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Attorneys for Plaintiff MIRANDA LOPEZ

FILED

Superior Court of California
 County of Los Angeles

12/11/2023

David W. Slayton, Executive Officer / Clerk of Court

By: A. Rosas Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA**IN AND FOR THE COUNTY OF LOS ANGELES**

MIRANDA LOPEZ, individually, and on
 behalf of other members of the general public
 similarly situated;

Plaintiff,

vs.

BEHAVIOR FRONTIERS, LLC, a California
 limited liability company; and DOES 1
 through 100, inclusive,

Defendants.

Case No. 22STCV15331

~~PROPOSED~~ **ORDER GRANTING
 PLAINTIFF'S MOTION FOR
 PRELIMINARY APPROVAL OF CLASS
 AND PAGA ACTION SETTLEMENT**

Date: December 6, 2023

Time: 9:00 a.m.

Judge: Hon. Elihu M. Berle

Dept.: 6

1 This matter came before the Honorable Judge Elihu M. Berle of the Superior Court of the State
2 of California, in and for the County of Los Angeles, at 9:00 a.m. on December 6, 2023, with Jean-
3 Claude Lapuyade, Esq., of the JCL Law Firm, APC and Shani O. Zakay, Esq. of the Zakay Law Group,
4 APLC as counsel for plaintiff MIRANDA LOPEZ (“Plaintiff”), and Glenn L. Briggs, Esq. of Kading
5 Briggs LLP, appearing for Defendant BEHAVIOR FRONTIERS, LLC, a California limited liability
6 company (hereinafter “Defendant”). The Court, having carefully considered the briefs, argument of
7 counsel and all the matters presented to the Court, and good cause appearing, hereby GRANTS
8 Plaintiff’s Motion for Preliminary Approval of Class Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves the Class Action and PAGA Settlement Agreement
11 (“Settlement Agreement” or “Agreement”), a true and correct copy of which is attached hereto as
12 **Exhibit “1”**. This is based on the Court’s determination that the Settlement Agreement is within the
13 range of possible final approval, pursuant to the provisions of Section 382 of the California Code of
14 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 Settlement Agreement, the Gross Settlement Amount that Defendant shall
18 pay is Two Million Dollars and Zero Cents (\$2,000,000.00). It appears to the Court on a preliminary
19 basis that the settlement amount and terms are fair, adequate, and reasonable as to all Class Members
20 when balanced against the probable outcome of further litigation relating to certification, liability, and
21 damages issues. It further appears that investigation and research have been conducted such that counsel
22 for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court
23 that settlement at this time will avoid substantial additional costs by all Parties, as well as avoid the
24 delay and risks that would be presented by the further prosecution of the litigation. It further appears
25 that the Settlement has been reached as the result of intensive, serious, and non-collusive arms-length
26 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

1 has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily
2 finds 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. Plaintiff seeks Attorneys' Fees in the amount of up-to one-third of the Gross Settlement
6 Amount for attorneys' fees, currently estimated at Six Hundred Sixty-Six Thousand, Six Hundred
7 Sixty-Six Dollars and Sixty-Seven Cents (\$666,666.67), plus Attorneys' Litigation Costs of up to Forty
8 Thousand Dollars and Zero Cents (\$40,000.00), and proposed Class Representative Payment to the
9 Class Representative, Miranda Lopez, in an amount of not more than Ten Thousand Dollars (\$10,000).
10 While these awards appear to be within the range of reasonableness, the Court will not approve the
11 Attorneys' Fees and Litigation Costs or the Class Representative Payment until the Final Approval
12 Hearing.

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

17 "All individuals employed by Defendant in California in a non-exempt
18 position at any time during the period from May 9, 2018 to July 31, 2023."

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

1 8. The Court provisionally appoints plaintiff MIRANDA LOPEZ as the representative of
2 the Class.

3 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
4 APC, Shani Zakay, of the Zakay Law Group, APLC, and Edwin Aiwazian of Lawyers for Justice, PC,
5 as Class Counsel for the Class Members.

