

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

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)
Sydney Castillo-Johnson (State Bar #343881)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292
jlapuyade@jcl-lawfirm.com
scastillo@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 255-9047
shani@zakaylaw.com

Attorneys for PLAINTIFF

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF RIVERSIDE

ANA RAYOS, individually, and on behalf of
other members of the general public similarly
situated;

Plaintiff,

v.

RESTAURANT LEADERSHIP GROUP,
LLC, an unknown business entity and DOES 1
through 100, inclusive,

Defendants.

Case No. CVRI2000689

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

Date: October 30, 2024
Time: 8:30 a.m.

Judge: Hon. Harold W. Hopp
Dept.: 1
Reservation #: 127484149831

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

OCT 30 2024

E. Escobedo

CM

NOV 01 2024

RB

1 This matter having come before the Honorable Judge Harold W. Hopp of the Superior Court of
2 the State of California, in and for the County of Riverside, at 8:30 a.m. on October 8, 2024, with Jean-
3 Claude Lapuyade, Esq., and Sydney Castillo-Johnson, Esq., of the JCL Law Firm, APC, Shani O.
4 Zakay, Esq. of the Zakay Law Group, APLC, and Edwin Aiwazian, Esq., Joanna Ghosh, Esq., and
5 Vartan Madoyan, Esq., of Lawyers for Justice, PC, as counsel for Plaintiff Ana Rayos (“Plaintiff”), and
6 Michael O’Connor, Jr., Esq., of Atkinson, Andelson, Loya Ruud & Romo, APLC appearing for
7 Defendant Restaurant Leadership Group, LLC (“Defendant”). The Court, having carefully considered
8 the briefs, argument of counsel and all the matters presented to the Court, and good cause appearing,
9 hereby GRANTS Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement.

10 **IT IS HEREBY ORDERED:**

11 1. The Court preliminarily approves the Class Action and PAGA Settlement Agreement
12 (“Settlement Agreement” or “Agreement”). This is based on the Court’s determination that the
13 Settlement Agreement is within the range of possible final approval, pursuant to the provisions of
14 Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

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

17 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
18 Defendant shall pay is Two Million Dollars and Zero Cents (\$2,000,000.00). It appears to the Court
19 on a preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as to all
20 Class Members when balanced against the probable outcome of further litigation relating to
21 certification, liability, and damages issues. It further appears that investigation and research have been
22 conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It
23 further appears to the Court that settlement at this time will avoid substantial additional costs by all
24 Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the
25 litigation. It further appears that the Settlement has been reached as the result of intensive, serious, and
26 non-collusive arms-length negotiations.

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

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

5 5. Plaintiff seeks payment in the amount of up-to one-third of the Gross Settlement Amount
6 for Class Counsel Fees Payment, currently estimated Seven Hundred Thousand Dollars and Zero Cents
7 (\$700,000.00), a Class Counsel Litigation Expenses Payment not to exceed Thirty Thousand Dollars
8 and Zero Cents (\$30,000.00), and proposed Class Representative Service Award to the Class
9 Representative, Ana Rayos, in the amount of Twenty Thousand Dollars and Zero Cents (\$20,000.00).
10 While these awards appear to be within the range of reasonableness, the Court will not approve the
11 Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative
12 Service Award until the Final Approval Hearing.

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

17 “all persons employed by Defendant in California and classified as a non-
18 exempt employee between December 28, 2016, through March 12, 2024.”

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

1 8. The Court provisionally appoints plaintiff Ana Rayos as the representative of the Class.

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

5 10. The Court hereby approves, as to form and content, the Proposed Notice of Pendency of
6 Class Action Settlement and Final Hearing Date (“Class Notice”), a true and correct copy of which is
7 attached hereto as **Exhibit “1.”** The Court finds that the notice appears to fully and accurately inform
8 the Class Members and Aggrieved Employees of all material elements of the proposed Settlement,
9 including right of any Class Member to be excluded from the Class by completing the attached Request
10 for Exclusion Form, and of each Class Member’s right and opportunity to object to the Settlement via
11 the attached Objection Form. The Court further finds that the distribution of the notice substantially in
12 the manner and form set forth in the Agreement and this Order meets the requirements of due process,
13 is the most reasonable notice under the circumstances, and shall constitute due and sufficient notice to
14 all persons entitled thereto. The Court orders the mailing of the notice by first class mail, pursuant to
15 the terms set forth in the Agreement.

