

1 **FIRST AMENDED JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This First Amended Joint Stipulation of Class Action and PAGA Settlement (“Settlement,”  
3 “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiffs Angel  
4 Rodriguez (“Plaintiff Rodriguez”) and Lucio Menjivar (“Plaintiff Menjivar”) (together, “Plaintiffs”),  
5 individually, and on behalf of all others similarly situated and on behalf of the State of California with  
6 respect to aggrieved employees, and Defendant American Textile Maintenance Company doing  
7 business as Republic Master Chefs (“Defendant”) (together, Plaintiffs and Defendant are referred to  
8 as “Parties” and individually as “Party”), pursuant to Paragraph 45 of the Joint Stipulation of Class  
9 Action and PAGA Settlement entered into between the Parties on April 2, 2024.

10 The Parties hereby agree to supplant the Joint Stipulation of Class Action and PAGA  
11 Settlement entered into between the Parties on April 2, 2024 with this First Amended Joint Stipulation  
12 of Class Action and PAGA Settlement.

13 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as  
14 defined herein), the State of California as to the employment of PAGA Members (as defined herein),  
15 and Defendant, subject to the terms and conditions hereof and the approval of the Court.

16 **RECITALS**

17 1. On January 18, 2022, Plaintiff Menjivar provided written notice to the Labor and  
18 Workforce Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified  
19 Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the California  
20 Labor Code alleged to have been violated by Defendant (“Menjivar PAGA Letter”). On March 28,  
21 2022, Plaintiff Menjivar filed a Complaint for Violation of the California Private Attorneys General  
22 Act of 2004, California Labor Code § 2698 *et seq.* (“Menjivar Operative Complaint”) in the action  
23 entitled *Lucio Menjivar v. American Textile Maintenance Company*, Los Angeles County Superior  
24 Court Case No. 22STCV10611 (“Menjivar Action”), which alleges civil penalties under the Private  
25 Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”).  
26 On May 31, 2022, Plaintiff Rodriguez provided written notice to the LWDA by online submission and  
27 to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific  
28 provisions of the California Labor Code alleged to have been violated by Defendant (“Rodriguez

1 PAGA Letter”). Together, the Menjivar PAGA Letter and Rodriguez PAGA Letter are referred to as  
2 the “PAGA Letters.” Also on May 31, 2022, Plaintiff Rodriguez filed a Class Action Complaint for  
3 Damages in the action entitled *Angel Rodriguez v. American Textile Maintenance*, Los Angeles  
4 County Superior Court Case No. 22STCV17855 (“*Rodriguez Action*”), thereby commencing a  
5 putative class action against Defendant. Together, the *Menjivar Action* and *Rodriguez Action* are  
6 referred to as the “Actions.” On August 4, 2022, Plaintiff Rodriguez filed a First Amended Class  
7 Action Complaint for Damages and Enforcement Action Under the Private Attorneys General Act,  
8 California Labor Code §§ 2698 Et Seq. (“*Rodriguez Operative Complaint*”), which added a cause of  
9 action under PAGA. Together, the *Menjivar Operative Complaint* and the *Rodriguez Operative*  
10 *Complaint* are referred to as the “Operative Complaints.”

11 2. Defendant denies all materials allegations set forth in the Actions and PAGA Letters  
12 and has asserted numerous affirmative defenses. Specifically, Defendant contends that Class  
13 Members who are drivers, qualify as exempt under the Federal Motor Carrier’s Act and the California  
14 state law equivalent and are not subject to California’s overtime and break laws. In addition,  
15 Defendant contends that Class Members are subject to enforceable individual written arbitration  
16 agreements with Defendant that contain valid class action waivers. Defendant is neither currently, nor  
17 in the future, waiving or releasing its rights to enforce those individual arbitration agreements and  
18 class waivers. Nor will Defendant be estopped from asserting its rights to enforce those individual  
19 arbitration agreements and class waivers in future litigation or in claims by or against Class Members,  
20 and nothing in this Settlement is intended to constitute a waiver, release, or estoppel to assert those  
21 contractual rights, which shall remain in full force and legal effect. Notwithstanding, in the interest  
22 of avoiding further litigation, Defendant desires to fully and finally settle the Actions, PAGA Letters,  
23 Released Class Claims (as defined herein), and Released PAGA Claims (as defined herein).

24 3. Class Counsel diligently investigated the class and PAGA claims against Defendant,  
25 including any and all applicable defenses and the applicable law. The investigation included, *inter*  
26 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.  
27 The Parties have engaged in sufficient informal discovery and investigation to assess the relative  
28 merits of the claims and contentions of the Parties.

1           4.       On May 16, 2023, the Parties participated in mediation with Jill R. Sperber (the  
2 “Mediator”), a respected mediator of complex wage and hour actions, which did not result in a  
3 settlement at that time. After continued settlement negotiations, the Parties reached a settlement that  
4 is memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the  
5 Settlement is the result of an informed and detailed analysis of Defendant’s potential liability and  
6 exposure in relation to the costs and risks associated with continued litigation as well as defenses  
7 available to Defendant including arbitration agreements and exemption arguments under the Federal  
8 Motor Carrier’s Act in relation to Defendant’s drivers. Based on Class Counsel’s investigation and  
9 evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the  
10 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest  
11 of the Class Members, State of California, and PAGA Members in light of all known facts and  
12 circumstances, including the risk of significant delay and uncertainty associated with litigation and  
13 various defenses asserted by Defendant.

14           5.       The Parties expressly acknowledge that this Settlement Agreement is entered into  
15 solely for the purpose of compromising significantly disputed claims and that nothing herein is an  
16 admission of liability or wrongdoing by Defendant. If for any reason this Settlement Agreement is  
17 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective  
18 positions.