6 10. The Court hereby approves, as to form and content, the Proposed Class Notice (“Class
7 Notice”) attached to the Agreement as **Exhibit “A.”** The Court finds that the notice appears to fully
8 and accurately inform the Class Members and Aggrieved Employees of all material elements of the
9 proposed Settlement, including the right of any Class Member to be excluded from the Class by
10 submitting a written request for exclusion, and of each Class Member’s right and opportunity to object
11 to the Settlement. The Court further finds that the distribution of the notices in the manner and form set
12 forth in the Agreement and this Order meets the requirements of due process, is the most reasonable
13 notice under the circumstances, and shall constitute due and sufficient notice to all persons entitled
14 thereto. The Court orders the mailing of the notices by first class mail, pursuant to the terms set forth
15 in the Agreement.

16 11. The Court hereby appoints Apex Class Action LLC as Settlement Administrator. ~~Within~~
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18 fifteen (15) days after the Preliminary Approval Date, Defendant shall provide the Settlement
19 Administrator with the Class Data, including information regarding Class Members that Defendant will
20 in good faith compile from its records, including each Class Member’s full name, last-known mailing
21 address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods. ~~No~~
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23 later than fourteen (14) days after receiving the Class Data from Defendant, the Settlement
24 Administrator shall mail copies of the Notice Packet to all Class Members via first class U.S. Mail.

25 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
26 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
27 Settlement as provided in the Notice by following the instructions for requesting exclusion from the
28 Settlement of the Released Class Claims that are set forth in the Notice. All requests for exclusion must
be postmarked or received by the Response Deadline which is March 5, 2024 or, in the case of re-
mailed Notice, not more than fourteen (14) days from the original Response Deadline. Any such person

1 who chooses to opt out of and be excluded from the Settlement will not be entitled to an Individual
2 Class Payment under the Settlement and will not be bound by the Settlement, or have any right to
3 object, appeal or comment thereon. Class Members who have not requested exclusion shall be bound
4 by all determinations of the Court, the Agreement, and Judgment.

5 13. Any Class Member who has not opted out may appear at the final approval hearing and
6 may object or express the Class Member's views regarding the Settlement and may present evidence
7 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
8 by the Court as provided in the Notice. Class Members will have until March 5, 2024 to postmark their
9 written objections to the Settlement Administrator. The parties will have until March 29, 2024, to
10 respond to any written objections.

11 14. A final approval hearing shall be held before this Court on **April 9, 2024, at 9:00 AM** in
12 Department 6 of the Los Angeles County Superior Court to determine all necessary matters concerning
13 the Settlement, including: whether the proposed settlement of the Action on the terms and conditions
14 provided for in the Agreement is fair, adequate and reasonable and should be finally approved by the
15 Court; whether an Order Granting Final Approval should be entered herein; whether the plan of
16 allocation contained in the Agreement should be approved as fair, adequate and reasonable to the Class;
17 and to finally approve the Attorneys' Fees and Litigation Costs, Class Representative Payment, and the
18 Administration Expenses Payment. All papers in support of the motion for final approval and the
19 motion for Attorneys' Fees and Litigation Costs and Class Representative Payment shall be filed with
20 the Court and served on all counsel by February 5, 2024. The report of the Administrator shall be filed
21 with the Court and served on all counsel by March 29, 2024.

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

1 is not approved.

2 16. All proceedings in this matter, except those contemplated by this Order and the
3 Settlement Agreement, are stayed.

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



Elihu M. Berle

10 Dated: FOFF DECHÁ

Elihu M. Berle / Judge

11 JUDGE OF THE SUPERIOR COURT
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EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Miranda Lopez (“Plaintiff”) and Defendant Behavior Frontiers, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Miranda Lopez v. Behavior Frontiers, LLC, et al.*, Case Number 22STCV15331, initiated on May 9, 2022, and pending in Superior Court of the State of California, County of Los Angeles.
- 1.2. “Administrator” means Apex Class Action LLC, located at 20371 Irvine Avenue, Newport Beach, CA 92660; Tel: (800) 355-0700, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employees” means all individuals employed by Defendant in California in a non-exempt position at any time during the PAGA Period.
- 1.5. “Attorneys’ Fees and Litigation Costs” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures in an amount of up to one-third (1/3) of the Gross Settlement Amount and costs incurred in an amount up to \$40,000.00. The Attorneys’ Fees Payment shall be divided between Class Counsel as follows: 32.5% to JCL Law Firm, APC, 32.5% to Zakay Law Group, APLC, and 35% to Lawyers for Justice, APC.
- 1.6. “Class Counsel” means Jean Claude Lapuyade, Esq. of JCL Law Firm, APC, Shani Zakay of Zakay Law Group, APLC, and Edwin Aiwarzian of Lawyers for Justice, PC.
- 1.7. “Class” shall mean all individuals employed by Defendant in California in a non-exempt position at any time during the Class Period.

- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession that Defendant will provide to the Administrator. To the extent available, the Class Data shall include the Class Member’s full name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the Court-approved Notice of Class Action Settlement in a form substantively similar to **Exhibit A**, to be mailed to Class Members informing them of the settlement, including their rights to request exclusion or to object to the Settlement, the right to dispute their estimated workweeks/payment, of their estimated payment to be received without the need to return a claim form, and the date set for the Final Approval Hearing.
- 1.12. “Class Period” means the period from May 9, 2018 to July 31, 2023.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representative.
- 1.14. “Class Representative Payment” means the payment to the Class Representative for initiating the Action, providing services in support of the Action, and for providing a general release of all claims.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means Defendant Behavior Frontiers, LLC.
- 1.17. “Defense Counsel” means Kading Briggs LLP.

- 1.18. “Effective Date” means the date by when both of the following have occurred:
- (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Funding Date” means the date on which Defendant shall fund the Gross Settlement Amount to the Administrator.
- 1.23. “Gross Settlement Amount” means Two Million Dollars and Zero Cents (\$2,000,000.00) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA Payment, Attorneys’ Fees and Litigation Costs, Class Representative Payment, and the Administration Expenses Payment.
- 1.24. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period. Any Participating Class Member who is no longer employed by Defendant will have four Workweeks added to his or her Workweek count. Any Class Member who submits a timely and valid request for exclusion pursuant to the procedures set forth herein, is not eligible to receive an Individual Class Payment.
- 1.25. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Payment calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.26. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.27. “LWDA” means the California Labor and Workforce Development Agency, the

agency entitled, under Labor Code section 2699, subd. (i).

- 1.28. “LWDA Payment” means the 75% of the PAGA Payment paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.29. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Payment, Class Representative Payment, Attorneys’ Fees and Litigation Costs, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.30. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.31. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant in California in a non-exempt position for at least one day during the PAGA Period.
- 1.32. “PAGA Period” means the period between May 17, 2022, and July 31, 2023.
- 1.33. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34. “PAGA Notice” means Plaintiff’s July 19, 2023, letter and August 14, 2023, amended letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35. “PAGA Payment” means Sixty Thousand Dollars and Zero Cents (\$60,000.00) which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$15,000.00) and 75% to the LWDA (\$45,000.00) in settlement of PAGA claims.
- 1.36. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.37. “Plaintiff” means Miranda Lopez, the named Plaintiff in the Action.
- 1.38. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.40. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

- 1.41. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.42. “Released Parties” means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, and assigns, including any and all entities presently or formerly affiliated or associated with Defendant.
- 1.43. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.44. "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the expiration of the Response Deadline.
- 1.45. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.46. “Workweek” means any week during which a Class Member worked for Defendant in California in a non-exempt position for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On May 9, 2022, Plaintiff filed a Class Action Complaint alleging ten (10) causes of action against Defendant for (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (10) Violation of California Business & Professions Code §§ 17200, et seq. Within ten days of the execution of this Agreement, Plaintiff will file a First Amended Complaint adding the following causes of actions/theories: (1) failure to pay paid sick time at the correct rate of pay; (2) failure to properly pay reporting time pay; and (3) for civil penalties under PAGA based on the same violations of the Labor

Code alleged in the Complaint and First Amended Complaint. The First Amended Complaint will be the operative complaint in the Action (“the Operative Complaint”). Plaintiff represents that, prior to filing the First Amended Complaint, she has satisfied the notice requirements under Section 2699.3 of PAGA as to her PAGA claim and any other requirements necessary to assert these claims. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