16 11. The Court hereby appoints Apex Class Action LLC as Settlement Administrator. No later
17 than twenty-one (21) calendar days after the entry of this order, Defendant shall provide, to the
18 Settlement Administrator the Class Data, including information regarding Class Members that
19 Defendant will in good faith compile from its records, including each Class Member’s full name; last
20 known address; Social Security Number; and number of Workweeks worked in the Class Period and
21 Pay Periods worked during the PAGA Period (as applicable). No later than fourteen (14) calendar days
22 after receiving the Class Data from Defendant, the Settlement Administrator shall mail the Class Notice
23 to all identified, potential Class Members via regular first class U.S. Mail using the most current mailing
24 address information available. The Settlement Administrator shall also be required to perform all duties
25 set forth in the Agreement.

26 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
27 Settlement. A true and correct copy of the proposed exclusion form is attached hereto as **Exhibit “2.”**
28 Any Class Member may individually choose to opt out of and be excluded from the Settlement as

1 provided in the Notice by following the instructions for requesting exclusion from the Settlement of
2 the Released Claims that are set forth in the Notice and submitting the exclusion form to the Settlement
3 Administrator. All requests for exclusion must be postmarked or received by the Response Deadline
4 which is forty-five (45) calendar days after the date the Class Notice is mailed to the Class Members
5 or, in the case of a re-mailed Notice, not more than fourteen (14) calendar days after the original
6 Response Deadline. Any such person who chooses to opt out of and be excluded from the Settlement
7 will not be entitled to an Individual Class Payment under the Settlement and will not be bound by the
8 Settlement, or have any right to object, appeal or comment thereon. Class Members who have not
9 requested exclusion shall be bound by all determinations of the Court, the Agreement and Judgment.
10 A request for exclusion may only opt out that particular individual, and any attempt to affect an optout
11 of a group, class, or subclass of individuals is not permitted and will be deemed invalid. The Settlement
12 Administrator shall file a declaration concurrently with the filing of the Motion for Final Approval,
13 authenticating a copy of every exclusion form received by the administrator.

14 13. Any Class Member may appear at the final approval hearing, regardless of whether they
15 have submitted a timely written objection and notice of intention to appear. Class Members may express
16 their views regarding the Settlement and may present evidence and file briefs or other papers that may
17 be proper and relevant to the issues to be heard and determined by the Court as provided in the Notice.
18 Class Members will have forty-five (45) days from the date the Settlement Administrator mails the
19 Class Notice to postmark their objections to the Settlement Administrator. A true and correct copy of
20 the proposed objection form is attached hereto as **Exhibit "3."** The Settlement Administrator shall file
21 a declaration concurrently with the filing of the Motion for Final Approval authenticating a copy of
22 every objection form received by the Settlement Administrator.

23 14. A hearing on Plaintiff's Motion for Final Approval of Class Action and PAGA
24 Settlement and Plaintiff's Motion for Class Counsel Award and Class Representative Service Award
25 shall be held before this Court on **February 19, 2024 at 8:30 AM** in Department 1 of the Riverside
26 County Superior Court to determine all necessary matters concerning the Settlement, including:
27 whether the proposed settlement of the Action on the terms and conditions provided for in the
28 Agreement is fair, adequate and reasonable and should be finally approved by the Court; whether an

1 Order Granting Final Approval should be entered herein; whether the plan of allocation contained in
2 the Agreement should be approved as fair, adequate and reasonable to the Class; and to finally approve
3 the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class
4 Representative Service Award, and the Settlement Administration Expenses. All papers in support of
5 the motion for final approval and the motion for Class Counsel Fees Payment, Class Counsel Litigation
6 Expenses Payment, and Class Representative Service Award shall be filed with the Court and served
7 on all counsel no later than sixteen (16) court days before the hearing. The Settlement Administrator
8 must give notice to any objecting party of any continuance of the hearing of the Motion for Final
9 Approval and Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment,
10 and Class Representative Service Award.