#### **DEFINITIONS**

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20           6.       The following definitions are applicable to this Settlement Agreement. Definitions  
21 contained elsewhere in this Settlement Agreement will also be effective.

22           a.       “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for  
23 Class Counsel’s litigation and resolution of the Actions and all actual costs and expenses incurred and  
24 to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 9.

25           b.       “Class” or “Class Member(s)” means all current and former hourly-paid and/or  
26 non-exempt employees who worked for Defendant in the State of California at any time during the  
27 Class Period.

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1 c. “Class Counsel” means Jonathan M. Genish, Miriam L. Schimmel, Joana Fang,  
2 and Alexandra Rose of Blackstone Law, APC and Rana Nadar and Hengameh S. Safei of Proxy Law  
3 Firm LLP, who will seek to be appointed counsel for the Class.

4 d. “Class List” means a complete list of all Class Members that Defendant has  
5 diligently and in good faith compiled from its records and provided to the Settlement Administrator.  
6 The Class List contains the following information for each Class Member: (1) full name; (2) last  
7 known mailing address; (3) Social Security number; (4) dates worked for Defendant during the Class  
8 Period; and (8) such other information as was necessary for the Settlement Administrator to calculate  
9 Workweeks and PAGA Workweeks.

10 e. “Class Notice” means the Notice of Class Action Settlement, substantially in  
11 the form attached hereto as “**Exhibit A**.”

12 f. “Class Period” means the period from May 31, 2018 through June 23, 2024.

13 g. “Class Settlement” means the settlement and resolution of all Released Class  
14 Claims.

15 h. “Court” means the Superior Court of the State of California for the County of  
16 Los Angeles.

17 i. “Defendant’s Counsel” means Christine D. Baran and Kyley S. Chelwick of  
18 Fisher & Phillips LLP.

19 j. “Effective Date” means the date when all of the following events have occurred:  
20 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s  
21 Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Class Notice has been  
22 mailed to the Class Members, providing them with an opportunity to object to the terms of the Class  
23 Settlement or opt out of the Class Settlement; (4) the Court has had a Final Approval Hearing and  
24 entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court  
25 entered a Final Approval Order and Judgment; and (6) in the event there are written objections to the  
26 Class Settlement filed prior to the Final Approval Hearing which are not later withdrawn or denied,  
27 the later of the following events: five business days after the period for filing any appeal, writ, or other  
28 appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without

1 any appeal, writ, or other appellate proceeding having been filed, or, if any appeal, writ, or other  
2 appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five  
3 business days after any appeal, writ, or other appellate proceedings opposing the Court’s Final  
4 Approval Order and Judgment has finally and conclusively been dismissed with no right to pursue  
5 further remedies or relief.

6 k. “Employer Taxes” means the employer’s share of taxes and contributions in  
7 connection with the wage portion of Individual Settlement Shares, which shall be paid by Defendant  
8 in addition to the Gross Settlement Amount.

9 l. “Enhancement Payments” mean the amounts to be paid to Plaintiffs, in  
10 recognition of their effort and work in prosecuting the Actions on behalf of Class Members and PAGA  
11 Members, and general release of claims, as set forth in Paragraph 10.

12 m. “Final Approval” means the determination by the Court that the Settlement is  
13 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

14 n. “Final Approval Hearing” means the hearing at which the Court will consider  
15 and determine whether the Settlement should be granted Final Approval.

16 o. “Final Approval Order and Judgment” means the order granting final approval  
17 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the  
18 Parties, and subject to approval by the Court.

19 p. “Gross Settlement Amount” means the amount of One Million One Hundred  
20 Seventy-Five Thousand Dollars and Zero Cents (\$1,175,000.00) to be paid by Defendant in full  
21 satisfaction of the Actions, Released Class Claims, and Released PAGA Claims, which includes all  
22 Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, Settlement Administration  
23 Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendant shall pay  
24 the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement  
25 Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendant.  
26 The Gross Settlement Amount is subject to increase, as provided in Paragraph 13.

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1           q.       “Individual PAGA Payment” means the *pro rata* share of the PAGA Member  
2 Amount that a PAGA Member may be eligible to receive under the PAGA Settlement, to be calculated  
3 in accordance with Paragraph 15.

4           r.       “Individual Settlement Payment” means the net payment of each Settlement  
5 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and  
6 withholdings with respect to the wage portion of the Individual Settlement Share, as provided in  
7 Paragraph 16.

8           s.       “Individual Settlement Share” means the *pro rata* share of the Net Settlement  
9 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated  
10 in accordance with Paragraph 14.

11           t.       “LWDA Payment” means the amount of Thirty-Seven Thousand Five Hundred  
12 Dollars and Zero Cents (\$37,500.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to  
13 pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 11.

14           u.       “Net Settlement Amount” means the portion of the Gross Settlement Amount  
15 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount  
16 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, and  
17 Settlement Administration Costs.

18           v.       “Notice of Objection” means a Settlement Class Member’s written objection to  
19 the Class Settlement, which must: (a) contain the case name and number of the *Rodriguez* Action; (b)  
20 contain the objector’s full name, signature, address, telephone number, and the last four (4) digits of  
21 the objector’s Social Security number; (c) contain a written statement of all grounds for the objection  
22 accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other  
23 documents upon which the objection is based; and (e) be returned by mail to the Settlement  
24 Administrator at the specified address, postmarked on or before the Response Deadline.

25           w.       “PAGA Amount” means the allocation of Fifty Thousand Dollars and Zero  
26 Cents (\$50,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five  
27 percent (75%) of the PAGA Amount, or \$37,500.00, will be paid to the LWDA (i.e., the LWDA  
28 Payment) and the remaining twenty-five percent (25%), or \$12,500.00, will be distributed to the

1 PAGA Members (i.e., the PAGA Member Amount).

2 x. "PAGA Members" means all current and former hourly-paid and/or non-  
3 exempt employees who worked for Defendant in the State of California at any time during the PAGA  
4 Period.