- 2.2. On April 28, 2023, the Parties participated in an all-day mediation presided over by Steven Rottman, Esq., a mediator of wage and hour class and representative actions, which led to this Agreement to settle the Action.
- 2.3. Prior to mediation, Plaintiff obtained, through informal discovery, a sample of timekeeping records and payroll records for the Class Members. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.4. On July 19, 2023, Plaintiff filed a Notice of Violations with the Labor and Workforce Development Agency (“LWDA”) and served the same on Defendant. On August 14, 2023, Plaintiff filed an amended Notice with the LWDA and served the same on Defendant. These are collectively referred to as the “PAGA Notice.”
- 2.5. On August 23, 2023, the Parties stipulated to the filing of a First Amended Complaint as indicated herein.
- 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay Two Million Dollars and Zero Cents (\$2,000,000.00) and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and

deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

- 3.2.1. To Plaintiff: Class Representative Payment to the Class Representative of not more than \$10,000.00. Defendant will not oppose Plaintiff's request for a Class Representative Payment that does not exceed this amount. As part of the motion for Attorneys' Fees and Litigation Costs, Plaintiff will seek Court approval for any Class Representative Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Payment.
- 3.2.2. To Class Counsel: Attorneys' Fees of not more than one-third of the Gross Settlement Amount, which is currently estimated to be Six Hundred Sixty-Six Thousand, Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$666,666.67) and Litigation Costs of up to Forty Thousand Dollars and Zero Cents (\$40,000.00). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. These amounts shall cover all work performed to date and all work to be performed in connection with the approval by the Court of this Agreement and the final conclusion of this Action and all costs and expenses incurred to date or to be incurred. Plaintiff and/or Class Counsel will file a motion for Attorneys' Fees and Litigation Costs no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a payment for Attorneys' Fees and/or Litigation Costs less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Attorneys' Fees and/or Litigation Costs. The Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees and Litigation Costs and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.
- 3.2.3. To the Administrator: The Administration Expenses Payment not to exceed Thirty-Three Thousand and Zero Cents (\$33,000.00) except for a showing of good cause and as approved by the Court. Defendant will not oppose requests for these payments provided that they do not exceed this amount. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$33,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks worked during the Class Period. Participating Class Members who are former employees of Defendant will have four Workweeks added to their total number of Workweeks worked during the Class Period.

3.2.4.1. Tax Allocation of Individual Class Payments. Twenty-five percent (25%) of each Participating Class Member's Individual Class Payment (excluding the extra portion paid to former employees) will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Seventy-five percent (75%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any non-employer taxes owed on their Individual Class Payment.

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

3.2.5. To the LWDA and Aggrieved Employees: PAGA Payment in the amount of \$60,000.00 to be paid from the Gross Settlement Amount, with 75% (\$45,000.00) allocated to the LWDA Payment and 25% (\$15,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Payment (\$15,000.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the Net

Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Workweeks and Aggrieved Employee PAGA Pay Periods. Based on a review of its records from May 9, 2018, through March 2023, Defendant estimates that, as of March 2023, there were 4,615 Class Members who collectively worked a total of 169,550 Workweeks. Based on a review of its records, Defendant estimates that there are 2,475 Aggrieved Employees who worked 27,650 PAGA Pay Periods.
- 4.2. Class Data. Not later than fifteen (15) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator on May 16, 2024, or fourteen (14) days after the Effective Date, whichever is later.
- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA Payment, the Administration Expenses Payment, Attorneys' Fees and Litigation Costs, and the Class Representative Payment. Disbursement of the Attorneys' Fees and Litigation Costs and the Class Representative Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all

Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment, if applicable. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the State Controller's Unclaimed Property Fund in the name of the Class Member who did not claim the funds.
- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the Funding, Plaintiff, Participating Class Members, and the Aggrieved Employees will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff and her former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under 5.2 below ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested

benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, rights, demands, liabilities, and causes of action alleged in the Complaint and First Amended Complaint in the Action, and claims that reasonably could have been alleged based on the Class Period facts alleged in the Complaint and First Amended Complaint or based on any facts ascertained in the course of the litigation, including (a) any and all claims involving any alleged failure to pay wages for all time worked, including failure to compensate for alleged "off the clock" work, failure to pay minimum wage, and failure to pay overtime, (b) any and all claims involving any alleged failure to pay overtime at the regular rate of pay, (c) any and all claims involving any alleged failure to provide compliant meal and rest periods, including failure to pay meal and rest period premium pay, (d) any and all claims involving any alleged failure to timely pay all wages due upon termination, (e) any and all claims involving any alleged failure to timely pay all wages due during employment, (f) any and all claims involving any alleged failure to provide compliant wage statements, (g) any and all claims involving any alleged failure to keep requisite payroll records, (h) any and all claims involving any alleged failure to reimburse business expenses, (i) any and all claims involving any alleged failure to pay paid sick leave at the correct rate of pay, and (j) any and all claims involving any alleged failure to properly pay reporting time pay, which occurred during the Class Period. The release shall include all Federal Fair Labor Standards Act claims which could have been brought based on the facts pleaded in the Complaint or First Amended Complaint.

