, and a random sampling of time and payroll records. Plaintiff's Counsel engaged an expert consultant to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

10. Defendant's records show that there are approximately 520 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery.

11. Plaintiff has alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods,

1 reimbursements for business expenses, accurate wage statements, and timely payment of wages upon
2 separation of employment. These allegations present common factual and legal questions of, *inter*
3 *alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period,
4 and reimbursement policies to all Class Members, whether these policies and practices resulted in
5 Labor Code violations, whether Defendant's conduct was intentional, and whether Class Members
6 are entitled to damages and/or penalties. These common questions could be resolved using Class
7 Members' time records, payroll records, testimony from Defendant's designated representative(s),
8 and Class Members' testimony.

9 12. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks
10 at succeeding at class certification and through trial affected the valuation of the claims for settlement
11 purposes.

12 13. Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage
13 claims were based on the allegation that Defendants required Class Members to perform work
14 duties while off the clock, without compensation. For example, Plaintiff alleged that Defendants
15 required her and other Class Members to continue working after they had clocked out for the day.
16 For purposes of calculating Defendants' liability based on a best-case scenario for Plaintiff and the
17 Class, Plaintiff's Counsel assumed that all unpaid worktime should have been paid at the overtime
18 rate of pay and conservatively estimated that Defendants are liable for one (1) hour of unpaid
19 worktime per workweek. This results in potential exposure for this claim of approximately
20 \$388,770.90 (13,972 workweeks x \$18.55 average hourly rate of pay x 1 hour/workweek x 1.5
21 overtime rate). Because this claim would have relied heavily on Class Member testimony and
22 would not be evidenced in Defendants' time and payroll records, the risk of succeeding at class
23 certification and trial was substantial. Accordingly, Plaintiff's Counsel applied a risk discount
24 based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial
25 on the merits, yielding a realistic damage estimate of approximately \$62,203.34 (\$388,770.90 x
26 40% x 40%).

27 14. Meal Periods: Plaintiff's meal period claim was based on the allegation that
28 Defendants failed to provide Class Members with legally compliant meal periods or pay meal

1 period premiums in lieu thereof. For example, Plaintiff alleged that Defendants often failed to
2 provide her and other Class Members with timely meal periods due to understaffing and the
3 coverage issues that created. Furthermore, Plaintiff alleged that her and other Class Members' meal
4 periods were often interrupted by supervisors and coworkers with work-related questions, such
5 that they were never fully relieved of their duties during those meal periods. Additionally,
6 Plaintiff's Counsel's expert consultant determined there was a 51.1% meal period violation rate
7 from the sampling of Defendants' time and payroll records, where meal periods were short, late,
8 or missed. Therefore, potential liability for the meal period claim is approximately \$447,705.01
9 (47,231 shifts over 5 hours x \$18.55 average hourly rate x 51.1% violation rate). After taking into
10 account the difficulty of certifying and proving meal period claims, as well as Defendants'
11 contention that the claim lacks merit and that a 51.1% violation rate is unrealistic, Plaintiff's
12 Counsel discounted this figure based on a 50% chance of succeeding at class certification and a
13 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately
14 \$89,541.00 (\$447,705.01 x 50% x 40%).

15 15. Rest Periods: Plaintiff's rest period claim was based on the allegation that
16 Defendants failed to provide Class Members with legally compliant rest periods or pay rest period
17 premiums in lieu thereof. For example, Plaintiff alleged that Defendants failed to provide her and
18 other Class Members with their second rest period due to understaffing and the coverage issues
19 that created. Defendants recorded employee rest periods for a time and the data produced by
20 Defendants in advance of mediation revealed a 94.4% violation for rest periods. As such, Plaintiff's
21 Counsel applied a 94.4% violation rate to all qualifying shifts during the Class Period. Therefore,
22 Defendants' potential liability for the rest period claim is approximately \$883,370.00 (50,446 shifts
23 of 3.5 hours or longer x \$18.55 average hourly rate x 94.4% violation rate). However, Plaintiff's
24 Counsel discounted this figure to account for the difficulty of certifying and proving rest period
25 claims, particularly because rest periods do not have to be recorded, and to account for the
26 possibility of Class Members voluntarily choosing to forego a rest period. Because this claim
27 would have relied exclusively on Class Member testimony, Plaintiff's Counsel discounted this
28 claim based on a 30% chance of succeeding at class certification and a 30% chance of succeeding

at trial, yielding a realistic damage estimate of approximately \$79,503.30 ($\$883,370.00 \times 30\% \times 30\%$).

16. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendants failed to indemnify Class Members for expenses incurred as a direct result of performing their job duties for Defendants, such as mandatory use of personal cell phones, laptops, and personal data and wi-fi for work purposes. For purposes of calculating Defendants' liability based on a best-case scenario for Plaintiff and the Class, Plaintiff's Counsel estimated that Defendants were liable to each Class Member for \$7.50 per workweek in unreimbursed expenses, for a total amount of approximately \$104,790.00 ($\$7.50 \times 13,972$ workweeks). However, Defendants argued that these expenses were not required by Defendants, and that it could not have known that these expenses were being incurred. Accordingly, Plaintiff's Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a realistic damage estimate of approximately \$9,431.10 ($\$104,790.00 \times 30\% \times 30\%$).

17. In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-the-clock claim, meal period violations, and rest period violations (i.e., the wage claims) is approximately \$1,719,845.91. However, after factoring in the risk and uncertainty of prevailing at certification and trial, Plaintiff's Counsel estimates that Plaintiff's realistic estimated recovery for these non-penalty wage claims is approximately \$231,247.64.

18. Derivative Penalties: Plaintiff alleged that as a result of Defendants' failure to pay all wages owed, Defendants owed waiting time penalties and wage statement penalties. With respect to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated that Defendants' realistic potential liability is approximately \$126,341.74. Defendants' maximum potential liability for waiting time penalties is approximately \$1,647,295.65 (429 employees $\times$ \$18.55 average hourly rate of pay $\times$ 6.9 hours/day $\times$ 30 days) based on approximately 429 formerly employed Class Members during the 3-year statute of limitations period and an average shift length of 6.9 hours. Defendants' maximum potential liability for inaccurate wage statements is approximately \$458,400.00 ([246 employees $\times$ 1 initial violation/employee $\times$ \$50 for an initial

violation] + [(4,707 pay periods – 246 initial violations) x \$100 for each subsequent violation]) based on approximately 246 Class Members who worked during the 1-year statute of limitations period and approximately 4,707 pay periods in that statutory timeframe. In light of the foregoing, Plaintiff's Counsel believes that it would be unrealistic to expect the Court to award the full \$2,105,695.65 in statutory penalties given Defendants' defenses, the contested nature of Plaintiff's claims, the challenges of establishing willfulness as applicable, and the discretionary nature of penalties. Considering that the underlying wage claims are realistically estimated to be approximately \$231,247.64, such a disproportionate award would also raise due process concerns. As such, Plaintiff's counsel discounted these figures to account for the risk and uncertainty of obtaining class certification and prevailing at trial, resulting in a realistic evaluation of approximately \$98,837.74 for waiting time penalty claims ($\$1,647,295.65 \times 30\% \times 20\%$), and approximately \$27,504.00 for wage statement penalty claims ($\$458,400.00 \times 30\% \times 20\%$), or approximately \$126,341.74 total for statutory penalties.

19. PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendants' potential exposure could potentially reach \$1,381,800.00 assuming the initial \$100 penalty would apply for each of the 13,818 pay periods in the PAGA Period. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. As such, Plaintiff's counsel discounted this figure to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately \$138,180.00 for PAGA penalties ($\$1,381,800.00 \times 10\%$). The settlement allocates \$24,900.00 of the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 5% of the Gross Settlement Amount and approximately 18% of the realistic maximum damages for PAGA penalties ($\$24,900.00 / \$138,180.00$).

20. Using these estimated figures, Plaintiff's Counsel predicted that the realistic maximum recovery for all claims, including penalties, would be approximately \$505,200.48. This means that the gross settlement figure represents approximately 98.6% of the realistic maximum recovery ($\$498,000.00 / \$505,200.48$). Considering the risk and uncertainty of prevailing at class

1 certification and at trial, this is an excellent result for the Class. Indeed, because of the proposed
2 Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an
3 unfavorable judgment.

4 21. Based on the figures in the Settlement Agreement, the Net Settlement Amount
5 available for class settlement payments is currently estimated to be \$260,100.00 for approximately
6 520 Class Members. As a result, each Settlement Class Member would be eligible to receive an
7 average net benefit of approximately \$500.19. Based on the estimated Net Settlement Amount
8 available for individual class payments and there being approximately 13,972 workweeks in the
9 Class Period, the estimated weekly valuation for Individual Class Payments is \$18.62
10 (\$260,100.00/ 13,972 workweeks).

11 **Plaintiff's Counsel's Qualifications**

12 22. Plaintiff is represented by WLF. The attorneys at WLF performed significant work
13 and expended litigation costs in prosecuting this matter with no guarantee of payment.

14 23. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
15 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
16 employees. WLF is actively and continuously practicing in employment litigation, representing
17 employees in both individual and class actions in both state and federal courts throughout California.

18 24. WLF is qualified to handle this Litigation because its attorneys are experienced in
19 litigating Labor Code violations in individual, class action, and representative action cases. WLF
20 has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as
21 class actions involving consumer rights and data privacy litigation.

22 25. I graduated from the University of California, Santa Barbara with High Honors in
23 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
24 School in 1996.

25 26. Upon graduating from law school in 1996, I worked for a boutique law firm practicing
26 general litigation which included employment law matters. Since 2000 (that is, the last 25 years) my
27 practice has been exclusively focused on labor and employment matters including handling wage
28 and hour class, collective and representative actions (including the California Private Attorneys

1 General Act, or “PAGA”), including in the international law firms of Morgan, Lewis & Bockius LLP
2 (where I was a senior associate), Foley & Lardner LLP (where I was a partner and a national Vice
3 Chair of the Labor and Employment Group), Norton Rose Fulbright LLP (where I was a partner) and
4 Seyfarth Shaw LLP (where I was a partner and member of the Wage and Hour Practice Group).
5 During my time at these law firms, I was the primary attorney or took a major leading role in
6 defending employers on numerous wage and hour class, collective and representative actions.

7 27. In late June 2022 I left Seyfarth Shaw LLP and joined my current firm, Wilshire Law
8 Firm, PLC, to represent plaintiff employees. I have been and am handling many wage and hour class
9 and representative actions litigating such matters on behalf of plaintiff employees in numerous
10 Superior Courts and District Courts. From matters representing both plaintiffs and defendants, I have
11 successfully mediated the resolution of many wage and hour class, collective, and representative
12 actions. Just since starting to settle cases in late April 2023 I have already successfully mediated
13 matters in which I have been counsel or co-counsel resulting in **over \$280 million** in settlements and
14 verdicts which are in the process of being finalized, and with numerous upcoming mediations
15 scheduled. In those and numerous other matters, I have managed and assisted with the litigation and
16 settlement of many wage and hour PAGA and class actions. In those actions, I performed similar
17 tasks as those performed in the course of prosecuting this action. Indeed, I recently tried and prevailed
18 in achieving a jury verdict in a certified wage and hour class action in the matter of *Aguilar-Flores*
19 *v. Javier’s – CC LLC*, Los Angeles County Superior Court, Case No. 19STCV36438 (settled after
20 verdict).

21 28. I have received numerous awards for my legal work. For example, from 2015 to 2018,
22 I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters). I have
23 also served on numerous prominent boards and in other leadership positions, including serving as
24 Southern California Regional President for the Hispanic National Bar Association and on the board
25 of directors of the Mexican American Bar Foundation. I also previously served on the 5-member Los
26 Angeles Civil Service Commission, which generally oversees the personnel decisions for the City of
27 Los Angeles.

28 ///

1 29. I have also published numerous blogs on labor and employment issues including on
2 wage and hour issues. For example, I published “Headline News: Wal-Mart v. Dukes-Impact on
3 Class Action Litigation” (while a partner with Foley & Lardner LLP) and “Are You Really Protected
4 From Wage-and-Hour Successor Liability in an Asset Purchase” (while a partner with Seyfarth Shaw
5 LLP). I have also been a presenter at numerous conferences, including being a presenter involving
6 the “Employment Law Update” at a National Employment Law Council conference.

