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# CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Dalisandra R. Partida ("Plaintiff"), and Defendants Responsible and Compliant Retail Ventura LLC and Embarc LLC/ "Embarc Ventura Cannabis Dispensary"; Journey Enterprise Holdings, LP; Embarc Tahoe LLC; Embarc Martinez LLC; Embarc Meyers LLC; Responsible and Compliant Retail Fairfield LLC; Responsible and Compliant Retail Blackstone LLC; Responsible and Compliant Retail Redwood City LLC; Embarc Sacramento LLC; Responsible and Compliant Retail Chico LLC; Responsible and Compliant Retail Tracy LLC; Indio Responsible and Compliant Retail LLC; Fontana Responsible and Compliant Retail LLC; 1784 Shaw Retail LLC; San Bruno Responsible and Compliant Retail LLC; Responsible and Compliant Retail Madera LLC; Woodland Responsible and Compliant Retail LLC; and Alameda Patients Group LLC (hereinafter collectively referred as "Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

## 1. DEFINITIONS.

1.1. "Action" means Plaintiff's Class and PAGA action filed in the Superior Court of the State of California, County of Ventura, Case No. 2024CUOE034864.

1.2. "Settlement Administrator" means XPand Legal, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4. "Aggrieved Employees" means all persons employed by Defendants in California as a non-exempt employee during the PAGA Period, who will be sent a PAGA Payment and be bound by the PAGA Release, regardless of whether or not they submit a valid and timely Request for Exclusion.

1.5. "Class Member" means all persons employed by Defendants in California as non-exempt employees during the Class Period (defined as December 19, 2020, through April 11, 2026.

1.6. "Class Counsel" means Enoch Kim, Esq., Marta Manus, Esq., David Keledjian, Esq., and Elizabeth Harrier, Esq., of D.Law, Inc.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means information regarding Class Members that Defendants will compile from its records and provide to the Settlement Administrator. It shall be formatted as a

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Microsoft Excel spreadsheet and shall include: each Class Member's full name; last known address; Social Security Number; start dates and end dates of employment, or alternatively, the number of Workweeks worked. Defendants shall perform their best efforts in putting together the spreadsheet, but the Parties agree that to the extent individual Class Member's information cannot be generated or found, the Parties will rely on the efforts of the Settlement Administrator to search and find any missing information. If Defendants and the Settlement Administrator cannot, using reasonably diligent efforts, find the required information of a Class Member, that putative Class Member's name shall be removed from the spreadsheet.

1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

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

1.11. "Class Notice" means the Court Approved Notice of Class Action Settlement and hearing date for Final Court Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

1.12. "Class Period" or "Settlement Class Period" means the period from December 19, 2020, through April 11, 2026.

1.13. "Class Representative" means the named Plaintiff in the Operative Complaint (defined below) in the Action seeking Court approval to serve as a Class Representative.

1.14. "Class Representative Service Payment" means the payment of $7,500.00 to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Ventura.

1.16. "Defense Counsel" means Dina S. Glucksman, Esq., and James D. Miller of Gordon Rees Scully Mansukhani.

1.17. "Effective Date" means the date on which the Court enters Judgment on its order granting Final Approval of the Settlement and the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal

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from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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

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

1.20. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.21. "Gross Settlement Amount" or "GSA" means the total amount Defendants agree to pay under the Settlement as set out in Paragraph 3 below except as provided in Paragraph 8 below.

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

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

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

1.25. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

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

1.27. "Net Settlement Amount" or "NSA" means Gross Settlement Amount, less the following payments in the amount approved by the Court: Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, the Settlement Administration Costs, Individual PAGA Payments, and the LWDA PAGA Payment.

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

1.29. "Operative Complaint" means the operative Second Amended Complaint filed in the Action on June 18, 2026.

1.30. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

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1.31. "PAGA Period" means the period from December 21, 2023, through April 11, 2026.

1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq*.)

1.33. "PAGA Notice" means the December 19, 2024, letter and the May 15, 2026, amended letter that Class Counsel sent to the LWDA under Labor Code section 2699.3(a)/(c) exhausting Plaintiff's administrative remedies under PAGA, California Labor Code sections 2698, *et seq*.

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

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

1.36. "Plaintiff" means Dalisandra R. Partida, the named plaintiff in the Action.

