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individually, and on behalf of other similarly
situated employees

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

CHEROKEE MCCLINTON, individually,
and on behalf of other similarly situated
employees,

Plaintiff,

vs.

CAL. NED. INC.; NED PAN, INC.; and
DOES 1 through 25, inclusive,

Defendants.

Case No. 24STCV34288

Honorable Theresa M. Traber
Department 1

**SUPPLEMENTAL DECLARATION OF
ALEXANDRA ROSE IN SUPPORT OF
PLAINTIFF'S MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND PAGA
SETTLEMENT**

Complaint Filed: December 26, 2024
FAC Filed: April 16, 2026
Trial Date: Not Set

1 **SUPPLEMENTAL DECLARATION OF ALEXANDRA ROSE**

2 I, Alexandra Rose, declare and state as follows:

3 1. I am an attorney duly licensed to practice law in all Courts of the State of California. I
4 am a member of Blackstone Law, APC (“Class Counsel”), attorneys of record for Plaintiff Cherokee
5 McClinton (“Plaintiff”). I have personal knowledge of the facts contained herein, and, if called to
6 testify, I could and would competently do so.

7 2. On June 10, 2026, Plaintiff filed a Motion for Preliminary Approval of Class Action
8 and PAGA Settlement (“Motion for Preliminary Approval”) and supporting documents seeking
9 preliminary approval of the Joint Stipulation of Class Action and PAGA Settlement (“Settlement
10 Agreement”) reached between Plaintiff and Defendants Cal. Ned. Inc. and Ned Pan, Inc. (together,
11 “Defendants”) (collectively, with Plaintiff, the “Parties”).

12 3. On August 6, 2026, the Court issued a Tentative Ruling (“August 6, 2026 Tentative
13 Ruling”), which granted preliminary approval contingent on the Parties addressing the following:

- 14 a. The Settlement Agreement must be signed by each Party’s counsel.
- 15 b. The escalator clause in the Settlement Agreement gives Defendants the option to
16 shorten the Class Period and PAGA Period in lieu of increasing the Gross Settlement
17 Amount. The Parties or the Settlement Administrator should review and verify the
18 Workweek count to confirm the end date of the Class Period and PAGA Period.
- 19 c. The Class Notice must be revised to correct a typo in Section V.

20 4. On August 7, 2026, the Court entered a Minute Order (“August 7, 2026 Minute
21 Order”), which adopted the August 6, 2026 Tentative Ruling. A true and correct copy of the August
22 7, 2026 Minute Order is attached hereto as **Exhibit 1**.

23 5. Attached hereto as **Exhibit 2** is the Settlement Agreement, signed by all Parties and
24 their counsel. The corrected Class Notice, which fixes the typo in Section V, is attached to the
25 Settlement Agreement as Exhibit A and to the concurrently filed [Revised Proposed] Order Granting
26 Preliminary Approval of Class Action and PAGA Settlement as Exhibit 1.

27 ///

28 ///

6. As set forth in the concurrently filed Declaration of Monte Grix in Support of Plaintiff's [Unopposed] Motion for Preliminary Approval of Class Action and PAGA Settlement, the escalator clause has not been triggered. Accordingly, no changes have been made, and no changes are required, to the end dates of the Class Period and PAGA Period.

7. Although no substantive changes were made to the Settlement Agreement, Plaintiff, out of an abundance of caution, submitted the Settlement Agreement signed by the Parties and their counsel with the corrected Class Notice attached to the California Labor and Workforce Development Agency (“LWDA”) through its online submission portal. A true and correct copy of the email from the LWDA confirming receipt is attached hereto as **Exhibit 3**.

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

Executed on August 17, 2026, at Jersey City, New Jersey.

Alexandra Rose
Alexandra Rose

EXHIBIT 1

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Spring Street Courthouse, Department 1

24STCV34288

CHEROKEE MCCLINTON vs CAL. NED. INC., et al.

August 7, 2026

10:30 AM

Judge: Honorable Theresa M. Traber

Judicial Assistant: A. He

Courtroom Assistant: F. Sims

CSR: None

ERM: None

Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Theodore R. Tang

For Defendant(s): No Appearances

Other Appearance Notes: Anna Barker

NATURE OF PROCEEDINGS: Hearing on Motion for Preliminary Approval of Class Action and PAGA Settlement

The matter is called for hearing.

The Court's ruling is to GRANT preliminary approval contingent on the parties addressing the following:

1. The Settlement Agreement must be signed by each party's counsel.
2. The escalator clause at Settlement Agreement ¶18 gives Defendant the option to shorten the Class/PAGA Period in lieu of increasing the Gross Settlement Amount. Based on current records, the parties and/or administrator should review and verify the workweek total and confirm the end date of the Class/PAGA Period *before* preliminary approval is granted. Revise the agreement and notice if necessary.
3. At Notice pg. 6, section V, there is a typo in the address stated for Spring Street Courthouse ("Los Angeles, California 0012on"). Please revise before issuance.

The Court orders the parties to submit a supplemental declaration regarding the escalator clause, a fully signed Settlement Agreement, and a corrected Class Notice to address the Court's concerns. All supplemental papers are due to be filed by August 17, 2026. The Court sets a non-appearance case review for August 21, 2026 to review the supplemental papers.

BACKGROUND

This is a wage and hour class action. Plaintiff Cherokee McClinton sues Defendants Cal. Ned. Inc. and Ned Pan, Inc. (together, "Defendants"). Defendants operate the Pantages Theater in Los Angeles. Plaintiff seeks to represent a class of Defendants' current and former non-exempt employees who worked at any time during the Class Period in the positions of Usher and/or Stage Door Attendant.

On December 23, 2024, Plaintiff provided written notice to the LWDA by online

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submission and to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by Defendants. On January 2, 2025, Plaintiff provided an amended written notice to the LWDA.

On December 26, 2024, Plaintiff filed a Class Action Complaint against Defendants.

On February 27, 2025, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 et seq., Case No. 25STCV05616 (“PAGA Action”), thereby commencing a representative action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 et seq. (“PAGA”) against Defendants.

On October 13, 2025, the Parties participated in a formal mediation conducted by Chris Barnes, Esq., which resulted in settlement. Terms were finalized in the long-form *Class Action and PAGA Settlement Agreement* (“Settlement Agreement”), attached as Exhibit 4 to the Declaration of Alexandra Rose (“Rose Decl.”).

On April 16, 2026, Plaintiff filed a First Amended Class and Representative Action Complaint (“Operative Complaint”) in the Action adding the PAGA claims alleged in the PAGA Action. The Operative Complaint alleges causes of action for violations of the California Labor Code for: failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, et seq. based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

Now before the Court is the Motion for Preliminary Approval of the Settlement.

SETTLEMENT CLASS DEFINITION

· “Class” or “Class Member(s)” means all current and former California nonexempt hourly employees of Ned Pan, Inc. or Cal Ned, Inc. (as the payroll agent for Ned Pan, Inc.) who worked at any time during the Class Period in the positions of Usher and/or Stage Door Attendant.