7 30. Diego Aviles is a Junior Partner at WLF. Mr. Aviles graduated from the University
8 of California, Irvine, with a Bachelor of Arts in Political Science as well as a Bachelor of Arts in
9 Criminology, Law, and Society, and received his Juris Doctor from the Santa Clara University
10 School of Law in 2015. During law school, Mr. Aviles was President for the Santa Clara
11 Employment Law Society, Board Member of the Honors Moot Court, and President of the Santa
12 Clara University La Raza Chapter. He clerked for the Equal Employment Opportunity Commission
13 in San Francisco, California, and also worked with the Workers’ Rights Clinic in San Jose,
14 California, among other employment law firms. He was admitted to practice law in the State of
15 California in 2017. Since graduating from law school, he has focused his legal work exclusively
16 on employment matters, including wage-and-hour class action and PAGA representative action
17 litigation, and he has helped obtain dozens of settlements on behalf California workers. . He has
18 been appointed Class Counsel numerous times in California and most recently achieved a
19 published California Appellate opinion in the matter of *Alberto v. Cambrian Homecare, et al.*, 91
20 Cal.App.5th 482 regarding employment arbitration agreements. He has also been a member of the
21 California Employment Lawyers Association (CELA) since at least 2019.

22 31. Mariam Nazaretyan is an Associate Attorney at WLF. She was admitted to practice
23 law in the State of California in 2021. Ms. Nazaretyan graduated from Loyola Marymount
24 University with a Bachelor of Arts in Political Science. She received her Juris Doctor from
25 Southwestern Law School. During law school, she was a student editor for the Journal of
26 International Media and Entertainment Law and secretary of the Student Bar Association. Since
27 graduating, Ms. Nazaretyan’s practice has been focused on international humanitarian law and
28 employment law.

1 32. Harry Erganyan is an Associate Attorney at WLF. He was admitted to practice law
2 in the State of California in 2021. Mr. Erganyan graduated from Loyola Marymount University,
3 with a Bachelor of Arts in Political Science. He received his Juris Doctor from Southwestern Law
4 School. During law school, he externed for the Los Angeles City Attorney. Since January 2021,
5 Mr. Erganyan's practice has been focused on wage and hour class action litigation.

6 33. William M. Pao is a Junior Partner at WLF. He graduated from the University of
7 Southern California with a double-major in Psychology and Humanities (Emphasis in Theatre Arts)
8 and received his juris doctorate degree from Loyola Law School. Mr. Pao has dedicated his 20-
9 plus year career to plaintiffs' class action litigation. Prior to joining WLF, he worked at various
10 prominent defense firms and a very well-known plaintiffs' boutique class action litigation firm
11 where he recovered more than \$100 million in settlements. Mr. Pao's wealth of experience includes
12 successful work on all stages of class action litigation, including class certification motions, and
13 class settlements. He was the principal drafter of a successful and reportable appeal in *Harris v.*
14 *KM Industrial, Inc.*, (2020) 980 F.3d 694 affirming the standards when challenging the amount-in-
15 controversy standard under the Class Action Fairness Act. Mr. Pao has been involved in hundreds
16 of wage-and-hour and Federal Credit Reporting Act class actions and Private Attorneys General
17 Act representative actions throughout the State of California.

18 34. Matthew R. Baker is an Associate Attorney at WLF. He was admitted to practice
19 law in the State of California in 2019. Mr. Baker graduated from California State University,
20 Northridge with a Bachelor of Science in Political Science. Mr. Baker received his Juris Doctor
21 from California Western School of Law. Since graduating from law school, his practice has been
22 in insurance defense (previously) and employment law (currently.) Mr. Baker's time at WLF has
23 been focused on plaintiff-side wage and hour class action litigation.

24 35. Giancarlo A. Recinos is a Senior Attorney at WLF. He was admitted to practice law
25 in the State of California in 2012 and is an active member in good standing with the State Bar of
26 California. Mr. Recinos graduated from San Francisco State University with a Bachelor of Arts in
27 Communications and received his Juris Doctor from Southwestern Law School. For over a decade,
28 his practice has focused on employment law and wage-and-hour compliance.

36. Courtney M. Miller is a Settlement Attorney at WLF. She was admitted to practice law in the State of California in 2019. Ms. Miller graduated from the University of California, Santa Cruz, with a Bachelor of Arts in Sociology. Prior to becoming an attorney, Ms. Miller worked at a boutique civil litigation firm for nearly a decade, primarily handling employment matters. She earned her Juris Doctor from Southwestern Law School in 2019. Ms. Miller has prosecuted wage and hour class and PAGA actions, almost exclusively, since 2020. As a handling attorney, Ms. Miller obtained over \$30 million dollars in settlements on behalf of California employees.

No Conflicts

37. WLF has no actual or potential conflicts of interest with Class Members or the proposed Administrator, Xpand.

38. WLF is not aware of any pending matter or action against Defendant that may be extinguished or adversely affected by this Settlement.

Administrator

39. Plaintiff's Counsel sought bids from three (3) administrators to administer this Settlement. The Parties selected the bid with the lowest cost, which was from Xpand. A true and correct copy of the will-not-exceed bid from Xpand to administer this Settlement is attached hereto as **Exhibit 4**.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on August 26, 2026 at Los Angeles, California.


John G. Yslas

EXHIBIT 1

WILSHIRE LAW FIRM, PLC

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November 19, 2024

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

Jonathan Goldwasser
Agent for Service of Process for Wellness Eatery Coronado, LLC, Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, and Wellness Eatery Little Italy, LLC
6701 Avenida Manana
La Jolla, CA 92037
(Via Certified Mail, Return Receipt Requested)

Jonathan Goldwasser
Agent for Service of Process for Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, and Wellness Eatery Newport Beach, LLC
7514 Girard Avenue, Suite 1601
La Jolla, CA 92037
(Via Certified Mail, Return Receipt Requested)

Miguel Leff
Agent for Service of Process for
Wellness Eatery Manager, LLC
6701 Avenida Manana
La Jolla, CA 92037

Re: ***Abigail Salas v. Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, Wellness Eatery Newport Beach, LLC, and Wellness Eatery Manager, LLC***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Abigail Salas (“Ms. Salas” or “Plaintiff”) to pursue a Labor Code Private Attorneys General Act of 2004 (“PAGA”) representative action (Cal. Lab. Code §§ 2699, *et seq.*) against Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, Wellness Eatery Newport Beach, LLC, and Wellness Eatery Manager, LLC (collectively, “Defendants”). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Defendants engaged in with respect to Plaintiff and all Aggrieved Employees.

Ms. Salas wishes to pursue this action on behalf of herself, on behalf of the State of California,

and on behalf of potentially all other persons who worked for Defendants in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, “Aggrieved Employees”).

Plaintiff alleges she and Aggrieved Employees suffered the Labor Code violations described below.

Ms. Salas’ Employment with Defendants

Defendants own and operate restaurants. Plaintiff worked as a barista, cashier, and server for Defendants at their Coronado location. Plaintiff’s primary job functions were preparing drinks, taking orders, and processing transactions. In performing Plaintiff’s duties, Plaintiff was regularly required to perform work (off-the-clock), without compensation. Due to understaffing and high workloads, Plaintiff was also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Defendants failed to provide Plaintiff with meal and rest break premiums as required by the Labor Code. Additionally, Plaintiff necessarily incurred business-related expenses, but Defendants failed to reimburse such business-related expenses. These are just non-exhaustive examples of the facts and theories the Plaintiff asserts, which are described in more detail below.

Defendants own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Defendants’ business in California, Defendants are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission (“IWC”), and the California Business & Professions Code.

Ms. Salas is a resident of San Diego, California who worked for Defendants in San Diego, County, California as an hourly-paid, non-exempt employee from approximately May 2024 to approximately July 2024.

Specifically, Wellness Eatery Coronado, LLC is the legal entity identified as Plaintiff’s employer on most of her wage statements. Wellness Eatery La Jolla, LLC issued Plaintiff her final pay. Further, all Defendants were all Plaintiff’s and Aggrieved Employees’ employer under the integrated enterprise test.

To establish that separate corporations are a single employer under the integrated enterprise test, four factors must be shown: (1) interrelation of operations; (2) common management; (3) centralized control of labor relations; and (4) common ownership or financial control. All of these factors are met here. As to interrelation of operations, all Defendants share a website and utilize common employment policies and practices, including a common employee handbook, employees and all Defendants share operational and administrative work. On information and belief, all Defendants are registered as a single employer with the Employment Development Department: Parakeet Café. Parakeet Café is a fictitious business name registered only to Wellness Eatery Coronado, LLC. On information and belief, all Defendants share a common IRS taxpayer identification number and California employer identification number. Wellness Eatery Manager, LLC is the sole manager/member of Wellness Eatery Coronado, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC. Wellness Eatery Manager, LLC managed all significant employment matters including hiring and firing of employees, employee discipline, performance evaluations, scheduling, and compensation. All Defendants are commonly owned by Jonathan Goldwasser Fleischer and Jack Goldwasser Fleischer.

During Plaintiff's employment for Defendants, Defendants paid Plaintiff an hourly wage and classified Plaintiff as non-exempt from overtime. Defendants typically scheduled Plaintiff to work at least five days in a workweek and at least eight hours per day, but Plaintiff also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Plaintiff's employment, Defendants failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Plaintiff with legally compliant meal periods, failed to authorize and permit Plaintiff to take rest periods, failed to timely pay all final wages to Plaintiff when Plaintiff's employment terminated, failed to furnish accurate wage statements to Plaintiff, failed to indemnify Plaintiff for business expenditures, and failed to timely produce Plaintiff's requested employment records. As discussed below, Plaintiff's experience working for Defendants was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Defendants failed to pay Plaintiff and other Aggrieved Employees for all hours worked, including minimum, straight time, and overtime wages. Defendants required Plaintiff and other Aggrieved Employees to work "off-the-clock," uncompensated, by, for example, requiring Plaintiff and other Aggrieved Employees to perform work during uncompensated meal periods and requiring Plaintiff and other Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Defendants failed to properly calculate Plaintiff's and other Aggrieved Employees' regular rate of pay when paying overtime, by failing to include all compensation in overtime calculations. In failing to pay for all hours worked, Defendants also failed to maintain accurate records of the hours Plaintiff and other Aggrieved Employees worked.

Throughout the statutory period, Defendants also engaged in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.*, 84 Cal.App.5th 638 (2022), because Defendants could and did track the exact time in minutes that Plaintiff and other Aggrieved Employees worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to "precisely capture time worked" means that "the employer must pay the employee for that worktime when due." *Id.* at 671. As a result of Defendants' rounding policy, Plaintiff and other Aggrieved Employees were not compensated for all hours that Plaintiff and other Aggrieved Employees worked.

As a result, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Despite these legal requirements, Defendants wrongfully failed to provide Plaintiff and other Aggrieved Employees with legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff and other Aggrieved Employees the opportunity to leave the work premises to take meal periods). Defendants also continued to assert control over Plaintiff and other Aggrieved Employees by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Plaintiff and other Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Plaintiff and other Aggrieved Employees for meal periods that were not provided as required by law. Defendants also did not inform Plaintiff and other Aggrieved Employees of their right to, nor permitted Plaintiff and other Aggrieved Employees to take, all of Plaintiff and other Aggrieved Employees' second meal periods when Plaintiff and other Aggrieved Employees worked at least ten hours of work in a workday and otherwise unlawfully pressured Plaintiff and other Aggrieved Employees to waive such breaks. Accordingly, Defendants failed to provide meal periods to Plaintiff and other Aggrieved Employees in compliance with California law.

Plaintiff and other Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Defendants, however, failed to pay Plaintiff and other Aggrieved Employees the additional wages to which they were entitled for meal periods that were not provided.

As a result, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Defendants are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than three and a half hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Defendants have wrongfully failed to authorize and permit Plaintiff and other Aggrieved Employees to take legally compliant rest periods in a manner required by law (and also including but not limited to failing to authorize and permit Plaintiff and other Aggrieved Employees the opportunity to leave the work premises to take rest periods). Defendants required Plaintiff and other Aggrieved Employees to work in excess of three and a half

consecutive hours a day without authorizing and permitting Plaintiff and other Aggrieved Employees to take a 10-minute, uninterrupted, duty-free rest period, or without compensating Plaintiff and other Aggrieved Employees for rest periods that were not authorized or permitted.