5 y. "PAGA Member Amount" means the amount of Twelve Thousand Five  
6 Hundred Dollars and Zero Cents (\$12,500.00), i.e., 25% of the PAGA Amount, to be distributed to  
7 PAGA Members on a *pro rata* basis based on their PAGA Workweeks.

8 z. "PAGA Period" means the period from January 18, 2021 through June 23,  
9 2024.

10 aa. "PAGA Settlement" means the settlement and resolution of all Released PAGA  
11 Claims.

12 bb. "PAGA Workweeks" means the number of weeks each PAGA Member worked  
13 for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period,  
14 which will be calculated by the Settlement Administrator. PAGA Workweeks will be calculated by  
15 the Settlement Administrator based on each PAGA Member's start date or the beginning of the PAGA  
16 Period, whichever is later, and separation date or the last day of the PAGA Period, whichever is earlier,  
17 based on the Class List provided by Defendant.

18 cc. "Preliminary Approval" means the date on which the Court enters the  
19 Preliminary Approval Order.

20 dd. "Preliminary Approval Order" means the order granting preliminary approval  
21 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by  
22 the Court.

23 ee. "Released Class Claims" means any and all claims, debts, liabilities, demands,  
24 obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action which were  
25 alleged or which could have been alleged based on the factual allegations in the Rodriguez Operative  
26 Complaint, arising during the Class Period, under any federal, state, or local law, and shall specifically  
27 include claims for Defendant's alleged failure to pay overtime wages; failure to pay minimum wages;  
28 failure to provide meal periods or compensation in lieu thereof; failure to provide rest periods or

1 compensation in lieu thereof; failure to pay waiting time penalties upon termination; failure to provide  
2 accurate wage statements; violation of California Labor Code Sections 201, 202, 203, 226, 226(a),  
3 226(c), 226.7, 226.7(b), 510, 512, 512(a), 1194, 1194.2, 1197, 1197.1, and 1198, and the applicable  
4 Industrial Welfare Commission Order; California Business and Professions Code sections 17200, *et*  
5 *seq.*; and any other claims, including claims for statutory penalties, pertaining to the Class Members.

6 ff. “Released PAGA Claims” means any and all PAGA claims and/or causes of  
7 action which were alleged or could have been alleged based on the factual allegations in the PAGA  
8 Letters and Operative Complaints, arising during the PAGA Period, for civil penalties under the  
9 Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq.*, including all  
10 claims for attorneys’ fees and costs related thereto, for Defendant’s alleged failure to pay overtime  
11 wages; failure to pay minimum wages; failure to provide meal periods or compensation in lieu thereof;  
12 failure to provide rest periods or compensation in lieu thereof; failure to pay waiting time penalties  
13 during employment and upon termination; failure to provide accurate wage statements; and failure to  
14 provide accurate payroll records; and civil penalties pursuant to California Labor Code Sections 210,  
15 226, 226.3, 558, 1174.5, 1197.1, 2698, and 2699 in connection with violations of California Labor  
16 Code Sections 201, 202, 203, 204, 226, 226(a), 226.7, 226.7(b), 510, 512, 512(a), 558, 558.1, 1174,  
17 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802; and Industrial Welfare Commission  
18 Wage Order No. 6-2001.

19 gg. “Released Parties” means Defendant and its present and former officers,  
20 directors, members, owners, shareholders, assigns, subsidiaries, attorneys, insurers, successors,  
21 predecessors, and affiliates.

22 hh. “Request for Exclusion” means a letter submitted by a Class Member indicating  
23 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number  
24 of the *Rodriguez* Action; (b) contain the Class Member’s full name, signature, address, telephone  
25 number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that  
26 the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to  
27 the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

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1           ii.       “Response Deadline” means the deadline by which Class Members must submit  
2 a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which shall be the date that  
3 is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement  
4 Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which  
5 case the Response Deadline will be extended to the next day on which the United States Postal service  
6 is open. The Response Deadline may also be extended by express agreement between Class Counsel  
7 and Defendant’s Counsel. Under no circumstances, however, will the Settlement Administrator have  
8 the authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class  
9 Member, the Response Deadline for that Class Member shall be extended by fifteen (15) calendar days  
10 from the original Response Deadline.

11           jj.       “Settlement Administrator” means Apex Class Action LLC, or any other third-  
12 party class action settlement administrator agreed to by the Parties and approved by the Court for  
13 purposes of administering the Settlement. The Parties and their counsel each represent that they do  
14 not have any financial interest in the Settlement Administrator or otherwise have a relationship with  
15 the Settlement Administrator that could create a conflict of interest.

16           kk.       “Settlement Administration Costs” means the costs payable from the Gross  
17 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in  
18 Paragraph 12.

19           ll.       “Settlement Class” or “Settlement Class Member(s)” means all Class Members  
20 who do not submit a timely and valid Request for Exclusion.

21           mm.       “Workweeks” means the number of weeks each Class Member worked for  
22 Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period, which  
23 will be calculated by the Settlement Administrator. Workweeks will be calculated by the Settlement  
24 Administrator based on each Class Member’s start date or the beginning of the Class Period, whichever  
25 is later, and separation date or the last day of the Class Period, whichever is earlier, based on the Class  
26 List provided by Defendant.

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1           nn.     “Workweeks Dispute” means a letter submitted by a Class Member disputing  
2 the number of Workweeks and/or PAGA Workweeks to which they have been credited, which must:  
3 (a) contain the case name and number of the *Rodriguez* Action; (b) contain the Class Member’s full  
4 name, signature, address, telephone number, and the last four (4) digits of the Class Member’s Social  
5 Security number; (c) clearly state that the Class Member disputes the number of Workweeks and/or  
6 PAGA Workweeks credited to the Class Member and what the Class Member contends is the correct  
7 number; and (d) be returned by mail to the Settlement Administrator at the specified address,  
8 postmarked on or before the Response Deadline.