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

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

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

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

1.41. "Released Parties" means Defendants and its present and former parent companies, including Responsible and Compliant Retail Ventura LLC and Embarc LLC/ "Embarc Ventura Cannabis Dispensary", Journey Enterprise Holdings, LP, Embarc Tahoe LLC, Embarc Martinez LLC, Embarc Meyers LLC, Responsible and Compliant Retail Fairfield LLC, Responsible and Compliant Retail Blackstone LLC, Responsible and Compliant Retail Redwood City LLC, Embarc Sacramento LLC, Responsible and Compliant Retail Chico LLC, Responsible and Compliant Retail Tracy LLC, Indio Responsible and Compliant Retail LLC, Fontana Responsible and Compliant Retail LLC, 1784 Shaw Retail LLC, San Bruno Responsible and Compliant Retail LLC, Responsible and Compliant Retail Madera LLC, Woodland Responsible and Compliant Retail LLC, and Alameda Patients Group LLC.

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded (opt-out) from the Class Settlement signed by the Class Member.

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1.43. "Response Deadline" means forty-five (45) days after the Settlement Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement as set out in Paragraph 7 below; or (b) fax, email, or mail his or her objection to the Settlement. Class Members to whom Notice Packets are re-sent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

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

1.45. "Workweek" means any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member was employed by Defendant during the Class Period in California.

## 2. RECITALS.

2.1. On December 19, 2024, Plaintiff Partida commenced this Action by filing a Class Action Complaint alleging causes of action against Defendants for various alleged violations of the California Labor Code.

2.2. On the same day, December 19, 2024, Plaintiff gave timely notice to the LWDA and Defendants that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1010243-24) pursuant to Labor Code section 2699.3, subd. (a). On February 24, 2025, Plaintiff filed her First Amended Complaint, which added a representative claim for civil penalties under Labor Code section 2698, *et seq.*

2.3. On June 18, 2026, pursuant to the stipulation of the Parties, Plaintiff filed a Second Amended Complaint. The Seconded Amended Complaint is the operative complaint in the Action. ("Operative Complaint"). The Operative Complaint includes the following causes of action against Defendants: (1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); (2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198); (3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1 and 1198); (4) Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a)); (5) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); (6) Failure to Indemnify (Lab. Code § 2802); (7) Unfair Competition (Bus. & Prof. Code §§ 17200 *et seq.*); (8) Civil Penalties (Lab. Code § 2698, *et seq*.); (9) Failure to Pay all Wages During Employment (Lab. Code § 204); and (10) Failure to Keep Requisite Payroll Records (Lab. Code § 1174(d)).

2.4. Defendants generally and specifically deny any and all liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes that any wages, damages and penalties claimed by Plaintiff, alleged in the Operative Complaint, and alleged in Plaintiff's PAGA Notice are owed, and further contends that the Action is not appropriate for class or

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representative treatment, other than for the limited purpose of effectuating this Settlement. Defendants assert a number of defenses to the alleged claims, and contends, among other things, that it has made substantial good faith efforts to comply with the California Labor Code and the Industrial Welfare Commission Wage Orders at all times during the Class Period. Defendants assert that it adopted compliant wage and hour practices. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or may be construed as, a concession, admission, or indication by or against Defendants, or any of the Released Parties, of any fault, wrongdoing, or liability whatsoever. This Agreement is not a concession or admission by Defendants that Plaintiff can serve as an adequate class representative, except for the limited purpose of effectuating this Settlement. There has been no determination by any court as to the merits of the claims Plaintiff asserts against Defendants or whether a class should be certified for any purpose other than settlement.

2.5. On February 10, 2026, the Parties participated in private mediation with experienced wage and hour mediator, Brandon McKelvey, Esq. After further discussions and negotiations, the Parties reached a settlement through a mediator's proposal. These good faith, arms-length negotiations resulted in settlement of the Action and are memorialized in this Settlement Agreement.

2.6. In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. Prior to mediation, Plaintiff also obtained and analyzed a representative sampling of time and payroll data for the putative Class Members and the necessary policy documents through informal discovery to properly evaluate the strength and weaknesses of the claim and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116 ("*Dunk/Kullar*").

2.7. Class Counsel has concluded, taking into account the sharply contested issues involved, the defenses asserted by Defendants, the expense and time necessary to pursue the Action through trial and any appeals, the risks and costs of further prosecution of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits to be received by Plaintiff and the Class Members and State of California pursuant to this Agreement, that a settlement with Defendants on the terms and conditions set forth herein is fair, reasonable, adequate, and in the best interests of the Class and State of California. Plaintiff, on her own behalf, on behalf of the Class, and as a private attorney general on behalf of the State of California with respect to PAGA Members, has agreed to settle the Action with Defendants on the terms set forth herein.