Instead, Defendants continued to assert control over Plaintiff and other Aggrieved Employees by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Plaintiff and other Aggrieved Employees permission to take a rest period. Accordingly, Defendants failed to authorize and permit Plaintiff and other Aggrieved Employees to take rest periods in compliance with California law. Plaintiff and other Aggrieved Employees are thus entitled to be paid one hour of additional wages for each workday they were not authorized and permitted to take all required rest period(s). Defendants, however, failed to pay Plaintiff and other Aggrieved Employees all of the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Defendants' failure to pay Plaintiff and other Aggrieved Employees for all wages as discussed above, Defendants also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, Defendants failed and refused to pay Plaintiff and other Aggrieved Employees all wages due, and failed to pay those wages twice a month, in that Plaintiff and other Aggrieved Employees were not paid all wages for all meal periods not provided by Defendants, all wages for all rest periods not authorized and permitted by Defendants, and all wages for all hours worked. As a result, Defendants owe Plaintiff and other Aggrieved Employees the legally required wages for unpaid wages, and Plaintiff and other Aggrieved Employees suffered damages in those amounts.

Moreover, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Plaintiff seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when employees begin and end each work period. Meal periods and total hours worked daily shall also be recorded.

Defendants, however, failed to maintain accurate records of hours worked and all meal periods taken or missed by Plaintiff and other Aggrieved Employees.

Defendants' failure to provide and maintain records required by the California Labor Code and the

applicable IWC Wage Orders deprived Plaintiff and other Aggrieved Employees the ability to know, understand, and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Defendants' records. Therefore, Plaintiff and other Aggrieved Employees had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Defendants. As a direct result, Plaintiff and other Aggrieved Employees have suffered and continue to suffer substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Defendants to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Defendants' knowing failure to comply with the California Labor Code and applicable IWC Wage Orders, Plaintiff and other Aggrieved Employees have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when an employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that the employer complies with the provisions of Labor Code § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Plaintiff and other Aggrieved Employees was terminated. However, during the relevant time period, Defendants failed to pay Plaintiff and other Aggrieved Employees, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Defendants' employment. These unpaid wages include wages for unpaid work time (including minimum, straight, and overtime wages), missed meal period premium wages, and missed rest period premium wages. Defendants also violated Labor Code section 213(d) by paying final wages (if any are paid at all) via direct deposit without Plaintiff's and other Aggrieved Employees' voluntary authorization.

Defendants' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Plaintiff and other Aggrieved Employees are entitled to recover from Defendants their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination, and for unlawfully making any such payment (if any) via direct deposit without Plaintiff's voluntary authorization.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Lab. Code § 226(e)(1).)

Throughout the statutory period, Defendants failed to timely furnish Plaintiff and other Aggrieved Employees with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Defendants violated Labor Code § 226, Plaintiff and other Aggrieved Employees suffered injury and damage to their statutorily protected rights. Accordingly, Plaintiff and other Aggrieved Employees are entitled to recover from Defendants the greater of their actual damages caused by Defendants’ failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Defendants at times wrongfully required Plaintiff and other Aggrieved Employees to pay expenses that they incurred in direct discharge of their duties for Defendants. Plaintiff and other Aggrieved Employees paid out-of-pocket for necessary employment-related expenses. Plaintiff and other Aggrieved Employees incurred substantial expenses as a direct result of performing their job duties for Defendants, but Defendants failed to indemnify Plaintiff and other Aggrieved Employees for these employment-related expenses.

As a result, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Plaintiff and other

Aggrieved Employees for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees' performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions.

Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Plaintiff and other Aggrieved Employees submitted written request(s) to Employer for their payroll records, timecards, personnel records, and records related to their employment, but did not timely receive them as required by the Labor Code.

As a result, Defendants are liable to Plaintiff and other Aggrieved Employees for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep "accurate and complete" payroll records showing, among other things, the hours worked daily by employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Defendants failed to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Plaintiff and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Defendants failed to keep accurate and complete records showing total hours worked by Plaintiff and other Aggrieved Employees, or some of them, by virtue of Defendants' time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices. Defendants failed to keep accurate and complete records showing total hours worked by virtue of Defendants' failure to relieve Plaintiff and other Aggrieved Employees of all duties and Defendants' control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Defendants further failed to record the true start and end times of Plaintiff's and other Aggrieved Employees' meal periods.

Based on further information and belief, Defendants further failed to record the true start and end times of Plaintiff's and other Aggrieved Employees' work shifts, or some of them.

Additionally, Defendants failed to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Plaintiff and other Aggrieved Employees. Defendants' failure to keep "accurate and complete" payroll records for Plaintiff and other Aggrieved Employees, violates Labor Code sections 1174, 1198, 1199, and all applicable IWC Wage Orders, section 7. These violations subject Defendants to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Plaintiff, results in a separate civil penalty.¹

Action for Civil Penalties Under PAGA

In light of the above, Plaintiff alleges that Defendants violated the following provisions of the Labor Code with respect to Aggrieved Employees:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing to timely produce requested payroll records, timecards, and personnel records; and
10. Labor Code § 1174 by failing to keep accurate and complete payroll records.

Therefore, on behalf of Aggrieved Employees, Plaintiff seeks applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Plaintiff has placed Defendants on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

WILSHIRE LAW FIRM


John G. Yslas, Esq.

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved Plaintiff per pay period").

EXHIBIT 2

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WELLNESS EATERY CARLSBAD, LLC,
WELLNESS EATERY CARMEL VALLEY, LLC,
WELLNESS EATERY LA JOLLA, LLC,
WELLNESS EATERY LITTLE ITALY, LLC, and
WELLNESS EATERY NEWPORT BEACH, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

ABIGAIL SALAS, individually, and on behalf
of all others similarly situated,

Plaintiff,

vs.

WELLNESS EATERY CORONADO, LLC, a
Delaware limited liability company;
WELLNESS EATERY BEVERLY HILLS,
LLC, a Delaware limited liability company;
WELLNESS EATERY BRENTWOOD, LLC,
a Delaware limited liability company;
WELLNESS EATERY CARLSBAD, LLC, a
Delaware limited liability company;

Case No. 25CU010532C
(Related to Case No. 25CU004356C)

ASSIGNED FOR ALL PURPOSES TO:
Hon. Loren G. Freestone, Department C-64

**CLASS AND PAGA REPRESENTATIVE
ACTION SETTLEMENT**

Complaint Filed: August 30, 2024
Trial Date: Not Assigned

WELLNESS EATERY CARMEL VALLEY, LLC, a Delaware limited liability company;
WELLNESS EATERY LA JOLLA, LLC, a Delaware limited liability company;
WELLNESS EATERY LITTLE ITALY, LLC, a Delaware limited liability company;
WELLNESS EATERY NEWPORT BEACH, LLC, a Delaware limited liability company;
and DOES 1 through 10, inclusive,

Defendants.

1 **1. DEFINITIONS.**

2 1.1 “Actions” means (a) Plaintiff’s class action lawsuit alleging wage and hour violations
3 against Defendants captioned *Abigail Salas v. Wellness Eatery Coronado, LLC, et al.*, San Diego
4 County Superior Court Case No. 25CU010532C (originally filed on August 30, 2024 in Los Angeles
5 County Superior Court, Case No. 24STCV22274); and (b) a subsequent lawsuit alleging a single
6 cause of action for civil penalties under the Labor Code Private Attorneys General Act of 2004 (Lab.
7 Code §§ 2698 *et seq.*) (“PAGA”) filed on January 24, 2025 in San Diego County Superior Court,
8 Case No. 25CU004356C.

9 1.2 “Administrator” means xPand Legal Consulting LLC, the neutral entity the Parties
10 have agreed to appoint to administer the Settlement.

11 1.3 “Administration Costs” means the amount the Administrator will be paid from the
12 Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the
13 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval
14 of the Settlement.

15 1.4 “Aggrieved Employee” and “PAGA Members” means all current and former hourly-
16 paid or non-exempt employees of Defendants who were employed by Defendants within the State of
17 California for at least one (1) week during the PAGA Period.

18 1.5 “Class” means former hourly-paid or non-exempt employees of Defendants who did
19 not sign arbitration agreements during their employment with Defendants and who were employed
20 by Defendants within the State of California for at least one (1) week during the Class Period.

21 1.6 “Class Counsel” means John G. Yslas and William M. Pao of Wilshire Law Firm,
22 PLC.

23 1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class
24 Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request
25 approval from the Court of up to one-third (1/3) of the GSA in the amount of One Hundred Sixty-
26 Six Thousand Dollars and No Cents (\$166,000.00).

27 1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class
28 Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not

1 to exceed Twenty-Five Thousand Dollars and No Cents (\$25,000.00) and paid from the Gross
2 Settlement Amount.

3 1.9 “Class Data” means Class Member identifying information in Defendants’
4 possession including the Class Member’s name, last-known mailing address, Social Security
5 number, and number of Workweeks and PAGA Pay Periods.

6 1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as
7 either a Participating Class Member or Non-Participating Class Member (including a Non-
8 Participating Class Member who qualifies as an Aggrieved Employee).

9 1.11 “Class Member Address Search” means the Administrator’s investigation and search
10 for current Class Member mailing addresses using all reasonably available sources, methods, and
11 means including, but not limited to, the National Change of Address database, skip traces, and direct
12 contact by the Administrator with Class Members.

13 1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for
14 Final Approval, to be mailed to Class Members in English with a Spanish translation in the form,
15 without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

16 1.13 “Class Period” or “Class Settlement Period” means the period from August 30, 2020
17 through September 5, 2024.

18 1.14 “Class Representative” means the named Plaintiff Abigail Salas in the Actions.

19 1.15 “Class Representative Service Payment” or “Enhancement Award” means the
20 payment to the Class Representative for initiating the Actions and providing services in support of
21 the Action.

22 1.16 “Complaints” means the class action complaint filed on August 30, 2024 in the Los
23 Angeles County Superior Court, Case No. 24STCV22274 and subsequently transferred to San
24 Diego County Superior Court, Case No. 25CU010532C; and the PAGA complaint filed on January
25 24, 2025 in the San Diego County Superior Court, Case No. 25CU004356C.

26 1.17 “Court” means the Superior Court of California, County of San Diego.

27 1.18 “Defendants” means named Defendants Wellness Eatery Coronado, LLC, Wellness
28 Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC,

Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC.

1.19 “Defense Counsel” means Adam R. Rosenthal and Julia A. Sherwood of Sheppard, Mullin, Richter & Hampton LLP.

1.20 “Effective Date” means the date by which the Settlement and judgment become final. For purposes of this Agreement, the Settlement and judgment “becomes final” only after the Court grants the Motion for Final Approval of the Settlement and upon service of the Notice of Entry of Order and/or Judgment, and upon the latter of the following: (a) the sixty-first (61st) day following Notice of Entry of the Court’s Order and/or Judgment; (b) the date of affirmance of an appeal of the Order Granting Final Approval and/or Judgment becomes final under the California Rules of Court; or (c) the date of final dismissal of any appeal from the Order Granting Final Approval and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Order Granting Final Approval and/or Judgment. In this regard, it is the intention of the Parties that the Settlement shall not become effective, and Defendants will not be obligated to fund this Settlement, until the Court’s order approving the Settlement becomes final, and there is no further recourse by an appellant, objector, or intervenor who seeks to contest the Settlement.

1.21 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.22 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.23 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.24 “Gross Settlement Amount” or “GSA” means Four Hundred Ninety-Eight Thousand Dollars and No Cents (\$498,000.00), which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraph 3.1 (as it relates to employer-side taxes) and Paragraph 8 (in the event the “escalator clause” is triggered).

1.25 “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 1.26 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of
2 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked
3 during the PAGA Period.

4 1.27 “Judgment” means the judgment entered by the Court based upon the Final
5 Approval.

6 1.28 “LWDA” means the California Labor and Workforce Development Agency, the
7 agency entitled, under Labor Code section 2699, subd. (i).

8 1.29 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA
9 under Labor Code section 2699, subd. (i).

10 1.30 “Net Settlement Amount” means the Gross Settlement Amount, less the following
11 payments in the amounts approved by the Court: PAGA Penalties payment, Class Representative
12 Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and
13 the Administration Costs Payment. The remainder is to be paid to Participating Class Members as
14 Individual Class Payments.

