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8

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF LOS ANGELES – SPRING STREET
11

12 MICHELE LEWANA EVANS and MELODY
13 SPROUSE, individually, and on behalf of all
others similarly situated,

14 Plaintiff,

15 vs.
16

17 DOWNTOWN WOMEN’S CENTER, a
18 California corporation; and DOES 1 through 10,
inclusive,

19 Defendants.
20

Case No.: 22STCV06578

CLASS ACTION

**CLASS ACTION AND PAGA SETTLEMENT
AGREEMENT AND CLASS NOTICE**

Complaint filed: February 23, 2022
Trial date: Not set

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE**

2 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
3 plaintiffs Michele Lewana Evans and Melody Sprouse (“Plaintiffs”) and defendant Downtown Women’s
4 Center (“DWC” or “Defendant”). The Agreement refers to Plaintiffs and DWC collectively as “Parties,”
5 or individually as “Party.”

6
7 **1. DEFINITIONS.**

8 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against DWC
9 captioned *Evans et. al., v. Downtown Women’s Center*, initiated on February 23, 2022, and
10 pending in Superior Court of the State of California, County of Los Angeles.

11 1.2. “Administrator” means Apex Class Action, the neutral entity the Parties have agreed to
12 appoint to administer the Settlement.

13 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid,
14 subject to Court approval, from the Gross Settlement Amount to reimburse its reasonable
15 fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to
16 the Court in connection with Preliminary Approval of the Settlement.

17 1.4. “Aggrieved Employee” means any individual who was employed by DWC as a non-
18 exempt employee during the PAGA Period.

19 1.5. “Class” means all individuals employed at any time during the Class Period as non-exempt
20 employees of DWC in California, excluding participants in the LA:RISE program, who
21 received bonuses and whose regular rate of pay was used for purposes of calculating
22 overtime pay, meal period premiums or rest period premiums.

23 1.6. “Class Counsel” means Moon Law Group, PC.

24 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
25 the amounts allocated to Class Counsel, subject to Court approval, for reimbursement of
26 reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

27 1.8. “Class Data” means Class Member identifying information in DWC’s possession
28 including the Class Member’s name, last-known mailing address, Social Security number,

1 and number of Class Period Workweeks and PAGA Pay Periods.

2 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a
3 Participating Class Member or Non-Participating Class Member (including a Non-
4 Participating Class Member who qualifies as an Aggrieved Employee).

5 1.10. “Class Member and Aggrieved Employee Address Search” means the Administrator’s
6 investigation and search for current Class Member and Aggrieved Employee mailing
7 addresses using all reasonably available sources, methods and means including, but not
8 limited to, the National Change of Address (“NCOA”) database, skip traces, and direct
9 contact by the Administrator with Class Members and Aggrieved Employees.

10 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION
11 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
12 mailed to Class Members in English and Spanish in the form, without material variation
13 unless otherwise agreed by the Parties, attached as Exhibit A and incorporated by reference
14 into this Agreement. The Parties, through counsel, may agree to modifications to the Class
15 Notice required to correct errors or effectuate changes required by the Court without the
16 need to amend this Agreement, and the revised Class Notice shall be incorporated herein in
17 place of the original Exhibit A.

18 1.12. “Class Period” means the period from February 23, 2018, to the date on which preliminary
19 approval for the Settlement is granted.

20 1.13. “Class Representatives” means Michele Lewana Evans and Melody Sprouse, who are the
21 named Plaintiffs in the operative complaint in the Action seeking Court approval to serve
22 as a Class Representatives.

23 1.14. “Class Representative Service Payment” means a payment to a Class Representative for
24 initiating the Action and providing services in support of the Action.

25 1.15. “Court” means the Superior Court of California, County of Los Angeles.

26 1.16. “DWC” means named Defendant Downtown Women’s Center.

27 1.17. “Defense Counsel” means Munger, Tolles & Olson LLP.

28 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the

1 Court enters a Judgment on its order granting final approval of the Settlement; and (b) the
2 Judgment is final. The Judgment is final as of the later of the following occurrences: (a)
3 the day after the deadline for filing a notice of appeal from the Judgment; or (b) if a timely
4 appeal from the Judgment is filed, the day after the appellate court affirms the Judgment
5 and issues a remittitur.

6 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

7 1.20. “Final Approval Hearing” means the Court’s hearing on the motion for final approval of
8 the Settlement.

9 1.21. “Gross Settlement Amount” means \$200,000.00 which is the total amount DWC agrees to
10 pay as provided by this Agreement. The Gross Settlement Amount will be used to pay
11 Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment,
12 Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class
13 Representative Service Payment and the Administration Expenses Payment. This Gross
14 Settlement Amount is Defendant’s only payment obligation under this Agreement.

15 1.22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
16 Net Settlement Amount calculated according to the method described in Paragraph 3.2.4 of
17 this Agreement.

18 1.23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of
19 the PAGA Penalties calculated according to the method described in Paragraph 3.2.5.1 of
20 this Agreement.

21 1.24. “Judgment” means the judgment entered by the Court following Final Approval.

22 1.25. “LWDA” means the California Labor and Workforce Development Agency.

23 1.26. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA
24 under Labor Code § 2699, subd. (i).

25 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following
26 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA
27 PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment,
28 Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment.

1 The Net Settlement Amount is to be paid to Participating Class Members as Individual
2 Class Payments.

3 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Class
4 portion of the Settlement by sending the Administrator a valid and timely Request for
5 Exclusion.

6 1.29. “PAGA Pay Period” means any Pay Period (Sunday-Saturday) during which an Aggrieved
7 Employee worked for DWC for at least one day during the PAGA Period.

8 1.30. “PAGA Period” means the period from February 19, 2021, to the date on which
9 preliminary approval for the Settlement is granted.

10 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

11 1.32. “PAGA Notice” means Plaintiff Evans’ February 19, 2022 letter to DWC and the LWDA
12 and Plaintiff Evans’ September 26, 2022 amended letter to DWC and the LWDA
13 providing notice pursuant to Labor Code § 2699.3, subd. (a).

14 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
15 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and
16 75% to LWDA (\$15,000.00) in settlement of PAGA claims.

17 1.34. “Participating Class Member” means a Class Member who does not submit a valid and
18 timely Request for Exclusion from the Class portion of the Settlement.

19 1.35. “Plaintiffs” means Michele Lewana Evans and Melody Sprouse, the named plaintiffs in the
20 Action.

21 1.36. “Preliminary Approval” means the Court’s order granting preliminary approval of the
22 Class portion of the Settlement.

23 1.37. “Preliminary Approval Order” means the Court’s order granting preliminary approval of
24 the Class portion of the Settlement.

25 1.38. “Released Class Claims” means all claims, known or unknown, that were alleged, or
26 reasonably could have been alleged, based on facts stated in the Second Amended
27 Complaint (“SAC”), known or unknown, for any type of relief against DWC that
28 occurred during the Class Period, including claims for: (i) meal and rest break violations

1 or premium payments in lieu thereof; (ii) failure to pay earned wages for all hours
2 worked, including minimum wages or overtime wages; (iii) failure to pay wages timely
3 during employment and upon termination; (iv) failure to reimburse employees for
4 required expenses; (v) failure to furnish accurate wage statements; (vi) failure to
5 indemnify necessary business expenses (vii) unfair business practices relating to or
6 arising out of any of the foregoing; and (viii) to the extent not covered above, any and
7 all claims reasonably arising out of the SAC. Except as expressly set forth in this
8 Agreement, Participating Class Members do not release any other claims, including
9 claims for vested benefits, wrongful termination, violation of the Fair Employment and
10 Housing Act, unemployment insurance, disability, social security, workers'
11 compensation, and/or claims based on facts occurring outside the Class Period.

12
13 1.39. "Released PAGA Claims" means all claims for PAGA penalties, known or unknown, that
14 were alleged, or reasonably could have been alleged, based on the facts stated in the SAC
15 and the PAGA Notice that occurred during the PAGA Period. The Released PAGA
16 Claims do not include claims for vested benefits, wrongful termination, discrimination,
17 unemployment insurance, disability, social security, worker's compensation, and/or claims
18 outside of the PAGA Period.

