

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
Jackland K. Hom (State Bar #327243)
Julieann Alvarado (State Bar #334727)
Rachel Newman (State Bar #350826)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 255-9047
Facsimile: (858) 404-9203
shani@zakaylaw.com
jackland@zakaylaw.com
julieann@zakaylaw.com
rachel@zakaylaw.com

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292
Facsimile: (619) 599-8291
jlapuyade@jcl-lawfirm.com

Attorneys for Plaintiff DEANNA RICKETTS

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SISKIYOU**

DEANNA RICKETTS, an individual, on behalf
of herself, and on behalf of all persons similarly
situated,

Plaintiff,

v.

MOUNTAIN SILVERADO, INC., a California
Corporation; DENNIS R ERICKSON, an
individual; and DOES 1 through 50, Inclusive,

Defendants.

Case No. 22CV00796

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

Date: September 26, 2024

Time: 9:30 AM

Judge: Hon. Karen L. Dixon

Dept.: 2

1 **TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:**

2 This matter having come before the Honorable Karen L. Dixon of the Superior Court of the State
3 of California, in and for the County of Siskiyou, with the attorneys from the JCL Law Firm, APC and
4 Zakay Law Group, APLC as counsel for Plaintiff DEANNA RICKETTS (“Plaintiff”), and counsel from
5 Gordon Rees Scully Mansukhani LLP appearing for Defendants MOUNTAIN SILVERADO, INC. and
6 DENNIS R. ERICKSON (“Defendants”). The Court, having carefully considered the briefs, argument
7 of counsel and all the matters presented to the Court, and good cause appearing, hereby GRANTS
8 Plaintiff’s Motion for Preliminary Approval of Class and PAGA Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves the Stipulation of Settlement of Class and PAGA Action
11 Claims and Release of Claims (“Settlement Agreement” or “Agreement”) a true and correct copy of
12 which is attached hereto as **Exhibit “1”**. This is based on the Court’s determination that the Settlement
13 Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of
14 the California Code of Civil Procedure and California Rules of Court, rule 3.769.

15 2. This Order incorporates by reference the definitions in the Agreement, and all terms
16 defined therein shall have the same meaning in this Order as set forth in the Agreement.

17 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
18 Defendants shall pay is Six Hundred Thousand Dollars and Zero Cents (\$600,000.00). It appears to the
19 Court on a preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as
20 to all potential Class Members when balanced against the probable outcome of further litigation relating
21 to certification, liability, and damages issues. It further appears that investigation and research have been
22 conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It
23 further appears to the Court that settlement at this time will avoid substantial additional costs by all
24 Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the
25 litigation. It further appears that the Settlement has been reached as the result of intensive, serious, and
26 non-collusive arms-length negotiations.

27 4. The Court preliminarily finds that the Settlement appears to be within the range of
28 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has

1 reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds
2 that the monetary settlement awards made available to the Class Members are fair, adequate, and
3 reasonable when balanced against the probable outcome of further litigation relating to certification,
4 liability, and damages issues.

5 5. The Agreement specifies for Attorneys' Fees awarded to Class Counsel in the amount of
6 up to one-third of the Gross Settlement Amount, currently estimated to be Two Hundred Thousand
7 Dollars and Zero Cents (\$200,000.00) **and** an award of Attorneys' Expenses not to exceed Twenty
8 Dollars and Zero Cents (\$20,000.00), and proposed Service Award to the Class Representative, Deanna
9 Ricketts, in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). While these
10 awards appear to be within the range of reasonableness, the Court will not approve the Attorneys' Fees,
11 Attorneys' Expenses, or the Service Award, until the Final Approval Hearing. Class Counsel and the
12 Class Representative will be required to present evidence supporting these requests, including lodestar,
13 prior to final approval.

14 6. The Court recognizes that Plaintiff and Defendants stipulate and agree to certification of
15 a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other
16 proceeding should this Settlement not become final. For settlement purposes only, the Court
17 conditionally certifies the following Class:

18 All non-exempt employees who are or previously were employed by
19 Defendant Mountain Silverado, Inc. and performed work in California
20 during the period beginning December 9, 2018 to February 29, 2024.

21 7. The Court concludes that, for settlement purposes only, the Class meets the requirements
22 for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class
23 Members are ascertainable and so numerous that joinder of all members of the Class Members is
24 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
25 community of interest amongst the Class Members with respect to the subject matter of the litigation;
26 (c) the claims of the Class Representative are typical of the claims of the Class Members; (d) the Class
27 Representative will fairly and adequately protect the interests of the Class Members; (e) a class action
28 is superior to other available methods for the efficient adjudication of this controversy; and (f) Class

Counsel are qualified to act as counsel for the Class Representative in her individual capacity and as the representative of the Class Members.

8. The Court provisionally appoints plaintiff Deanna Ricketts as the representative of the Class Members.

9. The Court provisionally appoints the attorneys of the JCL LAW FIRM, APC, and of ZAKAY LAW GROUP, APLC, as Class Counsel for the Class Members.

10. The Court hereby approves, as to form and content, the proposed Notice Packet attached to the Agreement as **Exhibit "A"**. The Court finds that the Notice Packet appears to fully, and accurately inform the Class Members of all material elements of the proposed Settlement, including Class Members' right to be excluded from the Class by submitting a written request for exclusion, and of each Class Member's right and opportunity to object to the Settlement. The Court further finds that the distribution of the Notice Packet substantially in the manner and form set forth in the Agreement and this Order meets the requirements of due process, is the most reasonable notice under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of the Notice Packet by first class mail, pursuant to the terms set forth in the Agreement.

11. The Court hereby appoints Apex Class Action LLC as Settlement Administrator. Within ten (10) business days of this order, Defendants shall provide, to the Settlement Administrator the Class Data, including information regarding Class Members that Defendants will in good faith compile from their records, including each Settlement Class Member's full name; last known address; Social Security Number; start dates and end dates of employment. No later than twenty-one (21) calendar days after the entry of this order, the Settlement Administrator shall mail the Notice Packet to all identified, potential Class Members via first class U.S. Mail using the most current mailing address information available.

12. The Court hereby preliminarily approves the proposed procedure for exclusion from the Settlement of the Released Claims. Any Class Member may individually choose to opt out of and be excluded from the Settlement of the Released Claims as provided in the Notice Packet by following the instructions for requesting exclusion from the Settlement of the Released Claims that are set forth in the Notice. All requests for exclusion must be postmarked or received by the Response Deadline which is forty-five (45) calendar days after the date the Notice Packet is mailed to the Class Members or, in the

case of a re-mailed Notice, not more than fifteen (15) calendar days after the original Response Deadline. Any such person who chooses to opt out of and be excluded from the Settlement of the Released Claims will not be entitled to an Individual Settlement Payment under the Settlement and will not be bound by the Settlement, or have any right to object, appeal or comment thereon. Class Members who have not requested exclusion shall be bound by all determinations of the Court, the Agreement and Judgment. A request for exclusion may only opt out that particular individual, and any attempt to affect an opt-out of a group, class, or subclass of individuals is not permitted and will be deemed invalid.

13. Any Class Member who has not opted out may appear at the final approval hearing and may object or express the Class Member's views regarding the Settlement and may present evidence and file briefs or other papers that may be proper and relevant to the issues to be heard and determined by the Court as provided in the Notice. Class Members will have forty-five (45) days from the date the Settlement Administrator mails the Notice Packets to postmark their written objections to the Settlement Administrator.

14. A final approval hearing shall be held before this Court on _____ at _____ AM in Department 2 of the Siskiyou County Superior Court to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable and should be finally approved by the Court; whether an Order Granting Final Approval should be entered herein; whether the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable to the Class Members; and to finally approve the Attorneys' Fees, Attorneys' Expenses, Service Award, the PAGA Payment, and the Claims Administration Expenses. All papers in support of the motion for final approval and the motion for Attorneys' Fees, Attorneys' Expenses and Service Award shall be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall be construed as a concession or admission by Defendants in any way, and shall not be used as evidence of, or used against Defendants as, an admission or indication in any way, including with respect to any claim of any liability, wrongdoing, fault or omission by Defendants or with respect to the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the

1 Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor
2 any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as,
3 received as or deemed to be evidence for any purpose adverse to the Defendants, including, but not
4 limited to, evidence of a presumption, concession, indication or admission by Defendants of any
5 liability, fault, wrongdoing, omission, concession or damage.

6 16. In the event the Settlement does not become effective in accordance with the terms of the
7 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
8 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
9 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
10 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used,
11 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of the
12 Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.