15 1.31 “Non-Participating Class Member” means any Class Member who opts out of the
16 Settlement by sending the Administrator a valid and timely Request for Exclusion.

17 1.32 “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Lab. Code
18 §§ 2698 *et seq.*).

19 1.33 “PAGA Notice” means Plaintiff’s November 19, 2024 letter to the LWDA and
20 Defendants providing notice pursuant to Labor Code section 2699.3, subd. (a).

21 1.34 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee
22 worked for Defendants for at least one day during the PAGA Period.

23 1.35 “PAGA Period” means the period from November 20, 2023 through July 12, 2026.

24 1.36 “PAGA Penalties” means the total amount of \$24,900.00 in PAGA civil penalties to
25 be paid from the Gross Settlement Amount, allocated 35% (\$8,715.00) to the Aggrieved Employees
26 and 65% (\$16,185.00) to the LWDA in settlement of PAGA claims.

27 1.37 “PAGA Settlement Notice” means the Court approved Notice of Settlement to be
28 mailed only to Aggrieved Employees (who are *not* also Class Members) with a Spanish translation

1 in the form, without material variation, attached as **Exhibit B** and incorporated by reference into
2 this Agreement. If an Aggrieved Employee is also a Class Member, they will only receive Exhibit
3 A and will not receive Exhibit B.

4 1.38 “Participating Class Member” means a Class Member who does not submit a valid
5 and timely Request for Exclusion from the Settlement.

6 1.39 “Plaintiff” means Abigail Salas, the named plaintiff in the Actions.

7 1.40 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of
8 the Settlement.

9 1.41 “Released Class Claims” means the claims being released as described in Paragraph
10 5.2 below.

11 1.42 “Released PAGA Claims” means the claims being released as described in Paragraph
12 5.3 below.

13 1.43 “Released Parties” means Defendants, and each of their past, present, and future
14 agents, employees, servants, officers, directors, managing agents, members, owners (whether direct
15 or indirect), partners, trustees, representatives, shareholders, stockholders, attorneys, parents,
16 subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions,
17 assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential
18 and alleged joint employers, temporary staffing agencies, common law employers, potential and
19 alleged common law employers, dual employers, potential and alleged dual employers, co-
20 employers, potential and alleged co-employers, contractors, affiliates, service providers, alter-egos,
21 potential and alleged alter-egos, vendors, affiliated organizations, any person and/or entity with
22 potential or alleged to have joint liability, and all of their respective past, present, and future
23 employees, directors, officers, members, owners, agents, representatives, payroll agencies,
24 attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns.

25 1.44 “Request for Exclusion” means a Class Member’s submission of a written request to
26 be excluded from the Class Settlement signed by the Class Member.

27 1.45 “Response Deadline” means forty-five (45) days after the Administrator mails Notice
28 to Class Members and Aggrieved Employees and shall be the last date on which Class Members

may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail their Objection to the Settlement. Class Members to whom Notice packets are re-sent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline.

1.46 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

1.47 “Workweek” means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

2. RECITALS

2.1 On August 30, 2024, Plaintiff filed a Class Action Complaint alleging causes of action against Defendants for (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Records; and (9) Unfair Business Practices (“Class Action”).

2.2 On November 19, 2024, pursuant to Labor Code §2699.3, subd. (a), Plaintiff gave notice to the LWDA and Defendants that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1062527-24). On January 24, 2025, after the 65-day statutory period passed, Plaintiff filed a separate representative action, alleging a single cause of action for civil penalties under Labor Code section 2699, *et seq.* (“PAGA Action”).

2.3 Defendants deny the allegations in the Actions, deny any failure to comply with the laws identified in the Actions, and deny any and all liability for the causes of action alleged in the Actions.

2.4 On May 12, 2026, the Parties participated in an all-day mediation presided over by experienced class action and PAGA mediator Gig Kyriacou. The Parties accepted a mediator’s proposal that day and agreed on general settlement terms.

2.5 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed a

1 representative sampling of time and payroll data for Class Members and the necessary policy
2 documents through informal discovery to properly evaluate the strengths and weaknesses of the
3 claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to
4 satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,
5 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008)
6 ("*Dunk/Kullar*").

7 2.6 The Court has not granted class certification because the Parties engaged in
8 mediation before any class certification.

9 2.7 The Parties, Class Counsel and Defense Counsel represent that they are not aware of
10 any other pending matters or actions asserting claims that will be extinguished or affected by the
11 Settlement.

12 3. MONETARY TERMS.

13 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,
14 Defendants will pay Four Hundred Ninety-Eight Thousand Dollars and No Cents (\$498,000.00) to
15 fully settle, resolve, and extinguish all claims asserted in the Actions, including without limitation
16 all claims asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and
17 does not include employer payroll taxes owed on the wage portions of the Individual Class
18 Payments, which Defendants will pay separately.

19 3.2 Payments from the Gross Settlement Amount. The Administrator will make and
20 deduct the following payments from the Gross Settlement Amount, in the amounts specified by the
21 Court in the Final Approval:

22 3.2.1 To Plaintiff: A payment for the Class Representative Service Payment to Plaintiff of
23 not more than Fifteen Thousand Dollars and No Cents (\$15,000.00) in addition to any Individual
24 Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as
25 a Participating Class Member. Defendants will not oppose Plaintiff's request for a Class
26 Representative Service Payment that does not exceed this amount. As part of the motion for the
27 Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek Court approval for any
28 Class Representative Service Payment no later than sixteen (16) court days prior to the Final

1 Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class
2 Representative Service Payment less than the amount requested, the Administrator will retain the
3 remainder in the Net Settlement Amount to be distributed to Participating Class Members. The
4 Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff
5 assumes full responsibility and liability for employee taxes owed on the Class Representative
6 Service Payment.

7 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the
8 Gross Settlement Amount, which is currently estimated to be One Hundred Sixty-Six Thousand
9 Dollars and No Cents (\$166,000.00) and a Class Counsel Litigation Expenses Payment for actual
10 costs, not to exceed Twenty-Five Thousand Dollars and No Cents (\$25,000.00). Defendants shall
11 not oppose requests for these payments. Plaintiff and/or Class Counsel will file a motion for Class
12 Counsel Fees and Litigation Expenses Payment no later than sixteen (16) court days prior to the
13 Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel
14 Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested,
15 the Administrator will allocate the remainder to the Net Settlement Amount for distribution to
16 Participating Class Members. Released Parties shall have no liability to Class Counsel or any other
17 Plaintiff's counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class
18 Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment
19 and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes
20 full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
21 Counsel Litigation Expenses Payment and holds Defendants harmless from any dispute or
22 controversy regarding any division or sharing of any of these Payments.

23 3.2.3 To the Administrator: An Administrator Costs Payment not to exceed Six Thousand
24 Five Hundred Dollars and No Cents (\$7,000.00) except for a showing of good cause and as approved
25 by the Court. To the extent the Administration Costs are less or the Court approves payment of less
26 than \$7,000.00, the Administrator will retain the remainder in the Net Settlement Amount to be
27 distributed to Participating Class Members.

3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks.

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

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Twenty-Four Thousand Nine Hundred Dollars and No Cents (\$24,900.00) to be paid from the Gross Settlement Amount, with 65% (\$16,185.00) allocated to the LWDA PAGA Payment and 35% (\$8,715.00) 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 Aggrieved Employees' 35% share of PAGA Penalties of \$8,715.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to

Participating Class Members. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of their records, Defendants represent there are 520 Class Members who collectively worked a total of 13,972 Workweeks during the Class Period, and 836 Aggrieved Employees who worked a total of 13,818 PAGA Pay Periods between November 20, 2023 (i.e. the start of the PAGA Period) through April 19, 2026. Defendants will provide the final Pay Period count and Aggrieved Employee count at the close of the PAGA Period.

4.2 Class Data. Not later than twenty-one (21) 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' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data. Any inadvertent errors or omissions in the Class Data shall not constitute a breach of this Agreement, provided Defendants cure such errors or omissions within a reasonable time after discovery thereof. The Administrator's determination of Class Member status based on the Class Data shall be final and binding on all Parties and Class Members.

4.3 Funding of Gross Settlement Amount. Defendants shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date.

4.4 No Interest During Appeal. Notwithstanding any other provision of this Agreement or applicable law, no interest shall accrue on the Gross Settlement Amount or any portion thereof during any period between the Court's entry of Final Judgment and the Effective Date, including without limitation any period during which an appeal, writ, or other challenge to the Settlement is pending.

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

4.5.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). 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 the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice or PAGA Settlement Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.5.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS

forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the Void Date.

4.5.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled 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 Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

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 Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release.

a. In addition to the Released Class Claims and Released PAGA Claims, Plaintiff, in Plaintiff's individual capacity, fully and finally releases the Released Parties, from any and all claims, known and unknown, under federal, state, and/or local law, statute, ordinance, regulation, common law, or other source of law, including, but not limited to, claims arising from or related to Plaintiff's employment with Defendants and Plaintiff's compensation while an employee of Defendants ("Plaintiff's Released Claims").

b. Plaintiff's Released Claims include, but are not limited to, all claims asserted in the Action, and/or arising from or related to the Action, or the PAGA Notice. Plaintiff's Released Claims include all claims for: (i) unpaid wages, including, but not limited to failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and

1 interest; (ii) calculation of the regular rate of pay (including as it relates to overtime, meal and rest
2 break premiums, and sick leave); (iii) missed/short/late/interrupted meal period, rest period, and/or
3 recovery period wages/premiums; (iv) failure to provide meal periods; (v) failure to authorize and
4 permit rest periods and/or recovery periods; (vi) calculation of meal period, rest period, and/or
5 recovery period premiums; (vii) failure to track and pay sick leave; (viii) payment for all hours
6 worked, including off-the-clock work; (ix) wage statements; (x) deductions; (xi) failure to reimburse
7 business expenses; (xii) failure to pay wages timely during employment; (xiii) failure to pay all
8 wages due upon separation; (xiv) unfair business practices; (xv) penalties, including, but not limited
9 to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time
10 penalties; and (xvi) attorneys' fees and costs.

11 c. Plaintiff's Released Claims also include: (i) all claims arising under the California
12 Labor Code (including, but not limited to, sections 200, 201, 201.1, 201.3, 201.5, 202, 203, 204,
13 205.5, 206, 210, 216, 218, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 226.8, 256,
14 510, 511, 512, 516, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
15 1197.2, 1198, 2698 *et seq.*, 2699 *et seq.*, 2800, and 2802); and (ii) all claims arising under the Wage
16 Orders of the California Industrial Welfare Commission; PAGA; California Business and
17 Professions Code section 17200, *et seq.*; California Civil Code, to include but not limited to, sections
18 3287, 3336 and 3294; 12 CCR section 11040; 8 CCR section 11060; California Code of Civil
19 Procedure section 1021.5; California common law of contract; Fair Labor Standards Act, 29 U.S.C.
20 section 201 *et seq.*; federal common law; and Employee Retirement Income Security Act, 29 U.S.C.
21 section 1001, *et seq.*

22 d. Plaintiff's Released Claims also include all claims for lost wages and
23 benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising
24 under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful
25 termination, such as, by way of example only, (as amended) 42 U.S.C. section 1981, Title VII
26 of the Civil Rights Act of 1964, Americans With Disabilities Act, Age Discrimination in
27 Employment Act, and California Fair Employment and Housing Act; and the law of contract and
28 tort.

1 e. Plaintiff's Released Claims also include all claims, demands, rights, liabilities,
2 and causes of action of every nature and description whatsoever, asserted or that might have been
3 asserted, whether in tort, contract, or for violation of any state or federal statute, rule or regulation
4 arising out of, relating to, or in connection with any act or omission by or on the part of any of the
5 Plaintiff's Released Parties committed or omitted prior to the execution hereof, asserted or that could
6 have been asserted based upon the facts pleaded in the Actions, as well as any claims relating to
7 Plaintiff's employment with and/or separation from any of the Released Parties that may arise under
8 federal, state, or local wage and hour laws, ordinances, or regulations. This release excludes the
9 release of claims not permitted by law.