2.8. Defendants have concluded that, because of the substantial expense of defending against the Action, the length of time necessary to resolve the issues presented herein, the

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inconvenience involved, and the concomitant disruption to its business operations, it is in Defendants' best interest to accept the terms of this Agreement. Substantial amounts of time, energy, and resources of Defendants have been devoted and, absent this Settlement, will continue to be devoted to the defense against the claims asserted by Plaintiff. Defendants have, therefore, agreed to resolve this matter in the manner and upon the terms set forth in this Agreement so that it may continue focusing on delivering essential health services to the communities it serves. Settlement will also allow Defendants to avoid the burden, expense and uncertainty of continuing litigation and put to rest the controversies engendered by the Action.

2.9. The Court has not granted class certification because the Parties engaged in mediation before any class certification. The Parties are stipulating to class certification for settlement purposes only.

## 3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendants will pay the Gross Settlement Amount of Four Hundred Thirty Thousand Dollars ($430,000.00) on a non-reversionary basis. The Gross Settlement Amount does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendants will pay separately as calculated by the Settlement Administrator. Defendants have no obligation to pay the Gross Settlement Amount or any payroll taxes before the deadline stated in Paragraph 4.2. The Settlement Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment.

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

3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than Seven Thousand Five Hundred Dollars ($7,500.00) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Settlement Administrator will allocate the remainder in the Net Settlement Amount. An award of less than the requested amount for the Class Representative Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this

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Agreement to reduce (or increase) the Class Representative Service Payment, at its discretion at the final approval stage. The Settlement Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be One Hundred Forty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents ($143.333.33), and a Class Counsel Litigation Expenses Payment of actual, documented, and reasonable litigation costs and expenses incurred to prosecute the Action. Defendants will not oppose requests for these payments, provided the requests do not exceed the amounts set forth in this Agreement. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Released Parties shall have no liability to Class Counsel arising from any claim to any portion of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and hold Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Settlement Administrator: The Settlement Administrator Expenses Payment not to exceed Eight Thousand Dollars ($8,000.00) except for a showing of good cause and as approved by the Court. To the extent the Settlement Administration Costs are less, or the Court approves payment less than $8,000.00, the Settlement Administrator will allocate the remainder in the Net Settlement Amount.

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

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80%

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

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of $25,000 to be paid from the Gross Settlement Amount, with Sixteen Thousand Two Hundred Fifty Dollars ($16,250) (65% of the PAGA Penalties) allocated to the LWDA PAGA Payment and Eight Thousand Seven Hundred Fifty Dollars ($8,750) (35% of the PAGA Penalties) allocated to the Individual PAGA Payments. Subject to Court approval, the PAGA Penalties will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were brought in the Action under PAGA based on the factual allegations in the Operative Complaint and PAGA Notice.

3.2.5.1 The Settlement Administrator will calculate each Individual PAGA Payment pro rata by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's Pay Periods. The Individual PAGA Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 The Court has the authority under this Agreement to increase (or reduce) the PAGA Penalties up to and including at the final approval hearing, and the Parties respectfully reserve the right to increase (or reduce) the PAGA Penalties up to and including at the final approval stage, subject to the Court's final approval. If the Court approves PAGA Penalties of less than the amount requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

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## 4. SETTLEMENT FUNDING AND PAYMENTS.

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

4.2. Funding of Gross Settlement Amount. Subject to Court Approval of the Settlement, the Gross Settlement Amount shall be funded by Defendants according to the following schedule:

4.2.1. Defendants shall deposit the first payment in the amount of Two Hundred Fifteen Thousand Dollars ($215,000) with the Settlement Administrator within thirty (30) days after Final Approval or by February 10, 2027, whichever is later (the "First Payment").

4.2.2. Defendants shall deposit the second and final payment of Two Hundred Fifteen Thousand Dollars ($215,000) will be due on February 10, 2028 (the "Second Payment").

4.3. Payments from the Gross Settlement Amount. Within fifteen (15) days after Defendants fully fund the Gross Settlement Amount as reflected in Paragraph 4.2, the Settlement Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Settlement Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.