13 17. The Court reserves the right to adjourn or continue the date of the final approval hearing
14 and all dates provided for in the Agreement without further notice to Class Members and retains
15 jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

16
17
18 IT IS SO ORDERED.

19 Dated: _____

20 JUDGE OF THE SUPERIOR COURT
21
22
23
24
25
26
27
28

EXHIBIT 1

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
Jackland K. Hom (State Bar #327243)
Julieann Alvarado (State Bar #334727)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 255-9047
Facsimile: (858) 404-9203
shani@zakaylaw.com
jackland@zakaylaw.com
julieann@zakaylaw.com

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292
Facsimile: (619) 599-8291
jlapuyade@jcl-lawfirm.com

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SISKIYOU

DEANNA RICKETTS, an individual, on
behalf of herself and on behalf of all persons
similarly situated,

Plaintiff,

v.

MOUNTAIN SILVERADO, INC., a California
corporation; DENNIS R ERICKSON, an
individual; and DOES 1-50, Inclusive,

Defendants.

Case No.: 22CV00796

[Action Filed December 9, 2022]

**STIPULATION OF SETTLEMENT OF
CLASS AND PAGA ACTION CLAIMS
AND RELEASE OF CLAIMS**

1 This Stipulation of Settlement of Class and PAGA Action Claims and Release of Claims is
2 entered into by and between Plaintiff DEANNA RICKETTS (hereinafter “Plaintiff”), individually,
3 on behalf of herself and on behalf of all persons similarly situated, and Defendants MOUNTAIN
4 SILVERADO, INC. and DENNIS R ERICKSON (hereinafter “Defendants”) (together the
5 “Parties”):

6 **I. DEFINITIONS**

- 7 A. “Action” shall mean the putative class action lawsuit designated *Deanna Ricketts v.*
8 *Mountain Silverado, Inc., et al.*, Siskiyou County Superior Court, Case No.
9 22CV00796, filed December 9, 2022.
- 10 B. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
11 Class and PAGA Action and Release of Claims.
- 12 C. “Aggrieved Employees” means all non-exempt employees who are or previously
13 were employed by Defendant Mountain Silverado, Inc. and performed work in
14 California during the PAGA Period.
- 15 D. “Attorneys’ Expenses” means the award of expenses that the Court authorizes to be
16 paid to Class Counsel for the expenses they have incurred of up to \$20,000.
- 17 E. “Attorneys’ Fees” means the award of fees that the Court authorizes to be paid to
18 Class Counsel for the services they have rendered to Plaintiff and the Settlement
19 Class in the Action, currently not to exceed one-third of the Gross Settlement
20 Amount currently estimated to be \$200,000.00 out of \$600,000.00. Attorneys’ fees
21 will be divided between Class Counsel as follows: 50% to JCL Law Firm, APC, and
22 50% to Zakay Law Group, APLC.
- 23 F. “Claims Administration Expenses” shall mean the amount paid to the Settlement
24 Administrator from the Gross Settlement Amount for administering the Settlement
25 pursuant to this Agreement currently estimated not to exceed \$5,500.00.
- 26 G. “Class” or the “Class Members” means all non-exempt employees who are or
27 previously were employed by Defendant Mountain Silverado, Inc. and performed
28 work in California during the Class Period.

- 1 H. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and
2 Shani Zakay of Zakay Law Group, APLC.
- 3 I. "Class Data" means information regarding Class Members that Defendants will in
4 good faith compile from its records and provide to the Settlement Administrator. It
5 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
6 Member's full name; last known address; Social Security Number; start dates and end
7 dates of employment.
- 8 J. "Class Period" means the period from December 9, 2018 to February 29, 2024.
- 9 K. "Class Representative" shall mean Deanna Ricketts.
- 10 L. "Court" means the Superior Court for the State of California, County of Siskiyou
11 currently presiding over the Action.
- 12 M. "Defendants" shall mean Mountain Silverado, Inc. and Dennis R. Erickson.
- 13 N. "Effective Date" means the date of final approval if no objections are filed to the
14 settlement. If objections are filed and overruled, and no appeal is taken of the final
15 approval order, then the effective date of final approval will be the date the Court
16 enters the order and judgment granting final approval of the settlement. If an appeal
17 is taken from the Court's overruling of objections to the settlement, then the effective
18 date of final approval will be twenty (20) days after the appeal is withdrawn or after
19 an appellate decision affirming the final approval decision becomes final.
- 20 O. "Funding Date" shall mean the date by which Defendants have paid the entire Gross
21 Settlement Amount to the Claims Administrator in accord with the terms of this
22 Agreement.
- 23 P. "Gross Settlement Amount" means Six Hundred Thousand Dollars and Zero Cents
24 (\$600,000.00) that Defendants must pay into the QSF in connection with this
25 Settlement, inclusive of the sum of Individual Settlement Payments, Claims
26 Administration Expenses, Attorneys' Fees and Attorneys' Expenses, Service Award,
27 and the PAGA Payment and *exclusive* of the employer's share of payroll tax, if any,
28 triggered by any payment under this Settlement.

- 1 Q. "Individual Settlement Payments" means the amount payable from the Net Settlement
2 Amount to each Settlement Class Member and excludes any amounts distributed to
3 Aggrieved Employees pursuant to PAGA.
- 4 R. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less
5 Attorneys' Fees and Attorneys' Expenses, Service Award, PAGA Payment, and
6 Claims Administration Expenses.
- 7 S. "Notice Packet" means the Class Notice to be provided to the Class Members by the
8 Settlement Administrator in the form set forth as **Exhibit A** to this Agreement (other
9 than formatting changes to facilitate printing by the Settlement Administrator).
- 10 T. "Operative Complaint" shall mean the Complaint on file in the Action filed on
11 December 9, 2022.
- 12 U. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
13 Labor Code § 2698 *et seq.*
- 14 V. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
15 that each Aggrieved Employee worked for Defendants divided by the sum total of the
16 Pay Periods that all Aggrieved Employees worked for Defendants during the PAGA
17 Period.
- 18 W. "PAGA Payment" shall mean Thirty Thousand Dollars (\$30,000.00) to be allocated
19 from the Gross Settlement Amount, with 25% of the payment going to the Aggrieved
20 Employees and 75% of the payment going to the Labor and Workforce Development
21 Agency. The amount of the PAGA Payment is subject to Court approval pursuant to
22 California Labor Code section 2699(l). Any reallocation of the Gross Settlement
23 Amount to increase the PAGA Payment will not constitute grounds by either party to
24 void this Agreement, so long as the Gross Settlement Amount remains the same and
25 Defendants obtain a release of the alleged PAGA claims.
- 26 X. "PAGA Pay Periods," for purposes of calculating the distribution of the Aggrieved
27 Employee Payment, as defined herein, means the number of pay periods of
28

employment during the PAGA Period that each Aggrieved Employee worked for Defendants in California.

- Y. “PAGA Period” means the period from September 28, 2021 to February 29, 2024.
- Z. “Parties” means Plaintiff and Defendants, collectively, and “Party” shall mean either Plaintiff or Defendants, individually.
- AA. “Payment Ratio” means the respective Workweeks for each Class Member divided by the sum total Workweeks for all Class Members.
- BB. “Plaintiff” shall mean Deanna Ricketts.
- CC. “QSF” means the Qualified Settlement Fund established, designated, and maintained by the Settlement Administrator to fund the Gross Settlement Amount.
- DD. “Released Class Claims” – See Paragraph III(B).
- EE. “Released PAGA Claims” – See Paragraph III(C).
- FF. “Released Parties” shall mean Defendants, including their officers, directors, members, shareholders, partners, former and current employees, parents, related companies, affiliated companies, agents, heirs..
- GG. “Response Deadline” means the date forty-five (45) calendar days after the Settlement Administrator first mails Notice Packets to Class Members and the last date on which Class Members may submit requests for exclusion or objections to the Settlement.
- HH. “Service Award” mean an award in the amount not to exceed \$10,000.00 or in an amount that the Court authorizes to be paid to the Class Representative, in addition to her Individual Settlement Payment and her individual Aggrieved Employee Payment, in recognition of her efforts and risks in assisting with the prosecution of the Action.
- II. “Settlement” means the disposition of the Action pursuant to this Agreement.
- JJ. “Settlement Administrator” means Apex Class Action LLC, 18 Technology Drive, Suite 164 Irvine, CA 92618; Tel: 1-800-355-0700. The Settlement Administrator establishes, designates and maintains, as a QSF under Internal Revenue Code section 468B and Treasury Regulation section 1.468B-1, into which the amount of the Gross Settlement Amount is deposited for the purpose of resolving the claims of Settlement

Class Members. The Settlement Administrator shall maintain the funds until distribution in an account(s) segregated from the assets of Defendants and any person related to Defendants. *All accrued interest shall be paid and distributed to the Settlement Class Members as part of their respective Individual Settlement Payment.*

KK. “Settlement Class Members” or “Settlement Class” means all Class Members who have not submitted a timely and valid request for exclusion as provided in this Agreement.