10 f. Plaintiff's Released Claims include all claims, whether known or unknown.
11 Even if Plaintiff discovers facts in addition to or different from those that Plaintiff now knows or
12 believes to be true with respect to the subject matter of Plaintiff's Released Claims, those claims
13 will remain released and forever barred. Thus, for purposes of Plaintiff's Release, Plaintiff expressly
14 waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California
15 Civil Code, which reads:

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

20 g. Notwithstanding the foregoing, Plaintiff does not waive or release any claim
21 which cannot be waived or released by private agreement. Nothing in this Agreement shall prevent
22 Plaintiff from filing a charge or complaint with, or from participating in, an investigation or
23 proceeding conducted by the SEC, OSHA, EEOC, CRD, NLRB or any other federal, state or local
24 agency charged with the enforcement of any employment or other applicable laws. Plaintiff
25 understands that by signing this Agreement, Plaintiff waives the right to recover any damages or to
26 receive other relief in any claim or suit brought by or through the EEOC, the CRD or any other state
27 or local deferral agency on Plaintiff's behalf to the fullest extent permitted by law, but expressly
28 excluding any monetary award or other relief available from the SEC/OSHA, including an

SEC/OSHA whistleblower award, or other awards or relief that may not lawfully be waived.

h. The Plaintiff's Released Claims does not extend to any claims or actions to enforce this Agreement, to any claims for vested benefits, unemployment benefits, disability benefits, or social security benefits, or to any claims for workers' compensation benefits that arose at any time.

5.2 Released Class Claims: All the Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns release the Released Parties from all the claims that were alleged, or could have been alleged, based on the facts contained in the Complaints and that occurred during the Class Period ("Released Class Claims"). All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, alleged or which could have reasonably been alleged based on the facts alleged in the operative Complaint, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 1194, 1194.2, 1197 and 1197.1); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 510, 1194, and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226); (7) failure to indemnify employees for expenditures (pursuant to Cal. Labor Code §§ 2802); (8) failure to produce requested employment records (pursuant to Cal. Labor Code §§ 226, 432, and 1198.5); and (9) unfair business practices (pursuant to Cal. Bus. & Prof. Code §§ 17200, et seq.). The enumeration of these specific claims shall neither enlarge nor narrow the scope of res judicata based on the claims that were asserted in the Action or could have been asserted in the Action based on the facts and circumstances alleged in the Complaint. The Released Class Claims are those that accrued during the Class Period. Each Participating Class Member acknowledges that he or she may discover facts or law different from, or in addition to, the facts or law that he or she now knows or believes to be true but agrees, nonetheless, that the Released Class Claims shall be and remain effective in all respects, notwithstanding such different or additional facts or the discovery of them.

a. The Released Class Claims include all claims under local, state, and federal law for: unpaid wages, including, but not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; failure to track and pay sick leave; the calculation of the regular rate of pay (including as it relates to overtime, meal and rest break premiums, and sick leave); missed/short/late/interrupted meal period, rest period, and/or recovery period wages and premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; deductions; failure to reimburse business expenses; failure to pay wages timely during employment; failure to pay all wages due upon separation; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs.

b. The Released Class Claims include all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 202, 203, 204, 206, 210, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 229, 246, 510, 511, 512, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2699 et seq., 2800, and 2802); the Wage Orders of the California Industrial Welfare Commission; California Business and Professions Code section 17200, et seq.; and the Fair Labor Standards Act, 29 U.S.C. section 201 et seq.

c. Except as set forth in Section 5.3, the 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, or workers' compensation or claims based on facts occurring outside the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees, are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, and the LWDA, the Released Parties from all the claims for the PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the PAGA complaint and PAGA Notice and that occurred during the PAGA Period ("Released PAGA Claims").

a. The Released PAGA Claims include all claims for: failure to pay all wages,

1 including failure to pay minimum wages, straight time compensation, overtime compensation,
2 double-time compensation, and interest; failure to track and pay sick leave; the calculation of the
3 regular rate of pay (including as it relates to overtime, meal and rest break premiums, and sick leave);
4 missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums;
5 failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods;
6 the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours
7 worked, including off-the-clock work; wage statements; deductions; failure to reimburse business
8 expenses; failure to pay wages timely during employment; failure to pay all wages due upon
9 separation; unfair business practices; penalties, including, but not limited to, recordkeeping
10 penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and
11 attorneys' fees and costs.

12 b. The Released PAGA Claims include all penalties arising under the California
13 Labor Code (including alleged violations of Labor Code sections 200, 201, 202, 203, 204, 206, 210,
14 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 229, 246, 510, 511, 512, 550, 551, 552,
15 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2699 et seq.,
16 2800, and 2802).

17 **6. MOTION FOR PRELIMINARY APPROVAL.** Plaintiff will prepare and file a motion
18 for preliminary approval ("Motion for Preliminary Approval").

19 6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for
20 obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of
21 the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
22 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2));
23 (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii)
24 a draft proposed Class Notice (Exhibit A) and PAGA Settlement Notice (Exhibit B); (iv) a signed
25 declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts
26 relevant to any actual or potential conflicts of interest with Class Members, and/or the
27 Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to
28 represent the Class Members; its timely transmission to the LWDA of all necessary PAGA

documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff 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.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than sixteen (16) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

6.3 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, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. If that process fails, the Settlement will be null and void. In such event, the Parties reserve their rights with respect to the prosecution and defense of the Actions. Any disputes arising out of or relating to this Agreement will be submitted to the mediator for resolution. The Parties will split the costs of the mediator for any such time incurred by the mediator in reaching such resolution, and the Parties will bear their own attorneys' fees and other costs incurred.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected xPand Legal Consulting LLC to serve as the Administrator and verified that, as a condition of appointment, the Administrator 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 Costs. The Parties and their

Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into the QSF prior to distribution by the Administrator will become part of the NSA for distribution to Participating Class Members.

7.4 Notice to Class Members.

7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as **Exhibit A**. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

1 7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks
2 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days
3 beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose
4 notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with
5 the re-mailed Class Notice.

6 7.4.5 If the Administrator, Defendants, or Class Counsel is contacted by or otherwise
7 discovers any persons who believe they should have been included in the Class Data and should
8 have received a Class Notice or PAGA Settlement Notice, the Parties will expeditiously meet and
9 confer in person or by telephone, and in good faith in an effort to agree on whether to include them
10 as Class Members or PAGA Members. If the Parties agree, such persons will be Class Members
11 entitled to the same rights as other Class Members (or where applicable PAGA Members entitled to
12 the same rights as other PAGA Members), and the Administrator will send, via email or overnight
13 delivery, a Class Notice requiring them to exercise options under this Agreement not later than
14 fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever
15 are later.

16 7.5 Requests for Exclusion (Opt-Outs).

17 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
18 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later
19 than forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen
20 (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
21 from a Class Member or his/her representative that reasonably communicates the Class Member's
22 election to be excluded from the Settlement and includes the Class Member's name, address and
23 email address or telephone number. To be valid, a Request for Exclusion must be timely faxed,
24 emailed, or postmarked by the Response Deadline.

25 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
26 to contain all the information specified in the Class Notice. The Administrator shall accept any
27 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
28 person as a Class Member and the Class Member's desire to be excluded. The Administrator's

determination shall be final and not appealable or otherwise susceptible to challenge. If the 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 Participating Class Members' 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 a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Opt-Out Threshold. If the number of Class Members who submit valid and timely Requests for Exclusion exceeds ten percent (10%) of the total number of Class Members, Defendants shall have the right, in their sole discretion, to void this Agreement by providing written notice to Class Counsel within fourteen (14) days after the Administrator provides the Exclusion List. In the event Defendants exercise this right, this Agreement shall be null and void, the Parties shall bear their own attorneys' fees and costs, and the Parties shall equally share any Administration Costs incurred to that point. In such event, the Parties reserve all rights with respect to the prosecution and defense of the Actions.

7.7 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The

1 Administrator must encourage the challenging Class Member to submit supporting documentation.
2 In the absence of any contrary documentation, the Administrator is entitled to presume that the
3 Workweeks contained in the Class Notice are correct so long as they are consistent with the Class
4 Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or
5 Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The
6 Administrator shall promptly provide copies of all challenges to the calculation of Workweeks
7 and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of
8 the challenges.

9 7.8 Objections to Settlement.

10 7.8.1 Only Participating Class Members may object to the class action components of the
11 Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or
12 amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment
13 and/or Class Representative Service Payment.

14 7.8.2 Participating Class Members may send written objections to the Administrator, by
15 fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an
16 attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A
17 Participating Class Member who elects to send a written objection to the Administrator must do so
18 not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an
19 additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

20 7.8.3 Non-Participating Class Members have no right to object to any of the class action
21 components of the Settlement.

22 7.9 Notice to PAGA Members who are *not* also Class Members

23 7.9.1 As set forth in Section 4.5, when the Administrator mails out settlement
24 checks to PAGA Members who are not also Class Members (and thus did not receive the Class
25 Notice), along with the settlement checks the Administrator shall mail out the PAGA Settlement
26 Notice with Spanish translation substantially in the form attached to this Agreement as **Exhibit B**.

27 7.9.2 Not later than five (5) calendar days after the Administrator's receipt of any
28 PAGA Settlement Notices returned by the USPS as undelivered, the Administrator shall re-mail the

1 PAGA Settlement Notice and settlement check using any forwarding address provided by the USPS.
2 If the USPS does not provide a forwarding address, the Administrator shall conduct a PAGA
3 Member Address Search, and re-mail the PAGA Settlement Notice and settlement check to the most
4 current address obtained. The Administrator has no obligation to make further attempts to locate or
5 send the PAGA Settlement Notice and settlement check whose PAGA Settlement Notice is returned
6 by the USPS a second time.

7 7.10 Administrator Duties. The Administrator has a duty to perform or observe all tasks
8 to be performed or observed by the Administrator contained in this Agreement or otherwise.

9 7.10.1 Email Address and Toll-Free Number. The Administrator will establish, maintain
10 and use an email address and a toll-free telephone number to receive Class Member calls, faxes and
11 emails.

12 7.10.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
13 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than
14 five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
15 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and
16 other identifying information of Class Members who have timely submitted valid Requests for
17 Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members
18 who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from
19 Settlement submitted (whether valid or invalid).

20 7.10.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
21 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices
22 mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or
23 invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or
24 resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments
25 (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the
26 validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections
27 received.
28

1 7.10.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
2 address and make final decisions consistent with the terms of this Agreement on all Class Member
3 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision
4 shall be final and not appealable or otherwise susceptible to challenge.

5 7.10.5 Administrator's Declaration. Not later than fourteen (14) days before the date by
6 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator
7 will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court
8 attesting to its due diligence and compliance with all of its obligations under this Agreement,
9 including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered,
10 the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for
11 Exclusion from Settlement it received (both valid or invalid), the number of written objections and
12 attach the Exclusion List. The Administrator will supplement its declaration as needed or requested
13 by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's
14 declaration(s) in Court.

15 7.10.6 Final Report by Settlement Administrator. Within ten (10) days after the
16 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
17 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
18 identification number only of all payments made under this Agreement. At least fifteen (15) days
19 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel
20 and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement
21 of all payments required under this Agreement. Class Counsel is responsible for filing the
22 Administrator's declaration in Court.

23 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**. Based on their records,
24 Defendants represent there are 520 Class Members who collectively worked a total of 13,972
25 Workweeks during the Class Period, and 836 Aggrieved Employees who worked a total of 13,818
26 PAGA Pay Periods between November 20, 2023 (i.e. the start of the PAGA Period) through April
27 19, 2026. If, on final calculation, the total number of (a) Workweeks during the Class Period; or (b)
28 Pay Periods during the PAGA Pay Period, is greater than 10% higher than 13,972 Workweeks or

13,818 Pay Periods (*i.e.*, greater than 15,369 Workweeks or 15,200 Pay Periods), then Defendants will have the option to either (i) proportionally increase the Gross Settlement Amount by the Workweeks or Pay Periods worked in excess of 15,369 or 15,200, respectively, by multiplying the excess Workweeks and/or Pay Periods by the per Workweek or Pay Period value, or (ii) limit the Class Period to the date that the number of Workweeks exceed 15,369 or PAGA Period to the date that the number of Pay Periods exceed 15,200. If Defendants select option (i) so as to increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third (1/3) of the Gross Settlement Amount after the upward adjustment required by this provision is implemented.

9. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiff will file in Court, a Motion for Final Approval of the Class Action Settlement that also includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

9.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service

1 Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or
2 Administrator Costs Payment shall not constitute a material modification to the Agreement within
3 the meaning of this paragraph.

4 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,
5 the Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
6 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
7 and (iii) addressing such post-Judgment matters as are permitted by law.

8 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
9 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
10 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
11 counsel, and all Participating Class Members who did not object to the Settlement as provided in
12 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment
13 and appellate proceedings, the right to file motions to vacate judgment, motions for new trial,
14 extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to
15 oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations
16 to perform under this Agreement will be suspended until such time as the appeal is finally resolved
17 and the Judgment becomes final, except as to matters that do not affect the amount of the Net
18 Settlement Amount.

19 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
20 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
21 modification of this Agreement (including, but not limited to, the scope of release to be granted by
22 Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously
23 work together in good faith to address the appellate court's concerns and to obtain Final Approval
24 and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably
25 incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of
26 the Class Representative Service Payment or any payments to Class Counsel shall not constitute a
27 material modification of the Judgment within the meaning of this paragraph, as long as the Gross
28 Settlement Amount remains unchanged.

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

4 **11. ADDITIONAL PROVISIONS.**

5 11.1 No Admission of Liability, Class Certification or Representative Manageability for
6 Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims.
7 Nothing in this Agreement is intended or should be construed as an admission by Defendants that
8 any of the allegations in the Complaints have merit or that Defendants have any liability for any
9 claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants'
10 defenses in the Actions have merit. The Parties agree that class certification and representative
11 treatment is for purposes of this Settlement only. If, for any reason, the Court does not grant
12 Preliminary Approval, Final Approval, or enter Judgment, Defendants reserve the right to contest
13 certification of any class for any reason, Defendants reserve all available defenses to the claims in
14 the Actions, and Plaintiff reserves the right to move for class certification on any grounds available
15 and to contest Defendants' defenses. The Settlement, this Agreement and the Parties' willingness to
16 settle the Actions will have no bearing on, and will not be admissible in connection with, any
17 litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

18 11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants,
19 and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
20 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
21 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
22 indirectly, specifically or generally, to any person, corporation, association, government agency, or
23 other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be
24 instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent
25 necessary to report income to appropriate taxing authorities; (4) in response to a court order or
26 subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
27 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
28 inquiry, or subpoena seeking such information. Plaintiff, 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. Following the filing of the Motion for Preliminary Approval, no Party or their counsel shall issue any press release, public statement, or communication to the media regarding the Settlement without the prior written consent of the other Party, except as required by law or court order, or as necessary to respond to inquiries by stating only that “the matter has been resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

11.3 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, in connection with other settlement negotiations, or in connection with 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) calendar days after the date when the Court discharges the Administrator’s obligation to provide a declaration confirming the final pay out of all the settlement funds, Plaintiff 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 destruction, of Class Data.

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

11.5 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.

11.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff 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.

11.7 Cooperation. The Parties and their counsel will cooperate with each other and use their reasonable 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.

11.8 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 and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

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

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

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

11.12 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.

11.13 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.

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

11.15 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.

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

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

<u>To Plaintiff:</u>	<u>To Defendants:</u>
John G. Yslas (SBN 187324) john.yslas@wilshirelawfirm.com William M. Pao (SBN 219846) william.pao@wilshirelawfirm.com WILSHIRE LAW FIRM PLC 660 South Figueroa Street Sky Lobby Los Angeles, California 90017 Telephone: (213) 381-9988 Facsimile: (213) 381-9989	SHEPPARD, MULLIN, RICHTER & HAMPTON LLP Adam R. Rosenthal (Cal Bar No. 246722) arosenenthal@sheppard.com Julia A. Sherwood (Cal Bar No. 339716) jsherwood@sheppard.com 12275 El Camino Real, Suite 100 San Diego, California 92130-4092 Telephone: (858) 720-8900 Facsimile: (858) 509-3691

11.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be

1 deemed to be one and the same instrument if counsel for the Parties will exchange between
2 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
3 the existence and contents of this Agreement.

4 11.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the
5 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree
6 that upon the signing of this Agreement pursuant to Code of Civil Procedure section 583.330 to
7 extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire
8 period of this settlement process.

9 11.20 Binding Agreement. The Parties intend that this Agreement shall be fully
10 enforceable and binding upon all Parties within the provisions of Code of Civil Procedure section
11 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms
12 pursuant to Evidence Code sections 1122(a)(1) and 1123(b), notwithstanding the confidentiality
13 provisions that otherwise might apply under federal or state law. The Parties further agree and intend
14 that the San Diego County Superior Court may enforce this Agreement pursuant to Code of Civil
15 Procedure section 664.6.

16 IT IS SO AGREED.

17 6/12/2026

18 DATED: June ____, 2026

Wellness Eatery Coronado, LLC, Wellness Eatery Beverly
Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness
Eatery Carlsbad, LLC, Wellness Eatery Carmel Valley, LLC,
Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy,
LLC, and Wellness Eatery Newport Beach, LLC

DocuSigned by:

Jonathan Goldwasser

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Jonathan Goldwasser

By: _____

Its: CEO _____ and authorized
representative

WILSHIRE LAW FIRM
ATTORNEYS AT LAW
3055 WILSHIRE BOULEVARD, 12TH FLOOR
LOS ANGELES, CALIFORNIA 90010
(213) 381-9988

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DATED: June ¹⁶_____, 2026

Signed by:

4FAF526F910743F..
Abigail Salas

AGREED AS TO FORM:

DATED: June ¹¹_____, 2026

WILSHIRE LAW FIRM, PLC


John G. Yslas, Esq.
William M. Pao, Esq.
Attorneys for Plaintiff
Abigail Salas

DATED: June _____, 2026

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

Adam R. Rosenthal, Esq.
Julia A. Sherwood, Esq.
Attorneys for Defendants
Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC

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DATED: June ____, 2026

Abigail Salas

AGREED AS TO FORM:

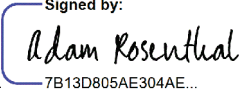
DATED: June ____, 2026

WILSHIRE LAW FIRM, PLC

John G. Yslas, Esq.
William M. Pao, Esq.
Attorneys for Plaintiff
Abigail Salas

6/15/2026
DATED: June ____, 2026

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

Signed by:

7B13D805AE304AE...

Adam R. Rosenthal, Esq.
Julia A. Sherwood, Esq.
Attorneys for Defendants
Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC

EXHIBIT A

Exhibit A

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

Abigail Salas v. Wellness Eatery Coronado, LLC, et al.
(San Diego Superior Court Case No. 25CU010532C)

Abigail Salas v. Wellness Eatery Coronado, LLC, et al.
(San Diego Superior Court Case No. 25CU004356C)

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

You may be eligible to receive money from two lawsuits (collectively, the “Actions”) against Defendants Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC (“Defendants”) for alleged wage and hour violations, which Defendants deny. The Actions were filed by a former employee named Abigail Salas (the “Plaintiff”). The Actions seek payment of:

- (1) Unpaid wages, penalties, and interest for a class of former hourly-paid or non-exempt employees of Defendants who did not sign arbitration agreements during their employment with Defendants and who were employed by Defendants within the State of California for at least one (1) week during the Class Period (August 30, 2020 through September 5, 2024); and
- (2) Penalties under the Labor Code Private Attorney General Act of 2004 (“PAGA”) for all current and former hourly-paid or non-exempt employees of Defendants who were employed by Defendants within the State of California for at least one (1) week during PAGA Period (November 20, 2023 through July 12, 2026) (“PAGA Members”).

The settlement has two parts: (1) Class Settlement to fund Individual Class Payments; and (2) PAGA Settlement to fund Individual PAGA Payments.

Your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on several 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 didn’t work during the PAGA Period.

The above estimates are based on Defendants’ records showing that you worked [REDACTED] Workweeks during the Class Period and worked [REDACTED] PAGA Pay Periods during the PAGA Period. If you believe that you worked more Workweeks or PAGA Pay Periods during either period, you can submit a challenge by the deadline date. See Section IV of this Class Notice.

The Court has already preliminarily approved the settlement and approved this Class Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether

you act or do not act. At the Final Approval Hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel").

If you worked for Defendants during the Class Period and/or PAGA Period, you have two (2) basic options under the settlement:

1. **Do Nothing.** You don't have to do anything to participate in the settlement and be eligible for an Individual Class Payment and/or Individual PAGA Payment. As a Participating Class Member, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendants.
2. **Opt Out of the Class Portion of the Settlement.** You can exclude yourself from the Class portion of the Settlement by submitting the written Request for Exclusion or notifying the Administrator in writing. If you opt out of the settlement, you will not receive an Individual Class Payment but will preserve your right to personally pursue Class Period wage claims against Defendants. If you are a PAGA Member, you remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the settlement.

Defendants won't retaliate against you for any actions you take with respect to the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants covered by this settlement (Released Claims).
You Can Opt Out of the Class Portion of the Settlement but not the PAGA Portion of the Settlement The Opt Out Deadline is 	If you don't want to fully participate in the settlement, you can opt out of the Class portion of the Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and will no longer be eligible for an Individual Class Payment. The Non-Participating Class Members cannot object to any portion of the settlement. See Section VI of this Class Notice. You cannot opt out of the PAGA portion of the settlement. Defendants must pay Individual PAGA Payments to all PAGA Members, and the PAGA Members must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Portion of the Settlement but not the PAGA Portion of the Settlement Written Objections Must be Submitted by 	All the Class Members who do not opt out (“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 Plaintiff. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to the Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this Class Notice.
You Can Participate in the Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on . You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person or by telephone. The Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section VIII of this Class Notice.
You Can Challenge the Calculation of Your Workweeks / PAGA Pay Periods Written Challenges Must be Submitted by 	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many Workweeks you worked at least one (1) day during the Class Period and how many PAGA Pay Periods you worked at least one (1) day during the PAGA Period, respectively. The number of Workweeks and PAGA Pay Periods you worked according to Defendants’ records is stated on the first page of this Class Notice. See Section IV of this Class Notice.

I. WHAT ARE THE ACTIONS ABOUT?

Plaintiff is a former employee of Wellness Eatery Coronado, LLC. The Actions allege that Defendants violated the following California labor laws: (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; and (9) Unfair Business Practices. In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA (“PAGA Penalties”) based on the alleged violations of the California Labor Code listed above. Plaintiff is represented by attorneys John Yslas and William Pao of Wilshire Law Firm, PLC.

Defendants vehemently deny violating any laws or failing to pay any wages or penalties, and contend they complied with all applicable laws.

II. WHAT DOES IT MEAN THAT THE ACTIONS HAVE SETTLED?

The Court has not made a determination as to whether Plaintiff or Defendants are correct on the merits. In the meantime, the Parties retained an experienced, neutral mediator to help them resolve the Actions by negotiating a settlement to the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful following a full day of mediation.

By signing the Class Action and PAGA Settlement Agreement (“Settlement Agreement,” “Settlement,” or “Agreement”) and agreeing to jointly ask the Court to enter a judgment concluding the Actions and enforcing the Settlement Agreement, the Parties negotiated a settlement that is subject to the Final Approval. Both sides agree that the settlement is a compromise of disputed claims. To be clear, Defendants deny that they violated any provisions of the Labor Code as it relates to their obligations to the Plaintiff or any current or former employees.

The Court preliminarily approved the Settlement as fair, reasonable, and adequate, authorized the mailing of this Class Notice, and scheduled a hearing to determine Final Approval.

III. WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

1. Defendants Will Pay a Gross Settlement Amount of \$498,000. Defendants agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses Payment, Individual Class Payments, Individual PAGA Payments, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”).
 - a. Assuming that the Court grants Final Approval, no later than fourteen (14) days after the Effective Date, Defendants shall fund the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator. No later than fourteen (14) calendar days after Defendants fund the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the Administrator will mail checks to the appropriate entities and persons.
 - b. “Effective Date” means the date by which the Settlement and judgment become final. For purposes of this Agreement, the Settlement and judgment “becomes final” only after the Court grants the Motion for Final Approval of the Settlement and upon service of the Notice of Entry of Order and/or Judgment, and upon the latter of the following: (a) the sixty-first (61st) day following Notice of Entry of the Court’s Order and/or Judgment; (b) the date of affirmance of an appeal of the Order Granting Final Approval and/or Judgment becomes final under the California Rules of Court; or (c) the date of final dismissal of any appeal from the Order Granting Final Approval and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Order Granting Final Approval and/or Judgment. In this regard, it is the intention of the Parties that the Settlement shall not become effective, and Defendants will not be obligated to fund this Settlement, until the Court’s order approving the Settlement becomes final, and there is no further recourse by an appellant, objector, or intervenor who seeks to contest the Settlement.
2. Court Approved Deductions from the Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount:

- a. Up to \$166,000 (one-third of the Gross Settlement Amount) to Class Counsel as their Class Counsel Fees Payment and up to \$25,000 as their Class Counsel Litigation Expenses Payment. To date, Class Counsel have worked and incurred expenses on the Actions without any payment.
 - b. Up to \$15,000 to Plaintiff as the Class Representative Service Payment for filing the Action, working with Class Counsel, and effectively representing the Class Members. The Class Representative Service Payment will be the only money that Plaintiff will receive other than the Individual Class Payment and any Individual PAGA Payment.
 - c. Up to \$7,000.00 to the Administrator as the Administration Expenses Payment for the services in administering the Settlement.
 - d. Up to \$24,900 as the PAGA Penalties, sixty-five percent (65%) of which (\$16,185) will be paid to the LWDA as the LWDA PAGA Payment and thirty-five percent (35%) of which (\$8,715) will be paid to the PAGA Members as their Individual PAGA Payments based on their PAGA Pay Periods.
3. Net Settlement Amount Distributed to the Participating Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (“Net Settlement Amount”) by making Individual Class Payments to the Participating Class Members based on their Workweeks.
4. Taxes Owed on Payments to Class Members. The Parties are asking the Court to approve an allocation of twenty percent (20%) of each Individual Class Payment to taxable wages (“Wage Portion”) and eighty percent (80%) of each Individual Class Payment to penalties, interests, and reimbursement of expenses (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS Form W-2. Defendants will separately pay employer payroll taxes owed on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Non-Wage Portions of the Individual Class Payments and Individual PAGA Payments on IRS Form 1099.
 - a. While the Parties 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 Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the settlement.
5. Need to Promptly Cash the Checks. The face of each check shall state checks that are not cashed no later than one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. For any Class Member whose settlement 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 Class Member. 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 Portion of the Settlement. You will be treated as a Participating Class Member, participating fully in the Class portion of the Settlement, unless you notify the Administrator in writing that you wish to opt out. The Non-Participating Class Members will not receive Individual Class Payments but will preserve their right to personally pursue wage and hour claims against Defendants.
 - a. You cannot opt out of the PAGA portion of the Settlement. In other words, the 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 Actions during the PAGA Period.
7. Right to Object. The Participating Class Members have the right to object to the Settlement, including the above-mentioned payments. The Court will consider all objections.
8. The Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. The Parties agreed that, in either case, the Settlement will be void: (a) Defendants will not pay any money; and (b) Class Members will not release any claims against Defendants.
9. Administrator. The Court has appointed a neutral company xPand Legal Consulting LLC ("Administrator") to send this Class Notice, calculate and make payments, and process the Requests for Exclusion. The Administrator will also decide the challenges over the Workweeks and/or PAGA Pay Periods, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section IX of this Class Notice.
10. Release by the Participating Class Members. After Defendants have funded the Gross Settlement Amount and separately paid all employer payroll taxes, the Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. The Participating Class Members will be bound by the following release:
 - a. All Settlement Class Members who do not properly opt-out of the Settlement will fully and finally release the Defendants, together with each of their past, present, and future agents, employees, servants, officers, directors, managing agents, members, owners (whether direct or indirect), partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and alleged joint employers, temporary staffing agencies, common law employers, potential and alleged common law employers, dual employers, potential and alleged dual employers, co-employers, potential and alleged co-employers,

contractors, affiliates, service providers, alter-egos, potential and alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present, and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns (collectively, the “Released Parties”) from any and all Released Class Claims (defined below) that arose during the Class Period. The Released Class Claims include all claims asserted in the Actions, as amended, and/or arising from or related to the facts and claims alleged in the Actions, as amended. The Released Class Claims include all claims for unpaid wages, including, but not limited to, failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; failure to track and pay sick leave; the calculation of the regular rate of pay (including as it relates to overtime, meal and rest break premiums, and sick leave); missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; deductions; failure to reimburse business expenses; failure to pay wages timely during employment; failure to pay all wages due upon separation; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys’ fees and costs. The Released Class Claims include all claims arising under the California Labor Code (including, but not limited to, sections 200, 201, 202, 203, 204, 206, 210, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 229, 246, 510, 511, 512, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2699 et seq., 2800, and 2802); the Wage Orders of the California Industrial Welfare Commission; California Business and Professions Code section 17200, et seq.; and the Fair Labor Standards Act, 29 U.S.C. section 201 et seq.

- b. Except as set forth in Section 10(a) above, the 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, or workers’ compensation or claims based on facts occurring outside the Class Period.

11. Release by PAGA Members. After Defendants have funded the Gross Settlement Amount and separately paid all employer payroll taxes, all PAGA Members will be barred from asserting PAGA claims against Defendants even if they exclude themselves from the Settlement. The PAGA Members will be bound by the following release:

- a. All PAGA Members, including those who timely and effectively exclude themselves from the Settlement Class, shall nevertheless be bound by the Released PAGA Claims (defined below) and shall receive a pro rata portion of 35% of the PAGA penalties. All PAGA Members, on behalf of themselves and their respective

former and present representatives, agents, attorneys, heirs, administrators, successors, assigns, and the LWDA, shall release the Released Parties from all known and unknown claims for civil penalties under PAGA that were alleged, or could have been alleged, based on the facts stated in the PAGA complaint and PAGA Notice, and that occurred during the PAGA Period, including but not limited to, claims relating to failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; failure to track and pay sick leave; the calculation of the regular rate of pay (including as it relates to overtime, meal and rest break premiums, and sick leave); missed/short/late/interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; deductions; failure to reimburse business expenses; failure to pay wages timely during employment; failure to pay all wages due upon separation; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs; and alleged violations of Labor Code sections 200, 201, 202, 203, 204, 206, 210, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 229, 246, 510, 511, 512, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2699 et seq., 2800, and 2802.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate the Individual Class Payments by: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member during the Class Period.
2. Individual PAGA Payments. The Administrator will calculate the Individual PAGA Payments by: (a) dividing the thirty-five percent (35%) share of the PAGA Penalties (\$8,715) by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period; and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual PAGA Member during the PAGA Period.
3. Workweek / PAGA Pay Period Challenges. The number of Workweeks you worked during the Class Period and number of PAGA 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 [REDACTED] to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section IX of this Class Notice has the Administrator's contact information.
 - a. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or

PAGA 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 PAGA 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.

V. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, via first-class United States Postal Service ("USPS") mail, postage prepaid, a single check to every Participating Class Member, including those who also qualify as PAGA Member. The single check will combine the Individual Class Payment and Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, via first-class USPS mail, postage prepaid, a single Individual PAGA Payment check to every PAGA Member who is a Non-Participating Class Member.
3. **Your check 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 IX of this Class Notice has the Administrator's contact information.**

VI. HOW DO I OPT OUT OF THE CLASS PORTION OF THE SETTLEMENT?

Submit a written and signed letter with your full name, present address, email address or telephone number, and simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request (or have your authorized representative sign on your behalf), identify the lawsuit as *Abigail Salas v. Wellness Eatery Coronado, LLC, et al.* (San Diego Superior Court Case No. 25CU010532C and San Diego Superior Court Case No. 25CU004356C), and include your identifying information (full name, present address, and email address or telephone number). The Administrator must be sent your request to be excluded by [REDACTED], or it will be deemed invalid. Section IX of the Class Notice has the Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only the Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Agreement, Motion for Final Approval, and/or Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment may wish to object. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the lawsuit as *Abigail Salas v. Wellness Eatery Coronado, LLC, et al.* (San Diego Superior Court Case No. 25CU010532C and San Diego Superior Court Case No. 25CU004356C) and include your full name, present address, email address or telephone number, and signature. Section IX of this Class Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain an attorney to object 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 VIII of this Class Notice for specifics regarding the Final Approval Hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department C-64 of the San Diego County Superior Court located at 330 West Broadway San Diego, California 92101. At the Final Approval 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, Plaintiff, and the Administrator. The Court will invite comments from the objectors, Class Counsel, and Defense Counsel before deciding.

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

IX. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything the Parties have promised to do under the Settlement Agreement. The easiest way to read the Settlement Agreement, Judgment, or any other settlement document is to go to Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or Administrator using the contact information listed below or consult the Court's website by going to <https://odyroa.sdcourt.ca.gov/> and entering the Case No. 25CU010532C). You can also go to the Court in person at the address listed in Section VIII of this Class Notice and request copies of the court documents.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

Class Counsel: John G. Yslas
john.yslas@wilshirelawfirm.com
William M. Pao
william.pao@wilshirelawfirm.com
WILSHIRE LAW FIRM PLC
660 South Figueroa Street
Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Administrator: [xPand Legal Consulting LLC]
[MAILING ADDRESS]
[TELEPHONE NUMBER]
[FAX NUMBER]
[EMAIL]

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your check before cashing it, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the California Controller's Unclaimed Property Fund at https://www.sco.ca.gov/search_upd.html for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

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

Exhibit B

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Address>>
<<City>> <<State>> <<Zip>>

COURT APPROVED NOTICE OF PAGA SETTLEMENT

Re: Individual PAGA Payment from *Abigail Salas v. Wellness Eatery Coronado, LLC, et al.*,
San Diego County Superior Court, Case No. 25CU004356C

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<amount of payment>> (“Individual PAGA Payment”). This check is your payment from the settlement of a lawsuit entitled *Abigail Salas v. Wellness Eatery Coronado, LLC, et al.*, Case No. 25CU004356C (the “Lawsuit”), filed in the Superior Court of California for the County of San Diego (“Court”).

The Lawsuit was brought by Abigail Salas (“Plaintiff”), a former employee of Wellness Eatery Coronado, LLC, on behalf of herself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). Plaintiff alleged that Wellness Eatery Coronado, LLC, Wellness Eatery Beverly Hills, LLC, Wellness Eatery Brentwood, LLC, Wellness Eatery Carlsbad, LLC, Wellness Eatery Carmel Valley, LLC, Wellness Eatery La Jolla, LLC, Wellness Eatery Little Italy, LLC, and Wellness Eatery Newport Beach, LLC (“Defendants”) violated the California Labor Code by, among other things, failing to pay minimum and straight time wages; failing to pay overtime wages; failing to provide meal periods; failing to authorize and permit rest periods; failing to pay all wages earned twice per month; failing to maintain accurate records of hours worked and meal periods; failing to timely pay all wages at termination; failing to furnish accurate itemized wage statements; failing to indemnify employees for necessary expenditures; failing to provide requested employment records; and engaging in unfair business practices.

Defendants deny Plaintiff’s claims in their entirety, maintain that they complied with the law, and deny that any penalties are owed. However, in an effort to avoid the expense of protracted litigation, Defendants and Plaintiff reached a resolution of the claims alleged in the Lawsuit

through a settlement. The Court has not made a determination about Plaintiff's allegations. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of Plaintiff's claims.

The settlement was reached between Plaintiff and Defendants, on behalf of Plaintiff, Defendants, the State of California, and the following individuals (the "PAGA Members"): all current and former hourly-paid or non-exempt employees of Defendants who were employed by Defendants within the State of California for at least one (1) week during the PAGA Period (November 20, 2023 through July 12, 2026). You are receiving a portion of the settlement (the enclosed Individual PAGA Payment check) because you have been identified as a PAGA Member. You will not be retaliated against by Defendants for cashing your check.

On <<Approval Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the PAGA Members. Your Individual PAGA Member Payment is based on the total number of pay periods that you worked as a PAGA Member during the PAGA Period. The Individual PAGA Member Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Defendants' records show that you worked <<PayPeriods>> during the PAGA Period. The total amount of pay periods worked by all PAGA Members during the PAGA Period is INSERT PAY PERIODS.