5.3 Release by Aggrieved Employees: As of the Funding Date, all Aggrieved Employees

are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts alleged in the Complaint, First Amended Complaint or PAGA Notice or based on any facts ascertained in the course of the litigation, including (a) any and all claims involving any alleged failure to pay wages for all time worked, including failure to compensate for alleged “off the clock” work, failure to pay minimum wage, and failure to pay overtime, (b) any and all claims involving any alleged failure to pay overtime at the regular rate of pay, (c) any and all claims involving any alleged failure to provide compliant meal and rest periods, including failure to pay meal and rest period premium pay, (d) any and all claims involving any alleged failure to timely pay all wages due upon termination, (e) any and all claims involving any alleged failure to timely pay all wages due during employment, (f) any and all claims involving any alleged failure to provide compliant wage statements, (g) any and all claims involving any alleged failure to keep requisite payroll records, (h) any and all claims involving any alleged failure to reimburse business expenses, (i) any and all claims involving any alleged failure to pay paid sick leave at the correct rate of pay, and (j) any and all claims involving any alleged failure to properly pay reporting time pay, which occurred during the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

- 6.1 Defendant’s Declaration in Support of Preliminary Approval. Prior to the Motion for Preliminary Approval filing date, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. Prior to the hearing on the Motion for Preliminary Approval, Defendant will provide a declaration setting forth the following: (1) approximate number of Settlement Class Members subject to an arbitration agreement, and (2) the approximate number of workweeks covered by arbitration agreements.
- 6.2 Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator

attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, [and/or] the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.3 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than sixty (60) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or

relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

7.4 Notice to Class Members.

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

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

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

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

deadline with the re-mailed Class Notice.

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

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

7.5.5 Any funds allocated to Class Members who opted out will be added to the Net Settlement Amount for distribution to the Participating Class Members.

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

7.7 Objections to Settlement.

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

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

7.7.3 Non-Participating Class Members have no right to object to the Settlement.

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

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

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

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

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

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

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

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE** Based on its records, Defendant estimated that, through March 2023, there were approximately 4,615 Class Members who worked approximately 169,550 workweeks from May 9, 2018, through March 2023. Accordingly, through May 16, 2023, it is estimated that Class Members worked approximately 174,622 Workweeks. One week prior to the hearing on the motion for preliminary approval of the settlement, Defendant will provide confirmation of the estimated number of applicable Class Members and workweeks they worked during the applicable Class Period. If the workweek number increases by more than 10% of the estimate of 174,622 weeks stated herein, the Settlement Amount will increase proportionally for the number of workweeks over 110% of 174,622 (192,084).
9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 1% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Expenses

Payment incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days within learning this information; late elections will have no effect.

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

- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Payment, Attorneys’ Fees and Litigation Costs and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys’ Fees and Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment

becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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

11. ADDITIONAL PROVISIONS.

- 11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or

subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

- 11.3 **Public Comment.** Neither Plaintiff nor her counsel will, unless required by law, issue any press releases or have any communications to the press concerning this litigation, the terms of the Settlement, and/or the business practices of Defendant. Plaintiff’s counsel shall not include in any mass mailing, website, or other public communication a reference to this litigation, the Settlement, or the business practices of Defendant. Nothing in this paragraph shall affect the ability of Plaintiff’s counsel to carry out their duties consistent with and as required by any other provision herein, including providing any necessary declarations to the Court.
- 11.4 **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.
- 11.5 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 11.6 **Attorney Authorization.** Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.7 **Cooperation.** The Parties will work together expeditiously to obtain preliminary and final approval of this settlement.
- 11.8 **No Prior Assignments.** The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,

transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

- 11.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 11.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.12 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 11.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.14 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 11.16 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

- 11.17 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.18 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