19 1.40. "Released Parties" means: DWC and each of its former and present directors, officers,
20 shareholders, attorneys, agents, insurers, predecessors, successors, subsidiaries, affiliates,
21 and each of their former and present owners, directors, officers, employees, managers,
22 partners, members, principals, agents, insurers, co-insurers, re-insurers, investors,
23 shareholders, employee benefit plans, employee benefit plan trustees, fiduciaries, and
24 administrators, and personal or legal representatives.

25 1.41. "Request for Exclusion" means a Class Member's submission of a written request to be
26 excluded from the Class Settlement signed by the Class Member.

27 1.42. "Response Deadline" means 60 calendar days after the Administrator mails Notice to Class
28 Members and Aggrieved Employees, and shall be the last date on which Class Members

1 may: (a) submit Requests for Exclusion from the Class portion of the Settlement, or (b)
2 submit his or her Objection to the Settlement. The Response Deadline for Class Members
3 to whom Notice Packets are resent after having been returned undeliverable to the
4 Administrator shall be the longer of the original Response Deadline or 14 calendar days
5 from the date of remailing of the Notice Packet.

6 1.43. “Settlement” means the disposition of the Action effected by this Agreement and the
7 Judgment.

8 1.44. “Workweek” means any week (Sunday-Saturday) during which a Class Member worked
9 for DWC for at least one day during the Class Period.

10
11 **2. RECITALS.**

12 2.1. On February 23, 2022 Plaintiff Evans commenced this Action by filing a Class Action
13 Complaint against DWC in the Superior Court of the State of California, County of Los
14 Angeles, alleging causes of action for (1) failure to pay minimum wages; (2) failure to pay
15 overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest
16 periods; (5) failure to timely pay all wages to terminated employees; (6) failure to provide
17 accurate itemized wage statements; (7) failure to indemnify necessary business expenses;
18 and (8) violation of California’s Unfair Competition Law, California Business and
19 Professions Code § 17200 *et seq.* On April 26, 2022, Plaintiff Evans filed a First Amended
20 Complaint alleging an additional cause of action against DWC for Civil Penalties Under
21 PAGA. On October 13, 2022, Plaintiff Evans filed a Second Amended Complaint adding
22 named Plaintiff Melody Sprouse as a party. The Second Amended Complaint is the
23 operative complaint in the Action (the “Operative Complaint.”) On November 15, 2022,
24 DWC responded by filing a general denial and asserting 35 affirmative defenses. DWC
25 denies the allegations in the Operative Complaint, denies any failure to comply with the
26 laws identified in in the Operative Complaint and denies any and all liability for the causes
27 of action alleged.

28 2.2. Pursuant to Labor Code § 2699.3, subd. (a), Plaintiff Evans gave timely written notice to

1 DWC and the LWDA by sending the PAGA Notice.

2 2.3. Following ruling on Plaintiffs' Motion for Class Certification and DWC's Motion for
3 Summary Adjudication, the Parties commenced direct negotiations between counsel that
4 resulted in this Settlement.

5 2.4. Prior to negotiating the Settlement, Plaintiffs obtained, through formal discovery, time and
6 pay records, policy documents, and deposition testimony sufficient to permit Plaintiffs to
7 move for class certification. Plaintiffs' investigation was sufficient to satisfy the criteria for
8 court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801
9 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008)
10 ("*Dunk/Kullar*").

11 2.5. The Court has granted class certification as to the issue of whether the regular rate of pay
12 was correctly calculated when paying overtime pay, meal period premiums or rest period
13 premiums.

14 2.6. This Agreement represents a compromise and settlement of highly disputed claims. In
15 particular, DWC denies all of the claims and contentions alleged by Plaintiffs.
16 Nonetheless, DWC has concluded that further conduct of the Action would be
17 protracted and expensive, and that it is desirable that the Action be fully and finally
18 settled in the manner and upon the terms and conditions set forth in this Agreement.
19 DWC has also taken into account the uncertainty and risks inherent in any litigation,
20 and particularly class and/or representative litigation. DWC has therefore determined
21 that it is desirable and beneficial that the Action be settled now in the manner and upon
22 the terms and conditions set forth in this Agreement. Nothing in this Agreement is
23 intended or will be construed as an admission by DWC that the claims in the Action of
24 Plaintiffs or the Class have merit or that Defendant bears any liability to Plaintiffs or the
25 Class on those claims or any other claims.

26 2.7. This Agreement is made for the sole purpose of attempting to consummate the Settlement.
27 The Parties enter into this Agreement on the conditional basis that the Court enters the
28 Judgment contemplated by this Agreement. In the event that the Judgment does not

1 become Final for any reason, this Agreement shall be deemed null and void ab initio, it
2 shall be of no force or effect whatsoever; it shall not be referred to or utilized for any
3 purpose whatsoever; and the negotiation, terms, and entry of the Agreement shall remain
4 subject to the provisions of California Evidence Code sections 1119 and 1152, except that
5 the documents filed in support of the motion for preliminary approval and/or final approval
6 shall remain part of the public record.

7 2.8. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any
8 other pending matter or action asserting claims that will be extinguished or affected by the
9 Settlement.

10
11 **3. MONETARY TERMS.**

12 3.1. Gross Settlement Amount. Subject to the terms and conditions of this agreement, the Gross
13 Settlement Amount that DWC will pay under this Settlement is \$200,000. This amount is
14 all inclusive of all payments contemplated in this resolution. DWC will separately pay
15 any and all employer payroll taxes required by law on the Wage Portions of the Individual
16 Class Payments. DWC has no obligation to pay the Gross Settlement Amount prior to the
17 deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the
18 entire Gross Settlement Amount without asking or requiring Participating Class Members
19 or Aggrieved Employees to submit any claim as a condition of payment. None of the
20 Gross Settlement Amount will revert to DWC.

21 3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this
22 Agreement, the Administrator will make the following payments out of the Gross
23 Settlement Amount, in the amounts specified by the Court in the Final Approval:

24 3.2.1. To Plaintiffs: Class Representative Service Payment to the Class Representatives
25 of not more than \$7,500.00 to each Class Representative (in addition to any
26 Individual Class Payment and any Individual PAGA Payment the Class
27 Representatives are entitled to receive). DWC will not oppose Plaintiffs' request
28 for Class Representative Service Payments that do not exceed this amount. As part

1 of the motion for Class Counsel Fees Payment and Class Litigation Expenses
2 Payment, Plaintiffs will seek Court approval for any Class Representative Service
3 Payments no later than 16 court days prior to the Final Approval Hearing. If the
4 Court approves a Class Representative Service Payment less than the amount
5 requested, the Administrator will retain the remainder in the Net Settlement
6 Amount. The Administrator will report payment of the Class Representative
7 Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and
8 liability for employee taxes owed on the Class Representative Service Payments.
9 The Class Representative Service Payment shall be the total compensation and
10 consideration for (i) Plaintiffs' efforts in the Action; and (ii) their agreement to the
11 release described in Paragraph 5.1 of this agreement.

12 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 $\frac{1}{3}$ % of the
13 Gross Settlement Amount, which is currently estimated to be \$66,666.67, and a
14 Class Counsel Litigation Expenses Payment of not more than \$37,500.00. DWC
15 will not oppose requests for these payments provided that they do not exceed these
16 amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees
17 Payment and Class Litigation Expenses Payment no later than 16 court days prior
18 to the Final Approval Hearing. If the Court approves a Class Counsel Fees
19 Payment and/or a Class Counsel Litigation Expenses Payment less than the
20 amounts requested, the Administrator will allocate the remainder to the Net
21 Settlement Amount. Released Parties shall have no liability to Class Counsel or
22 any other Plaintiffs' Counsel arising from any claim to any portion any Class
23 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The
24 Administrator will report payment of the Class Counsel Fees Payment and Class
25 Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class
26 Counsel assumes full responsibility and liability for taxes owed on the Class
27 Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and
28 holds DWC harmless, and indemnifies DWC, from any dispute or controversy

1 regarding any division or sharing of any of these Payments.