11 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
12 shall be construed as a concession or admission by Defendant in any way, and shall not be used as
13 evidence of, or used against Defendant as, an admission or indication in any way, including with respect
14 to any claim of any liability, wrongdoing, fault or omission by Defendant or with respect to the truth
15 of any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the
16 Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor
17 any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as,
18 received as or deemed to be evidence for any purpose adverse to the Defendant, including, but not
19 limited to, evidence of a presumption, concession, indication or admission by Defendant of any
20 liability, fault, wrongdoing, omission, concession or damage.

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

28 ///

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

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

Dated: 10/30/24



JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

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

Ana Rayos v. Restaurant Leadership Group, LLC.

Riverside County Superior Court Case Nos. CVRI2000689 & CVRI2103478

**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") filed against Restaurant Leadership Group, LLC ("RLG" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former RLG employee, Ana Rayos ("Plaintiff") and seeks payment of (1) back wages and other relief for the Class, *i.e.* all non-exempt, employees who worked for defendant RLG during the period of December 28, 2016 to through March 12, 2024 ("Class Period"); and (2) penalties under the California Private Attorneys General Act ("PAGA") for all non-exempt employees who worked for RLG during the PAGA Period (May 23, 2020 to through March 12, 2024 ("Aggrieved Employees").

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

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

The above estimates are based on RLG's records, which show that you worked [amount] workweeks during the Class Period and you worked [amount] pay periods during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. For more information on how to submit a challenge, please refer to Section 4 of this Notice.

The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate and reasonable, and that any final determination of those issues will be made at the final hearing. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires RLG to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against RLG.

If you worked for RLG during the Class Period and/or the PAGA Period and are a Class Member or Aggrieved Employee, you have two basic options under the Settlement:

1. **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, eligible for an Individual Class Payment and/or an Individual PAGA Payment, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against RLG.
2. **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against RLG, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.
3. **Object to the Class Settlement.** You can object to any aspect of the proposed Settlement by submitting the Objection Form attached hereto as Exhibit C or by appearing at the Final Approval hearing. You (or your attorney) may tell the Court what you object to, why you object, and any facts that support your objection. Non-Participating Class Members have no right to object to any of the class action components of the Settlement. In other words, if you opt out of the Class Settlement, you cannot later object to the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

| | |
|---|--|
| You Don't Have to Do Anything to Participate in the Settlement | If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if applicable to you). In exchange, you will give up your right to assert the wage claims against RLG that are covered by this Settlement ("Released Claims"). |
|---|--|

| | |
|---|--|
| <p>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is [DEADLINE]</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. For more information on how to submit a Request for Exclusion, please refer to Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. RLG must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p> |
| <p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by [DEADLINE]</p> | <p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. For more information on how to submit an objection, please refer to Section 7 of this Notice.</p> |
| <p>You Can Participate in the [HEARING DATE] Final Approval Hearing</p> | <p>The Court's Final Approval Hearing is scheduled to take place on [HEARING DATE] at __:__.m. in Department __ of the Riverside County Superior Court located at 4050 Main Street, Riverside, CA 92501 an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. For more information, please refer to 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 _____</p> | <p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day 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 RLG's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [RESPONSE DEADLINE]. See Section 4 of this Notice.</p> |

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former RLG employee. The Action accuses RLG of violating California labor laws by failing to pay overtime wages, minimum 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, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698-2699.8.) (“PAGA”). Plaintiff is represented by attorneys in the Action: Edwin Aiwazian of Lawyers For Justice, PC, JCL Law Firm, APC, and Zakay Law Group, APLC (“Class Counsel.”) RLG 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 RLG or Plaintiff are correct on the merits.

In the meantime, Plaintiff and RLG hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (settle the case) rather than continuing the expensive, time-consuming, and uncertain process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and RLG 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, RLG does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) RLG 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 has 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?

- 3.1 RLG Will Pay the total amount of \$2,000,000 as the Gross Settlement Amount (Gross Settlement). RLG 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 Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, RLG will fund the Gross Settlement in three installment payments after the Judgment entered by the Court becomes final, the last of which will be paid no later than March 31, 2026. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- 3.2 Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following

deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

- 3.2.1 Up to \$700,000 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- 3.2.2 Up to \$20,000 to Plaintiff as a Class Representative Service Award for having filed the Action, worked with Class Counsel and her efforts representing the Class, and in exchange for her general release and waiver of claims. The Class Representative Service Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment, as applicable.
- 3.2.3 Up to \$21,000.00 to the Administrator for services administering the Settlement.
- 3.2.4 Up to \$400,000 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.