4.4.1 The Settlement Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First

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Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Settlement Administrator will cancel all checks not cashed by the void date. The Settlement Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Settlement Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Settlement Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Settlement Administrator must conduct a Class Member Address Search for all other Class Members whose checks are retuned undelivered without United States Postal Service ("USPS") forwarding addresses. Within three (3) days of receiving a returned check the Settlement Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Settlement Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Settlement Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Settlement Administrator shall transmit the funds represented by such checks to the California Controller's Office Unclaimed Property Division, with an identification of the Participating Class Member to whom the funds belong to be held on behalf of the Participating Class Member.

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

4.4.5 The Settlement Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees, who have no right to opt-out or otherwise exclude themselves from the settlement and release of PAGA claims set forth in this Settlement.

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4.4.6 If Defendants fail to make any payment required by Paragraph 4.2 by the applicable due date, Class Counsel shall provide written notice of the default to Defense Counsel, before bringing any motions to the Court, and Defendants shall have fifteen (15) calendar days from that notice to cure, otherwise Class Counsel can pursue with the court whatever remedies it may be entitled to.

4.5 Payments to the Responsible Tax Authorities. The Settlement Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Settlement Administrator shall also pay Defendants' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendants' portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

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

5.1 Plaintiff's General Release. Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint or ascertained during the Action; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice; and (c) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with her employment with Defendants, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date Plaintiff executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state, or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining

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Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum, overtime, or double time wages (including for alleged off-the-clock work, alleged preliminary work or postliminary work, or alleged off-the-clock covid screenings); (3) failure to include non-discretionary remuneration, stipends, bonuses, commissions, shift differentials, or other incentive pay in the regular rate of pay for overtime or double time compensation; (4) failure to provide meal periods; (5) failure to provide rest periods; (6) failure to pay meal or rest period premiums at the regular rate of pay; (7) failure to provide Covid-19 supplemental sick leave; (8) failure to pay paid sick leave at the regular rate of pay; (9) failure to provide accurate itemized wage statements; (10) failure to maintain accurate records; (11) failure to reimburse business expenses (including but not limited to cell phone expenses and mileage); (12) failure to pay wages when due during employment; (13) failure to pay all wages due upon termination of employment; (14) any claim for violations of the California Labor Code, California's Business and Professions Code section 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (15) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (16) all claims for wrongful termination of employment; (17) all claims for wages, penalties and/or benefits, interest, or attorneys' fees or costs associated with the above-enumerated claims or causes of actions under California or federal law. Plaintiff's General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits, or class claims outside of the Class Period. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Named Plaintiff's General Release shall be and remains effective in all respects, notwithstanding such different or additional facts or their discovery of them.

5.1.1 Plaintiff's Section 1542 Waiver. For purposes of Plaintiff's General Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of Section 1542 of the California Civil Code, which reads:

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

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5.2 Released Class Claims: Upon entry of final judgment and funding of the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release Released Parties from: (i) all claims, rights, demands, liabilities and causes of action that were alleged, based on the facts stated in the Operative Complaint, during the Class Period, including all claims under California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 551, 552, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, *et seq.*, 2800 and 2802. This includes all claims for (a) failure to provide meal periods, (b) failure to provide rest periods, (c) any and all claims involving any alleged failure to pay hourly wages and overtime wages, whether due to off the clock work, break premium pay, or pay calculation methods, (d) any and all claims involving any alleged failure to provide compliant wage statements for any reason, (e) any and all claims involving any alleged failure to accurately calculate or pay timely wages, for any reason, at termination or during employment, (f) failure to indemnify, and (g) failure to keep requisite payroll records. The Released Class Claims expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

5.3 Released PAGA Claims: Plaintiff and the LWDA, and any individual on behalf of the LWDA, are deemed to release the Released Parties from all claims for PAGA penalties that were alleged in the PAGA Notice during the PAGA Period, including, penalties predicated on the underlying alleged violations for: California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 551, 552, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, *et seq.*, 2800 and 2802. This includes all claims for (a) failure to provide meal periods, (b) failure to provide rest periods, (c) any and all claims involving any alleged failure to pay hourly wages and overtime wages, whether due to off the clock work, break premium pay, or pay calculation methods, (d) any and all claims involving any alleged failure to provide compliant wage statements for any reason, (e) any and all claims involving any alleged failure to accurately calculate or pay timely wages, for any reason, at termination or during employment, (f) failure to indemnify, and (g) failure to keep requisite payroll records and any other violations of the California Labor Code that were alleged in Plaintiff's PAGA Notice. The Released PAGA Claims expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period. It is the intent of the Parties, that in the event that another Aggrieved Employee were to assert a subsequent claim on behalf of the LWDA, for any claim included in the Released PAGA Claims, Defendants will assert the Settlement Agreement as a defense to any such claims by the LWDA or anyone acting on behalf of the LWDA. (See *Arias v. Superior Court* (2009) 46 Cal.4th 969, 986 ("Because an aggrieved employee's action under the Labor Code Private Attorneys General Act of 2004 functions

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as a substitute for an action brought by the government itself, a judgment in that action binds all those, including nonparty aggrieved employees, who would be bound by a judgment in an action brought by the government.").)