### 9   **CLASS CERTIFICATION**

10           7.     For the purposes of this Settlement only, the Parties stipulate to the certification of the  
11 Class.

12           8.     The Parties agree that certification for the purpose of settlement is not an admission  
13 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for  
14 whatever reason, the Court not grant Final Approval, the Parties’ stipulation to class certification as  
15 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not  
16 be admissible in connection with, the issue of whether or not certification would be inappropriate in a  
17 non-settlement context.

### 18   **TERMS OF THE AGREEMENT**

19           NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set  
20 forth herein, the Parties agree, subject to the Court’s approval, as follows:

21           9.     Attorneys’ Fees and Costs. Defendant agrees not to oppose or impede any application  
22 or motion by Class Counsel for attorneys’ fees in the amount up to one-third (1/3) of the Gross  
23 Settlement Amount (i.e., \$391,666.66 if the Gross Settlement Amount is \$1,175,000.00) and  
24 reimbursement of actual costs and expenses associated with Class Counsel’s litigation and settlement  
25 of the Actions, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), both  
26 of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work  
27 performed and any and all costs incurred by Class Counsel in connection with the litigation of the  
28 Actions, including without limitation all work performed and costs incurred to date, and all work to

1 be performed and all costs to be incurred in connection with obtaining the Court's approval of this  
2 Settlement Agreement, including any objections raised and any appeals necessitated by those  
3 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this  
4 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement  
5 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any  
6 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel  
7 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.  
8 The Court's ruling on the request for Attorneys' Fees and Costs shall not affect the enforceability of  
9 this Agreement or the terms contained herein.

10 10. Enhancement Payments. Defendant agrees not to oppose or impede any application or  
11 motion by Plaintiffs for Enhancement Payments in the amount up to Seven Thousand Five Hundred  
12 and Zero Cents (\$7,500.00) to Plaintiff Menjivar and Plaintiff Rodriguez, each (for a total of  
13 \$15,000.00 to Plaintiffs). The Enhancement Payments, which will be paid from the Gross Settlement  
14 Amount, subject to Court approval, will be in addition to any other payments Plaintiffs may be eligible  
15 to receive under the Settlement (e.g., their Individual Settlement Payment and/or Individual PAGA  
16 Payment). Plaintiffs shall be solely and legally responsible for correctly characterizing this  
17 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement  
18 Administrator shall issue IRS Forms 1099 to Plaintiffs for the Enhancement Payments. Any portion  
19 of the requested Enhancement Payments that is not awarded by the Court to Plaintiffs shall be  
20 reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members. The  
21 Court's ruling on the request for the Enhancement Payments shall not affect the enforceability of this  
22 Agreement or the terms contained herein.

23 11. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of  
24 Fifty Thousand Dollars and Zero Cents (\$50,000.00) shall be allocated from the Gross Settlement  
25 Amount toward penalties under the Private Attorneys General Act, California Labor Code Section  
26 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$37,500.00, will be  
27 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$12,500.00, will be  
28 distributed to PAGA Members (i.e., the PAGA Member Amount) on a *pro rata* basis, based on the

1 total number of PAGA Workweeks worked by each PAGA Member during the PAGA Period (i.e.,  
2 the Individual PAGA Payments). PAGA Members will be issued Individual PAGA Payments whether  
3 or not they object to or opt-out of the Class Settlement.

4 12. Settlement Administration Costs. The Settlement Administrator will be paid for the  
5 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,  
6 which is currently not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00). These  
7 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,  
8 *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices  
9 and other documents for the Settlement, calculating and distributing payments due under the  
10 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,  
11 and remittances, providing necessary reports and declarations, and other duties and responsibilities set  
12 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual  
13 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess  
14 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any  
15 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not  
16 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement  
17 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the  
18 Settlement Class Members.

19 13. Escalator Clause. If it is determined by the Settlement Administrator that the total  
20 number of Workweeks worked by the Class Members during the Class Period exceeds 110,000, then  
21 Defendant shall, at its option, either (a) increase the Gross Settlement Amount on a *pro rata* basis  
22 equal to the percentage increase in the number of Workweeks worked by the Class Members above  
23 110,000 Workweeks; or (b) cap the Class Period and PAGA Period to the date that 110,000  
24 Workweeks is reached but not exceeded.

25 14. Individual Settlement Share Calculations. Individual Settlement Shares will be  
26 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of  
27 Workweeks, as follows:

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1 a. After Preliminary Approval, the Settlement Administrator will divide the Net  
2 Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek  
3 Value,” and multiply each Class Member’s individual Workweeks by the Estimated Workweek Value  
4 to yield each Class Member’s estimated Individual Settlement Share that each Class Member may be  
5 entitled to receive under the Class Settlement.

6 b. After Final Approval, the Settlement Administrator will divide the final Net  
7 Settlement Amount by the Workweeks of all Settlement Class Members to yield the “Final Workweek  
8 Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek  
9 Value to each Settlement Class Member’s final Individual Settlement Share.

10 15. Individual PAGA Payment Calculations. Individual PAGA Payments will be  
11 calculated and apportioned from the PAGA Member Amount based on the PAGA Member’ number  
12 of PAGA Workweeks, as follows: The Settlement Administrator will divide the PAGA Member  
13 Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Members to yield  
14 the “PAGA Workweek Value,” and multiply each PAGA Member’s individual PAGA Workweeks by  
15 the PAGA Workweek Value to yield each PAGA Member’s Individual PAGA Payment.