- 3.3 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 to Class Members based on their Class Period Workweeks.
- 3.4 Taxes Owed on Payments to Class Members. Plaintiff and RLG are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to non-wage statutory damages and interest ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. RLG will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and RLG 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.

- 3.5 Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your

check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

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

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

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

- 3.7 The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and RLG have agreed that, in either case, the Settlement will be void, RLG will not pay any money, and Class Members will not release any claims against RLG.
- 3.8 Administrator. The Court has appointed a neutral company, Apex Class Action, LLC (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 3.9 Participating Class Members' Release. After the Judgment is final and RLG 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 any other lawsuit against RLG or related entities for wages based on the

Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will release RLG and each of its former and present directors, officers, shareholders, owners, operators, managing agents, attorneys, insurers, predecessors, successors, assigns, its franchisor Jack in the Box Inc., and affiliates (“Released Parties”) from the following claims:

[A]ny and all claims, damages, or causes of action that arose during the Class Period and which were alleged, or could have been alleged, by Plaintiff based on any of the factual allegations contained in the operative complaint in the Action, including, but not limited to, claims for unpaid minimum and overtime wages (including, *among other things*, in connection with off-the-clock work), claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, failure to reimburse for business expenses, and unfair or unlawful business practices in violation of California Business and Professions Code § 17200. based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under, or through which Plaintiff may seek recovery, including California Labor Code sections 201, 202, 203, 204, 210, 218, 218.5, 226, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800 and 2802 and the applicable Wage Order(s) of the California Industrial Welfare Commission, California Business and Profession Code sections 17200, California Code of Civil Procedure section 1021.5, and claims for attorney’s fees relating in any way to those claims alleged and mentioned in the operative complaint(s) in the Action.

- 3.10 Plaintiff and State of California’s PAGA Release. After the Court’s judgment is final, and RLG has paid the Gross Settlement (and separately paid the employer-side payroll taxes), Plaintiff and the State of California will be barred from asserting PAGA claims against RLG, whether or not they exclude themselves from the Settlement. This means that Plaintiff and the State of California, cannot sue, continue to sue, or participate in any other PAGA claim against RLG or its related entities based on the PAGA Period facts alleged in the Action and the PAGA claims resolved by this Settlement.

Plaintiff and the State of California release the Released Parties from the following PAGA claims:

all claims for statutory penalties that could have been sought by the Labor Commissioner during the PAGA Period for the violations identified in Plaintiff's pre-filing letter to the LWDA and the violations identified Plaintiff's Complaint; Plaintiff does not release any aggrieved employee's individual claims for wages or damages.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

4.1 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.

4.2 Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$100,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

4.3 Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in RLG's records, are stated in the first page of this Notice. You have until [RESPONSE DEADLINE] 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 RLG's calculation of Workweeks and/or Pay Periods based on RLG'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 Participating Class Members) and RLG's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

5.1 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 those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

- 5.2 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).

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?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Ana Rayos v. Restaurant Leadership Group, LLC* (Riverside Superior Court Case No. CVRI2000689), and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by [RESPONSE DEADLINE], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and RLG are asking the Court to approve. At least 16 court days before the [HEARING DATE] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting for her Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [Admin URL] or the Court's website [Court URL]. A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Awards may wish to object. The deadline for sending written objections to the Administrator is [RESPONSE DEADLINE]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Ana Rayos v. Restaurant Leadership Group, LLC* (Riverside Superior Court Case No. CVRI2000689) and include your name, current address, telephone number, and approximate dates of employment for RLG and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at their own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready

to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [HEARING DATE] at [HEARING TIME] in Department 1 of the Riverside Superior Court, located at 4050 Main Street, Riverside, CA 92501. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via the Riverside Superior Court's website. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [Admin URL] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything RLG and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go Apex Class Action LLC's website at [Admin URL]. You may find the Settlement Agreement entitled "Class Action and PAGA Settlement Agreement" " filed on MONTH XX, 2024, with the Riverside County Superior Court, Dept. 1, located at 4050 Main Street, Riverside, CA 92501. You may also find the Settlement Agreement online by visiting the Riverside County Superior Court website <https://www.riverside.courts.ca.gov/>. The Settlement Agreement can be found at Exhibit 1 of the Madoyan Declaration filed on September 10, 2024.