2 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed
3 \$9,300.00 except for a showing of good cause and as approved by the Court. To
4 the extent the Administration expenses are less or the Court approves payment less
5 than \$9,300.00, the Administrator will retain the remainder in the Net Settlement
6 Amount.

7 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by
8 (a) dividing the Net Settlement Amount by the total number of Workweeks worked
9 by all Participating Class Members during the Class Period and (b) multiplying the
10 result by each Participating Class Member's Workweeks.

11 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
12 Class Member's Individual Class Payment will be allocated to settlement
13 of wage claims (the "Wage Portion"). The Wage Portions are subject to tax
14 withholding and will be reported on an IRS W-2 Form. 80% of each
15 Participating Class Member's Individual Class Payment will be allocated
16 to settlement of claims for interest and penalties (the "Non-Wage
17 Portion"). The Non-Wage Portions are not subject to wage withholdings
18 and will be reported on IRS 1099 Forms. Each Participating Class Member
19 agrees to hold harmless the Released Parties, Class Counsel, and
20 Defendant's Counsel for any tax liability, including penalties and interest,
21 arising out of or relating to the Participating Class Member's failure to pay
22 taxes on any amounts paid pursuant to this Settlement.

23 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
24 Class Payments. Non-Participating Class Members will not receive any
25 Individual Class Payments. The Workweeks of Non-Participating Class
26 Members are not included in the calculation of payments to Participating
27 Class Members and therefore have no effect on the calculation of
28 Individual Class Payments paid from the Net Settlement Amount.

1 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
2 \$20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00)
3 allocated to the LWDA PAGA Payment and 25% (\$5,000.00) allocated to the
4 Individual PAGA Payments.

5 3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a)
6 dividing the amount of the Aggrieved Employees' 25% share of PAGA
7 Penalties (\$5,000.00) by the total number of PAGA Period Pay Periods
8 worked by all Aggrieved Employees during the PAGA Period and (b)
9 multiplying the result by each Aggrieved Employee's PAGA Period Pay
10 Periods. Aggrieved Employees assume full responsibility and liability for
11 any taxes owed on their Individual PAGA Payment.

12 3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested,
13 the Administrator will allocate the remainder to the Net Settlement
14 Amount. 100% of the PAGA Payment is in settlement of claims for
15 penalties, is not be subject to wage withholdings, and the Administrator
16 will report the Individual PAGA Payments on IRS 1099-MISC Forms.
17

18 **4. SETTLEMENT FUNDING AND PAYMENTS.**

19 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records
20 to date, DWC estimates there are 161 Class Members who collectively worked a total of
21 21,894 Workweeks, and 534 Aggrieved Employees who worked a total of 11,965 PAGA
22 Pay Periods.

23 4.2. Class Data. Not later than 30 days after the Court grants Preliminary Approval of the
24 Settlement, DWC will deliver the Class Data to the Administrator, in the form of an
25 encrypted or password-protected Microsoft Excel spreadsheet or similar digital data file.
26 To protect Class Members' privacy rights, the Administrator must maintain the Class Data
27 in confidence, use the Class Data only for purposes of this Settlement and for no other
28

1 purpose, and restrict access to the Class Data to Administrator employees who need access
2 to the Class Data to effect and perform under this Agreement. DWC has a continuing duty
3 to promptly notify Class Counsel if it discovers that the Class Data omitted class member
4 identifying information and to provide corrected or updated Class Data as soon as
5 reasonably feasible. Without any extension of the deadline by which DWC must send the
6 Class Data to the Administrator, the Parties and their counsel will expeditiously use best
7 efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
8 omitted Class Data.

9 4.3. Funding of Gross Settlement Amount. DWC shall fully fund the Gross Settlement
10 Amount by transmitting the funds to the Administrator no later than 30 days after the
11 Effective Date.

12 4.4. Payments from the Gross Settlement Amount. Within 14 days after DWC funds the Gross
13 Settlement Amount, the Administrator will mail checks or otherwise issue payments for all
14 Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment,
15 the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel
16 Litigation Expenses Payment, and the Class Representative Service Payment.
17 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
18 Payment and the Class Representative Service Payment shall not precede disbursement of
19 Individual Class Payments and Individual PAGA Payments.

20 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
21 Individual PAGA Payments and send them to the Class Members via First
22 Class U.S. Mail, postage prepaid. The face of each check shall prominently state
23 the date (not less than 180 days after the date of mailing) when the check will be
24 voided. The Administrator will cancel all checks not cashed by the void date.
25 The Administrator will send checks for Individual Settlement Payments to all
26 Participating Class Members (including those for whom Class Notice was
27 returned undelivered). The Administrator will send checks for Individual PAGA
28 Payments to all Aggrieved Employees including Non-Participating Class

1 Members who qualify as Aggrieved Employees (including those for whom
2 Class Notice was returned undelivered). The Administrator may send
3 Participating Class Members a single check combining the Individual Class
4 Payment and the Individual PAGA Payment. Before mailing any checks, the
5 Settlement Administrator must update the recipients' mailing addresses using
6 the NCOA database. If a Participating Class Member's or Aggrieved
7 Employee's check is not cashed within 120 days after its last mailing to the
8 affected individual, the Administrator will also send the individual a notice
9 informing him or her that unless the check is cashed by the void date, it will
10 expire and become non-negotiable, and offer to replace the check if it was lost
11 or misplaced but not cashed.

12 4.4.2. The Administrator must conduct a Class Member and Aggrieved Employee
13 Address Search for all other Aggrieved Employees and Class Members whose
14 checks are returned undelivered without a United States Postal Service ("USPS")
15 forwarding address. Within seven days of receiving a returned check the
16 Administrator must re-mail checks to the USPS forwarding address provided or to
17 an address ascertained through the Class Member and Aggrieved Employee
18 Address Search. The Administrator need not take further steps to deliver checks to
19 Class Members whose re-mailed checks are returned as undelivered. The
20 Administrator shall promptly send a replacement check to any Class Member
21 whose original check was lost or misplaced, as requested by the Class Member
22 prior to the void date.

23 4.4.3. For any Class Member whose Individual Class Payment check or Individual
24 PAGA Payment check is uncashed and cancelled after the void date, the
25 Administrator shall transmit the funds represented by such checks [to the
26 California Controller's Unclaimed Property Fund in the name of the Class Member
27 thereby leaving no "unpaid residue" subject to the requirements of California Code
28 of Civil Procedure § 384, subd. (b).

1 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
2 not obligate DWC to confer any additional benefits or make any additional
3 payments to Class Members (such as 401(k) contributions or bonuses) beyond
4 those specified in this Agreement, and Plaintiffs and Participating Class Members
5 will be deemed to have waived all such claims, whether known or unknown by
6 them, as part of their release of claims under this Agreement.

7
8 **5. RELEASES OF CLAIMS.**

9 Effective on the date when DWC fully funds the entire Gross Settlement Amount, Plaintiffs, Class
10 Members, and Class Counsel will release claims against all Released Parties as follows:

11 5.1. Plaintiffs’ Individual Releases.