(¶11.d)

· “Class Period” means the period from December 26, 2020, through December 15, 2025.

(¶11.h)

· “Aggrieved Employee(s)” means all current and former California non-exempt hourly employees of Ned Pan, Inc. or Cal Ned, Inc. (as the payroll agent for Ned Pan, Inc.) who worked at any time during the PAGA Period in the positions of Usher and/or Stage Door Attendant.

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CSR: None

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Deputy Sheriff: None

(¶11.a)

- “PAGA Period” means the period from December 23, 2023, through December 15, 2025.

(¶11.aa)

- “Settlement Class” or “Settlement Class Member(s)” means all Class Members who do not submit a timely and valid Request for Exclusion. (¶11.mm)

TERMS OF SETTLEMENT AGREEMENT

The essential terms are as follows:

- The Gross Settlement Amount (“GSA”) is **\$700,000**, non-reversionary. (¶11.s)
 - o Escalator Clause: Defendants have represented that the Class Members worked a total of 14,180 workweeks during the period December 26, 2020, through October 15, 2025. If it is determined by the Settlement Administrator that the total number of Workweeks worked by the Class Members during the Class Period actually exceeds 14,180 by more than 10% (i.e., if the Workweeks exceed 15,598), **then at Defendants’ option, either** (1) the Gross Settlement Amount will be increased on a pro rata basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10% (for example, if the number of Workweeks increases by 11% to 15,740 Workweeks, then the Gross Settlement Amount will increase by 1%); **or (2) end the Class Period and PAGA Period on the date that the total number of Workweeks equals 14,180.** (¶18)
- The Net Settlement Amount (“Net”) (**\$383,000**) is the GSA minus the following:
 - o Up to **\$245,000** (35%) for attorney fees (¶14);
 - o Up to **\$25,000** for litigation costs (*Ibid.*);
 - o Up to **\$5,000** for an Enhancement Payment to the Named Plaintiff (¶15);
 - o Up to **\$7,000** for settlement administration costs (¶17); and
 - o Payment of **\$35,000** PAGA penalty (65% or \$22,750 to the LWDA). (¶16)
- Defendant shall pay the Employer Taxes in addition to the Gross Settlement Amount. (¶11.n)
- There is no claim form requirement. (Notice p. 1)
- Individual Settlement Payment Calculation: After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the Final Workweek Value and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield each Settlement Class Member’s final Individual Settlement Share. (¶19.b)

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CSR: None

ERM: None

Deputy Sheriff: None

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- o **PAGA Payments:** The Settlement Administrator will divide the Aggrieved Employee Amount, i.e., 35% of the PAGA Amount, by the Pay Periods of all Aggrieved Employees to yield the “Pay Period Value,” and multiply each Aggrieved Employee’s individual Pay Periods by the Pay Period Value to yield each Aggrieved Employee’s Individual PAGA Payment. (§20)
 - o **Tax Allocation:** Class Members’ Individual Settlement Shares will be allocated as follows: 20% as wages, 80% as interest, penalties and non-wage damages. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties. (§21)
 - **Response Deadline:** “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original Response Deadline. (§11.jj)
 - o If more than ten percent (10%) of the Class Members submit timely and valid Requests for Exclusion, Defendants may elect to rescind the Settlement Agreement. (§34)
 - **Funding of Settlement:** No later than ten (10) business days after the Effective Date, Defendants will deposit the Gross Settlement Amount and Employer Taxes into a Qualified Settlement Fund (“QSF”) within the meaning of Treasury Regulation Section 1.468B-1, et seq., to be established by the Settlement Administrator. Defendants shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than ten (10) business days after the Effective Date. (§37)
 - **Disbursement:** Within five (5) business days of the funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to Aggrieved Employees, LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys’ Fees and Costs to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and timely forward these to the appropriate government authorities. (§38)
 - **Uncashed Settlement Checks:** Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from

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the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such canceled checks shall be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or Aggrieved Employee. (¶39)

- The settlement administrator will be Apex Class Action LLC. (¶11.kk)
- The proposed Settlement Agreement was submitted to the LWDA on June 10, 2026. (Rose Decl., Exhibit 5.)
- The named Plaintiff and class members will release certain claims against Defendant. (See further discussion below).

ANALYSIS OF SETTLEMENT AGREEMENT

· **Does a presumption of fairness exist?**

1. Was the settlement reached through arm's-length bargaining? On October 13, 2025, the Parties participated in a formal mediation conducted by Chris Barnes, Esq., which resulted in settlement. (Rose Decl., ¶14.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Class Counsel represents that prior to mediation, Defendants produced the entire data set of putative class members' time and pay records as well as Defendants' relevant wage and hour policies, and information regarding the total number of putative class members, the number of current versus former employees, the total workweeks worked by the putative class members, and the average rate of pay for the putative class members. (*Id.* at ¶25.)

3. Is counsel experienced in similar litigation? Class Counsel is experienced in class action litigation, including wage and hour class actions. (*Id.* at Exhibit 1.)

4. What percentage of the class has objected? This cannot be determined until the fairness hearing. See Weil & Brown, Cal. Practice Guide: Civil Procedure Before Trial (The Rutter Group 2014) ¶ 14:139.18, ("Should the court receive objections to the proposed settlement, it will consider and either sustain or overrule them at the fairness hearing.")

CONCLUSION: The settlement is entitled to a presumption of fairness.

· **Is the settlement fair, adequate, and reasonable?**

1. Strength of Plaintiff's case. "The most important factor is the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.)

Counsel provided the following exposure analysis:

Violation	Maximum Exposure
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Meal Period Violations	\$119,510
Rest Period Violations	\$805,738
Unpaid Wages (Off-the-Clock)	\$236,393
Unpaid Overtime	\$239
Unreimbursed Business Expenses	\$117,030
Waiting Time Penalties	\$350,072
Wage Statement Penalties	\$544,000
PAGA Penalties	\$608,900
Total	\$2,781,882

(Rose Decl., ¶¶28-41.)

2. Risk, expense, complexity and likely duration of further litigation. Given the nature of the class claims, the case is likely to be expensive and lengthy to try. Procedural hurdles (e.g., motion practice and appeals) are also likely to prolong the litigation as well as any recovery by the class members.

3. Risk of maintaining class action status through trial. Even if a class is certified, there is always a risk of decertification. (See *Weinstat v. Dentsply Intern., Inc.* (2010) 180 Cal.App.4th 1213, 1226 (“Our Supreme Court has recognized that trial courts should retain some flexibility in conducting class actions, which means, under suitable circumstances, entertaining successive motions on certification if the court subsequently discovers that the propriety of a class action is not appropriate.”).)

4. Amount offered in settlement. Counsel negotiated a settlement of \$700,000 that is approximately 25.2% of the potential exposure, which is in the ballpark of reasonableness.

The settlement amount, after reduction by the maximum requested deductions, leaves \$383,000 to be divided among approximately 250 class members. Thus, the resulting payments will average \$1,532.

5. Extent of discovery completed and stage of the proceedings. As indicated above, by the time of the settlement, Class Counsel had conducted sufficient discovery.