LL. “Workweeks,” or “Workweek” as used herein shall, mean any seven (7) consecutive days beginning on Monday and ending on Sunday, in which a Class Member is employed and received any form of compensation from Defendants.

II. RECITALS

A. On September 28, 2022, Plaintiff filed a Notice of Violations with the Labor and Workforce Development Agency (LWDA) and served the same on Defendants.

B. On December 9, 2022, Plaintiff filed the Action, alleging claims for:

1. Unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et seq*;
2. Failure to pay minimum wages in violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1;
3. Failure to pay overtime wages in violation of Cal. Lab. Code §§ 510 *et seq*;
4. Failure to provide required meal periods in violation of Cal. Lab. Code §§ 226.7 & 512 and the applicable IWC Wage Order;
5. Failure to provide required rest periods in violation of Cal. Lab. Code §§ 226.7 & 512 and the applicable IWC Wage Order;
6. Failure to reimburse employees for required expenses in violation of Cal. Lab. Code § 2802;
7. Failure to provide wages when due in violation of Cal. Lab. Code §§ 201, 202 and 203;

1 8. Failure to provide accurate itemized statements in violation of Cal. Lab. Code
2 § 226;

3 9. Violation of the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*).

4 C. The Class Representative believes she has claims based on alleged violations of the
5 California Labor Code, and the Industrial Welfare Commission Wage Orders, and
6 that class certification is appropriate because the prerequisites for class certification
7 can be satisfied in the Action, and this action is manageable as a PAGA representative
8 action.

9 D. Defendants deny any liability or wrongdoing of any kind associated with the claims
10 alleged in the Action, dispute any wages, damages and penalties claimed by the Class
11 Representative are owed, and further contend that, for any purpose other than
12 settlement, the Action is not appropriate for class or representative action treatment.
13 Defendants contend, among other things, that at all times they complied with the
14 California Labor Code and the Industrial Welfare Commission Wage Orders.

15 E. The Class Representative is represented by Class Counsel. Class Counsel investigated
16 the facts relevant to the Action, including conducting an independent investigation as
17 to the allegations, reviewing documents and information exchanged through informal
18 discovery, and reviewing documents and information provided by Defendants
19 pursuant to informal requests for information to prepare for mediation. Defendants
20 produced for the purpose of settlement negotiations certain employment data
21 concerning the Settlement Class, which Class Counsel reviewed and analyzed with
22 the assistance of an expert. Based on their own independent investigation and
23 evaluation, Class Counsel are of the opinion that the Settlement with Defendants is
24 fair, reasonable, and adequate, and is in the best interest of the Settlement Class
25 considering all known facts and circumstances, including the risks of significant
26 delay, defenses asserted by Defendants, uncertainties regarding class certification,
27 and numerous potential appellate issues. Although they deny any liability, Defendants
28 are agreeing to this Settlement solely to avoid the inconveniences and cost of further

litigation. The Parties and their counsel have agreed to settle the claims on the terms set forth in this Agreement.

F. On December 28, 2023, the Parties participated in mediation presided over by Jason Marsili, Esq., an experienced mediator of wage and hour class and PAGA actions. The mediation concluded with a settlement, which was subsequently memorialized in the form of a Memorandum of Understanding.

G. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations between the Parties. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants that the claims in the Action of Plaintiff or the Class Members have merit or that Defendants bear any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendants' defenses in the Action have merit.

H. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations, taking into account all relevant factors. The Parties recognize the uncertainty, risk, expense and delay attendant to continuing the Action through trial and any appeal. Accordingly, the Parties desire to settle, compromise and discharge all disputes and claims arising from or relating to the Action fully, finally, and forever.

I. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendants reserve the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. TERMS OF AGREEMENT

A. Settlement Consideration and Settlement Payments by Defendants.

1. Settlement Consideration. In full and complete settlement of the Action, and in exchange for the releases set forth below, Defendants will pay the sum of the Gross Settlement Amount of Six Hundred Thousand Dollars and Zero Cents (\$600,000.00). The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendants. Other than the Defendants' share of employer payroll taxes and as provided in Section III.A.2 below, Defendants shall not be required to pay more than the Gross Settlement Amount and the Individual Settlement Payments, the Service Award, the Attorneys' Fees, Attorneys' Expenses, PAGA Payment, and Claims Administrator Expenses shall all be paid from the Gross Settlement Amount.
2. Class Size. Defendants represent that the Settlement Class was comprised of 108 individuals who collectively worked approximately 8,836 workweeks ("Projected Workweeks") during the Class Period. One week prior to Plaintiff's deadline to file her Motion for Preliminary Approval of the Settlement, Defendants shall provide data confirming the number of applicable Class Members and Workweeks they worked during the applicable Class Period only if Plaintiff provides this request at least 4 weeks before the deadline. If the Projected Workweeks increases by more than 10% of the estimated stated herein, the Gross Settlement Amount shall increase proportionally for the number of workweeks over 110% of the Projected Workweeks. For example, if the total Workweeks in the Class Period are 115% of 8,836, the Gross Settlement Amount shall increase by 5%.
3. Settlement Payment. Defendants shall deposit the Gross Settlement Amount into the QSF, through the Settlement Administrator by the Funding Date. Any interest accrued after the Funding Date will be added to the NSA and distributed to the Settlement Class Members except that if final approval is

1 reversed on appeal, then Defendants is entitled to prompt return of the
2 principal and all interest accrued.

3 4. Defendants' Share of Payroll Taxes. Defendants' share of employer side
4 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
5 together with the Gross Settlement Amount on the Funding Date.

6 B. Release by Settlement Class Members. Upon entry of final judgment and funding of
7 the Gross Settlement Amount, in exchange for the consideration set forth in this Agreement,
8 Plaintiff and the Settlement Class Members release the Released Parties from the Released
9 Class Claims for the Class Period. "Released Claims" means all claims, rights, demands,
10 liabilities, and causes of action, that were or could have reasonably been pleaded based upon,
11 arising from, or reasonably related to, the factual allegations set forth in the operative
12 complaint in the Action, all claims that were alleged, or reasonably could have been alleged,
13 based on the facts stated in the Operative Complaint that occurred during the Class Period,
14 including, but not limited to, any and all claims for: (a) failure to pay all regular wages,
15 minimum wages, and overtime wages due; (b) failure to provide meal periods or
16 compensation in lieu thereof; (c) failure to provide rest periods or compensation in lieu
17 thereof; (d) failure to reimburse necessary business expenses; (e) failure to provide complete,
18 accurate wage statements; (f) failure to pay wages timely at time of termination or
19 resignation; and (g) unfair business practices that could have been premised on the labor code
20 violations alleged and released herein. Except as set forth above, Participating Class
21 Members do not release any other claims, including claims for vested benefits, wrongful
22 termination, violation of the Fair Employment and Housing Act, unemployment insurance,
23 disability, social security, workers' compensation, or claims based on facts occurring outside
24 the Class Period.

25 C. Release by the Aggrieved Employees. Upon entry of final judgment and funding of
26 the Gross Settlement Amount, in exchange for the consideration set forth in this
27 Agreement, the Plaintiff, the LWDA and the State of California release the Released Parties
28 from the Released PAGA Claims for the PAGA Period. As a result of this release, the

1 Aggrieved Employees shall be precluded from bringing claims against Defendants for the
2 Released PAGA Claims. The Released PAGA Claims shall include claims for PAGA
3 penalties that were alleged, or reasonably could have been alleged, based on the facts stated
4 in the Operative Complaint and the notice that Plaintiff sent to the California Labor and
5 Workforce Development Agency and any amendments thereto ("LWDA") ("PAGA
6 Notice"), that occurred during the PAGA Period, including any and all claims for civil
7 penalties for violations of Labor Code sections 201 - 204, 210, 226, 226.7, 510, 512, 516,
8 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, and 2699, regardless of whether the
9 Aggrieved Employee opts out from the Settlement Agreement. The release period shall be
10 the PAGA Period, as defined in Paragraph I(Y) above. Except as set forth above, Aggrieved
11 Employees do not release any other claims, including claims for vested benefits, wrongful
12 termination, violation of the Fair Employment and Housing Act, unemployment insurance,
13 disability, social security, workers' compensation, or claims based on facts occurring
14 outside the PAGA Period.