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

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

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

6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, or forthcoming motions or joint stipulations for approval, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone,

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and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. Should the Court decline to approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it.

## 7. SETTLEMENT ADMINISTRATION.

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

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

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

7.4. Notice to Class Members.

7.4.1 No later than three (3) calendar days after receipt of the Class Data, the Settlement Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 7 days after receiving the Class Data, the Settlement Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation (if required), substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Settlement Administrator shall update Class Member addresses using the National Change of Address database.

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

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

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

7.5 Requests for Exclusion (Opt-Outs).

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

7.5.2 The Settlement Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Settlement Administrator shall accept any Request for Exclusion as valid if the Settlement Administrator can reasonably ascertain the identity of the person as a

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Class Member, contact the Class Member whether directly or through the Class Member's attorney, and confirm the Class Member's desire to be excluded. The Settlement Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Settlement Administrator has reason to question the authenticity of a Request for Exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity and decision to be excluded.

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

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

7.6 Challenges to Calculation of Workweeks and/or PAGA Pay Periods. Each Class Member and/or Aggrieved Employee shall have forty-five (45) days after the Settlement Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member or Aggrieved Employee in the Class Notice. The Class Member and/or Aggrieved Employee may challenge the allocation by communicating with the Settlement Administrator via fax, email or mail. The Settlement Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Settlement Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. All Workweek and/or PAGA Pay Periods disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all Workweek and/or PAGA Pay Periods disputes will be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Settlement Administrator's determination of the challenges.

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7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Settlement Administrator, by email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Settlement Administrator must do so not later than 45 days after the Settlement Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed). Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at their own cost) by attending the Final Approval Hearing.

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

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

7.8.1 Website, Email Address and Toll-Free Number. The Settlement Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Settlement Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Settlement Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Settlement Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying

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information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

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

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

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

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

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8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendants have provided an estimate of approximately 603 Class Members who collectively worked a total of approximately 27,644 workweeks during the Class Period and approximately 448 Aggrieved Employees who worked a total of approximately 9,872 PAGA Pay Periods during the PAGA Period. If the total number of workweeks exceeds 27,644 by 10% or more (i.e., 30,408 workweeks) for the applicable Class Period, then, at Defendants' option, the Gross Settlement Amount will either increase by 1% for every 1% over the 10% threshold (i.e., over 30,408 workweeks), or the Class Period will end on the date the number of workweeks equals 30,408. If this provision is triggered, the Parties agree that the portion of the Gross Settlement Amount allocated to Class Counsel Fees Payment will increase proportionally such that the total amount of Class Counsel Fees Payment remains one-third of the Gross Settlement Amount after the upward adjustment required by this provision is implemented.

9. **DEFENDANTS' RIGHT TO WITHDRAW.** Defendants shall have the right to withdraw from this Settlement or terminate this Settlement if the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members. If Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party shall have any further obligation to perform under this Agreement; provided, however, that Defendants will be responsible for the Settlement Administration Expenses incurred to the date of its election to withdraw from the Settlement. Defendants must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Settlement Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively, "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

    10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in

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good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Settlement Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court shall retain continuing jurisdiction over the Parties, Action and the Settlement solely for purposes of (i) enforcing this Agreement or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

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

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

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

**12. ADDITIONAL PROVISIONS.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

| To Plaintiff | To Defendants |
|---|---|
| **D.Law, Inc.**<br>Elizabeth Harrier<br>e.harrier@d.law<br>Enoch J. Kim<br>e.kim@d.law<br>Marta Manus<br>m.manus@d.law<br>250 N Madison Ave, 2nd Floor<br>Pasadena, CA 91101<br>Telephone: (818) 962-6465<br>Fax: (818) 962-6469 | **Gordon Rees Scully Mansukhani**<br>Dina S. Glucksman<br>dglucksman@grsm.com<br>James D. Miller<br>jdmiller@grsm.com<br>633 West Fifth Street, 52nd Floor<br>Los Angeles, CA 90071<br>Telephone: (213) 576-5071<br>Facsimile: (213) 680-4470 |

Docusign Envelope ID: 0A915D82-5999-81C5-8249-8A9EA1068B0F

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

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

DATED: 8/6/2026

BY: Signed by: F2C47F984BB5410...