6. Experience and views of counsel. The settlement was negotiated and endorsed by Class Counsel who, as indicated above, is experienced in class action litigation, including wage and hour class actions.

7. Presence of a governmental participant. This factor is not applicable here.

8. Reaction of the class members to the proposed settlement. The class members’ reactions will not be known until they receive notice and are afforded an opportunity to object and or opt-out. This factor becomes relevant during the fairness hearing.

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CSR: None

ERM: None

Deputy Sheriff: None

CONCLUSION: The settlement can be preliminarily deemed “fair, adequate, and reasonable.”

Scope of the release

· Class Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims. (§40)

o “Released Class Claims” means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, which shall specifically include claims for Defendants alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, et seq. (§11.ff)

· PAGA Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims. (§41)

o “Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letters and the Operative Complaint, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 et seq., which shall specifically include claims for Defendants alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order. (§11.gg)

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o All Aggrieved Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. (§31)

· “Released Parties” means Defendants and their respective and former parents, subsidiaries, and affiliated corporations and their officers, directors, shareholders, employees, agents, and attorneys. (§11.hh)

· Named Plaintiff will also provide a general release and CC § 1542 waiver. (§42)

May conditional class certification be granted?

1. Standards

A detailed analysis of the elements required for class certification is not required, but it is advisable to review each element when a class is being conditionally certified (*Amchem Products, Inc. v. Winsor* (1997) 521 U.S. 620, 622-627.) The trial court can appropriately utilize a different standard to determine the propriety of a settlement class as opposed to a litigation class certification. Specifically, a lesser standard of scrutiny is used for settlement cases. (*Dunk* at 1807, fn. 19.) Finally, the Court is under no “ironclad requirement” to conduct an evidentiary hearing to consider whether the prerequisites for class certification have been satisfied. (*Wershba* at 240.)

2. Analysis

a. Numerosity. There are approximately 250 class members. (Rose Decl., ¶17.) This element is met.

b. Ascertainability. The proposed class is defined above. The class definition is “precise, objective and presently ascertainable.” (*Sevidal v. Target Corp.* (2010) 189 Cal.App.4th 905, 919.) Class Members are identifiable through Defendants’ records. (Rose Decl., ¶17.)

c. Community of interest. “The community of interest requirement involves three factors: ‘(1) predominant common questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class.’” (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.)

As to commonality, Plaintiff alleges that Defendants denied compliant meal and rest periods to employees, required employees to perform work off-the-clock, and failed to fully compensate employees for all time actually worked. These policies and practices meant that Defendants allegedly failed to pay minimum and overtime wages, and other related claims. Plaintiff alleges that Defendants’ policies and practices were uniform as to all Class Members. (Memo ISO Prelim at 15:20-16:4.)

As to typicality, Plaintiff alleges that her claims are similar to that of the other Class Members and that Plaintiff’s claims arise out of the same alleged course of conduct giving rise to the claims of the other Class Members. (*Id.* at 16:5-15.)

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As to adequacy, Plaintiff represents that he is aware of the duties and risks of serving as class representative and has participated in the litigation. (Declaration of Cherokee McClinton, ¶¶3-10.)

d. Adequacy of class counsel. As indicated above, Class Counsel has shown experience in class action litigation, including wage and hour class actions.

e. Superiority. Given the relatively small size of the individual claims, a class action appears to be superior to separate actions by the class members.

CONCLUSION: The class may be conditionally certified since the prerequisites of class certification have been satisfied.

Is the notice proper?

a. Content of class notice. The proposed notice is attached to the Settlement Agreement as Exhibit A. Its content appears to be acceptable. It includes information such as: a summary of the litigation; the nature of the settlement; the terms of the settlement agreement; attorney fees and costs; enhancement awards; the procedures and deadlines for participating in, opting out of, or objecting to, the settlement; the consequences of participating in, opting out of, or objecting to, the settlement; and the date, time, and place of the final approval hearing. Notice will be issued in English. (¶29.a)

b. Method of class notice.

Within fourteen (14) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator. (¶28) Within ten (10) business days after receiving the Class List from Defendants, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English (in the form attached as Exhibit A to the Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement Administrator. (¶29.a)

Any Class Notice returned to the Settlement Administrator as undeliverable on or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search, using the name, address, and/or Social Security number of the Class Member, and perform a single re-mailing within five (5) calendar days. (¶29.b) Notice of Final Judgment will be posted on the Settlement Administrator's website. (¶43)

c. Cost of class notice. As indicated above, settlement administration costs are

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estimated to equal approximately **\$7,000**. Prior to the time of the final fairness hearing, the administrator must submit a declaration attesting to the total costs incurred and anticipated to be incurred to finalize the settlement for approval by the Court.

Attorney fees and costs

CRC rule 3.769(b) states: "Any agreement, express or implied, that has been entered into with respect to the payment of attorney fees or the submission of an application for the approval of attorney fees must be set forth in full in any application for approval of the dismissal or settlement of an action that has been certified as a class action."

Ultimately, the award of attorney fees is made by the court at the fairness hearing, using the lodestar method with a multiplier, if appropriate. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084, 1095-1096; *Ramos v. Countrywide Home Loans, Inc.* (2000) 82 Cal.App.4th 615, 625-626; *Ketchum III v. Moses* (2000) 24 Cal.4th 1122, 1132-1136.) In common fund cases, the Court may utilize the percentage method, cross-checked by the lodestar. (*Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480, 503.) Despite any agreement by the parties to the contrary, "the court ha[s] an independent right and responsibility to review the attorney fee provision of the settlement agreement and award only so much as it determined reasonable." (*Garabedian v. Los Angeles Cellular Telephone Company* (2004) 118 Cal.App.4th 123, 128.)

The question of whether Class Counsel is entitled to **\$245,000** (35%) in attorney fees will be addressed at the fairness hearing when class counsel brings a noticed motion for attorney fees. Class counsel must provide the court with billing information so that it can properly apply the lodestar method and must indicate what multiplier (if applicable) is being sought as to each counsel.

Class Counsel should also be prepared to justify the costs (capped at **\$25,000**) sought by detailing how they were incurred.

Incentive Award to Class Representative

Class Counsel will seek a Service Payment of **\$5,000** to the named Plaintiff. In connection with the final fairness hearing, named Plaintiffs must submit declarations attesting to why they should be entitled to an enhancement award in the proposed amount. The named Plaintiffs must explain why they "should be compensated for the expense or risk she has incurred in conferring a benefit on other members of the class." (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 806.) Trial courts should not sanction enhancement awards of thousands of dollars with "nothing more than *pro forma* claims as to 'countless' hours expended, 'potential stigma' and 'potential risk.' Significantly more specificity, in the form of quantification of time and effort expended on the litigation, and in the form of reasoned explanation of financial or other risks incurred by the named plaintiffs, is required in order for

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24STCV34288

CHEROKEE MCCLINTON vs CAL. NED. INC., et al.