By way of the settlement, the State of California and all PAGA Members released Defendants, together with each of their past, present, and future agents, employees, servants, officers, directors, managing agents, members, owners (whether direct or indirect), partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and alleged joint employers, temporary staffing agencies, common law employers, potential and alleged common law employers, dual employers, potential and alleged dual employers, co-employers, potential and alleged co-employers, contractors, affiliates, service providers, alter-egos, potential and alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, and all of their respective past, present, and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns (the "Released Parties") from any and all claims for civil penalties under PAGA (or, in the case of the LWDA, for civil penalties in a civil action brought directly by the LWDA) that were alleged, or could have been alleged, based

on the facts stated in the PAGA complaint and PAGA Notice, and that occurred during the PAGA Period (the “Released PAGA Claims”).

Without limiting the foregoing, the Released PAGA Claims shall include, but not be limited to, any claims for civil penalties under PAGA arising out of, or in any way related to, allegations of: failure to pay all wages, including failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; failure to track and pay sick leave; the calculation of the regular rate of pay (including as it relates to overtime, meal and rest break premiums, and sick leave); missed, short, late, or interrupted meal period, rest period, and/or recovery period wages/premiums; failure to provide meal periods; failure to authorize and permit rest periods and/or recovery periods; the calculation of meal period, rest period, and/or recovery period premiums; payment for all hours worked, including off-the-clock work; wage statements; deductions; failure to reimburse business expenses; failure to pay wages timely during employment; failure to pay all wages due upon separation; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys’ fees and costs; and alleged violations of Labor Code sections 200, 201, 202, 203, 204, 206, 210, 218.5, 218.6, 221, 223, 224, 225, 225.5, 226, 226.3, 226.7, 229, 246, 510, 511, 512, 550, 551, 552, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.2, 1198, 2698 et seq., 2699 et seq., 2800, and 2802.

The release applies only to PAGA penalty claims that accrued during the PAGA Period. There shall be no right to opt-out of the settlement by PAGA Members, consistent with California law.

Your Individual PAGA Member Payment check is valid for one hundred eighty (180) calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual PAGA Payment will be cancelled and the funds will be transmitted to the California Controller’s Unclaimed Property Fund in your name. You can search for unclaimed funds at: https://www.sco.ca.gov/search-upd/htmlsearch_upd.

If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement and/or to report a change of address.

Do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Administrator at the contact information listed below.

EXHIBIT 3

Evette Padilla

From: no-reply@formassembly.com
Sent: Wednesday, August 26, 2026 12:15 PM
To: Evette Padilla
Subject: Thank you for your Proposed Settlement Submission

08/26/2026 12:14:21 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 08/26/2026 12:14:21 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1062527-24

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Cevette.padilla%40wilshirelawfirm.com%7C7edd67068e8248e0811a08df03a645da%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639233684845640351%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoiTWFpbGlldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=xT3kz1CrWJJjRQxRC8C3BvtbKmaOMZ5bhBazfdWaBt4%3D&reserved=0

EXHIBIT 4



Case Name: Salas - Garcia v Wellness Eatery Coronado LLC
Date: May 15, 2026
Client Name: Lawrence Hamber
Client Email: lawrence.hamber@wilshirelawfirm.com
Xpand Contact: Dan Stone
Xpand Contact Email Address: dan@xpandlegal.com
Xpand Contact Phone Number: 858.752.4576

*Cost Estimate for Legal Administration Services
 *Pricing Good for 90 Days
 *Assumes Scope Within - Additional Services Priced Accordingly

Key Assumptions Used for Pricing	
Class Size	520
Undeliverable Mail (estimated %)	10%
Forwarded Mail (estimated %)	5%
Toll Free Telephone Support	Yes
Website	No
Spanish Translation	Yes
National Change of Address (NCOA)	Yes
Wage Tax Reporting	Yes
Number of States for Tax Reporting	1
Number of Payment Distributions	1
Tax Reporting Years	1
Remaining Funds After Distribution	Controller

Case Setup				
Service	Type	Cost Per Piece	Volume	Total
Project Manager - Case Setup, Document Review & Timeline	Hourly	\$125.00	1	\$125.00
Data Analyst - Data Analysis, Formatting, Uploading to Database*	Hourly	\$125.00	1	\$125.00
NCOA (Includes CASS & LACS)	Flat Fee	\$150.00	1	\$150.00
Spanish Translation	Flat Fee	\$500.00	1	\$500.00
Toll Free Telephone Support	Flat Fee	\$500.00	1	\$500.00
Static Website	Flat Fee	\$0.00	0	\$0.00
			Total	\$1,400.00

*Xpand assumes mailing data will be provided in Microsoft Excel or other usable format and will not require substantial manipulation. Additional formatting and manipulation will be billed at \$125/hour.

Notification				
Service	Type	Cost Per Piece	Volume	Total
Print & Mail Notice Package	Per Piece	\$1.00	520	\$520.00
USPS First Class Mail - 1oz	Per Piece	\$0.75	520	\$390.00
Submission Processing (Opt Outs, Disputes, Objections)	Hourly	\$75.00	2	\$150.00
Undeliverable Mail Processing	Per Piece	\$3.00	52	\$156.00
Address Trace Undeliverable Mail	Per Piece	\$3.00	52	\$156.00
Remail Notice Package (Undeliverable & Forwards)	Per Piece	\$3.00	68	\$202.80
			Total	\$1,574.80

Project Management				
Service	Type	Cost Per Piece	Volume	Total
Project Manager - Client Inquiries, General Oversight & Management	Hourly	\$125.00	2	\$250.00
Status Reporting (Ongoing & Final)	Hourly	\$75.00	2	\$150.00
Declaration (Final Approval & Payment)	Hourly	\$125.00	2	\$250.00
Executive Oversight	Hourly	\$200.00	1	Waived
			Total	\$650.00

Distribution				
Service	Type	Cost Per Piece	Volume	Total
Project Manager - Setup & Preparation	Hourly	\$125.00	1	\$125.00
Data Analyst - Payment File Production & Quality Review	Hourly	\$125.00	1	\$125.00
Print & Mail Payments	Per Piece	\$1.00	520	\$520.00
USPS First Class Mail - 1oz	Per Piece	\$0.75	520	\$390.00
Undeliverable Payment Processing	Per Piece	\$3.00	52	\$156.00
Address Trace Undeliverable Mail	Per Piece	\$3.00	52	\$156.00
Remail Payments (Undeliverable & Forwards)	Per Piece	\$3.00	68	\$202.80
Tax ID Setup & Shutdown	Flat Fee	\$500.00	1	\$500.00
Qualified Settlement Fund (QSF) Creation, Reporting & Closure	Hourly	\$125.00	4	\$500.00
QSF Monthly Fees & Account Reconciliation	Per Piece	\$75.00	4	\$300.00
Process Remaining Funds	Flat Fee	\$400.40	1	\$400.40
			Total	\$3,375.20

Total Case Cost Not to Exceed:		\$7,000.00
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Terms & Conditions

All services to be provided by Xpand Legal Consulting LLC (hereinafter, "Xpand") to you (hereinafter, the "Client") shall be subject to the following terms and conditions (these "Terms and Conditions") of this Agreement:

1. **Services:** Subject to the terms hereof, Xpand agrees to provide the Client with administration services (hereinafter, "Services") as specified in the Proposal provided to the Client to which these Terms and Conditions are referenced (the "Proposal" and together with these Terms and Conditions, this "Agreement"). The Services do not constitute legal services or advice.
2. **Independent Contractor Status:** Xpand is performing the Services to the Client as an independent contractor for the purposes of federal, state, and local law, and neither it nor its employees shall be deemed to be employees of the Client. Xpand shall have full control over the methods, techniques, sequences, and procedures of the Services, is free to perform services for other clients, and is not subject to the supervision or control of the Client in the performance of the Services, except as to the results to be achieved.
3. **Fees for Services:** Fees to the Client for Services, including all fees and expenses in accordance with Section 4 below ("Fees") shall be on a time and materials basis at our prevailing rates and are subject to change. Any estimates of Fees set forth in the Proposal are estimates only, based on information provided by the Client to Xpand and the Services referenced in the Proposal, and do not cover any applicable taxes nor third-party fees. Actual Fees payable by the Client may be greater or less than such estimates. Expenses incurred related to corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset such expenses. The Client acknowledges and agrees that Xpand may derive financial benefits from financial institutions in connection with the deposit and investment of relevant funds with such institutions, including without limitation, income proceeds derived therefrom, discounts on eligible banking services and fees, and loans at favorable rates.
4. **Payment of Fees:** Fees will be invoiced by Xpand and due and payable by the Client once the relevant payments are made to class members and counsel in accordance with direction from the court of the applicable case (the "Court"). If payment is not made in full within 30 days of the invoice date, penalty interest at a rate of .8333% per month (10% per year) on the amount past due may be imposed by Xpand. The Services are not provided on a contingency fee basis. For the avoidance of doubt, decisions of the court and actions of the parties, including disapproval or withdrawal of the relevant settlement or case dismissal, do not affect the Client's obligation to Xpand for payment of Services.
5. **Indemnification:** The Client will indemnify and hold Xpand and its affiliates (and their respective officers, employees, and agents) harmless against any losses, claims, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) incurred by Xpand, arising out of, in connection with, or related to (i) any breach of the Agreement, including these Terms and Conditions, by the Client; or (ii) the processing and handling of any aspect of the project by Xpand, including but not limited to the Services, in accordance with Client's instructions.
6. **Confidentiality:** Xpand will maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of data provided to Xpand by the Client or another party to the action. In the event Xpand is notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, Xpand will notify the Client, unless prohibited by applicable law. The Client shall have the option to, within ten (10) business days of receipt of such notification, (1) provide legal representation at the Client's expense to avoid such access, or (2) promptly reimburse Xpand for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If the Client does not timely select its option, it shall be irrevocable deemed to have select option (2) and be obligated to reimburse Xpand in accordance therewith. If Xpand is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, Xpand will not be liable for breach of said obligation.
7. **Data Rights:** Xpand does not convey nor does the Client obtain any rights in the programs, system data, or materials utilized or provided by Xpand in the ordinary course of business in the performance of this Agreement.
8. **Document Retention:** Unless directed otherwise in writing by the Client, Xpand will maintain documents and other correspondence for the later of (a) one (1) year after final distribution of relevant funds or benefits, or (b) until the date that the disposition of the relevant case is no longer subject to appeal or review.
9. **Limitation of Damages:** Xpand is not responsible to the Client for any special, consequential, or incidental damages incurred by the Client. Any liability of Xpand to the Client shall not exceed the total amount of Fees billed to the Client for the Services that give rise to such liability.
10. **Termination:** The Services to be provided under this Agreement may be terminated by the Client with or without cause upon at least thirty (30) calendar days' prior written notice to Xpand. The Client's obligation to pay Fees for Services still in progress at the time of notice of termination shall continue throughout that 30-day period. Xpand may terminate this Agreement (i) if the Client has not paid its Fees in accordance with Section 4 of these Terms and Conditions, upon at least ten (10) calendar days' prior written notice; or (ii) in any other event, upon at least three (3) months' prior written notice to the Client. The Client is obligated to pay for all Fees and Services at the time of termination under this paragraph; no deferral period shall take effect.
11. **Notice:** Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of Xpand or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, three (3) business days after the date of deposit in United States mail, or, if sent by courier, two (2) business days after delivery to such courier service.
12. **Force Majeure:** To the extent performance by Xpand of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond Xpand's reasonable control, then such performance shall be excused and this Agreement, at Xpand's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.
13. **Waiver of Rights:** No failure or delay on the part of either party hereto in exercising any right under these Terms and Conditions will operate as a waiver of, or impair, any right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in writing by the relevant party's authorized representative.
14. **Jurisdiction:** The parties hereto submit to the jurisdiction of the Court for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.
15. **Entire Agreement:** These Terms and Conditions and the Proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the Terms and Conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.
16. **Counterparts:** These Terms and Conditions and the Proposal may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single Agreement. Delivery of an executed counterpart of a signature page of these Terms and Conditions and the Proposal by electronic transmission, including DocuSign, shall be effective as delivery of a manually executed counterpart of these Terms and Conditions and the Proposal, as applicable.

Acceptance of Terms and Conditions

By commencing services with Xpand, you acknowledge and agree to the terms and conditions outlined above. Your continued use of our services signifies your acceptance of these terms.