JCL LAW FIRM, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-599-8292
jlapuyade@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-892-7095
F: 858-404-9203
Shani@zakaylaw.com

LAWYERS FOR JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
T: 818-265-1020
F: 818-265-1021
edwin@calljustice.com


To Defendant:

KADING BRIGGS LLP
100 Spectrum Center Drive, Suite 800
Irvine, California 92618
T: 949-450-8040
F: 949-450-8033

- 11.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 11.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

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Dated: 08/30, 2023


[Miranda Lopez \(Aug 30, 2023 18:16 PDT\)](#)

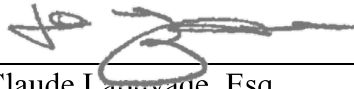
Plaintiff Miranda Lopez

Dated: August 31, 2023



Shani O. Zakay, Esq.
Zakay Law Group, APLC
Attorney for Plaintiff

Dated: August 31, 2023



Jean-Claude Lapuyade, Esq.
The JCL Law Firm, APC
Attorney for Plaintiff

Dated: August 31, 2023



Edwin Aiwanian, Esq.
Lawyers for Justice, PC
Attorney for Plaintiff


Dated: August 30, 2023

DocuSigned by:

E379F85913BE40F...

For Defendant
Behavior Frontiers, LLC

Dated: August 30, 2023



Theresa Kading, Esq.
Kading Briggs LLP
Attorney for Defendant

Exhibit A

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

Miranda Lopez v. Behavior Frontiers, LLC Case No. 22STCV15331

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Behavior Frontiers, LLC (“Defendant”) for alleged wage and hour violations. The Action was filed by former employee, Miranda Lopez (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of individuals who are or previously were employed by Defendant in California in non-exempt positions during the Class Period (from May 9, 2018 to July 31, 2023) (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for persons employed by Defendant in California in non-exempt positions during the PAGA Period (May 17, 2022, to July 31, 2023) (“Aggrieved Employees”).

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

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ XX (less withholding) and your Individual PAGA Payment is estimated to be \$ XX**. The actual amount you may receive may be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work in California in a non-exempt position during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked XX workweeks** in a non-exempt position in California during the Class Period, and **you worked XX pay periods** in a non-exempt position in California during the PAGA Period. If you believe that you worked more workweeks and/or pay periods during the designated time periods, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two

basic options under the Settlement:

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period claims against Defendant. If you are an Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is March 5, 2024	<p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p>

<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by March 5, 2024</p>	<p>All Class Members who do not opt-out (“Participating Class Members”) can object to any class action component of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel.</p>
<p>You Can Participate in the April 9, 2024 Final Approval Hearing</p>	<p>The Court’s Final Approval Hearing is scheduled to take place on <u>April 9, 2024, at 9:00 AM</u>. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the class action components of the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by March 5, 2024</p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day in a relevant position during the Class Period and how many PAGA Pay Periods you worked at least one day in a relevant position during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by <u>March 5, 2024</u>. See Section 4 of this Notice.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay wages, including minimum and overtime wages (including failing to pay overtime at the proper regular rate of pay); failing to provide legally compliant meal and rest periods; failing to timely pay wages due upon termination and during employment; failing to reimburse for mandatory business expenses; failing to provide accurate itemized wage statements and maintain requisite payroll records; failing to pay paid sick leave at the correct rate of pay; and failing to properly pay reporting time pay. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action:

The JCL Law Firm, APC, the Zakay Law Group, APLC, and Lawyers for Justice, PC (“Class Counsel.”)

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired a neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

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

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Gross Settlement Amount. Defendant will Pay \$2,000,000.00 as the Gross Settlement Amount (“Gross Settlement Amount”). Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments,