16 16. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each  
17 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty  
18 percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be  
19 reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages  
20 will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement  
21 Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages  
22 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their  
23 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes  
24 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross  
25 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)  
26 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

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1           17.   Administration of Taxes by the Settlement Administrator.   The Settlement  
2 Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA  
3 Members, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be  
4 required by law for all amounts paid pursuant to this Settlement Agreement.   The Settlement  
5 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll  
6 taxes and other legally required withholdings to the appropriate government authorities.

7           18.   Tax Liability.   Plaintiffs, Class Counsel, Defendant, and Defendant’s Counsel do not  
8 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or  
9 taxability, nor shall anything in this Settlement Agreement be relied on as such.   Plaintiffs, Settlement  
10 Class Members, and PAGA Members are not relying on any statement, representation, or calculation  
11 by Defendant, the Settlement Administrator, or Class Counsel in this regard.   Plaintiffs, Settlement  
12 Class Members, and PAGA Members understand and agree that Plaintiffs, Settlement Class Members,  
13 and PAGA Members will be solely responsible for the payment of any taxes and penalties assessed  
14 on the payments described in this Settlement Agreement.   Plaintiffs, Settlement Class Members, and  
15 PAGA Members should consult with their tax advisors concerning the tax consequences of any  
16 payment they receive under the Settlement.

17           19.   Circular 230 Disclaimer.   EACH PARTY TO THIS SETTLEMENT AGREEMENT  
18 (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY  
19 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN  
20 “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS  
21 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE  
22 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS  
23 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE  
24 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE  
25 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART  
26 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY  
27 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE  
28 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)

1 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE  
2 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY  
3 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR  
4 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY  
5 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO  
6 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT  
7 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISOR’S TAX  
8 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)  
9 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR  
10 TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION  
11 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

12 20. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the  
13 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually  
14 are issued to the payee. It is expressly understood and agreed that payments made under this  
15 Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or any PAGA Member  
16 to additional compensation or benefits under any new or additional compensation or benefits, or any  
17 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period,  
18 nor will it entitle Plaintiffs, Settlement Class Members, or any PAGA Member to any increased  
19 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding  
20 any contrary language or agreement in any benefit or compensation plan document that might have  
21 been in effect during the Class Period).

22 21. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.  
23 On May 20, 2024, Plaintiffs filed a Motion for Preliminary Approval of Class Action and PAGA  
24 Settlement (“Motion for Preliminary Approval”). If necessary, Plaintiffs and Class Counsel will be  
25 responsible for filing any supplemental briefing in support of the pending Motion for Preliminary  
26 Approval and will submit this Settlement Agreement to the Court. Class Counsel will provide  
27 Defendant’s Counsel a draft of any supplemental papers in support of the pending Motion for  
28 Preliminary Approval for review before filing them with the Court. Defendant agrees not to oppose

1 the Motion for Preliminary Approval of the Settlement or any supplemental papers in support thereof  
2 consistent with this Settlement Agreement. The Parties have mutually agreed to the entry of the  
3 Preliminary Approval Order seeking the following:

- 4 a. Conditionally certifying the Class for settlement purposes only;
- 5 b. Granting Preliminary Approval of the Settlement;
- 6 c. Preliminarily appointing Plaintiff Rodriguez as the representative of the Class;
- 7 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 8 e. Approving as to form and content, the mutually-agreed upon and proposed  
9 Class Notice and directing its mailing by First Class U.S. Mail;
- 10 f. Approving the manner and method for Class Members to request exclusion  
11 from or object to the Class Settlement as contained herein and within the Class Notice;
- 12 g. Scheduling a Final Approval Hearing at which the Court will determine whether  
13 Final Approval of the Settlement should be granted.

14 22. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),  
15 Class Counsel shall notify the LWDA of the Settlement.

16 23. Delivery of Class List. On September 16, 2024, Defendant provided the Class List to  
17 the Settlement Administrator. The names, addresses, telephone numbers, and Social Security numbers  
18 will only be disclosed to the Settlement Administrator and not to Class Counsel. All information  
19 provided to the Settlement Administrator will be marked CONFIDENTIAL. This information shall  
20 be kept confidential and shall not be disclosed, either in writing or orally, by the Settlement  
21 Administrator. The Settlement Administrator shall use due care with respect to the storage, custody,  
22 use, and/or dissemination of the confidential information. Such information must be stored in a secure  
23 fashion and all persons who access the data must agree to keep it confidential.

24 24. Notice by First-Class U.S. Mail.

25 a. Within seven (7) calendar days after receiving the Preliminary Approval Order  
26 from Class Counsel, the Settlement Administrator will perform a search based on the National Change  
27 of Address Database or any other similar services available, such as provided by Experian, for  
28 information to update and correct for any known or identifiable address changes, and will mail a Class



1 Notice in English and Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all  
2 Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified  
3 by the Settlement Administrator.

4           b. Any Class Notice returned to the Settlement Administrator as undeliverable on  
5 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding  
6 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on  
7 the Class Notice. If no forwarding address is provided, the Settlement Administrator will, within five  
8 (5) calendar days of receipt of the returned mail, attempt to determine the correct address using a skip-  
9 trace or other search, using the name, address, and/or Social Security number of the Class Member,  
10 and perform a single re-mailing.

11           c. Compliance with the procedures described herein above shall constitute due and  
12 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.  
13 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to  
14 provide notice of the Settlement.