12 5.1.1. Scope of Plaintiffs’ Individual Releases. Plaintiffs and their respective former and
13 present spouses, representatives, agents, attorneys, heirs, administrators,
14 successors, and assigns generally, release and discharge Released Parties from all
15 claims, transactions, or occurrences between them that occurred or arose anytime
16 from the beginning of time to the date Plaintiffs execute this Agreement. This
17 release of Plaintiffs’ Individual Released Claims releases the Released Parties from
18 any claim including, but not limited to: (a) all claims that were, or reasonably could
19 have been, alleged, based on the facts contained, in the Operative Complaint and
20 Plaintiff’s PAGA Notice and (b) all PAGA claims that were, or reasonably could
21 have been, alleged based on facts contained in the Operative Complaint or
22 Plaintiffs’ PAGA Notices. (“Plaintiffs’ Release.”) Plaintiffs’ Release does not
23 extend to any claims or actions to enforce this Agreement, or to any claims for
24 vested benefits, unemployment benefits, disability benefits, social security benefits,
25 workers’ compensation benefits that arose at any time, or based on occurrences
26 after the date Plaintiffs sign the Agreement For the avoidance of doubt, Plaintiffs
27 are subject to the class and PAGA releases for the duration of the class period and
28 PAGA period respectively. Plaintiffs acknowledge that Plaintiffs may discover

1 facts or law different from, or in addition to, the facts or law that Plaintiffs now
2 know or believe to be true but agrees, nonetheless, that Plaintiff's Release shall be
3 and remain effective in all respects, notwithstanding such different or additional
4 facts or Plaintiffs' discovery of them. The Parties declare and represent that they
5 intend this Agreement to be complete and not subject to any claim of mistake, and
6 that the releases herein express full and complete releases, and that they intend that
7 the releases herein shall be final and complete.

8 5.1.2. Plaintiffs' Waiver of Rights Under California Civil Code § 1542. As partial
9 consideration for the Representative Service Payment, Plaintiffs' Released Claims
10 shall include all such claims, whether known or unknown by the releasing party.
11 Thus, even if Plaintiffs discover facts and/or claims in addition to or different from
12 those that they now know or believes to be true with respect to the subject matter of
13 Plaintiffs' Released Claims, those claims will remain released and forever barred.
14 For purposes of Plaintiff's Release, Plaintiffs expressly waive and relinquish the
15 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
16 which reads:

17 **A general release does not extend to claims that the creditor or**
18 **releasing party does not know or suspect to exist in his or her favor**
19 **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.

20 5.2. Release by Participating Class Members: All Participating Class Members, on behalf of
21 themselves and their respective former and present representatives, agents, attorneys, heirs,
22 administrators, successors, and assigns, release Released Parties from the Released Class
23 Claims.

24 5.3. Release by Aggrieved Employees: All Aggrieved Employees and the LDWA are deemed
25 to release, on behalf of themselves and their respective former and present representatives,
26 agents, attorneys, heirs, administrators, successors, assigns and the State of California, the
27 Released Parties from all PAGA Claims.

28 5.4. Class Counsel Claims: Upon the occurrence of the Effective Date, and except as otherwise

1 provided by this Agreement and the Judgment, Class Counsel and any counsel associated
2 with Class Counsel agrees that they have no other claim to costs and attorneys' fees and
3 expenses against the Released Parties arising from or relating to the Action.
4

5 **6. MOTION FOR PRELIMINARY APPROVAL.**

6 The Parties agree that Plaintiffs' Counsel shall prepare and file a motion for preliminary approval
7 ("Motion for Preliminary Approval") that complies with the Court's current checklist for preliminary
8 approvals, to the extent the Court maintains such a checklist.

9 6.1. DWC's Responsibility. Within 14 days of the full execution of this Agreement, DWC will
10 prepare and deliver to Class Counsel a signed declaration from DWC and/or Defense
11 Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the
12 Administrator, *if any such actual or potential conflicts exist*. Similarly, if any other
13 pending matter or action asserting claims will be extinguished or adversely affected by the
14 Settlement, Defendant shall prepare and deliver to Class Counsel a signed declaration from
15 Defendant and/or Defense Counsel identifying any other pending matter or action it is
16 aware of asserting claims that will be extinguished or adversely affected by the Settlement.

17 6.2. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel
18 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the
19 notice, and memorandum in support, of the Motion for Preliminary Approval that includes
20 an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA
21 Settlement under Labor Code § 2699, subd. (f)(2)); (ii) a draft proposed order granting
22 preliminary approval and approval of PAGA settlement; (iii) a draft proposed Class
23 Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid
24 for administering the Settlement and attesting to its willingness to serve; competency;
25 operative procedures for protecting the security of Class Data; amounts of insurance
26 coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant
27 to any actual or potential conflicts of interest with Class Members; and the nature and
28 extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v)

1 signed declarations from Plaintiffs confirming willingness and competency to serve and
2 disclosing all facts relevant to any actual or potential conflicts of interest with Class
3 Members, or the Administrator; and, (vi) a signed declaration from Class Counsel attesting
4 to its competency to represent the Class Members; its timely transmission to the LWDA of
5 all necessary PAGA documents; and, all facts relevant to any actual or potential conflict of
6 interest with Class Members or the Administrator. Class Counsel shall aver that they are
7 not aware of any other pending matter or action asserting claims that will be extinguished
8 or adversely affected by the Settlement or disclose the existence of any such pending
9 matters.

10 6.3. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and
11 filing the Motion for Preliminary Approval no later than 30 days after the full execution of
12 this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval;
13 and for appearing in Court to advocate in favor of the Motion for Preliminary Approval.
14 Class Counsel is responsible for providing Defense Counsel a copy of this motion for
15 review and comment at least five business days before it is filed with the Court and
16 delivering the Court's Preliminary Approval to the Administrator.

17 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
18 Preliminary Approval and/or the supporting declarations and documents, Class Counsel
19 and Defense Counsel will expeditiously work together on behalf of the Parties by meeting
20 in person or by telephone, and in good faith, to resolve the disagreement. If the Court does
21 not grant Preliminary Approval or conditions Preliminary Approval on any material
22 change to this Agreement, Class Counsel and Defense Counsel will expeditiously work
23 together on behalf of the Parties by meeting in person or by telephone, and in good faith, to
24 modify the Agreement and otherwise satisfy the Court's concerns.

25
26 **7. SETTLEMENT ADMINISTRATION.**

27 7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action to serve
28 as the Administrator and verified that, as a condition of appointment, Apex Class Action

1 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in
2 this Agreement in exchange for payment of Administration Expenses. The Parties and
3 their Counsel represent that they have no interest or relationship, financial or otherwise,
4 with the Administrator other than a professional relationship arising out of prior
5 experiences administering settlements.

6 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
7 Identification Number for purposes of calculating payroll tax withholdings and providing
8 reports state and federal tax authorities.

9 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
10 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation §
11 468B-1.

12 7.4. Notice to Class Members. After the Court enters the Preliminary Approval Order, every
13 Class Member will be sent the Class Notice Packet (which will include the Class Notice
14 completed to reflect the Preliminary Approval Order and showing the Class Member’s
15 Settlement Share) as follows:

16 7.4.1. No later than three (3) business days after receipt of the Class Data, the
17 Administrator shall notify Class Counsel that the list has been received and state
18 the number of Class Members, Aggrieved Employees, Workweeks, and Pay
19 Periods in the Class Data.

20 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14 days
21 after receiving the Class Data, the Administrator will send to all Class Members
22 identified in the Class Data, via first-class USPS mail, the Class Notice with
23 Spanish translation substantially in the form attached to this Agreement as Exhibit
24 A. The first page of the Class Notice shall prominently estimate the dollar amounts
25 of each Individual Class Payment and/or Individual PAGA Payment payable to the
26 Class Member and/or Aggrieved Employee, and the number of Workweeks and
27 PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing
28 Class Notices, the Administrator shall update Class Member addresses using the

1 NCOA database.

2 7.4.3. Not later than seven days after the Administrator's receipt of any Class Notice
3 returned by the USPS as undelivered, the Administrator shall re-mail the Class
4 Notice using any forwarding address provided by the USPS. If the USPS does not
5 provide a forwarding address, the Administrator shall conduct a Class Member
6 Address Search, and re-mail the Class Notice to the most current address obtained.
7 The Administrator has no obligation to make further attempts to locate or send
8 Class Notice to Class Members whose Class Notice is returned by the USPS a
9 second time.

10 7.4.4. The deadlines for Class Members' written objections, challenges to Workweeks
11 and/or pay periods, and Requests for Exclusion will be the longer of the original
12 Response Deadline or 14 calendar days from the date of remailing of the Notice
13 Packet. The Administrator will inform the Class Member of the extended deadline
14 with the re-mailed Class Notice, if applicable.