Dalisandra R. Partida

DATED:

BY: _____

Title: _____

Defendants

**APPROVED AS TO FORM:**

DATED: 8/7/2026

**D.LAW, INC.**

BY: _____

Enoch J. Kim
Marta Manus
Counsel for Plaintiff Dalisandra R. Partida

DATED:

**GORDON REES SCULLY MANSUKHANI**

BY: _____

Dina S. Glucksman
James D. Miller
Counsel for Defendants

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

DATED: BY: _____

Dalisandra R. Partida

DATED: BY: _____

Title: Authorized Signatory

Defendants

**APPROVED AS TO FORM:**

DATED: **D.LAW, INC.**

BY: _____
Enoch J. Kim
Marta Manus
Counsel for Plaintiff Dalisandra R. Partida

DATED: **GORDON REES SCULLY MANSUKHANI**

BY: _____
Dina S. Glucksman
James D. Miller
Counsel for Defendants



Doc ID: b7b8526dfcc3192c2832554f4f4fb790091e67b6

EXHIBIT A

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

***Dalisandra R. Partida v. Responsible and Compliant Retail Ventura LLC, et al.***
Superior Court of California, County of Ventura – Case No. 2024CUOE034864

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

**You may be eligible to receive money** from an employee class action lawsuit ("Action") against Defendants Responsible and Compliant Retail Ventura LLC and Embarc LLC/"Embarc Ventura Cannabis Dispensary", Journey Enterprise Holdings, LP, Embarc Tahoe LLC, Embarc Martinez LLC, Embarc Meyers LLC, Responsible and Compliant Retail Fairfield LLC, Responsible and Compliant Retail Blackstone LLC, Responsible and Compliant Retail Redwood City LLC, Embarc Sacramento LLC, Responsible and Compliant Retail Chico LLC, Responsible and Compliant Retail Tracy LLC, Indio Responsible and Compliant Retail LLC, Fontana Responsible and Compliant Retail LLC, 1784 Shaw Retail LLC, San Bruno Responsible and Compliant Retail LLC, Responsible and Compliant Retail Madera LLC, Woodland Responsible and Compliant Retail LLC, and Alameda Patients Group LLC ("Defendants" or "Responsible and Compliant Retail Ventura" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former Bay Area Community employee Dalisandra R. Partida ("Plaintiff") and seeks payment of (1) back wages and other relief for a class of current and former non-exempt employees ("Class Members") who worked for Defendant during the Class Period (December 19, 2020, through April 11, 2026) who did not sign a release or severance agreement during the Class Period ("Class Members"); and (2) penalties under the California Private Attorney General Act ("PAGA") for the State of California and all current and former non-exempt employees who worked for Defendants during the PAGA Period (December 21, 2023, through April 11, 2026.) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

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

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

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendants to make payments under the Settlement and requires Class Members and the LWDA to give up their rights to assert certain claims against Defendants.

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

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

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

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

## I. SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

| | |
|---|---|
| **You Don't Have to Do Anything to Participate in the Settlement** | If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement ("Released Claims"). |
| **You Can Opt-out of the Class Settlement but not the PAGA Settlement**<br><br>**The Opt-out Deadline is** _____ | If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **VII** of this Notice. |

| | |
|---|---|
| | You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees, and the LWDA must give up its rights to pursue Released Claims (defined below). |
| **Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement**<br><br>**Written Objections Must be Submitted by** _____ | All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section **VIII** of this Notice. |
| **You Can Participate in the _____, Final Approval Hearing** | The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **IX** of this Notice. |
| **You Can Challenge the Calculation of Your Workweeks/PAGA Pay Periods**<br><br>**Written Challenges Must be Submitted by _____.** | The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one calendar day during the Class Period and how many PAGA Pay Periods you worked at least one calendar day during the PAGA Period. The number Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendants' records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____. See Section **V** of this Notice. |
| **When is Your Deadline to Opt-Out of or Object to the Class Action Settlement?** | You must submit your written and signed Request for Exclusion (to opt-out) or your written objection no later than 45 days after the Settlement Administrator mails this Notice to you or _____, (the "Response Deadline").<br><br>If your Notice is re-mailed to you because it was returned as undeliverable, you will have an additional 14 calendar days beyond the original 45-day deadline to submit your Request for Exclusion or objection. |