15           25. Disputes Regarding Workweeks and/or PAGA Workweeks. Class Members will have  
16 an opportunity to dispute the number of Workweeks and/or PAGA Workweeks to which they have  
17 been credited, as reflected in their respective Class Notices, by submitting a timely and valid  
18 Workweeks Dispute to the Settlement Administrator, by mail, on or before the Response Deadline.  
19 The date of the postmark on the return mailing envelope will be the exclusive means to determine  
20 whether a Workweeks Dispute has been timely submitted. Absent evidence rebutting the accuracy of  
21 Defendant's records and data as they pertain to the number of Workweeks and/or PAGA Workweeks  
22 to be credited to a disputing Class Member, Defendant's records will be presumed to be correct and  
23 determinative of the dispute. However, if a Class Member produces information and/or documents to  
24 the contrary, the Settlement Administrator will evaluate the materials submitted by the Class Member  
25 and the Settlement Administrator will resolve and determine the number of eligible Workweeks and/or  
26 PAGA Workweeks that the disputing Class Member should be credited with under the Settlement.  
27 The Settlement Administrator's decision on such disputes will be final and non-appealable.

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1           26.    Requesting Exclusion from the Class Settlement. Any Class Member wishing to be  
2 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the  
3 Settlement Administrator, by mail, on or before the Response Deadline. The date of the postmark on  
4 the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion  
5 has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and  
6 Defendant’s Counsel the number of timely and valid Requests for Exclusion that are submitted, and  
7 also identify the individuals who have submitted a timely and valid Request for Exclusion in a  
8 declaration that is to be filed with the Court in advance of the Final Approval Hearing. At no time  
9 will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to request  
10 exclusion from the Class Settlement. Any Class Member who submits a Request for Exclusion is  
11 prohibited from making any objection to the Class Settlement. Any Class Member who submits a  
12 timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be  
13 issued an Individual Settlement Payment. Any Class Member who does not affirmatively request  
14 exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion will be  
15 bound by all of the terms of the Class Settlement, including and not limited to those pertaining to the  
16 Released Class Claims, as well as any judgment that may be entered by the Court if it grants Final  
17 Approval to the Settlement. Notwithstanding the above, all PAGA Members will be bound to the  
18 PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they  
19 submit a Request for Exclusion.

20           27.    Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class  
21 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by  
22 mail, on or before the Response Deadline. The date of the postmark on the return mailing envelope  
23 will be the exclusive means to determine whether a Notice of Objection has been timely submitted.  
24 The Settlement Administrator will certify jointly to Class Counsel and Defendant’s Counsel the  
25 number of Notices of Objection that are submitted (specifying which ones were timely and complete  
26 and which were not), and also attach them to a declaration that is to be filed with the Court in advance  
27 of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or  
28 otherwise encourage Settlement Class Members to object to the Class Settlement or appeal from the

1 Final Approval Order and Judgment. Settlement Class Members, individually or through counsel,  
2 may also present their objection orally at the Final Approval Hearing, regardless of whether they have  
3 submitted a Notice of Objection. If a Settlement Class Member objects to the Class Settlement, that  
4 Settlement Class Member will remain a member of the Settlement Class. If the Court overrules the  
5 objection and approves the Class Settlement, the Settlement Class Member will be bound by the terms  
6 of the Class Settlement in the same way and to the same extent as a Settlement Class Member who  
7 does not object. Class Counsel and Defendant's Counsel may respond to any objection lodged with  
8 the Court up to five (5) court days before the Final Approval Hearing or at the Final Approval Hearing.

9 28. Reports by the Settlement Administrator. The Settlement Administrator shall provide  
10 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed  
11 Class Notices; (ii) the number of Class Members who have submitted Workweeks Disputes; (iii) the  
12 number of Class Members who have submitted Requests for Exclusion; and (iv) the number of  
13 Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement  
14 Administrator will provide to counsel for the Parties any updated reports regarding the administration  
15 of the Settlement Agreement as needed or requested, and immediately notify the Parties when it  
16 receives a request from an individual or any other entity regarding inclusion in the Class and/or  
17 Settlement or regarding a Workweeks Dispute.

18 29. Defendant's Right to Rescind.

19 A. If more than ten percent (10%) of the Class Members submit timely and valid  
20 Requests for Exclusion, Defendant, in its sole discretion, shall have the option to rescind the  
21 Settlement Agreement. Defendant must exercise this right of rescission in writing that is provided to  
22 Class Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties  
23 of the number of Class Members who have submitted timely and valid Requests for Exclusion  
24 following the Response Deadline. In such a case, the Parties and any funds to be awarded under this  
25 Settlement Agreement shall be returned to their respective statuses as of the date and time immediately  
26 prior to December 15, 2023, and the Parties shall proceed in all respects as if this Settlement  
27 Agreement had not been executed, except that any fees already incurred by the Settlement  
28 Administrator shall be paid by Defendant.

1           B.       In the event: (i) the Court does not ultimately enter the Preliminary Approval  
2 Order (i.e., this Paragraph 29.B does not apply if the Court initially denies preliminary approval and/or  
3 requires the Parties to submit supplemental briefing regarding the Motion for Preliminary Approval  
4 and/or make changes to the Settlement Agreement other than what is provided in this Paragraph 29.B)  
5 without requiring material changes to the basic Settlement terms (basic Settlement terms include the  
6 amount of the Gross Settlement Amount; the time period of the Released Class Claims; the covered  
7 Class Period; revisions to the Escalator Clause contained herein; and revisions to Paragraph 29.A  
8 contained herein); (ii) the Court does not ultimately finally approve the Settlement (i.e., this Paragraph  
9 29.B does not apply if the Court initially denies final approval and/or requires the Parties to submit  
10 supplemental briefing regarding the motion for final approval and/or make changes to the Settlement  
11 Agreement other than what is provided in this Paragraph 29.B) as provided herein without requiring  
12 material changes to the basic Settlement terms (basic Settlement terms include the amount of the Gross  
13 Settlement Amount; the time period of the Released Class Claims; the covered Class Period; revisions  
14 to the Escalator Clause contained herein; and revisions to Paragraph 29.A contained herein); (iii)  
15 Defendant exercises its option to rescind the Settlement Agreement based on an excessive number of  
16 opt-outs, as described in Paragraph 29.A; or (iv) the Settlement does not become final for any other  
17 reason (e.g., an objection by the LWDA), this Settlement Agreement shall be null and void. Any order  
18 or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void  
19 from the beginning, and the Recitals and Terms of the Agreement contained herein shall be of no force  
20 or effect and shall not be treated as an admission by the Parties or their counsel. In such a case, the  
21 Parties shall be returned to their respective statuses as of December 15, 2023, settlement funds placed  
22 in trust with the Settlement Administrator shall be returned to Defendant, and the Parties shall proceed  
23 in all respects as if this Settlement Agreement had not been executed, except that any fees already  
24 incurred by the Settlement Administrator shall be paid by Defendant.