15 7.4.5. If the Administrator, DWC or Class Counsel is contacted by or otherwise discovers
16 any persons who believe they should have been included in the Class Data and
17 should have received Class Notice, the Parties will expeditiously meet and confer
18 in person or by telephone, and in good faith, in an effort to agree on whether to
19 include them as Class Members. If the Parties agree, such persons will be Class
20 Members entitled to the same rights as other Class Members, and the
21 Administrator will send, via email or overnight delivery, a Class Notice requiring
22 them to exercise options under this Agreement not later than 14 days after receipt
23 of Class Notice, or the deadline dates in the Class Notice, which ever are later.

24 7.5. Requests for Exclusion (Opt-Outs).

25 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class portion of
26 the Settlement must send the Administrator, by fax, email, or mail, a signed written
27 Request for Exclusion not later than the Response Deadline. A Request for
28 Exclusion is a letter from a Class Member or his/her representative that reasonably

1 communicates the Class Member's election to be excluded from the Class portion
2 of the Settlement and includes the Class Member's name, address and email
3 address or telephone number. To be valid, a Request for Exclusion must be timely
4 faxed, emailed, or postmarked by the Response Deadline.

5 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
6 fails to contain all the information specified in the Class Notice. The Administrator
7 shall accept any Request for Exclusion as valid if the Administrator can reasonably
8 ascertain the identity of the person as a Class Member and the Class Member's
9 desire to be excluded. The Administrator's determination shall be final and not
10 appealable or otherwise susceptible to challenge. If the Administrator has reason to
11 question the authenticity of a Request for Exclusion, the Administrator may
12 demand additional proof of the Class Member's identity. The Administrator's
13 determination of authenticity shall be final as to the Parties, but a Class Member
14 whose Request for Exclusion is rejected by the Administrator may present a
15 challenge to that determination to the Court.

16 7.5.3. Every Class Member who does not submit a timely and valid Request for
17 Exclusion is deemed to be a Participating Class Member under this Agreement,
18 entitled to all benefits and bound by all terms and conditions of the Settlement,
19 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3
20 of this Agreement, regardless whether the Participating Class Member actually
21 receives the Class Notice or objects to the Settlement.

22 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
23 Non-Participating Class Member and shall not receive an Individual Class
24 Payment or have the right to object to the class action components of the
25 Settlement. Because future PAGA claims are subject to claim preclusion upon
26 entry of the Judgment, Non-Participating Class Members who are Aggrieved
27 Employees are deemed to release the claims identified in Paragraph 5.3 of this
28 Agreement and are eligible for an Individual PAGA Payment. If a Class Member

1 submits both a Request for Exclusion and an objection, only the Request for
2 Exclusion will be accepted and the objection will be void.

3 7.6. Challenges to Calculation of Workweeks and Pay Periods. Each Class Member shall have
4 until the expiration of the Response Deadline to challenge the number of Class Workweeks
5 and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The
6 Class Member may challenge the allocation by communicating with the Administrator via
7 fax, email or mail. The Administrator must encourage the challenging Class Member to
8 submit supporting documentation. In the absence of any contrary documentation, the
9 Administrator is entitled to presume that the Workweeks contained in the Class Notice are
10 correct so long as they are consistent with the Class Data. The Administrator's
11 determination of each Class Member's allocation of Workweeks and/or PAGA Pay
12 Periods shall be final as to the Parties (although Defendant shall retain the right to correct
13 erroneous Class Data if subsequently discovered), but a Class Member whose Workweek
14 and/or Pay Period challenge is rejected by the Administrator may present the same
15 evidence supporting the Workweek and/or Pay Period challenge to the Court for review.
16 The Administrator shall promptly provide copies of all challenges to calculation of
17 Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the
18 Administrator's determination the challenges.

19 7.7. Objections to Settlement.

20 7.7.1. Only Participating Class Members may object to the class action components of
21 the Settlement and/or this Agreement, including contesting the fairness of the
22 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
23 Counsel Litigation Expenses Payment and/or Class Representative Service
24 Payment.

25 7.7.2. Participating Class Members may send written objections to the Administrator, by
26 fax, email, or mail. In the alternative, Participating Class Members may appear in
27 Court (or hire an attorney to appear in Court) to present verbal objections at the
28 Final Approval Hearing. A Participating Class Member who elects to send a

1 written objection to the Administrator must do so not later than the Response
2 Deadline. The Administrator will provide copies of every written objection to all
3 Counsel.

4 7.7.3. Non-Participating Class Members have no right to object to any of the class action
5 components of the Settlement.

6 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
7 performed or observed by the Administrator contained in this Agreement or otherwise.

8 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish
9 and maintain and use an internet website to post information of interest to Class
10 Members including the date, time and location for the Final Approval Hearing and
11 copies of the Settlement Agreement, Motion for Preliminary Approval, the
12 Preliminary Approval Order, the Class Notice, the motion for final approval, the
13 Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses
14 Payment and Class Representative Service Payment, the Final approval Order and
15 the Judgment. The Administrator will also maintain and monitor a toll-free
16 telephone number to receive Class Member calls and faxes.

17 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
18 promptly review on a rolling basis Requests for Exclusion to ascertain their
19 validity. Not later than 7 calendar days after the expiration of the deadline for
20 submitting Requests for Exclusion, the Administrator shall email a list to Class
21 Counsel and Defense Counsel containing (a) the names and employee ID number
22 of Class Members who have timely submitted valid Requests for Exclusion
23 (“Exclusion List”); and (b) the names and employee ID number of Class Members
24 who have submitted invalid Requests for Exclusion.

25 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
26 reports to Class Counsel and Defense Counsel that, among other things, tally the
27 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
28 Requests for Exclusion (whether valid or invalid) received, objections received,

1 and challenges to Workweeks and/or PAGA Pay Periods received and/or resolved
2 (“Weekly Report”). The Weekly Reports must include provide the Administrator’s
3 assessment of the validity of Requests for Exclusion. In addition to the Weekly
4 Reports, the Administrator shall report to the Parties when it has completed the
5 initial distribution of the Individual Class Payments and Individual PAGA
6 Payments to all individuals with valid addresses.

7 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
8 address and make decisions consistent with the terms of this Agreement on all
9 Class Member challenges over the calculation of Workweeks and/or PAGA Pay
10 Periods. The Administrator’s determination of each Class Member’s allocation of
11 Workweeks and/or PAGA Pay Periods shall be final as to the Parties (although
12 Defendant shall retain the right to correct erroneous Class Data if subsequently
13 discovered), but a Class Member whose Workweek and/or Pay Period challenge is
14 rejected by the Administrator may present the same evidence supporting the
15 Workweek and/or Pay Period challenge to the Court for review.

16 7.8.5. Administrator’s Declaration. Not later than 14 days before the date by which
17 Plaintiffs are required to file the Motion for Final Approval of the Settlement, the
18 Administrator will provide to Class Counsel and Defense Counsel a signed
19 declaration suitable for filing in Court attesting to its due diligence and compliance
20 with all of its obligations under this Agreement, including, but not limited to, its
21 mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing
22 of Class Notices, attempts to locate Class Members, the total number of Requests
23 for Exclusion from Settlement it received (both valid or invalid), the number of
24 written objections and attach the Exclusion List. The Administrator will
25 supplement its declaration as needed or requested by the Parties and/or the Court.
26 Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

27 7.8.6. Final Report by Settlement Administrator. Within 14 days after the Administrator
28 disburses all funds in the Gross Settlement Amount, the Administrator will provide

1 Class Counsel and Defense Counsel with a final report detailing its disbursements
2 by employee identification number only of all payments made under this
3 Agreement. At least 14 days before any deadline set by the Court, the
4 Administrator will prepare, and submit to Class Counsel and Defense Counsel, a
5 signed declaration suitable for filing in Court attesting to its disbursement of all
6 payments required under this Agreement. Class Counsel is responsible for filing
7 the Administrator's declaration in Court.
8