| | |
|---|---|

## II. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Responsible and Compliant Retail Ventura. Plaintiff alleges that Defendants violated the following California wage and hours laws: (1) Failure to Provide Meal Periods (Lab. Code §§ 204, 223, 226.7, 512 and 1198); (2) Failure to Provide Rest Periods (Lab. Code §§ 204, 223, 226.7 and 1198); (3) Failure to Pay Hourly Wages and Overtime (Lab. Code §§ 223, 510, 1194, 1194.2, 1197, 1197.1 and 1198); (4) Failure to Provide Accurate Written Wage Statements (Lab. Code §§ 226(a)); (5) Failure to Timely Pay All Final Wages (Lab. Code §§ 201, 202 and 203); (6) Failure to Indemnify (Lab. Code § 2802); (7) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq); (8) Civil Penalties (Lab. Code § 2698, et seq.); (9) Failure to Pay all Wages During Employment (Lab. Code § 204); and (10) Failure to Keep Requisite Payroll Records (Lab. Code § 1174(d)).

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

## III. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendants or Plaintiff is correct on the merits.

In the meantime, Plaintiff and Defendants hired an experienced, neutral mediator to resolve the Action by negotiating an agreement to settle the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims.

By agreeing to settle, Defendants does not admit any violations or concede the merit of any claims. Defendants deny all liability or wrongdoing and contends that it made good faith efforts to comply with applicable state and federal wage and hour laws during the Class Period. Defendants agreed to resolve this matter to avoid the expense, burden, and uncertainty of continued litigation.

Plaintiff and Class Counsel believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

## IV. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendants Will Pay $430,000 as the Gross Settlement Amount ("Gross Settlement").

Defendants have agreed to deposit the Gross Settlement into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Settlement Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement in installments after the Judgment entered by the Court becomes final as follows:

- Defendants shall deposit the first payment, in the amount of $215,000 with the Settlement Administrator within thirty (30) days after the final approval order or by February 10, 2027, whichever is later (the "First Payment").

- Defendants shall deposit the second and final payment of $215,000 by February 10, 2028 (the "Second Payment").

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

The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

   A. Up to $143,333.33 (one-third of the Gross Settlement to Class Counsel for attorneys' fees) plus reasonably incurred litigation costs, subject to court approval. To date, Class Counsel have worked and incurred expenses on the Action without payment. The Settlement Administrator will withhold ten percent (10%) of any Court-approved Class Counsel Fees Payment. This ten percent (10%) holdback will not be paid to Class Counsel until the distribution process is complete and the Court has reviewed and approved a final post-distribution accounting, as further described in Item 11 of this Section.

   B. Up to $7,500 as a Class Representative Service Payment to Plaintiff for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

   C. Up to $8,000 to the Settlement Administrator for services administering the Settlement.

D. Up to $25,000 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment, and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

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

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

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

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

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

   You cannot opt-out of the PAGA Portion of the Settlement. Class Members who opt out

of the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

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

8. Settlement Administrator. The Court has appointed a neutral company, XPand Legal (the "Settlement Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Settlement Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement.

   The Settlement Administrator's contact information is contained in **Section X** of this Notice.

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

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

   > Upon entry of final judgment and funding of the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, shall release Released Parties from: (i) all claims, rights, demands, liabilities and causes of action that were alleged, based on the facts stated in the Operative Complaint, during the Class Period, including all claims under California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 551, 552, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, et seq., 2800 and 2802. This includes all claims for (a) failure to provide meal periods (b) failure to provide rest periods (c) any and all claims involving any alleged failure to pay hourly wages and overtime wages, whether due to off the clock work, break premium pay, or pay calculation methods (d) any and all claims involving any alleged failure to provide compliant wage statements for any reason, (e) any and all claims involving any alleged failure to accurately calculate or pay timely wages, for any reason, at termination or during

employment (f) failure to indemnify and (g) failure to keep requisite payroll records. The Released Class Claims expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

10. Released PAGA Claims. After the Court's judgment is final, and Defendants have paid the Gross Settlement (and separately paid the employer-side payroll taxes), the LWDA, or any individual on behalf of the LWDA, will be barred from asserting PAGA claims against Defendants and other related Released Parties.