15 D. General Release by Plaintiff. As of the Funding Date, for the consideration set forth in
16 this Agreement, Plaintiff waives, releases, acquits and forever discharges the Released
17 Parties from any and all claims, whether known or unknown, which exist or may exist
18 on either Plaintiff's behalf as of the date of this Agreement, including but not limited
19 to any and all tort claims, contract claims, wage claims, wrongful termination claims,
20 disability claims, benefit claims, public policy claims, retaliation claims, statutory
21 claims, personal injury claims, emotional distress claims, invasion of privacy claims,
22 defamation claims, fraud claims, quantum meruit claims, and any and all claims arising
23 under any federal, state or other governmental statute, law, regulation or ordinance,
24 including, but not limited to claims for violation of the Fair Labor Standards Act, the
25 California Labor Code, the Wage Orders of California's Industrial Welfare
26 Commission, other state wage and hour laws, the Americans with Disabilities Act, the
27 Age Discrimination in Employment Act (ADEA), the Employee Retirement Income
28 Security Act, Title VII of the Civil Rights Act of 1964, the California Fair Employment

1 and Housing Act, the California Family Rights Act, the Family Medical Leave Act,
2 California's Whistleblower Protection Act, California Business & Professions Code
3 Section 17200 et seq., and any and all claims arising under any federal, state or other
4 governmental statute, law, regulation or ordinance. Plaintiff also waives and
5 relinquishes any and all claims, rights or benefits that she may have under California
6 Civil Code § 1542, which provides as follows:

7
8 ***A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE***
9 ***CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO***
10 ***EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE***
11 ***RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE***
12 ***MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR***
13 ***OR RELEASED PARTY.***

14
15 Thus, notwithstanding the provisions of section 1542, and to implement a full and
16 complete release and discharge of the Released Parties, Plaintiff expressly
17 acknowledges this Settlement Agreement is intended to include in its effect, without
18 limitation, all claims Plaintiff does not know or suspect to exist in Plaintiff's favor at
19 the time of signing this Settlement Agreement, and that this Settlement Agreement
20 contemplates the extinguishment of any such claims. Plaintiff warrants that Plaintiff
21 has read this Settlement Agreement, including this waiver of California Civil Code
22 section 1542, and that Plaintiff has consulted with or had the opportunity to consult
23 with counsel of Plaintiff's choosing about this Settlement Agreement and specifically
24 about the waiver of section 1542, and that Plaintiff understands this Settlement
25 Agreement and the section 1542 waiver, and so Plaintiff freely and knowingly enters
26 into this Settlement Agreement. Plaintiff further acknowledges that Plaintiff later may
27 discover facts different from or in addition to those Plaintiff now knows or believes to
28 be true regarding the matters released or described in this Settlement Agreement, and

1 even so Plaintiff agrees that the releases and agreements contained in this Settlement
2 Agreement shall remain effective in all respects notwithstanding any later discovery
3 of any different or additional facts. Plaintiff expressly assumes any and all risk of any
4 mistake in connection with the true facts involved in the matters, disputes, or
5 controversies released or described in this Settlement Agreement or with regard to any
6 facts now unknown to Plaintiff relating thereto.

7 E. Conditions Precedent: This Settlement will become final and effective only upon the
8 occurrence of all of the following events:

- 9 1. The Court enters an order granting preliminary approval of the Settlement;
- 10 2. The Court enters an order granting final approval of the Settlement and a Final
11 Judgment;
- 12 3. If an objector appears at the final approval hearing, the time for appeal of the
13 Final Judgment and Order Granting Final Approval of Class Action
14 Settlement expires; or, if an appeal is timely filed, there is a final resolution of
15 any appeal from the Judgment and Order Granting Final Approval of Class
16 Action Settlement; and
- 17 4. Defendants fully fund the Gross Settlement Amount.

18 F. Nullification of Settlement Agreement. If more than 10% of the class members opt
19 out, the Defendants have the sole discretion to render this Settlement Agreement null
20 and void, but must do so within ten (10) calendar days of receipt of the Settlement
21 Administrator's final report. In addition, if this Settlement Agreement is not
22 preliminarily or finally approved by the Court, fails to become effective, or is reversed,
23 withdrawn or modified by the Court, or in any way prevents or prohibits Defendants
24 from obtaining a complete resolution of the Released Claims, or if Defendants fail to
25 fully fund the Gross Settlement Amount:

- 26 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
27 and shall not be admissible in any judicial, administrative or arbitral
28

proceeding for any purpose or with respect to any issue, substantive or procedural;

2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.

4. Defendants shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification if the Agreement is nullified due to Defendants' failure to fully fund the Gross Settlement Amount. If the Agreement is nullified for any other reason, both Parties shall equally bear the responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Claims Administration Expenses incurred to the date of nullification.

G. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendants from obtaining a complete resolution of the Released Claims, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.

H. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are not relying on any statement or representation by the Parties in this regard. Class

Members and/or Aggrieved Employees understand and agree that they will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment described and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employees Payment.

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

J. Preliminary Approval Motion. As soon as practicable, Plaintiff shall file with the Court a Motion for Order Granting Preliminary Approval and supporting papers, which shall include this Settlement Agreement. Plaintiff will provide Defendants with a draft of

the Motion at least 5 business days prior to the filing of the Motion to give Defendants an opportunity to propose changes or additions to the Motion.

K. Settlement Administrator. The Settlement Administrator shall be responsible for: establishing and administering the QSF; calculating, processing and mailing payments to the Class Representative, Class Counsel, LWDA and Class Members; printing and mailing the Notice Packets to the Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating, deducting and remitting all legally required taxes from Individual Settlement Payments and distributing tax forms for the Wage Portion, the Penalties Portion and the Interest Portion of the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the Aggrieved Employee Payment; processing and mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities by among other things, sending a weekly status report to the Parties' counsel stating the date of the mailing, the of number of Elections Not to Participate in Settlement it receives (including the numbers of valid and deficient), and number of objections received.

L. Notice Procedure.

1. Class Data. No later than ten (10) business days after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to the Class Members. The Class Data will be presumed to be correct unless a particular Class Member proves otherwise to the Settlement Administrator by credible written evidence. All Workweek disputes will be resolved and

1 decided by the Settlement Administrator, and the Settlement Administrator's
2 decision on all Workweek disputes is final and non-appealable.

3 2. Notice Packets.

4 a) The Notice Packet shall contain the Notice of Class Action Settlement
5 in a form substantially similar to the form attached as **Exhibit A**. The
6 Notice of Class Action Settlement shall inform Class Members and
7 Aggrieved Employees that they need not do anything in order to
8 receive an Individual Settlement Payment and/or Aggrieved
9 Employees' individual shares of the Aggrieved Employee Payment
10 and to keep the Settlement Administrator apprised of their current
11 mailing address, to which the Individual Settlement Payments and/or
12 Aggrieved Employees' individual shares of the Aggrieved Employee
13 Payment will be mailed following the Funding Date. The Notice of
14 Class Action Settlement shall set forth the release to be given by all
15 members of the Class who do not request to be excluded from the
16 Settlement Class and/or Aggrieved Employee in exchange for an
17 Individual Settlement Payment and/or Aggrieved Employees'
18 individual share of the Aggrieved Employee Payment, the number of
19 Workweeks worked by each Class Member during the Class Period
20 and PAGA Period, if any, and the estimated amount of their Individual
21 Settlement Payment if they do not request to be excluded from the
22 Settlement and each Aggrieved Employee's individual share of the
23 Aggrieved Employee Payment, if any. The Settlement Administrator
24 shall use the Class Data to determine Class Members' Workweeks and
25 PAGA Pay Periods. The Notice will also advise the Aggrieved
26 Employees that they will release the Released PAGA Claims and will
27 receive their share of the Aggrieved Employee Payment regardless of
28 whether they request to be excluded from the Settlement.

1 b) The Notice Packet's mailing envelope shall include the following
2 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
3 ENTITLED TO PARTICIPATE IN A CLASS ACTION
4 SETTLEMENT;."