9 **8. CLASS SIZE ESTIMATES**

10 Based on its records, DWC estimates that, as of the date of this Settlement Agreement, (1) there are 161
11 Class Members and 21,894 Total Workweeks during the Class period and (2) there were 534 Aggrieved
12 Employees who worked 11,965 Pay Periods during the PAGA Period.
13

14 **9. DWC'S RIGHT TO WITHDRAW.**

15 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all
16 Class Members, DWC may, but is not obligated to, withdraw from the Settlement. The Parties agree that,
17 if DWC withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that
18 neither Party will have any further obligation to perform under this Agreement; provided, however, DWC
19 will remain responsible for paying all Settlement administration expenses incurred to that point. DWC
20 must notify Class Counsel and the Court of its election to withdraw not later than seven days after the
21 Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
22

23 **10. MOTION FOR FINAL APPROVAL.**

24 Unless otherwise ordered by the Court, not later than 16 court days before the calendared Final Approval
25 Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request
26 for approval of the PAGA settlement under Labor Code § 2699, subd. (l), a Proposed final approval order
27 and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of
28 these documents to Defense Counsel not later than seven days prior to filing the Motion for Final

1 Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by
2 telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

3 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by
4 a Participating Class Member, including the right to file responsive documents in Court no
5 later that five court days prior to the Final Approval Hearing, or as otherwise ordered or
6 accepted by the Court.

7 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
8 Approval on any material change to the Settlement (including, but not limited to, the scope
9 of release to be granted by Class Members), the Parties will expeditiously work together in
10 good faith to address the Court's concerns by revising the Agreement as necessary to
11 obtain Final Approval. The Court's decision to award less than the amounts requested for
12 the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
13 Litigation Expenses Payment and/or Administration Expenses Payment shall not constitute
14 a material modification to the Agreement within the meaning of this paragraph.

15 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
16 Court will retain jurisdiction over the Parties, Action, and the Settlement pursuant to Code
17 of Civil Procedure § 664.6 solely for purposes of (i) enforcing this Agreement and/or
18 Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-
19 Judgment matters as are permitted by law.

20 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
21 conditions of this Agreement, specifically including the Class Counsel Fees Payment and
22 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the
23 Parties, their respective counsel, and all Participating Class Members who did not object to
24 the Settlement as provided in this Agreement, waive all rights to appeal from the
25 Judgment, including all rights to post-judgment and appellate proceedings, the right to file
26 motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The
27 waiver of appeal does not include any waiver of the right to oppose such motions, writs or
28 appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this

1 Agreement will be suspended until such time as the appeal is finally resolved and the
2 Judgment becomes final.

3 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
4 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
5 material modification of this Agreement (including, but not limited to, the scope of release
6 to be granted by Class Members or the binding effect of the Settlement), and that court's
7 decision is not completely reversed and the Judgment is not fully affirmed on review by a
8 higher court, this Agreement shall be null and void. The Parties shall nevertheless
9 expeditiously work together in good faith to address the appellate court's concerns and to
10 obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional
11 Administration Expenses reasonably incurred after remittitur. An appellate decision to
12 vacate, reverse, or modify the Court's award of the Class Representative Service Payment
13 or any payments to Class Counsel shall not constitute a material modification of the
14 Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount
15 remains unchanged.

16
17 **11. AMENDED JUDGMENT.**

18 If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work together
19 in good faith to jointly submit a proposed amended judgment.

20
21 **12. ADDITIONAL PROVISIONS.**

22 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other
23 Purposes. This Agreement represents a compromise and settlement of highly disputed
24 claims. Nothing in this Agreement is intended or should be construed as an admission by
25 DWC that any of the allegations in the Operative Complaint have merit or that DWC has
26 any liability for any claims asserted; or that representative status is appropriate for any
27 purpose other than the Settlement; nor should it be intended or construed as an admission
28 by Plaintiffs that DWC's defenses in the Action have merit. Other than claims already

1 certified, the Parties agree that class certification and representative treatment is for
2 purposes of this Settlement only. Nothing in this Agreement, nor any action taken in
3 implementation thereof, nor any statements, discussions or communications, nor any
4 materials prepared, exchanged, issued or used during the course of settlement negotiations,
5 is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be
6 used or be admissible in any way in any other judicial, arbitral, administrative,
7 investigative or other forum or proceeding, as evidence of any violation of any federal,
8 state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation
9 or duty at law or in equity. Neither this Agreement, nor any resulting Court order
10 approving the settlement shall have any collateral estoppel or other preclusive effect on
11 DWC, and it shall not in any way establish any liability against DWC. If, for any reason
12 the Court does not grant Preliminary Approval, Final Approval or enter Judgment, DWC
13 reserves the right to further contest certification of any class for any reasons, and DWC
14 reserves all available defenses to the claims in the Action, and Plaintiffs reserve all rights
15 to defend the existing class certification ruling on any grounds available and to contest
16 DWC's defenses. The Settlement, this Agreement and Parties' willingness to settle the
17 Action will have no bearing on, and will not be admissible in connection with, any
18 litigation (except for proceedings to enforce or effectuate the Settlement and this
19 Agreement).

20 12.2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, DWC and
21 Defense Counsel separately agree that, until the Motion for Preliminary Approval of
22 Settlement is filed, they and each of them will not disclose, disseminate and/or publicize,
23 or cause or permit another person to disclose, disseminate or publicize, any of the terms of
24 the Agreement directly or indirectly, specifically or generally, to any person, corporation,
25 association, government agency, or other entity except: (1) to the Parties' attorneys,
26 accountants, or spouses, all of whom will be instructed to keep this Agreement
27 confidential; (2) to the extent necessary to report income to appropriate taxing authorities;
28 (3) in response to a court order or subpoena; or (4) in response to an inquiry or subpoena

1 issued by a state or federal government agency. Each Party agrees to immediately notify
2 each other Party of any judicial or agency order, inquiry, or subpoena seeking such
3 information. Plaintiffs, Class Counsel, DWC and Defense Counsel separately agree not to,
4 directly or indirectly, initiate any conversation or other communication, before the filing of
5 the Motion for Preliminary Approval, with any third party regarding this Agreement or the
6 matters giving rise to this Agreement except to respond only that “the matter was
7 resolved,” or words to that effect. Class Counsel shall not publicize the Settlement on its
8 website or in advertising/marketing materials, other than filing documents with the Court.
9 Plaintiff and Class Counsel agree that they will not issue any press releases or initiate any
10 contact with the media about the fact, amount, or terms of the Settlement. If Plaintiff or
11 Class Counsel receive an inquiry about the Settlement from the media, they may respond
12 only after the Motion for Preliminary Approval has been filed and only by confirming the
13 accurate terms of the Settlement. Nothing in this provision shall prevent DWC or Plaintiff
14 from making any disclosures required by law. Nothing shall prevent Class Counsel from
15 referring to this Action in a declaration establishing qualification as class counsel in future
16 cases. The Administrator shall post court-filed documents concerning the Settlement,
17 including the Judgment, on its website for viewing by Class Members as set forth in the
18 Class Notice, which documents shall be removed 90 days after the Effective Date. This
19 paragraph does not restrict Class Counsel’s communications with Class Members in
20 accordance with Class Counsel’s ethical obligations owed to Class Members.

21 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and
22 employees will not solicit any Class Member to opt out of or object to the Settlement, or
23 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
24 Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s
25 ethical obligations owed to Class Members.

26 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
27 together with its attached exhibits shall constitute the entire agreement between the Parties
28 relating to the Settlement, superseding any and all oral representations, warranties,

1 covenants, or inducements made to or by any Party.

2 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
3 represent that they are authorized by Plaintiffs and DWC, respectively, to take all
4 appropriate action required or permitted to be taken by such Parties pursuant to this
5 Agreement to effectuate its terms, and to execute any other documents reasonably required
6 to effectuate the terms of this Agreement including any amendments to this Agreement.