    The Released PAGA Claims is as follows:

    Released PAGA Claims. Plaintiff and the LWDA, and any individual on behalf of the LWDA, are deemed to release the Released Parties from all claims for PAGA penalties that were alleged in the PAGA Notice during the PAGA Period, including, penalties predicated on the underlying alleged violations for: California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 551, 552, 558, 558.1, 1174, 1174.5, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, et seq., 2800 and 2802. This includes all claims for (a) failure to provide meal periods (b) failure to provide rest periods (c) any and all claims involving any alleged failure to pay hourly wages and overtime wages, whether due to off the clock work, break premium pay, or pay calculation methods (d) any and all claims involving any alleged failure to provide compliant wage statements for any reason, (e) any and all claims involving any alleged failure to accurately calculate or pay timely wages, for any reason, at termination or during employment (f) failure to indemnify and (g) failure to keep requisite payroll records and any other violations of the California Labor Code that were alleged in Plaintiff's PAGA Notice. The Released PAGA Claims expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period. It is the intent of the Parties, that in the event that another Aggrieved Employee were to assert a subsequent claim on behalf of the LWDA, for any claim included in the Released PAGA Claims, Defendants will assert the Settlement Agreement as a defense to any such claims by the LWDA or anyone acting on behalf of the LWDA. *Arias v. Superior Court*, 46 Cal. 4th 969, 986 (2009) ("Because an aggrieved employee's action under the Labor Code Private Attorneys General Act of 2004 functions as a substitute for an action brought by the government itself, a judgment in that action binds all those, including nonparty aggrieved employees, who would be bound by a judgment in an action brought by the government.").

## V. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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

of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing $8,750 (35% of the PAGA Penalties) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

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

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

## VI. HOW WILL I GET PAID?

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

2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement to the Settlement Administrator by fax, email, or mail. The Settlement Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your

request, identify the Action as *Dalisandra R. Partida v. Responsible and Compliant Retail Ventura LLC, et al.*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). **You must send your request to be excluded to the Settlement Administrator by _____, or it will be invalid.** Section **X** of the Notice has the Settlement Administrator's contact information.

## VIII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendants are asking the Court to approve. At least 16 court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Payment stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Payment. Upon reasonable request, Class Counsel (whose contact information is in Section X of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website ____(url)____ or the Court's website https://ventura.courts.ca.gov/online-services/case-inquiry.

A Participating Class Member who disagrees with any aspect of the Settlement or the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Payment may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Settlement Administrator is _____**. Be sure to tell the Settlement Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Dalisandra R. Partida v. Responsible and Compliant Retail Ventura LLC, et al.* and include your name, current address, telephone number, and approximate dates of employment for Defendants and sign the objection. Section **X** of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section **IX** of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

## IX. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on _____, at _____ a.m./p.m. in Department 44 of the Ventura Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before making a decision. You can

attend (or hire a lawyer to attend) personally or virtually via the Court's virtual appearance platform. Check the Court's website for the most current information.

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

## X. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything Defendants and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Settlement Agreement, the Judgment or any other Settlement documents is to go to the Settlement Administrator's website at (url)_____.

You can also telephone or send an email to Class Counsel, Defense Counsel, or the Settlement Administrator using the contact information listed below or consult the Superior Court website by going to https://ventura.courts.ca.gov/online-services/case-inquiry and entering the Case Number for the Action, Case No. 2024CUOE034864.

| Class Counsel: | Settlement Administrator: | Defense Counsel: |
|---|---|---|
| D.Law, Inc.<br>Elizabeth Harrier<br>e.harrier@d.law<br>Enoch J. Kim<br>e.kim@d.law<br>Marta Manus<br>m.manus@d.law<br>D.LAW, INC.<br>250 N. Madison Ave, 2nd Floor<br>Pasadena, CA 91101<br>Tel.: (818) 962-6465 | **NAME**<br>Administrators<br>[Email Address]<br>[Mailing Address]<br>[Telephone]<br>[Fax Number] | Dina S. Glucksman<br>dglucksman@grsm.com<br>James D. Miller<br>jdmiller@grsm.com<br>633 West Fifth Street,<br>52nd Floor<br>Los Angeles, CA 90071<br>Tel: (213) 576-5071 |

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

## XI. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your Settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund at ucpi.sco.ca.gov or (916) 445-5361 for instructions on how to retrieve the funds.

## XII. WHAT IF I CHANGE MY ADDRESS?

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