5 3. Notice by First Class U.S. Mail. Upon receipt of the Class Data, the
6 Settlement Administrator will perform a search based on the National Change
7 of Address Database to update and correct any known or identifiable address
8 changes. No later than twenty-one (21) calendar days after preliminary
9 approval of the Settlement, the Settlement Administrator shall mail copies of
10 the Notice Packet to all Class Members via regular First-Class U.S. Mail and
11 electronic mail. The Settlement Administrator shall exercise its best judgment
12 to determine the current mailing address for each Class Member. The address
13 identified by the Settlement Administrator as the current mailing address shall
14 be presumed to be the best mailing address for each Class Member.

15 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
16 Administrator as non-delivered on or before the Response Deadline shall be
17 re-mailed to any forwarding address provided. If no forwarding address is
18 provided, the Settlement Administrator shall promptly attempt to determine a
19 correct address by lawful use of skip-tracing, or other search using the name,
20 address and/or Social Security number of the Class Member involved, and
21 shall then perform a re-mailing, if another mailing address is identified by the
22 Settlement Administrator. In addition, if any Notice Packets, which are
23 addressed to Class Members who are currently employed by Defendants, are
24 returned to the Settlement Administrator as non-delivered and no forwarding
25 address is provided, the Settlement Administrator shall notify Defendants.
26 Defendants will request that the currently employed Class Member provide a
27 corrected address and transmit to the Administrator any corrected address
28 provided by the Class Member. Class Members who received a re-mailed

1 Notice Packet shall have their Response Deadline extended fifteen (15) days
2 from the original Response Deadline.

3 5. Disputes Regarding Individual Settlement Payments. Class Members will
4 have the opportunity, should they disagree with Defendants' records regarding
5 the start and end dates of employment to provide documentation and/or an
6 explanation to show contrary dates. If there is a dispute, the Settlement
7 Administrator will consult with the Parties to determine whether an
8 adjustment is warranted. The Settlement Administrator shall determine the
9 eligibility for, and the amounts of, any Individual Settlement Payments under
10 the terms of this Agreement. The Settlement Administrator's determination
11 of the eligibility for and amount of any Individual Settlement Payment shall
12 be binding upon the Class Member and the Parties.

13 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
14 by the Settlement Administrator concerning the administration of the
15 Settlement will be resolved by the Court under the laws of the State of
16 California. Before any such involvement of the Court, counsel for the Parties
17 will confer in good faith to resolve the disputes without the necessity of
18 involving the Court.

19 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
20 Packet shall state that Class Members who wish to exclude themselves from
21 the Settlement must submit a signed copy of the Request for Exclusion form
22 to the Settlement Administrator by the Response Deadline. A Request for
23 Exclusion form will be mailed together with the Notice Packet to all Class
24 Members. The Request for Exclusion will not be valid if it is not timely
25 submitted, if it is not signed by the Class Member, or if it does not contain the
26 name and address and last four digits of the Social Security number of the
27 Class Member. The date of the postmark on the mailing envelope or fax stamp
28 on the Request for Exclusion shall be the exclusive means used to determine

1 whether the request for exclusion was timely submitted. Any Class Member
2 who submits a timely Request for Exclusion shall be excluded from the
3 Settlement Class will not be entitled to an Individual Settlement Payment and
4 will not be otherwise bound by the terms of the Settlement or have any right
5 to object, appeal or comment thereon. However, any Class Member that
6 submits a timely Request for Exclusion that is also an Aggrieved Employee
7 will still receive his/her pro rata share of the Aggrieved Employee Payment,
8 as specified below, and in consideration, will be bound by the Release by the
9 Aggrieved Employees as set forth herein. Settlement Class Members who fail
10 to submit a valid and timely Request for Exclusion on or before the Response
11 Deadline shall be bound by all terms of the Settlement and any final judgment
12 entered in this Action if the Settlement is approved by the Court. No later
13 than fourteen (14) calendar days after the Response Deadline, the Settlement
14 Administrator shall provide counsel for the Parties with a final list of the Class
15 Members who have timely submitted timely Requests for Exclusion. At no
16 time shall any of the Parties or their counsel seek to solicit or otherwise
17 encourage members of the Class to submit Requests for Exclusion from the
18 Settlement.

- 19 8. Objections. The Notice of Class Action Settlement contained in the Notice
20 Packet shall state that Class Members who wish to object to the Settlement
21 may submit to the Settlement Administrator a written statement of objection
22 (“Notice of Objection”) by the Response Deadline. The postmark date of
23 mailing shall be deemed the exclusive means for determining that a Notice of
24 Objection was served timely. The Notice of Objection, if in writing, must be
25 signed by the Settlement Class Member and state: (1) the case name and
26 number; (2) the name of the Settlement Class Member; (3) the address of the
27 Settlement Class Member; (4) the last four digits of the Settlement Class
28 Member’s Social Security number; (5) the basis for the objection; and (6) if

1 the Settlement Class Member intends to appear at the Final
2 Approval/Settlement Fairness Hearing. Class Members who fail to make
3 objections in writing in the manner specified above may still make their
4 objections orally at the Final Approval/Settlement Fairness Hearing with the
5 Court's permission. Settlement Class Members will have a right to appear at
6 the Final Approval/Settlement Fairness Hearing to have their objections heard
7 by the Court regardless of whether they submitted a written objection. At no
8 time shall any of the Parties or their counsel seek to solicit or otherwise
9 encourage Class Members to file or serve written objections to the Settlement
10 or appeal from the Order and Final Judgment. Class Members who submit a
11 written request for exclusion may not object to the Settlement. Class Members
12 may not object to the PAGA Payment.

13 M. Funding and Allocation of the Gross Settlement Amount. Defendants are required to
14 pay the Gross Settlement Amount, plus any employer's share of payroll taxes as
15 mandated by law, sixty (60) calendar days after the Final Approval Order, if no
16 objection is filed. If an objection is filed, the Gross Settlement Amount will be funded
17 on the 65th day following entry of Judgment (provided no appeal is filed), or if an
18 appeal to the Judgment is filed, the Gross Settlement Amount will be funded within
19 five (5) business days after the Judgment is affirmed and the appellate proceeding the
20 settlement has been finally dismissed with no material change to the terms of this
21 Settlement with no right to pursue further remedies or relief.

22 1. Calculation of Individual Settlement Payments. Individual Settlement
23 Payments shall be paid from the Net Settlement Amount and shall be paid
24 pursuant to the formula set forth herein. Using the Class Data, the Settlement
25 Administrator shall add up the total number of Workweeks for all Class
26 Members. The respective Workweeks for each Class Member will be divided
27 by the total Workweeks for all Class Members, resulting in the Payment Ratio
28 for each Class Member. Each Class Member's Payment Ratio will then be

multiplied by the Net Settlement Amount to calculate each Class Member's estimated Individual Settlement Payments. Each Individual Settlement Payment will be reduced by any legally mandated employee tax withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely requests for exclusion on a pro rata basis based on their respective Payment Ratios.

2. Calculation of Individual Payments to the Aggrieved Employees. Using the Class Data, the Settlement Administrator shall add up the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA Period. The respective PAGA Pay Periods for each Aggrieved Employee will be divided by the total PAGA Pay Periods for all Aggrieved Employees, resulting in the "PAGA Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the Aggrieved Employee's Portion of the PAGA Payment, \$7,500.00 (25% of \$30,000.00), to calculate each Aggrieved Employee's estimated share of the PAGA Payment.

3. Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as 20% wages ("Wage Portion") and 40% penalties ("Penalty Portion") and 40% pre-judgment interest ("Interest Portion"). The Wage Portion of the Individual Settlement Payments shall be reported on IRS Form W-2 and the Penalty and Interest Portions of the Individual Settlement Payments shall be reported on IRS Form 1099 issued by the Settlement Agreement.

4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved Employee Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099.

1 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
2 individual shares of the PAGA Payment made to Settlement Class Members
3 and/or Aggrieved Employees under this Settlement Agreement, as well as any
4 other payments made pursuant to this Settlement Agreement, will not be
5 utilized to calculate any additional benefits under any benefit plans to which
6 any Class Members may be eligible, including, but not limited to profit-
7 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
8 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the
9 Parties' intention that this Settlement Agreement will not affect any rights,
10 contributions, or amounts to which any Class Members may be entitled under
11 any benefit plans.

12 6. All monies received by Settlement Class Members under the Settlement which
13 are attributable to wages shall constitute income to such Settlement Class
14 Members solely in the year in which such monies actually are received by the
15 Settlement Class Members. It is the intent of the Parties that Individual
16 Settlement Payments and individual shares of the PAGA Payment provided for
17 in this Settlement Agreement are the sole payments to be made by Defendants
18 to Settlement Class Members and/or Aggrieved Employees in connection with
19 this Settlement Agreement, with the exception of Plaintiff, and that the
20 Settlement Class Members and/or Aggrieved Employees are not entitled to any
21 new or additional compensation or benefits as a result of having received the
22 Individual Settlement Payments and/or their shares of the Aggrieved Employee
23 Payment.