25           30.       Certification of Completion. Upon completion of administration of the Settlement, the  
26 Settlement Administrator will provide a written declaration under oath to certify such completion to  
27 the Court and counsel for all Parties.

28       ///

1           31.     Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After  
2 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final  
3 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)  
4 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys’  
5 Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs. The Final  
6 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.  
7 Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the  
8 Settlement. Class Counsel will provide Defendant’s Counsel a draft of the final approval motion for  
9 review before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the  
10 Final Approval Order and Judgment, which will provide for, in substantial part, the following:

- 11           a.     Approval of the Settlement as fair, reasonable, and adequate, and directing  
12 consummation of its terms and provisions;
- 13           b.     Certification of the Settlement Class;
- 14           c.     Approval of the application for Attorneys’ Fees and Costs to Class Counsel;
- 15           d.     Approval of the application for Enhancement Payments to Plaintiffs;
- 16           e.     Approval of the PAGA Amount;
- 17           f.     Directing Defendant to fund all amounts due under the Settlement Agreement  
18 and ordered by the Court; and
- 19           g.     Entering judgment in the *Rodriguez* Action, while maintaining continuing  
20 jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

21           32.     Funding of the Gross Settlement Amount. As of December 31, 2023, Defendant has  
22 deposited the Gross Settlement Amount into a Qualified Settlement Fund (“QSF”) within the meaning  
23 of Treasury Regulation Section 1.468B-1, *et seq.*, that was established by the Settlement  
24 Administrator. Prior to the Effective Date, the Settlement Administrator will notify Defendant of the  
25 amount of the Employer Taxes. No later than five (5) business days of the Effective Date and the date  
26 the Settlement Administrator notifies Defendant of the amount of the Employer Taxes, whichever is  
27 later, Defendant will deposit the Employer Taxes into the QSF. Defendant shall provide all  
28 information necessary for the Settlement Administrator to calculate necessary payroll taxes including  
its official name, 8-digit state unemployment insurance tax ID number, and other information

1 requested by the Settlement Administrator, no later than five (5) business days after the Effective Date.

2 33. Distribution of the Gross Settlement Amount. Within five (5) business days of the  
3 Effective Date, the Settlement Administrator will issue the Individual Settlement Payments to  
4 Settlement Class Members, Individual PAGA Payments to PAGA Members, LWDA Payment to the  
5 LWDA, Enhancement Payments to Plaintiffs, Attorneys' Fees and Costs to Class Counsel, and  
6 Settlement Administration Costs to itself. In addition, the Settlement Administrator will reimburse to  
7 Defendant an amount equal to the interest earned on the Gross Settlement Amount through the date  
8 of distribution of the Gross Settlement Amount as reflected above. The Settlement Administrator shall  
9 also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding,  
10 and timely forward these to the appropriate government authorities.

11 34. Settlement Checks. The Settlement Administrator will be responsible for undertaking  
12 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way  
13 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the  
14 PAGA Members in accordance with this Settlement Agreement. When issuing payments, the  
15 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA  
16 Payment into one check if the intended recipient for both payments is one individual. Settlement Class  
17 Members and PAGA Members are not required to submit a claim to be issued an Individual Settlement  
18 Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and Individual  
19 PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days  
20 from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such  
21 canceled checks shall be distributed by the Settlement Administrator to the State of California's  
22 Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Member.  
23 The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure  
24 Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class Members,  
25 whether or not they cash their settlement checks. Therefore, Defendant will not be required to pay  
26 any interest on such amounts. The Settlement Administrator shall undertake amended and/or  
27 supplemental tax filings and reporting required under applicable local, state, and federal tax laws that  
28 are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA  
Payment checks. Settlement Class Members whose Individual Settlement Payment checks are

1 canceled shall, nevertheless, be bound by the Class Settlement, and PAGA Members whose Individual  
2 PAGA Payment checks are cancelled shall, nevertheless, be bound by the PAGA Settlement.

3 35. Class Settlement Release. Upon the Effective Date, Plaintiffs and all Settlement Class  
4 Members will be deemed to have fully, finally, and forever released, settled, compromised,  
5 relinquished, and discharged the Released Parties of all Released Class Claims.

6 36. PAGA Settlement Release. Upon the Effective Date, Plaintiffs, the State of California  
7 with respect to all PAGA Members, and all PAGA Members will be deemed to have fully, finally, and  
8 forever released, settled, compromised, relinquished, and discharged the Released Parties of all  
9 Released PAGA Claims.