August 7, 2026

10:30 AM

Judge: Honorable Theresa M. Traber

Judicial Assistant: A. He

Courtroom Assistant: F. Sims

CSR: None

ERM: None

Deputy Sheriff: None

the trial court to conclude that an enhancement was ‘necessary to induce [the named plaintiff] to participate in the suit’” (*Id.* at 806-807, italics and ellipsis in original.) The Court will decide the issue of the enhancement award at the time of final approval.

Non-Appearance Case Review of Supplement in Support of Preliminary Approval of Settlement is scheduled for 08/21/2026 at 04:00 PM in Department 1 at Spring Street Courthouse.

Hearing on Motion for Final Approval of Settlement is scheduled for 01/13/2027 at 10:30 AM in Department 1 at Spring Street Courthouse. Notice is waived.

EXHIBIT 2

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiff Cherokee McClinton
4 (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly situated and
5 on behalf of the State of California with respect to aggrieved employees, and Defendants Cal. Ned.
6 Inc. (erroneously sued and served as “Cal Ned, Inc.”) and Ned Pan, Inc. (together, “Defendants”)
7 (collectively, Plaintiff and Defendants are referred to as “Parties” and individually as “Party”).

8 This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as
9 defined herein), the State of California as to the employment of Aggrieved Employees (as defined
10 herein), and Defendants, subject to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On December 23, 2024, Plaintiff provided written notice to the Labor and Workforce
13 Development Agency (“LWDA”) by online submission and to Defendants by U.S. Certified Mail,
14 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor
15 Code alleged to have been violated by Defendants.

16 2. On December 26, 2024, Plaintiff filed a Class Action Complaint in the action entitled
17 *Cherokee McClinton v. Cal Ned. Inc., et al.*, Los Angeles County Superior Court Case No.
18 24STCV34288 (“Action”), thereby commencing a putative class action against Defendants.

19 3. On January 2, 2025, Plaintiff provided an amended written notice to the LWDA by
20 online submission and to Defendants by U.S. Certified Mail, pursuant to California Labor Code
21 Section 2699.3, of the specific provisions of the California Labor Code alleged to have been violated
22 by Defendants. Together, the December 23, 2024, and January 2, 2025, notices are referred to as the
23 “PAGA Letters.”

24 4. On February 27, 2025, Plaintiff filed a Complaint for Enforcement Action Under the
25 Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* in the action entitled *Cherokee*
26 *McClinton v. Cal Ned. Inc., et al*, Los Angeles County Superior Court Case No. 25STCV05616
27 (“PAGA Action”), which alleged one cause of action under the Private Attorneys General Act of 2004
28 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”) against Defendants.

1 5. On April 16, 2026, Plaintiff filed a First Amended Class and Representative Action
2 Complaint (“Operative Complaint”) in the Action, which added the PAGA claims alleged in the
3 PAGA Action. Together, the Action and PAGA Action are referred to as the “Actions.”

4 6. The Operative Complaint alleges ten (10) causes of action for violations of the
5 California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to
6 provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant
7 rest periods and premium payments in lieu thereof, failure to timely pay wages during employment,
8 failure to provide compliant wage statements, failure to timely pay wages upon termination, and failure
9 to reimburse necessary business expenses, for violations of California Business & Professions Code
10 Section 17200, *et seq.* based on the aforementioned California Labor Code violations, and for civil
11 penalties under PAGA based on the aforementioned California Labor Code violations.

12 7. Defendants deny all material allegations set forth in the Actions and have asserted
13 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
14 Defendants desire to fully and finally settle the Actions, Released Class Claims (as defined herein),
15 and Released PAGA Claims (as defined herein).

16 8. Class Counsel diligently investigated the class and PAGA claims against Defendants,
17 including any and all applicable defenses and the applicable law. The investigation included, *inter*
18 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
19 The Parties have engaged in sufficient informal discovery and investigation to assess the relative
20 merits of the claims and contentions of the Parties.

21 9. On October 13, 2025, the Parties participated in mediation with Chris Barnes, Esq. (the
22 “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the
23 Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’
24 settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed
25 and detailed analysis of Defendants’ potential liability and exposure in relation to the costs and risks
26 associated with continued litigation. Based on Class Counsel’s investigation and evaluation, Class
27 Counsel believes that the settlement with Defendants for the consideration and on the terms set forth
28 in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class

Members, State of California, and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendants.

10. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

11. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. “Aggrieved Employee(s)” means all current and former California non-exempt hourly employees of Ned Pan, Inc. or Cal Ned, Inc. (as the payroll agent for Ned Pan, Inc.) who worked at any time during the PAGA Period in the positions of Usher and/or Stage Door Attendant.

b. “Aggrieved Employee Amount” means the amount of Twelve-Thousand Two Hundred Fifty Dollars and No Cents (\$12,250.00), i.e., 35% of the PAGA Amount, to be distributed to Aggrieved Employees on a *pro rata* basis based on their Pay Periods.

c. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Actions and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 14.

d. “Class” or “Class Member(s)” means all current and former California non-exempt hourly employees of Ned Pan, Inc. or Cal Ned, Inc. (as the payroll agent for Ned Pan, Inc.) who worked at any time during the Class Period in the positions of Usher and/or Stage Door Attendant.

e. “Class Counsel” means Jonathan M. Genish, Miriam L. Schimmel, Jared C. Osborne, Joana Fang, Alexandra Rose, and Theodore R. Tang of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

f. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator.

The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) number of Workweeks; and (5) number of Pay Periods (if applicable).

g. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached hereto as “Exhibit A.”

h. “Class Period” means the period from December 26, 2020, through December 15, 2025.

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

j. “Court” means the Superior Court of the State of California for the County of Los Angeles.

k. “Defendants’ Counsel” means Monte K. Grix, Benjamin Treger, and Anna Barker of Hirschfeld Kraemer LLP.

l. “Dispute” means a letter submitted by a Class Member disputing the number of Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to the Class Member and what the Class Member contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

m. “Effective Date” means the following: (i) the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated; or (ii) if a timely appeal is initiated, then the Effective Date will be the day after final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

n. “Employer Taxes” means the employers’ share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants in addition to the Gross Settlement Amount.

1 o. “Enhancement Payment” means the amount to be paid to Plaintiff, in
2 recognition of their effort and work in prosecuting the Actions on behalf of Class Members and
3 Aggrieved Employees, and general release of claims, as set forth in Paragraph 15.

4 p. “Final Approval” means the determination by the Court that the Settlement is
5 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

6 q. “Final Approval Hearing” means the hearing at which the Court will consider
7 and determine whether the Settlement should be granted Final Approval.

8 r. “Final Approval Order and Judgment” means the order granting final approval
9 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
10 Parties, and subject to approval by the Court.

11 s. “Gross Settlement Amount” means the amount of Seven Hundred Thousand
12 Dollars and No Cents (\$700,000.00) to be paid by Defendants in full satisfaction of the Actions,
13 Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and Costs,
14 Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement
15 Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes
16 separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-
17 reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross
18 Settlement Amount is subject to increase, as provided in Paragraph 18.

19 t. “Individual PAGA Payment” means the *pro rata* share of the Aggrieved
20 Employee Amount that an Aggrieved Employee may be eligible to receive under the PAGA
21 Settlement, to be calculated in accordance with Paragraph 20.