24 7. Mailing. Individual Settlement Payments and PAGA Payments shall be
25 mailed by regular First-Class U.S. Mail to Settlement Class Members' and/or
26 Aggrieved Employees' last known mailing address no later than fifteen (15)
27 calendar days after the Funding Date.
28

1 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
2 Employees shall remain valid and negotiable for one hundred and eighty (180)
3 days from the date of their issuance. If a Settlement Class Member and/or
4 Aggrieved Employee does not cash his or her settlement check within 90 days,
5 the Settlement Administrator will send a letter to such persons, advising that
6 the check will expire after the 180th day, and invite that Settlement Class
7 Member and/or Aggrieved Employee to request reissuance in the event the
8 check was destroyed, lost or misplaced. In the event an Individual Settlement
9 Payment and/or Aggrieved Employee's individual share of the PAGA
10 Payment check has not been cashed within one hundred and eighty (180) days,
11 all funds represented by such uncashed checks, plus any interest accrued
12 thereon, shall be paid to Siskiyou Food Assistance as Cy Pres, in accordance
13 with California Code of Civil Procedure section 384.

14 9. Service Award. In addition to the Individual Settlement Payment as a
15 Settlement Class Member and her individual share of the Aggrieved
16 Employee Payment, Plaintiff will apply to the Court for an award of not more
17 than \$10,000.00 as the Service Award. Defendants will not oppose a Service
18 Award of not more than \$10,000.00 for Plaintiff. The Settlement
19 Administrator shall pay the Service Award, either in the amount stated herein
20 if approved by the Court or some other amount as approved by the Court, to
21 Plaintiff from the Gross Settlement Amount no later than fifteen (15) calendar
22 days after the Funding Date. Any portion of the requested Service Award that
23 is not awarded to the Class Representative shall be part of the Net Settlement
24 Amount and shall be distributed to Settlement Class Members as provided in
25 this Agreement. The Settlement Administrator shall issue an IRS Form 1099
26 — MISC to Plaintiff for her Service Award. Plaintiff shall be solely and
27 legally responsible to pay any and all applicable taxes on her Service Award
28 and shall hold harmless the Released Parties from any claim or liability for

1 taxes, penalties, or interest arising as a result of the Service Awards. Approval
2 of this Settlement shall not be conditioned on Court approval of the requested
3 amount of the Service Award. If the Court reduces or does not approve the
4 requested Service Award, Plaintiff shall not have the right to revoke the
5 Settlement, and it will remain binding.

6 10. Attorneys' Fees and Attorneys' Expenses. Defendants understand Class
7 Counsel will file a motion for or Attorneys' Fees not to exceed one-third of
8 the Gross Settlement Amount currently estimated to be \$200,000.00 *and*
9 Attorneys' Expenses supported by declaration not to exceed Twenty
10 Thousand Dollars (\$20,000.00). Any awarded Attorneys' Fees and
11 Attorneys' Expenses shall be paid from the Gross Settlement Amount. Any
12 portion of the requested Attorneys' Fees and/or Attorneys' Expenses that are
13 not awarded to Class Counsel shall be part of the Net Settlement Amount and
14 shall be distributed to Settlement Class Members as provided in this
15 Agreement. The Settlement Administrator shall allocate and pay the
16 Attorneys' Fees to Class Counsel from the Gross Settlement Amount no later
17 than fifteen (15) calendar days after the Funding Date. Class Counsel shall be
18 solely and legally responsible to pay all applicable taxes on the payment made
19 pursuant to this paragraph. The Settlement Administrator shall issue an IRS
20 Form 1099 — MISC to Class Counsel for the payments made pursuant to this
21 paragraph. In the event that the Court reduces or does not approve the
22 requested Attorneys' Fees, Plaintiff and Class Counsel shall not have the right
23 to revoke the Settlement, or to appeal such order, and the Settlement will
24 remain binding.

25 11. PAGA Payment. Thirty Thousand Dollars (\$30,000) shall be allocated from
26 the Gross Settlement Amount for settlement of claims for civil penalties under
27 the Private Attorneys General Act of 2004. The Settlement Administrator shall
28 pay seventy-five percent (75%) of the PAGA Payment (\$22,500.00) to the

1 California Labor and Workforce Development Agency no later than fifteen
2 (15) calendar days after the Effective Date. Twenty-five percent (25%) of the
3 PAGA Payment (\$7,500.00) will be distributed to the Aggrieved Employees
4 as described in this Agreement. For purposes of distributing the PAGA
5 Payment to the Aggrieved Employees, each Aggrieved Employee shall
6 receive their pro-rata share of the Aggrieved Employee Payment using the
7 PAGA Payment Ratio as defined above.

8 12. Claims Administration Expenses. The Settlement Administrator shall be paid
9 for the costs of administration of the Settlement from the Gross Settlement
10 Amount. The estimate of the Administration Costs is \$5,500. The Settlement
11 Administrator shall be paid the Claims Administration Expenses no later than
12 fifteen (15) calendar days after the Effective Date.

13 N. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with
14 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
15 twenty-eight (28) days following the expiration of the Response Deadline, which
16 motion shall request final approval of the Settlement and a determination of the
17 amounts payable for the Service Award, the Attorneys' Fees and Attorneys'
18 Expenses, the PAGA Payment, and the Claims Administration Expenses. Plaintiff
19 will provide Defendants with a draft of the Motion at least three (3) business days
20 prior to the filing of the Motion to give Defendants an opportunity to propose changes
21 or additions to the Motion.

22 1. Declaration by Settlement Administrator. No later than seven (7) days after
23 the Response Deadline, the Settlement Administrator shall submit a
24 declaration in support of Plaintiff's motion for final approval of this
25 Settlement detailing the number of Notice Packets mailed and re-mailed to
26 Class Members, the number of undeliverable Notice Packets, the number of
27 timely requests for exclusion, the number of objections received, the amount
28 of the average Individual Settlement Payment and highest Individual

1 Settlement Payment, the Claims Administration Expenses, and any other
2 information as the Parties mutually agree or the Court orders the Settlement
3 Administrator to provide.

4 2. Final Approval Order and Judgment. Class Counsel shall present an Order
5 Granting Final Approval of Class Action Settlement to the Court for its
6 approval, and Judgment thereon, at the time Class Counsel files the Motion
7 for Final Approval.

8 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
9 an opportunity for Counsel for Defendants to review the Motions for Preliminary and
10 Final Approval, including the Order Granting Final Approval of Class Action
11 Settlement, and Judgment before filing with the Court. The Parties and their counsel
12 will cooperate with each other and use their best efforts to effectuate the Court's
13 approval of the Motions for Preliminary and Final Approval of the Settlement, and
14 entry of Judgment.

15 O. Cooperation. The Parties and their counsel will cooperate with each other and use
16 their best efforts to implement the Settlement. The Parties will cooperate in vacating
17 any and all class certification deadlines and trial dates. The Parties will cooperate in
18 staying any and all discovery deadlines.

19 P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
20 except such proceedings necessary to implement and complete the Settlement, pending
21 the Final Approval/Settlement Fairness Hearing to be conducted by the Court.

22 Q. Continuing Jurisdiction. The Court shall retain continuing jurisdiction over this Action
23 under California Code of Civil Procedure section 664.6 to ensure the continuing
24 implementation of the provisions of this Settlement and that the time within which to
25 bring this Action to trial under California Code of Civil Procedure section 583.310
26 shall be extended from the date of signing of this Agreement by all Parties until the
27 entry of the Final Approval Order and Judgment or if not entered, the date this
28 Agreement shall not longer be of any force or effect.