7 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
8 best efforts, in good faith, to implement the Settlement by, among other things, modifying
9 the Settlement Agreement, submitting supplemental evidence and supplementing points
10 and authorities as requested by the Court. In the event the Parties are unable to agree upon
11 the form or content of any document necessary to implement the Settlement, or on any
12 modification of the Agreement that may become necessary to implement the Settlement,
13 the Parties will seek the assistance of a mediator and/or the Court for resolution.

14 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not
15 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
16 encumber to any person or entity and portion of any liability, claim, demand, action, cause
17 of action, or right released and discharged by the Party in this Settlement.

18 12.8. No Tax Advice. Neither Plaintiffs, Class Counsel, DWC nor Defense Counsel are
19 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be
20 relied upon as such within the meaning of United States Treasury Department Circular 230
21 (31 CFR Part 10, as amended) or otherwise.

22 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
23 modified, changed, or waived only by an express written instrument signed by all Parties
24 or their representatives, and approved by the Court.

25 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
26 benefit of, the successors of each of the Parties.

27 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
28 governed by and interpreted according to the internal laws of the state of California,

1 without regard to conflict of law principles.

2 12.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
3 this Agreement. This Agreement will not be construed against any Party on the basis that
4 the Party was the drafter or participated in the drafting.

5 12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
6 during Action and in this Agreement relating to the confidentiality of information shall
7 survive the execution of this Agreement.

8 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to
9 Evidence Code § 1152, and all copies and summaries of the Class Data provided to Class
10 Counsel by DWC in connection with the settlement negotiations, or in connection with the
11 Settlement, may be used only with respect to this Settlement, and no other purpose, and
12 may not be used in any way that violates any existing contractual agreement, statute, or
13 rule of court. Not later than 90 days after the date when the Court discharges the
14 Administrator's obligation to provide a declaration confirming the final pay out of all
15 Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data
16 received from DWC unless, prior to the Court's discharge of the Administrator's
17 obligation, DWC makes a written request to Class Counsel for the return, rather than the
18 destructions, of Class Data.

19 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
20 inserted for convenience of reference only and does not constitute a part of this
21 Agreement.

22 12.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be
23 to calendar days. In the event any date or deadline set forth in this Agreement falls on a
24 weekend or federal legal holiday, such date or deadline shall be on the first business day
25 thereafter.

26 12.17. Notice to the LWDA: At the required times, Class Counsel will provide appropriate notice
27 to the LWDA of the Settlement and Judgment, as required by the Private Attorneys
28 General Act of 2004, Labor Code § 2698, et seq., and Class Counsel shall provide written

1 confirmation to Defense Counsel immediately upon doing so. Class Counsel is specifically
2 responsible for delivering the Court's Judgment to the LWDA as required by Labor Code §
3 2699, subd. (l)(3) ("A copy of the superior court's judgment in any civil action filed
4 pursuant to this part ... shall be submitted to the agency within 10 days after entry of the
5 judgment.").

6 12.18. Notice. All notices, demands or other communications between the Parties in connection
7 with this Agreement will be in writing and deemed to have been duly given as of the third
8 business day after mailing by United States mail, or the day sent by email or messenger,
9 addressed as follows:

10 To Plaintiffs and the Class:

11 Kane Moon
12 kmoon@moonlawgroup.com
13 H. Scott Leviant
14 hsleviant@moonlawgroup.com
15 Mariam Ghazaryan
16 mghazaryan@moonlawgroup.com
MOON LAW GROUP, PC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

17 To DWC:

18 Katherine Forster
19 katherine.forster@mto.com
20 Erica Toooh
21 erica.tooch@mto.com
MUNGER, TOLLES & OLSON LLP
350 South Grand Avenue, Fiftieth Floor
Los Angeles, California 90071-3426
Telephone: (213) 683-9100
22 Facsimile: (213) 687-3702

23 12.19. Execution in Counterparts. This Agreement may be executed in one or more counterparts
24 by facsimile, electronically (i.e., DocuSign or Adobe Sign), or email which for purposes of
25 this Agreement shall be accepted as an original. All executed counterparts and each of
26 them will be deemed to be one and the same instrument if counsel for the Parties will
27 exchange between themselves signed counterparts. Any executed counterpart will be
28 admissible in evidence to prove the existence and contents of this Agreement.

12.20. 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 Code of Civil Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

Plaintiffs & Class Representatives:

Dated: April 1, 2024

DocuSigned by:
Michele Lewana Evans
7218A5FD771743A...
By: _____
Michele Lewana Evans

Dated: April 1, 2024

DocuSigned by:
MS
3A3FC635201547E...
By: _____
Melody Sprouse

Plaintiffs' Counsel:

Dated: April 1, 2024

MOON LAW GROUP, PC

By: _____
Kane Moon
Kane Moon
H. Scott Leviant
Mariam Ghazaryan

Attorneys for Plaintiffs

Defendant:

Dated: April __, 2024

Downtown Women's Center

By: _____
Print Name

Signature

Title

1 12.20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
2 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties
3 further agree that upon the signing of this Agreement that pursuant to Code of Civil
4 Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil
5 Procedure § 583.310 for the entire period of this settlement process.
6

7 **Plaintiffs & Class Representatives:**


8 Dated: April __, 2024 By: _____
9 Michele Lewana Evans

10 Dated: April __, 2024 By: _____
11 Melody Sprouse

12 **Plaintiffs' Counsel:**

13 Dated: April __, 2024 MOON LAW GROUP, PC
14
15 By: _____
16 Kane Moon
17 H. Scott Leviant
18 Mariam Ghazaryan
19 Attorneys for Plaintiffs

19 **Defendant:**

20 Dated: April 3, 2024 Downtown Women's Center
21
22 By: Amy Turk _____
23 Print Name
24  _____
25 Signature
26 Chief Executive Officer
27 _____
28 Title

1 **Defendant's Counsel:**

2 Dated: April 3, 2024

MUNGER, TOLLES & OLSON LLP

3
4 By:  _____

Katherine Forster
Erica Tooch

Attorneys for Defendant

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Exhibit “A”

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

Evans et. al., v. Downtown Women’s Center, Case No. 22STCV06578

*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 defendant Downtown Women’s Center (“Defendant”) for alleged wage and hour violations. The Action was filed by former employees Michele Lewana Evans and Melody Sprouse (“Plaintiffs”), who seek payment of (1) back wages and other relief for a class of non-exempt employees (“Class Members” or “Class Member”) who worked for Defendant during the “Class Period” (February 23, 2018, to <<preliminary approval>>); and, (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly employees who worked for Defendant during the “PAGA Period” (February 19, 2021 to <<preliminary approval>>) (“Aggrieved Employees” or “Aggrieved Employee”).

The proposed settlement (the “Settlement”) has two main parts: (1) a “Class Settlement” under which Defendant has agreed to fund individual settlement payments to Class Members (“Individual Class Payments”), and (2) a “PAGA Settlement” under which Defendant has agreed to fund recovery for civil penalties under PAGA, including awards to individual Aggrieved Employees (“Individual PAGA Payments”) as well as the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records, you are not eligible for such a payment under the Settlement because you didn’t work during the covered period commencing February 19, 2021.)

The above estimates are based on Defendant’s records showing that you worked [REDACTED] workweeks during the Class Period, and you worked [REDACTED] pay periods during the PAGA Period. If you believe that you worked more workweeks or pay periods during either of those periods, you can submit a challenge by the deadline date. See **Section 4** of this Notice.

The court has 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, depending on whether you take action or do nothing in response to this Notice. 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 Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The court will also decide whether to enter a judgment that requires Defendant to make the agreed payments under the Settlement and requires Class Members and the LWDA to give up their rights to assert certain claims against Defendant. The final approval hearing is scheduled to be held on _____ at _____ in Department 17 of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, California 90012.