22 u. “Individual Settlement Payment” means the net payment of each Settlement
23 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
24 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
25 Paragraph 21.

26 v. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
27 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
28 in accordance with Paragraph 19.

1 w. “LWDA Payment” means the amount of Twenty-Two Thousand Seven
2 Hundred Fifty Dollars and No Cents (\$22,750.00), i.e., 65% of the PAGA Amount, that the Parties
3 have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 16.

4 x. “Net Settlement Amount” means the portion of the Gross Settlement Amount
5 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
6 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and
7 Settlement Administration Costs.

8 y. “Notice of Objection” means a Settlement Class Member’s written objection to
9 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
10 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
11 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
12 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
13 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the
14 specified address, postmarked on or before the Response Deadline.

15 z. “PAGA Amount” means the allocation of Thirty-Five Thousand Dollars and
16 No Cents (\$35,000.00) from the Gross Settlement Amount for the PAGA Settlement. Sixty-five
17 percent (65%) of the PAGA Amount, or \$22,750.00, will be paid to the LWDA (i.e., the LWDA
18 Payment) and the remaining thirty-five percent (35%), or \$12,250.00 will be distributed to the
19 Aggrieved Employees (i.e., the Aggrieved Employee Amount).

20 aa. “PAGA Period” means the period from December 23, 2023, through December
21 15, 2025.

22 bb. “PAGA Settlement” means the settlement and resolution of all Released PAGA
23 Claims.

24 cc. “Pay Periods” means the number of pay periods each Aggrieved Employee
25 worked for Defendants as a non-exempt hourly employee in California in the positions of Usher and/or
26 Stage Door Attendant during the PAGA Period.

27 dd. “Preliminary Approval” means the date on which the Court enters the
28 Preliminary Approval Order.

1 ee. “Preliminary Approval Order” means the order granting preliminary approval
2 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
3 the Court.

4 ff. “Released Class Claims” means any and all claims which were alleged or which
5 could have been reasonably alleged based on the factual allegations in the Operative Complaint,
6 arising during the Class Period, which shall specifically include claims for Defendants’ alleged failure
7 to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium
8 payments, timely pay wages during employment and upon termination, provide accurate wage
9 statements, and reimburse necessary business-related expenses in violation of California Labor Code
10 Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and
11 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and
12 Professions Code sections 17200, *et seq.*

13 gg. “Released PAGA Claims” means any and all claims arising from any of the
14 factual allegations in the PAGA Letters and the Operative Complaint, arising during the PAGA Period,
15 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections
16 2698 *et seq.*, which shall specifically include claims for Defendants’ alleged failure to pay overtime
17 and minimum wages, provide compliant meal and rest periods and associated premium payments,
18 timely pay wages during employment and upon termination, provide compliant wage statements,
19 maintain complete and accurate payroll records, and reimburse necessary business-related expenses
20 in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a),
21 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission
22 Wage Order.

23 hh. “Released Parties” means Defendants and their respective and former parents,
24 subsidiaries, and affiliated corporations and their officers, directors, shareholders, employees, agents,
25 and attorneys.

26 ii. “Request for Exclusion” means a letter submitted by a Class Member indicating
27 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
28 of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and

last four (4) digits of the Class Member's Social Security number; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

jj. “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendants’ Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original Response Deadline.

kk. “Settlement Administrator” means Apex Class Action LLC, or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering the Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

11. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in Paragraph 17.

mm. “Settlement Class” or “Settlement Class Member(s)” means all Class Members who do not submit a timely and valid Request for Exclusion.

nn. “Workweeks” means the number of weeks each Class Member worked for Defendants as a non-exempt hourly employee in California in the positions of Usher and/or Stage Door Attendant during the Class Period.

CLASS CERTIFICATION

12. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

13. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF THE AGREEMENT

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

14. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Class Counsel for attorneys' fees in the amount up to Thirty-Five Percent (35%) of the Gross Settlement Amount (i.e., \$245,000.00) if the Gross Settlement Amount is \$700,000.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Actions, in an amount not to exceed Twenty-Five Thousand Dollars and No Cents (\$25,000.00), both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

15. Enhancement Payment. Defendants agree not to oppose or impede any application or motion by Plaintiff for an Enhancement Payment in the amount up to Five Thousand Dollars and No Cents (\$5,000.00). The Enhancement Payment, which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to their Individual Settlement Payment as a

1 Settlement Class Member and Individual PAGA Payment as an Aggrieved Employee. Plaintiff shall
2 be solely and legally responsible for correctly characterizing this compensation for tax purposes and
3 for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form
4 1099 to Plaintiff for the Enhancement Payment. Any portion of the requested Enhancement Payment
5 that is not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount for the
6 benefit of the Settlement Class Members.

7 16. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
8 Thirty-Five Thousand Dollars and No Cents (\$35,000.00) shall be allocated from the Gross Settlement
9 Amount toward penalties under the Private Attorneys General Act, California Labor Code Section
10 2698, *et seq.* (i.e., the PAGA Amount), of which sixty-five percent (65%), or \$22,750.00, will be paid
11 to the LWDA (i.e., the LWDA Payment) and thirty-five percent (35%), or \$12,250.00, will be
12 distributed to Aggrieved Employees (i.e., the Aggrieved Employee Amount) on a *pro rata* basis, based
13 on the total number of Pay Periods worked by each Aggrieved Employee during the PAGA Period
14 (i.e., the Individual PAGA Payments).

15 17. Settlement Administration Costs. The Settlement Administrator will be paid for the
16 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
17 which is currently estimated not to exceed Seven Thousand Dollars and No Cents (\$7,000.00). These
18 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,
19 *inter alia*, printing, distributing, and tracking Class Notices and other documents for the Settlement,
20 calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms
21 and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and
22 declarations, and other duties and responsibilities set forth herein to process the Settlement, and as
23 requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the
24 estimated amount stated herein, such excess amount will be deducted from the Gross Settlement
25 Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded
26 Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement
27 Administrator to undertake the required settlement administration duties shall be reallocated to the Net
28 Settlement Amount for the benefit of the Settlement Class Members.

18. Escalator Clause. Defendants have represented that the Class Members worked a total of 14,180 workweeks during the period December 26, 2020, through October 15, 2025. If it is determined by the Settlement Administrator that the total number of Workweeks worked by the Class Members during the Class Period actually exceeds 14,180 by more than 10% (i.e., if the Workweeks exceed 15,598), then at Defendants' option, either (1) the Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10% (for example, if the number of Workweeks increases by 11% to 15,740 Workweeks, then the Gross Settlement Amount will increase by 1%); or (2) end the Class Period and PAGA Period on the date that the total number of Workweeks equals 14,180.

19. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that the Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to yield each Settlement Class Member's final Individual Settlement Share.

20. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the Aggrieved Employee Amount based on the Aggrieved Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the Aggrieved Employee Amount, i.e., 35% of the PAGA Amount, by the Pay Periods of all Aggrieved Employees to yield the "Pay Period Value," and multiply each Aggrieved Employee's individual Pay Periods by the Pay Period Value to yield each Aggrieved Employee's Individual PAGA Payment.

21. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each

Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

22. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, Aggrieved Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

23. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants' Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and Aggrieved Employees are not relying on any statement, representation, or calculation by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement Class Members, and Aggrieved Employees understand and agree that Plaintiff, Settlement Class Members, and Aggrieved Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class Members, and Aggrieved Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

24. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY

1 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
2 “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
3 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE
4 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS
5 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
6 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
7 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
8 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
9 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
10 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
11 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
12 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
13 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
14 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
15 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
16 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
17 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISOR’S
18 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
19 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
20 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
21 TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

22 25. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
23 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
24 are issued to the payee. It is expressly understood and agreed that payments made under this
25 Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any Aggrieved
26 Employee to additional compensation or benefits under any new or additional compensation or
27 benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the
28 Class Period, nor will it entitle Plaintiff, Settlement Class Members, or any Aggrieved Employee to

any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

26. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Plaintiff will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendants' Counsel a draft of the preliminary approval motion at least five business days before filing it with the Court. Defendants agree not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply for the entry of the Preliminary Approval Order seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as the representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing by First Class U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether Final Approval of the Settlement should be granted.

27. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(s)(2), Class Counsel shall notify the LWDA of the Settlement.

28. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

29. Notice by First-Class U.S. Mail.

- a. Within ten (10) business days after receiving the Class List from Defendants, the Settlement Administrator will perform a search based on the National Change of Address Database

1 or any other similar services available, such as provided by Experian, for information to update and
2 correct for any known or identifiable address changes, and will mail a Class Notice in English (in the
3 form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S.
4 Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

5 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
6 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
7 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
8 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
9 attempt to determine the correct address using a skip-trace or other search, using the name, address,
10 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
11 calendar days.

12 c. Compliance with the procedures described herein above shall constitute due and
13 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
14 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to
15 provide notice of the Settlement.

16 30. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
17 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
18 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
19 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
20 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
21 has been timely submitted. Absent evidence rebutting the accuracy of Defendants' records and data
22 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
23 Member, Defendants' records will be presumed to be correct and determinative of the dispute.
24 However, if a Class Member produces information and/or documents to the contrary, the Settlement
25 Administrator will evaluate the materials submitted by the Class Member and the Settlement
26 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
27 the disputing Class Member should be credited with under the Settlement. The Settlement
28 Administrator's decision on such disputes will be final and non-appealable.

1 31. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
2 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
3 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
4 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
5 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
6 Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are
7 submitted, and also identify this same number of individuals who have submitted a timely and valid
8 Request for Exclusion in a declaration that is to be filed with the Court in advance of the Final
9 Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or otherwise
10 encourage Class Members to request exclusion from the Class Settlement. Any Class Member who
11 submits a Request for Exclusion is prohibited from making any objection to the Class Settlement.
12 Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the
13 Class Settlement and will not be issued an Individual Settlement Payment. Any Class Member who
14 does not affirmatively request exclusion from the Class Settlement by submitting a timely and valid
15 Request for Exclusion will be bound by all of the terms of the Class Settlement, including and not
16 limited to those pertaining to the Released Class Claims, as well as any judgment that may be entered
17 by the Court if it grants Final Approval to the Settlement. Notwithstanding the above, all Aggrieved
18 Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment,
19 irrespective of whether they submit a Request for Exclusion.

20 32. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
21 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
22 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
23 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
24 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants'
25 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
26 and complete and which were not), and also attach them to a declaration that is to be filed with the
27 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
28 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or

1 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
2 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
3 whether they have submitted a Notice of Objection.

4 33. Reports by the Settlement Administrator. The Settlement Administrator shall provide
5 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
6 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of
7 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class
8 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will
9 provide to counsel for the Parties any updated reports regarding the administration of the Settlement
10 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
11 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a
12 Dispute.

13 34. Defendants' Right to Rescind. If more than ten percent (10%) of the Class Members
14 submit timely and valid Requests for Exclusion, Defendants may elect to rescind the Settlement
15 Agreement. Defendants must exercise this right of rescission in writing that is provided to Class
16 Counsel within seven (7) calendar days of the Settlement Administrator notifying the Parties of the
17 number of Class Members who have submitted timely and valid Requests for Exclusion following the
18 Response Deadline. If Defendants exercise this option, Defendants shall pay any costs of settlement
19 administration owed to the Settlement Administrator incurred up to that date.

20 35. Certification of Completion. Upon completion of administration of the Settlement, the
21 Settlement Administrator will provide a written declaration under oath to certify such completion to
22 the Court and counsel for all Parties.

23 36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
24 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
25 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
26 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
27 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final
28 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.

1 Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
2 Settlement. Class Counsel will provide Defendants' Counsel a draft of the final approval motion at
3 least five business days before filing it with the Court. By way of said motion, Plaintiff will apply for
4 the entry of the Final Approval Order and Judgment, which will provide for, in substantial part, the
5 following:

- 6 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
7 consummation of its terms and provisions;
- 8 b. Certification of the Settlement Class;
- 9 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- 10 d. Approval of the application for Enhancement Payment to Plaintiff;
- 11 e. Directing Defendants to fund all amounts due under the Settlement Agreement
12 and ordered by the Court; and
- 13 f. Entering judgment in the Action, while maintaining continuing jurisdiction, in
14 conformity with California Rules of Court 3.769 and the Settlement Agreement.

15 37. Funding of the Gross Settlement Amount. No later than ten (10) business days after
16 the Effective Date, Defendants will deposit the Gross Settlement Amount and Employer Taxes into a
17 Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et*
18 *seq.*, to be established by the Settlement Administrator. Defendants shall provide all information
19 necessary for the Settlement Administrator to calculate necessary payroll taxes including its official
20 name, 8-digit state unemployment insurance tax ID number, and other information requested by the
21 Settlement Administrator, no later than ten (10) business days after the Effective Date.

22 38. Distribution of the Gross Settlement Amount. Within five (5) business days of the
23 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
24 Settlement Payments to Settlement Class Members, Individual PAGA Payments to Aggrieved
25 Employees, LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and
26 Costs to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator
27 shall also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and
28 withholding, and timely forward these to the appropriate government authorities.

39. Settlement Checks. The Settlement Administrator will be responsible for undertaking

appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the Aggrieved Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual. Settlement Class Members and Aggrieved Employees are not required to submit a claim to be issued an Individual Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such canceled checks shall be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or Aggrieved Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendants will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting required under applicable local, state, and federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and Aggrieved Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the PAGA Settlement.