- 1 R. Amendment or Modification. This Agreement may be amended or modified only by
2 a written instrument signed by counsel for all Parties or their successors-in-interest.
- 3 S. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
4 Agreement among these Parties, and no oral or written representations, warranties or
5 inducements have been made to any Party concerning this Agreement or its Exhibit
6 other than the representations, warranties and covenants contained and memorialized
7 in this Agreement and its Exhibit.
- 8 T. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
9 represent they are expressly authorized by the Parties whom they represent to negotiate
10 this Agreement and to take all appropriate Action required or permitted to be taken by
11 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
12 documents required to effectuate the terms of this Agreement. The persons signing
13 this Agreement on behalf of each Defendant represents and warrants that he/she/it is
14 authorized to sign this Agreement on behalf of Defendants. Plaintiff represents and
15 warrants that she is authorized to sign this Agreement and that she has not assigned
16 any claim, or part of a claim, covered by this Settlement to a third-party.
- 17 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
18 to the benefit of, the successors or assigns of the Parties, as previously defined.
- 19 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
20 shall be governed by and interpreted according to the laws of the State of California.
- 21 W. Counterparts. This Agreement may be executed in one or more counterparts by
22 facsimile, electronic signature, or e-mail, for purposes of this Agreement shall be
23 accepted as an original. All executed counterparts and each of them shall be deemed
24 to be one and the same instrument provided that counsel for the Parties to this
25 Agreement shall exchange among themselves copies or originals of the signed
26 counterparts. Any executed counterpart will be admissible in evidence to prove the
27 existence and contents of this Agreement.
- 28

- 1 X. Court Filings. The Parties shall not object to any Court filings consistent with this
2 Agreement.
- 3 Y. Disputes. Any disputes between the Parties as to the remaining terms of the Settlement
4 Agreement shall be presented to the mediator for resolution.
- 5 Z. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
6 is a fair, adequate and reasonable settlement of this Action and have arrived at this
7 Settlement after extensive arms-length negotiations, taking into account all relevant
8 factors, present and potential.
- 9 AA. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
10 respect to the interpretation, implementation and enforcement of the terms of this
11 Agreement and all orders and judgments entered in connection therewith, and the
12 Parties and their counsel submit to the jurisdiction of the Court for purposes of
13 interpreting, implementing and enforcing the settlement and all orders and judgments
14 entered in connection with this Agreement.
- 15 BB. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
16 the Court shall first attempt to construe the provisions valid to the fullest extent
17 possible consistent with applicable precedents so as to define all provisions of this
18 Agreement valid and enforceable.
- 19 CC. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently
20 intend to pursue any claims against the Released Parties, including, but not limited to,
21 any and all claims relating to or arising from Plaintiff's employment with Defendants,
22 regardless of whether Class Counsel is currently aware of any facts or legal theories
23 upon which any claims or causes of action could be brought against Released Parties,
24 including those facts or legal theories alleged in the operative complaint in this Action.
25 The Parties further acknowledge, understand and agree that this representation is
26 essential to the Agreement and that this Agreement would not have been entered into
27 were it not for this representation.
28

DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: 04/10/2024

Deanna Ricketts
Deanna Ricketts (Apr 10, 2024 14:55 PDT)

Deanna Ricketts

IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: _____

Mountain Silverado, Inc.

By: _____

Dennis R. Erickson

Title

DATED: _____

Dennis R Erickson

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 04/10/2024

JCL LAW FIRM, A.P.C.

By:  _____

Attorneys for Plaintiff and the Settlement Class Members

DATED: 04/10/2024

ZAKAY LAW GROUP, APLC

DD. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this settlement only.

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: _____

Deanna Ricketts

IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: April 9, 2024 | 2:07 PM PDT

Mountain Silverado, Inc.

DocuSigned by:

Dennis Erickson

By: _____

2CE756E8AF0149A...

Dennis R. Erickson

President

Title

DATED: April 9, 2024 | 2:07 PM PDT

DocuSigned by:

Dennis Erickson

2CE756E8AF0149A...

Dennis R Erickson

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: _____

JCL LAW FIRM, A.P.C.

By: _____

Attorneys for Plaintiff and the Settlement Class Members

///

///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DATED: _____

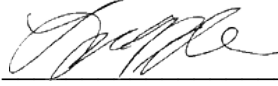
ZAKAY LAW GROUP, APLC

By: _____

Attorneys for Plaintiff and the Settlement Class
Members

DATED: May 1, 2024

GORDON REES SCULLY MANSUKHANI, LLP

By:  _____

Lisa K. Garner

Shiao-wen Huang

Attorneys for Defendants Mountain Silverado, Inc.
and Dennis Erickson

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

By:  _____

Attorneys for Plaintiff and the Settlement Class
Members

DATED: _____

GORDON REES SCULLY MANSUKHANI, LLP

By: _____

Lisa K. Garner
Shiao-wen Huang
Attorneys for Defendants Mountain Silverado, Inc.
and Dennis Erickson

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
AND FINAL HEARING DATE**

***(Ricketts v. Mountain Silverado, Inc., et al., Siskiyou County Superior Court Case No.
22CV00796)***

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.
PLEASE READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Individual Settlement Payment is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement . Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit pending in the Superior Court for the State of California, County of Siskiyou (the "Court") has been reached between Plaintiff Deanna Ricketts ("Plaintiff") and Defendants Mountain Silverado, Inc. and Dennis R Erickson ("Defendants"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class.

The Class is defined as:

All non-exempt employees who are or previously were employed by Defendant Mountain Silverado, Inc. and performed work in California during the Class Period.

The "Class Period" is the period from December 9, 2018 to February 29, 2024.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On December 9, 2022, Plaintiff filed a Complaint against Defendants in the Superior Court of the State of California, County of Siskiyou, asserting causes of action for: (1) Unfair Competition (Bus. & Prof. Code §§ 17200 et seq.); (2) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1197 and 1197.1); (3) Failure to Pay Overtime Wages (Labor Code §§ 510 et seq.); (4) Failure to Provide Required Meal Periods (Labor Code §§ 226.7, 512 and the applicable Wage Order); (5) Failure to Provide Required Rest Periods (Labor Code §§ 226.7, 516 and the applicable wage order); (6) Failure to Reimburse Employees for Required Expenses (Labor Code § 2802); (7) Failure to Provide Wages When Due (Labor Code §§ 201, 202, 203); (8) Failure to Provide Accurate Itemized Statements (Labor Code § 226 and 226.2 et seq.); and (9) Violation of the Private Attorneys General Act (Labor Code §§ 2698 et seq.).

Defendants expressly deny any liability or wrongdoing of any kind associated with the claims alleged in the Action, dispute any wages, damages and penalties claimed by the Class Representative are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendants contends, among other things, that at all times they complied with the California Labor Code and the Industrial Welfare Commission Wage Orders.

On December 28, 2023, the Parties participated in an all-day mediation with Jason Marsili, Esq., a mediator of wage and hour class actions. The mediation concluded with a settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group, APLC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of Six Hundred Thousand Dollars and Zero Cents (\$600,000.00) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Claims Administration Expenses, the PAGA Payment, and the Service Award to the Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed, and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- 1 • Claims Administration Expenses. Payment to the Settlement Administrator, estimated not to
2 exceed \$5,500.00 for expenses, including expenses of sending this Notice, processing opt-
3 outs, and distributing settlement payments.
- 4 • Attorneys' Fees and Expenses. Payment to Class Counsel of Attorneys' Fees of no more
5 than 1/3 of the Gross Settlement Amount (currently \$200,000.00) and Attorneys' Expenses
6 of not more than \$20,000.00 for all expenses incurred as documented in Class Counsel's
7 billing records, both subject to Court approval. Class Counsel have been prosecuting the
8 Actions on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being
9 paid any money to date) and have been paying all litigation costs and expenses.
- 10 • Service Award. Service Award of up to Ten Thousand Dollars (\$10,000.00) to Plaintiff or
11 such lesser amount as may be approved by the Court, to compensate her for services on behalf
12 of the Class in initiating and prosecuting the Action, and for the risks she undertook.
- 13 • PAGA Payment. A payment of \$30,000.00 relating to Plaintiff's claim under the Private
14 Attorneys General Act ("PAGA"), \$22,500.00 of which will be paid to the State of
15 California's Labor and Workforce Development Agency ("LWDA") and the remaining
16 \$7,500.00 will be distributed to Aggrieved Employees as part of the Net PAGA Amount.
- 17 • Calculation of Payments to Settlement Class Members. After all the above payments of the
18 court-approved Attorneys' Fees, Attorneys' Expenses, the Service Award, the PAGA
19 Payment, and the Claims Administration Expenses are deducted from the Gross Settlement
20 Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to
21 class members who do **not** request exclusion ("Settlement Class Members"). Settlement
22 Class Members will be paid based on the number of workweeks worked during the Class
23 Period. A "workweek" is defined as any seven (7) consecutive days beginning on Monday
24 and ending on Sunday, in which a Class Member is employed and received any form of
25 compensation from Defendants.
- 26 • Calculation of Aggrieved Employees Payments to Aggrieved Employees. The PAGA
27 Payment shall be distributed to Aggrieved Employees irrespective of whether they exclude
28 themselves or opt-out. The PAGA Payment will be divided by the total number of pay
periods worked by all Aggrieved Employees during the PAGA Period, and then taking that
number and multiplying it by the number of pay periods worked by each respective
Aggrieved Employee during the PAGA Period. "Aggrieved Employee" means all non-
exempt employees who are or previously were employed by Defendant Mountain Silverado,
Inc. and performed work in California during the PAGA Period. The PAGA Period means
the period from February 29, 2024.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