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 don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment as a Class Member and/or an Individual PAGA Payment as an Aggrieved Employee. As a Class Member, though, you will give up your right to assert Class Period wage claims against Defendant. You will have the right to object to any part of the proposed Settlement if you do not exclude yourself from the Class Settlement.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a Request for Exclusion to the Administrator, 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 wage claims against Defendant, and, if you are an Aggrieved Employee, you will still receive 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

<p>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>If you do nothing, you will be a participant in the Settlement, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement ("Released Claims").</p>
<p>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is [REDACTED]</p>	<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 Settlement payments to all Aggrieved Employees, and your right to pursue Released PAGA Claims (defined below) will be extinguished.</p>
<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by [REDACTED]</p>	<p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement except the PAGA 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 Plaintiffs who pursued the Action on behalf of the class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.</p>
<p>You Can Participate in the [REDACTED] Final Approval Hearing</p>	<p>The court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the court's remote appearance options. Participating Class Members can verbally object to 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 [REDACTED]</p>	<p>The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period, and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period 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 [REDACTED]. See Section 4 of this Notice.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Downtown Women's Center. The Action accuses Defendant of violating California labor laws by failing to pay overtime wages, minimum and straight time wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys in the Action: Moon Law Group, APC ("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 Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendant (the "Parties") negotiated 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, Plaintiffs 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.

Plaintiffs 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. Defendant will pay \$200,000 as the Gross Settlement Amount (“Gross Settlement”). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsels’ attorney’s fees and expenses, the Administrator’s expenses, and a payment to the California Labor and Workforce Development Agency (“LWDA”). Assuming the court grants final approval, Defendant will fund the Gross Settlement 30 days after the judgment entered by the court becomes final. The judgment will be final the day after the deadline for filing a notice of appeal from the Judgment (usually 60 days after entry of Judgment), or a later date if Participating Class Members object to the proposed Settlement or the judgment is appealed.

2. Court approved deductions from Gross Settlement: At the final approval hearing, Plaintiffs and/or Class Counsel will ask the court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the court at the final approval hearing:

A. Up to \$66,666.67 (33 and 1/3% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$37,500 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$7,500.00 for each class representative service award (for a total of \$15,000) for filing the Action, working with Class Counsel and representing the Class. A class representative award will be the only monies Plaintiffs will receive other than Plaintiffs’ Individual Class Payment, and any Individual PAGA Payment.

C. Up to an estimated \$9,300.00 to the Administrator for services administering the Settlement.

D. \$20,000.00 for PAGA penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period pay periods.

Participating Class Members have the right to object to any of these deductions. 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 (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period workweeks and Individual PAGA Payments to Aggrieved Employees base on their PAGA Period pay periods.

4. Taxes owed on payments: Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to interest and penalties (“Non-Wage Portion”). The Wage Portion 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 Plaintiffs 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 check: The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be redirected to California Controller's Unclaimed Property Fund in your name.

6. Requests for exclusion from the Class Settlement (“Opt-Outs”). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to Opt-Out. The easiest way to notify the Administrator is to send in a Request for Exclusion by the [REDACTED] response deadline. The Request for Exclusion should be signed. 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) will receive Individual PAGA Payments in the Action 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. Plaintiffs 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 (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 and/or pay periods, 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 below.

9. Participating Class Members’ release: After the judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of another lawsuit against Defendant or related entities for wages based on the Class Period facts. All Aggrieved Employees will also at that time be legally barred from asserting any claim for PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The “Released Parties” are Defendant, and each of its former and present directors, officers, shareholders, attorneys, agents, insurers, predecessors, successors, subsidiaries, affiliates, and each of their former and present owners, directors, officers, employees, managers, partners, members, principals, agents, insurers, co-insurers, re-insurers, investors, shareholders, employee benefit plans, employee benefit plan trustees, fiduciaries, and administrators, and personal or legal representatives.

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 the Released Class Claims.

The “Released Class Claims” are:

[A]ll claims, known or unknown, that were alleged, or reasonably could have been alleged, based on facts stated in the Second Amended Complaint (“SAC”) for any type of relief against DWC that occurred during the Class Period, including claims for: (i) meal and rest break violations or premium payments in lieu thereof; (ii) failure to pay earned wages for all hours worked, including minimum wages or overtime wages; (iii) failure to pay wages timely during employment and upon termination; (iv) failure to reimburse employees for required expenses; (v) failure to furnish accurate wage statements; (vi) failure to indemnify necessary business expenses (vii) unfair business practices relating to or arising out of any of the foregoing; and (viii) to the extent not covered above, any and all claims reasonably arising out of the SAC. Except as expressly set forth in this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, and/or claims based on facts occurring outside the Class Period.

10. The PAGA release. After the court’s judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), Plaintiffs and the LWDA will release the PAGA claim for violations identified in the operative complaint in the Action or Plaintiff’s PAGA Notice to the LWDA.

The PAGA Release is as follows:

All Aggrieved Employees and the LDWA are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, assigns and the State of California, the Released Parties from all PAGA Claims.

The “PAGA Claims” are:

[A]ll claims for PAGA penalties, known or unknown, that were alleged, or reasonably could have been alleged, based on the facts stated in the SAC and the PAGA Notice that occurred during the PAGA Period. The Released PAGA Claims do not include claims for vested benefits, wrongful termination, discrimination, unemployment insurance, disability, social security, worker’s compensation, and/or claims outside of 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.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,000.00 by the total number of PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.
3. Workweek/pay period challenges. The number of Class Period 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 [REDACTED] to challenge the number of workweeks and/or pay periods credited to you. You can submit your challenge by signing and sending a letter to the 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 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 pay period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Class Members) and Defendant's Counsel.

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 doesn't opt-out), including all Class Members who qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment, if any.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member who is eligible as an Aggrieved Employee).

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

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

Send in a Request for Exclusion to the Administrator. 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 Class portion of the Settlement and includes the Class Member's name, address and email address or telephone number. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to identify the Action in a way that is clear (include the case name and case number). Your request to be excluded must be faxed, emailed, or postmarked by [REDACTED], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

If you wish to opt-out of the Class Settlement, DO NOT send in a written objection.

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 Plaintiffs and Defendant are asking the court to approve. At least 16 court days before the [REDACTED] final approval hearing, Class Counsel and/or Plaintiffs will file in court a motion for final approval that includes, among other things, the reasons why the proposed Settlement is fair, and a request for awards of fees, litigation expenses and a service award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Service Awards.

A Participating Class Member who disagrees with any aspect of the Settlement, the motion for final approval and for awards of fees, litigation expenses and service award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator in your written objection what you object to, why you object, and any facts that support your objection. If you submit a written objection, make sure you identify the Action (by including the case name and case number) and print your name, address and email address or telephone number and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally hire 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 (below) for specifics regarding the final approval hearing.

If you wish to object in writing or in person, DO NOT send in a Request for Exclusion.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the final approval hearing on _____ at _____ in Department 17 of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, California 90012. At the hearing, the court will decide whether to grant final approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, 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 telephonically.

It's possible the court will reschedule the final approval hearing. You should contact Class Counsel to verify the date and time of the final approval hearing if you are planning to attend the hearing or have your own lawyer attend.

9. HOW CAN I GET MORE INFORMATION?

The Agreement signed by the Parties and attached to the document entitled "DECLARATION OF H. SCOTT LEVIANT IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT," filed on <<Motion Filing Date>>, in support of the motion for preliminary approval sets forth everything Defendant and Plaintiffs have promised to do under the proposed Settlement. The easiest way to obtain and read the Agreement or any other Settlement document is to go to the Administrator's website at _____.

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

Class Counsel:

Kane Moon
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H. Scott Leviant
hsleviant@moonlawgroup.com
Mariam Ghazaryan
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MOON LAW GROUP, PC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128

Defendant's Counsel

Katherine Forster
katherine.forster@mto.com
Erica Tooch
erica.tooch@mto.com
MUNGER, TOLLES & OLSON LLP
350 South Grand Avenue, Fiftieth Floor
Los Angeles, California 90071-3426
Telephone: (213) 683-9100

Settlement Administrator:

Name of Company: Apex Class Action
Email Address:
Mailing Address:
Telephone:
Fax Number:

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.

11. WHAT IF I CHANGE MY ADDRESS?

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