40. Class Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

41. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled,

1 compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

2 42. Plaintiff's General Release. Upon the Effective Date and full funding of the Gross
3 Settlement Amount, Plaintiff, individually and on her own behalf, will be deemed to have fully, finally,
4 and forever released, settled, compromised, relinquished, and discharged the Released Parties from
5 any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees,
6 damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
7 unsuspected, asserted or unasserted, arising out of, relating to, or resulting from her employment
8 and/or separation of employment with Defendants, which Plaintiff, at any time up until the execution
9 of the Settlement Agreement, had or claimed to have or may have. It is agreed that this is a general
10 release and is to be broadly construed as a release of all claims, provided that, notwithstanding the
11 foregoing, this Paragraph expressly does not include a release of any claims that cannot be released
12 hereunder by law. Any and all rights granted under any state or federal law or regulation limiting the
13 effect of the Settlement Agreement, including the provisions of Section 1542 of the California Civil
14 Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as
15 follows:

16 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**
17 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
18 **FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM**
19 **OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH**
20 **THE DEBTOR OR RELEASED PARTY.**

21 43. Final Approval Order and Judgment. The Parties shall provide the Settlement
22 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
23 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
24 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
25 Class will be required.

26 44. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
27 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
28 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the

1 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
2 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
3 Settlement Agreement.

4 45. Effects of Termination or Rescission of Settlement. Termination or rescission of the
5 Settlement Agreement shall have the following effects:

6 a. The Settlement Agreement shall be void and shall have no force or effect, and
7 no Party shall be bound by any of its terms;

8 b. In the event the Settlement Agreement is terminated, Defendants shall have no
9 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
10 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
11 Administrator is notified that the Settlement has been terminated;

12 c. The Preliminary Approval Order and Final Approval Order and Judgment,
13 including any order certifying the Class, shall be vacated;

14 d. The Settlement Agreement and all negotiations, statements, and proceedings
15 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
16 restored to their respective positions in the Actions prior to the execution of the Settlement Agreement;

17 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
18 statements, or filings in furtherance of the Settlement (including all matters associated with the
19 mediation) shall be admissible or offered into evidence in the Actions or any other action for any
20 purpose whatsoever; and

21 f. Any documents generated to bring the Settlement into effect, will be null and
22 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
23 likewise be treated as void from the beginning.

24 46.

25 47. Media or Press Inquiries: The Parties and their counsel agree that they will not issue
26 any press releases, initiate any contact with the press, respond to any press inquiry or have any
27 communications with the press about the allegations, facts, amount or terms of the settlement.

28 48. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,

1 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
2 of action or right herein released and discharged.

3 49. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set
4 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.
5 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

6 50. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
7 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
8 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
9 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
10 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
11 expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure
12 Section 1856(a), which provide that a written agreement is to be construed according to its terms and
13 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic
14 oral or written representations or terms will modify, vary, or contradict the terms of this Settlement
15 Agreement.

16 51. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
17 the Actions (including with respect to California Code of Civil Procedure Section 583.310), except
18 such proceedings necessary to implement and complete this Settlement Agreement, pending the Final
19 Approval Hearing to be conducted by the Court.

20 52. Amendment or Modification. Prior to the filing of the motion for preliminary approval
21 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
22 except by written agreement signed by counsel for all Parties. After the filing of the motion for
23 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
24 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
25 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
26 constitute a waiver of any other provision.

27 53. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
28 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
to this Settlement Agreement to effectuate its terms and to execute any other documents required to

1 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
2 full authority to enter into this Settlement Agreement, and further intend that this Settlement
3 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
4 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
5 confidentiality provisions that otherwise might apply under state or federal law.

6 54. Signatories. It is agreed that because the members of the Class are so numerous, it is
7 impossible or impractical to have each Settlement Class Member or Aggrieved Employee execute this
8 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
9 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
10 as to the Aggrieved Employees, and the releases provided for by this Settlement Agreement shall have
11 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
12 Member and Aggrieved Employee.

13 55. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
14 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

15 56. California Law Governs. All terms of this Settlement Agreement and attached exhibits
16 hereto will be governed by and interpreted according to the laws of the State of California.

17 57. Execution and Counterparts. This Settlement Agreement is subject only to the
18 execution of all Parties. However, this Settlement Agreement may be executed in one or more
19 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
20 copies of the signature page, will be deemed to be one and the same instrument.

21 58. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
22 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived
23 at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking
24 into account all relevant factors, present and potential. The Parties further acknowledge that they are
25 each represented by competent counsel and that they have had an opportunity to consult with their
26 counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if
27 necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the
28 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the
Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

5 60. Enforcement Action. In the event that one or more of the Parties institutes any legal
6 action or other proceeding against any other Party or Parties to enforce the provisions of this
7 Settlement Agreement or to declare rights and/or obligations under this Settlement, the successful
8 Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'
9 fees and costs, including expert witness fees, in connection with any enforcement actions.

10 61. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
11 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
12 to implement the Settlement.

13 62. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
14 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
15 continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and
16 specifically deny, they have violated any federal, state, or local law; violated any regulations or
17 guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal
18 requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation
19 or deception; or engaged in any other unlawful conduct with respect to their employees. Neither this
20 Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
21 it, shall be construed as an admission or concession by Defendants of any such violations or failures
22 to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this
23 Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or
24 received as evidence in any action or proceeding to establish any liability or admission on the part of
25 Defendants or to establish the existence of any condition constituting a violation of, or a non-
26 compliance with, federal, state, local, or other applicable law.

27 63. Captions. The captions and paragraph numbers in this Settlement Agreement are
28 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or

1 intent of the provisions of this Settlement Agreement.

2 64. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
3 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
4 construed more strictly against one Party than another merely by virtue of the fact that it may have
5 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
6 negotiations between the Parties, all Parties have contributed equally to the preparation of this
7 Settlement Agreement.

8 65. Representation By Counsel. The Parties acknowledge that they have been represented
9 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
10 that this Settlement Agreement has been executed with the consent and advice of counsel, and
11 reviewed in full.

12 66. All Terms Subject to Final Court Approval. All amounts and procedures described in
13 this Settlement Agreement herein will be subject to final Court approval.

14 67. Notices. All notices, demands, and other communications to be provided concerning
15 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
16 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
17 as follows:

18 To Plaintiff and Class Counsel:

19 Jonathan M. Genish

20 jgenish@blackstonepc.com

21 Miriam L. Schimmel

22 mschimmel@blackstonepc.com

23 Jared C. Osborne

24 josborne@blackstonepc.com

25 Joana Fang

26 jfang@blackstonepc.com

27 Alexandra Rose

28 arose@blackstonepc.com

Theodore R. Tang

ttang@blackstonepc.com

BLACKSTONE LAW, APC

8383 Wilshire Boulevard, Suite 745

Beverly Hills, California 90211

Tel: (310) 622-4278 / Fax: (855) 786-6356

To Defendants:
Monte K. Grix
mgrix@hkemploymentlaw.com
Benjamin Treger
btreger@hkemploymentlaw.com
Anna Barker
abarker@hkemploymentlaw.com
HIRSCHFELD KRAMER LLP
1299 Ocean Avenue, Suite 750
Santa Monica, California 90401
Tel: (310) 255-0705 / Fax: (310) 255-0986

68. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:

IT IS SO AGREED.

PLAINTIFF CHEROKEE MCCLINTON

Dated: 04/28/2026

Cherokee McClinton
Plaintiff Cherokee McClinton

DEFENDANT CAL. NED. INC.