1 Tax Matters. Twenty percent (20%) of each Individual Settlement Payment is allocated to wages.
2 Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal
3 Revenue Service Form W-2 for such payment. Forty percent (40%) of each Individual Settlement
4 Payment is allocated to interest and forty percent (40%) to penalties, and other non-wage payments,
5 and no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees. Each
6 Settlement Class Member will be issued an Internal Revenue Service Form 1099 for Penalty Portion
7 and Interest Portion of the Individual Settlement Payments. In addition, no taxes will be withheld
8 from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be
9 issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor
10 Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes
11 or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments
12 received under the Settlement.
13

14 No Credit Toward Benefit Plans. The Individual Settlement Payments and Aggrieved Employee
15 Payments made to Settlement Class Members and/or Aggrieved Employees under this Settlement
16 Agreement, as well as any other payments made pursuant to this Settlement Agreement, will not be
17 utilized to calculate any additional benefits under any benefit plans to which any Class Members
18 may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock
19 purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is
20 the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or
21 amounts to which any Class Members may be entitled under any benefit plans.
22

23 Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting
24 final approval of the Settlement and entering judgment.
25

26 **4. What Do I Release Under the Settlement?**

27 Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount
28 by Defendants, Plaintiff and the Settlement Class Members shall release all Released Class Claims
that occurred during the Class Period as to the Released Parties. Released Class Claims means all
claims, rights, demands, liabilities, and causes of action, that were or could have reasonably been
pleaded based upon, arising from, or reasonably related to, the factual allegations set forth in the
operative complaint in the Action, all claims that were alleged, or reasonably could have been
alleged, based on the facts stated in the Operative Complaint that occurred during the Class Period,
including, but not limited to, any and all claims for: (a) failure to pay all regular wages, minimum
wages, and overtime wages due; (b) failure to provide meal periods or compensation in lieu thereof;
(c) failure to provide rest periods or compensation in lieu thereof; (d) failure to reimburse necessary
business expenses; (e) failure to provide complete, accurate wage statements; (f) failure to pay wages
timely at time of termination or resignation; and (g) unfair business practices that could have been
premised on the labor code violations alleged and released herein. Except as set forth above,
Participating Class Members do not release any other claims, including claims for vested benefits,
wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance,
disability, social security, workers' compensation, or claims based on facts occurring outside the
Class Period.

1 The Released PAGA Claims shall be released as follows. As of the Settlement Effective Date and
2 upon funding in full of the Gross Settlement Amount by Defendants, all Aggrieved Employees shall
3 release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement
4 and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" means
5 claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the
6 facts stated in the Operative Complaint and the notice that Plaintiff sent to the California Labor and
7 Workforce Development Agency and any amendments thereto ("LWDA") ("PAGA Notice"), that
8 occurred during the PAGA Period, including any and all claims for civil penalties for violations of
9 Labor Code sections 201 - 204, 210, 226, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2,
10 1197, 1198, and 2699, regardless of whether the Aggrieved Employee opts out from the Settlement
11 Agreement.

12 This means that, if you do not timely and formally exclude yourself from the settlement, you cannot
13 sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved
14 by this Settlement. It also means that all of the Court's orders in this Action will apply to you and
15 legally bind you.

16 **5. How much will my payment be?**

17 Defendants' records reflect that you have <<____>> Workweeks worked during the Class
18 Period (December 9, 2018 to February 29, 2024).

19 Based on this information, your estimated Settlement Share is <<____>>.

20 Defendants' records reflect that you have <<____>> pay periods worked during the PAGA
21 Period (September 29, 2021 to February 29, 2024).

22 Based on this information, your estimated PAGA Payment Share is <<____>>.

23 If you wish to challenge the information set forth above, then you must submit a written, signed
24 dispute challenging the information along with supporting documents, to the Settlement
25 Administrator at the address provided in this Notice no later than _____ [forty-five (45)
26 days after the Notice or fifteen (15) days after the re-mailed Notice].

27 **6. How can I get a payment?**

28 To get money from the settlement, you do not have to do anything. A check for your settlement
payment will be mailed automatically to the same address as this Notice. If your address is incorrect
or has changed, you must notify the Settlement Administrator. The Settlement Administrator is:
Apex Class Action LLC.

The Court will hold a hearing on _____ to decide whether to finally approve the
Settlement. If the Court approves the Settlement and there are no objections or appeals, payments
will be mailed within a few months after this hearing. If there are objections or appeals, resolving
them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the
Settlement Administrator will provide notice of the final judgment to the Class Members by posting
a copy of the Judgment on the administrator's website at www.apexclassaction.com.

1
2 **7. What if I don't want to be a part of the Settlement?**

3
4 If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or
5 "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be**
6 **bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself
from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to
have released the Released PAGA Claims, and you will receive a share of the PAGA Payment.

7 To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed
8 and dated request for exclusion postmarked no later than _____. The address for the
Settlement Administrator is 18 Technology Drive, Suite 164, Irvine, CA 92618; Tel. (800) 355-0700.
9 The request for exclusion must state in substance that the Class Member has read the Class Notice
10 and that he or she wishes to be excluded from the settlement of the class action lawsuit entitled
Ricketts v. Mountain Silverado, Inc., et al., currently pending in Superior Court of Siskiyou, Case
11 No. 22CV00796. The request for exclusion must contain your name, address, signature and the last
four digits of your Social Security Number for verification purposes. The request for exclusion must
12 be signed by you. No other person may opt out for a member of the Class.

13 Written requests for exclusion that are postmarked after _____ or are incomplete or
14 unsigned will be rejected, and those Class Members will remain bound by the Settlement and the
release described above.

15 **8. How do I tell the Court that I would like to challenge the Settlement?**

16 Any Class Member who has not opted out and believes that the Settlement should not be
17 finally approved by the Court for any reason, may object to the proposed Settlement. Objections
18 may be in writing and state the Class Member's name, current address, telephone number, and
describe why you believe the Settlement is unfair and whether you intend to appear at the final
19 approval hearing. All written objections or other correspondence must also state the name and
number of the case, which is ***Ricketts v. Mountain Silverado, Inc., et al., Siskiyou County Superior***
Court Case No. 22CV00796. You may also object without submitting a written objection by
20 appearing at the final approval hearing scheduled as described in Section 9 below.

21 To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you
22 will be bound by the terms of the Settlement in the same way as Class Members who do not object.
Any Class Member who does not object in the manner provided in this Class Notice shall have
23 waived any objection to the Settlement, whether by appeal or otherwise.

24 **Written objections must be delivered or mailed to the Settlement Administrator no later**
25 **than _____.** The address for the Settlement Administrator is 18 Technology Drive,
Suite 164, Irvine, CA 92618; Tel: (800) 355-0700.

26 The addresses for the Parties' counsel are as follows:

27 **Class Counsel:**

28 Jean-Claude Lapuyade, Esq.

Counsel for Defendants:

Lisa K. Garner, Esq.

JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel.: (619) 599-8292
Fax: (619) 599-2891
E-Mail: jlapuyade@jcl-lawfirm.com

Shiao-wen Huang, Esq.
Gordon Rees Scully Mansukhani, LLP
633 West Fifth Street, 52nd floor
Los Angeles, CA 90071
Tel: (213) 576-5000
Fax: (213) 680-4470
E-Mail: lgarner@grsm.com
shuang@grsm.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Tel: (619) 599-8292
Fax: (619) 599-8291
Email: shani@zakaylaw.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **00:00 AM/PM on** _____, at the Siskiyou County Superior Court, Department 2, located at 311 4th Street, Yreka, CA 96097 before Judge Karen L. Dixon. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-800-355-0700 or write to ***Ricketts v. Mountain Silverado, Inc., et al., Siskiyou County Superior Court Case No. 22CV00796***, Settlement Administrator, 18 Technology Drive, Suite 164, Irvine, CA 92618 c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121 or by visiting the administrator's website at www.apexclassaction.com.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Siskiyou Food Assistance, a Cy Pres. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.