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

Class Counsel:

LAWYERS for JUSTICE, PC
Edwin Aiwazian
410 West Arden Avenue, Suite 203
Glendale, California 9120

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

ZAKAY LAW GROUP, APLC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-892-7095

F: 858-404-9203
shani@zakaylaw.com

Settlement Administrator:

Name of Company:

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. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 2

REQUEST FOR EXCLUSION

Instructions: Please complete this Form **ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT** that is described in the Notice Pendency of Class Action Settlement and Final Hearing Date that accompanies this Form. If you choose to complete this Form, the deadline for mailing it to the Settlement Administrator is **[** INSERT DATE**]**. Please note that exclusion from the Settlement does not result in exclusion of the PAGA Settlement

I. PERSONAL INFORMATION

Name (first, middle and last): _____
Home Street Address: _____
City, State, Zip Code: _____
Telephone Number: (____) _____

II. REQUEST FOR EXCLUSION

By signing and returning this Form, I certify that I wish to opt out of the settlement of the class action lawsuit entitled *Ana Rayos v. Restaurant Leadership Group, LLC*, Case No. CVRI2000689, filed in the Superior Court of California, County of Riverside. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement described in the Notice Pendency of Class Action Settlement and Final Hearing Date that accompanies this Form. I understand that exclusion from the Settlement does not result in exclusion from the PAGA Settlement.

Any Class Member that submits a timely Request for Exclusion that is also a member of the Aggrieved Employees will still receive his/her pro rata share of the PAGA Settlement.

III. MAILING INSTRUCTIONS

If you choose to return this Form, you must return it to the Settlement Administrator postmarked on or before **[**INSERT DATE**]** AT THE ADDRESS LISTED BELOW:

Apex Class Action LLC
18 Technology Drive, Suite 164
Irvine, California 92618

IV. PLEASE SIGN BELOW

I declare that the foregoing is true and correct.

Dated: _____

(Signature)

(Print Name)

EXHIBIT 3

Apex Class Action LLC,
18 Technology Drive, Suite 164
Irvine, California 92618

Must Be Postmarked
No Later Than
XXX, 2024

OBJECTION FORM

SUPERIOR COURT OF THE STATE OF CALIFORNIA – COUNTY OF RIVERSIDE
Ana Rayos v. Restaurant Leadership Group, LLC, Riverside County Superior Court Case No. CVRI2000689

Indicate Name/Address Changes, if any: _____

<<Name>>

<<Address>>

<<City>>, <<State>> <<Zip Code>>

YOU DO NOT NEED TO COMPLETE THIS FORM TO PARTICIPATE IN THE SETTLEMENT. THIS FORM IS TO BE USED ONLY IF YOU WANT TO PARTICIPATE IN THE SETTLEMENT, BUT YOU OBJECT TO THE TERMS OF THE SETTLEMENT. IF YOU OBJECT TO THE SETTLEMENT, YOU MUST SIGN AND COMPLETE THIS FORM ACCURATELY AND IN ITS ENTIRETY AND YOU MUST MAIL IT BY FIRST CLASS U.S. MAIL TO THE SETTLEMENT ADMINISTRATOR SO THAT IT IS POSTMARKED ON OR BEFORE XXX, 2024. THE ADDRESS FOR THE SETTLEMENT ADMINISTRATOR IS NOTED AT THE TOP OF THIS FORM. IF YOU DO NOT OBJECT TO THE SETTLEMENT, DO NOT SUBMIT THIS FORM.

The Court will consider your objection at the Final Approval Hearing if you submit a timely and valid written statement of objection. All of the information on this form is required. If you do not provide all of the information below, your objection will be deemed null and void.

I, _____, (name of Class Member) hereby object to the Settlement in this case for the following reasons:

Dated: _____

Signature: _____

Print or Type Name: _____

Telephone Number: _____