Individual PAGA Payments, Class Representative Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount on May 16, 2024, or within fourteen (14) days after the Judgment entered by the Court becomes final, whichever is later. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$666,666.67 (One-third of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$40,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 to the Class Representative as a Class Representative Payment for filing the Action, working with Class Counsel and representing the Class, and executing a general release of all claims. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$33,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$60,000.00 for PAGA Payment, allocated 75% to the LWDA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks. Former employees of Defendant will receive four weeks added to their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 25% of each Individual Class Payment (excluding the extra portion paid to former employees) to taxable wages ("Wage Portion") and 75% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather

than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

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

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than **MARCH 5, 2024**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by **MARCH 5, 2024**, Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Apex Class Action LLC (the Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform

other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

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

The Participating Class Members will be bound by the following release: all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, rights, demands, liabilities, and causes of action alleged in the Complaint and First Amended Complaint in the Lawsuit, and claims that reasonably could have been alleged based on the facts alleged in the Complaint and First Amended Complaint or based on any facts ascertained in the course of the litigation, including (a) any and all claims involving any alleged failure to pay wages for all time worked, including failure to compensate for alleged "off the clock" work, failure to pay minimum wage, and failure to pay overtime, (b) any and all claims involving any alleged failure to pay overtime at the regular rate of pay, (c) any and all claims involving any alleged failure to provide compliant meal and rest periods, including failure to pay meal and rest period premium pay, (d) any and all claims involving any alleged failure to timely pay all wages due upon termination, (e) any and all claims involving any alleged failure to timely pay all wages due during employment, (f) any and all claims involving any alleged failure to provide compliant wage statements, (g) any and all claims involving any alleged failure to keep requisite payroll records, (h) any and all claims involving any alleged failure to reimburse business expenses, (i) any and all claims involving any alleged failure to pay paid sick leave at the correct rate of pay, and (j) any and all claims involving any alleged failure to properly pay reporting time pay, which occurred during the Class Period. The release shall include all Federal Fair Labor Standards Act claims which could have been brought based on the facts pleaded in the Complaint or First Amended Complaint.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement Amount (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement. The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts alleged in the Complaint, First Amended Complaint or notice of alleged PAGA violations to the LWDA (“PAGA Notice”) or based on any facts ascertained in the course of the litigation, including (a) any and all claims involving any alleged failure to pay wages for all time worked, including failure to compensate for alleged “off the clock” work, failure to pay minimum wage, and failure to pay overtime, (b) any and all claims involving any alleged failure to pay overtime at the regular rate of pay, (c) any and all claims involving any alleged failure to provide compliant meal and rest periods, including failure to pay meal and rest period premium pay, (d) any and all claims involving any alleged failure to timely pay all wages due upon termination, (e) any and all claims involving any alleged failure to timely pay all wages due during employment, (f) any and all claims involving any alleged failure to provide compliant wage statements, (g) any and all claims involving any alleged failure to keep requisite payroll records, (h) any and all claims involving any alleged failure to reimburse business expenses, (i) any and all claims involving any alleged failure to pay paid sick leave at the correct rate of pay, and (j) any and all claims involving any alleged failure to properly pay reporting time pay, which occurred during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member. Class Members who are no longer employed by Defendant will receive four weeks added to their total number of Workweeks.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$15,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/PAGA Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant’s records, are stated in the first page of this Notice. You have until **MARCH 5, 2024** to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section 9 of this Notice has the Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The

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

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Miranda Lopez v. Behavior Frontiers, LLC Case No. 22STCV15331*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must receive your request to be excluded by MARCH 5, 2024, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. On or before February 5, 2024, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Attorneys' Fees and Litigation Costs and Service Award stating (i) the amount Class Counsel

is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website www._____.com or the Court's website <https://www.lacourt.org/casesummary/ui/>.

A Participating Class Member who disagrees with any class action component of the Agreement, the Motion for Final Approval and/or Motion for Attorneys' Fees and Litigation Costs, and Service Award may wish to object. **The deadline for sending written objections to the Administrator is MARCH 5, 2024.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Miranda Lopez v. Behavior Frontiers, LLC Case No. 22STCV15331* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on **April 9, 2024, at 9:00** am in Department 6 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to Apex Class Action LLC's website at www._____.com. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://portal.sccourt.org/search>) and entering the Case Number for the Action, Case No. 22STCV15331. You can also make an

appointment to personally review court documents in the Clerk's Office at the Los Angeles Superior Court.

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

JCL LAW FIRM, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-599-8292
jlapyade@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-892-7095
F: 858-404-9203
Shani@zakaylaw.com

LAWYERS FOR JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
T: 818-265-1020
F: 818-265-1021
edwin@calljustice.com

Settlement Administrator:

Apex Class Action LLC
20371 Irvine Avenue, Newport Beach, CA 92660;
Tel: (800) 355-0700

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise

change your mailing address.