Dated: 5/12/26

David Green
Full Name: David Green
Title: Sr. VP / CFO
On behalf of Defendant Cal. Ned. Inc.

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DEFENDANT NED PAN, INC.

Dated: 05/11/26

Jeff Loeb

Full Name: Jeff Loeb

Title: President

On behalf of Defendant Ned Pan, Inc.

DEFENDANT NED PAN, INC.

Dated: _____

Full Name: _____

Title: _____
On behalf of Defendant Ned Pan, Inc.

Approved as to form:

BLACKSTONE LAW, APC

Date: August 6, 2026

Theodore R. Tang
Alexandra Rose
Theodore R. Tang

*Attorneys for Plaintiff Cherokee McClinton, on
behalf of herself and all others similarly situated*

HIRSCHFELD KRAMER LLP

Date: August 11, 2026

Monte Grix
Monte Grix
Benjamin Treger
Anna Barker

*Attorneys for Defendants Cal. Ned. Inc., and Ned
Pan, Inc.*

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Cherokee McClinton v. Cal Ned Inc., et al.
Superior Court of California for the County of Los Angeles, Case No. 24STCV34288

PLEASE READ THIS CLASS NOTICE CAREFULLY.

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

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

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

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Cherokee McClinton ("Plaintiff") and Defendants Cal Ned, Inc. and Ned Pan, Inc. (together, "Defendants") (Plaintiff and Defendants are collectively referred to as the "Parties") in the case entitled *Cherokee McClinton v. Cal Ned Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV34288 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" means all current and former California non-exempt hourly employees of Ned Pan, Inc. or Cal Ned, Inc. (as the payroll agent for Ned Pan, Inc.) who worked at any time during the Class Period in the positions of Usher and/or Stage Door Attendant.

"Class Period" means the period from December 26, 2020, through December 15, 2025.

"Class Settlement" means the settlement and resolution of all Released Class Claims.

"Aggrieved Employee(s)" means all current and former California non-exempt hourly employees of Ned Pan, Inc. or Cal Ned, Inc. (as the payroll agent for Ned Pan, Inc.) who worked at any time during the PAGA Period in the positions of Usher and/or Stage Door Attendant.

"PAGA Period" means the period from December 23, 2023, through December 15, 2025.

"PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On December 23, 2024, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the California Labor Code that Plaintiff contends were violated. On December 26, 2024, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint in the Action. On January 2, 2025, Plaintiff provided an amended notice to the LWDA and Defendants. Together, the December 23, 2024 and January 2, 2025 notices are referred to as the "PAGA Letters." On April 16, 2026, Plaintiff filed a First Amended Class and Representative Action Complaint. ("Operative Complaint") in the Action.

Plaintiff contends that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants strongly deny all of the allegations in the Action or that they violated any law. Defendants assert that at all relevant times, they paid Plaintiff and all Class Members and Aggrieved Employees in accordance with applicable law.

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

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action LLC as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Cherokee McClinton as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Jared C. Osborne
Theodore R. Tang
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

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

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

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Seven Hundred Thousand Dollars and No Cents (\$700,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed Thirty-Five Percent (35%) of the Gross Settlement Amount (i.e., \$245,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Twenty-Five Thousand Dollars and No Cents (\$25,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Five Thousand Dollars and No Cents (\$5,000.00) to Plaintiff for her services in the Action; (3) the amount of Thirty-Five Thousand Dollars and No Cents (\$35,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 65% (\$22,750.00) (“LWDA Payment”) and the remaining 35% (\$12,250.00) will be distributed to Aggrieved Employees (“Aggrieved Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Seven Thousand Dollars and No Cents (\$7,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as a non-exempt hourly employee in California in the positions of Usher and/or Stage Door Attendant during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employers’ share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendants separately and in addition to the Gross Settlement Amount.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the Aggrieved Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each Aggrieved Employee worked for Defendants as a non-exempt hourly employee in California in the positions of Usher and/or Stage Door Attendant during the PAGA Period (“Pay Periods”). The Settlement Administrator had divided the Aggrieved Employee Amount, i.e., 35% of the PAGA Amount, by the Pay Periods of all Aggrieved Employees to yield the “PAGA Pay Period Value,” and multiplied each Aggrieved Employee’s individual Pay Periods by the Pay Period Value to yield each Aggrieved Employee’s Individual PAGA Payment.

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

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

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

According to Defendants’ records:

- **From December 26, 2020 through December 15, 2025 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From December 23, 2023 through December 15, 2025 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*McClinton v. Cal Ned, Inc.*, Case No. 24STCV34288); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

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

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

**Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED].
The Individual Settlement Share is subject to reduction for the employee’s share of taxes and**

withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

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

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

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

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

“Released Class Claims” means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, which shall specifically include claims for Defendants’ alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq.*

“Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letters and the Operative Complaint, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, which shall specifically include claims for Defendants’ alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

“Released Parties” means Defendants and their respective and former parents, subsidiaries, and affiliated corporations, officers, directors, shareholders, employees, agents, and attorneys.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed Thirty-Five Percent (35%) of the Gross Settlement Amount (i.e., \$245,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Twenty-Five Thousand Dollars and No Cents (\$25,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Five Thousand Dollars and No Cents (\$5,000.00) (“Enhancement Payment”), in recognition of her services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to her Individual Settlement Payment and Individual PAGA Payment that she is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seven Thousand Dollars and No Cents (\$7,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

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

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

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

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

B. Request Exclusion from the Class Settlement

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

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*McClinton v. Cal Ned, Inc.*, Case No. 24STCV34288); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

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

C. Object to the Class Settlement

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

The Notice of Objection must: (a) contain the case name and number of the Action (*McClinton v. Cal Ned, Inc.*, Case No. 24STCV34288); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social

Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

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

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 1 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012 on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You may appear remotely for the Final Approval Hearing through the Court's remote hearing platform, LA Court Connect. To do so, navigate to <https://www.lacourt.ca.gov/pages/lp/lacc-welcome>, select "All Other Case Types," and follow the onscreen instructions. You will need the case number (24STCV34288) to log in.

VI. ADDITIONAL INFORMATION

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

You may view the Settlement Agreement and other documents filed in the Action by going online or in person. To view them online, go to <https://www.lacourt.ca.gov/home>, select Online Services>Access a Case>Access Case Documents>Case Document Images and follow the onscreen instructions. You will need the case number (24STCV34288). To view them in person, you can visit the Los Angeles Superior Court Clerk's office at the Stanley Mosk Courthouse located at 111 North Hill Street, Los Angeles, California 90012.

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

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

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

EXHIBIT 3



Outlook

Thank you for your Proposed Settlement Submission

Desde no-reply@formassembly.com <no-reply@formassembly.com>

Fecha Lun 17/08/2026 10:31

Para Lorena Bautista <lbautista@blackstonepc.com>

[External Email].

08/17/2026 08:31:09 AM

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

Item submitted: Proposed Settlement

On 08/17/2026 08:31:09 AM your Proposed Settlement was successfully processed for case number LWDA-CM-1069076-24

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: [http://labor.ca.gov/Private Attorneys General Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)