10 37. Plaintiffs' General Release. Upon the Effective Date, in addition to the Released Class  
11 Claims and Released PAGA Claims, Plaintiffs, for themselves and their respective spouses, heirs and  
12 assigns, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished,  
13 and discharged the Released Parties from any and all charges, complaints, claims, debts, liabilities,  
14 promises, agreements, controversies, actions, suites, rights, demands, obligations, guarantees, costs,  
15 losses, penalties, expenses, attorneys' fees, damages, or causes of action of any kind or nature  
16 whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, or that might have  
17 been asserted, whether in tort, contract, equity, or otherwise which Plaintiffs, at any time of execution  
18 of this Settlement Agreement, had or claimed to have or may have, including but not limited to any  
19 and all claims arising out of, relating to, or resulting from their employment, payment of wages during  
20 that employment and/or separation of employment with the Released Parties, including any claims  
21 arising under any federal, state, or local law, statute, ordinance, rule, or regulation or Executive Order  
22 relating to employment, including, but in no way limited to, any claim under Title VII of the Civil  
23 Rights Act of 1964, as amended ("Title VII"), 42 U.S.C. § 1981; the Americans with Disabilities Act  
24 ("ADA"); the Family and Medical Leave Act ("FMLA"); the Age Discrimination in Employment Act  
25 (ADEA), the Employee Retirement Income Security Act ("ERISA"); the California Family Rights Act  
26 ("CFRA"); the California Fair Employment and Housing Act ("FEHA"); all claims for wages or  
27 penalties under the Fair Labor Standards Act ("FLSA"); all claims for wages or penalties under the  
28 California Labor Code; Business and Professions Code sections 17200 *et seq.*; all laws relating to

1 violation of public policy, retaliation, or interference with legal rights; any and all other employment  
2 or discrimination laws; whistleblower claims; any tort, fraud, or constitutional claims; and any breach  
3 of contract claims or claims of promissory estoppel. It is agreed that this is a general release and is to  
4 be broadly construed as a release of all claims, provided that, notwithstanding the foregoing, this  
5 Paragraph expressly does not include a release of any claims that cannot be released hereunder by law.  
6 Plaintiffs understand and expressly agree that this Settlement Agreement extends to claims that they  
7 have against Defendant, of whatever nature and kind, known or unknown, suspected or unsuspected,  
8 vested or contingent, past, present, or future, arising from or attributable to an incident or event,  
9 occurring in whole or in part, on or before the execution of this Settlement Agreement. Any and all  
10 rights granted under any state or federal law or regulation limiting the effect of this Settlement  
11 Agreement, including the provisions of Section 1542 of the California Civil Code, ARE HEREBY  
12 EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

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

18 38. Final Approval Order and Judgment. The Parties shall provide the Settlement  
19 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,  
20 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for  
21 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the  
22 Class will be required.

23 39. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the  
24 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and  
25 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the  
26 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,  
27 (c) dismissal of the Actions with prejudice; and (d) such post-judgment matters as may be appropriate  
28 under court rules or as set forth in this Settlement Agreement.



1           40.   Effects of Termination or Rescission of Settlement. Termination or rescission of the  
2 Settlement Agreement shall have the following effects:

3           a.       The Settlement Agreement shall be void and shall have no force or effect, and  
4 no Party shall be bound by any of its terms;

5           b.       In the event the Settlement Agreement is terminated, Defendant shall have no  
6 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating  
7 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement  
8 Administrator is notified that the Settlement has been terminated;

9           c.       The Preliminary Approval Order, Final Approval Order and Judgment,  
10 including any order certifying the Class, shall be vacated;

11           d.       The Settlement Agreement and all negotiations, statements, and proceedings  
12 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be  
13 restored to their respective positions in the Actions prior to the execution of the Settlement Agreement;

14           e.       Neither this Settlement Agreement, nor any ancillary documents, actions,  
15 statements, or filings in furtherance of the Settlement (including all matters associated with the  
16 mediation) shall be admissible or offered into evidence in the Actions or any other action for any  
17 purpose whatsoever;

18           f.       Any documents generated to bring the Settlement into effect, will be null and  
19 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will  
20 likewise be treated as void from the beginning; and

21           g.       Settlement funds placed in trust with the Settlement Administrator shall be  
22 returned to Defendant within five (5) business days of being notified of the termination or rescission  
23 of the Settlement Agreement.

24           41.   No Prior Assignments. The Parties and their counsel represent, covenant, and warrant  
25 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
26 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause  
27 of action or right herein released and discharged.

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1           42.    Exhibits Incorporated by Reference. The terms of this Settlement include the terms set  
2 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.  
3 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

4           43.    Entire Agreement. This Settlement Agreement and any attached exhibits constitute the  
5 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all  
6 prior or contemporaneous agreements, understandings, representations, and statements, whether oral  
7 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or  
8 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties  
9 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),  
10 which provide that a written agreement is to be construed according to its terms and may not be varied  
11 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written  
12 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

13           44.    Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in  
14 the Actions (including with respect to California Code of Civil Procedure § 583.310), except such  
15 proceedings necessary to implement and complete this Settlement Agreement, pending the Final  
16 Approval Hearing to be conducted by the Court.

17           45.    Amendment or Modification. Prior to the filing of the Motion for Preliminary  
18 Approval of the Settlement, the Parties may not amend or modify any provision of this Settlement  
19 Agreement except by written agreement signed by counsel for all Parties. After the filing of the  
20 Motion for Preliminary Approval of the Settlement, the Parties may not amend or modify any  
21 provision of this Settlement Agreement except by written agreement signed by counsel for all the  
22 Parties and subject to Court approval. A waiver or amendment of any provision of this Settlement  
23 Agreement will not constitute a waiver of any other provision.

24           46.    Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and  
25 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement  
26 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant  
27 to this Settlement Agreement to effectuate its terms and to execute any other documents required to  
28 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have

1 full authority to enter into this Settlement Agreement, and further intend that this Settlement  
2 Agreement will be fully enforceable and binding on all Parties and agree that it will be admissible and  
3 subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation  
4 confidentiality provisions that otherwise might apply under state or federal law.

5 47. Signatories. It is agreed that because the members of the Class are so numerous, it is  
6 impossible or impractical to have each Settlement Class Member or PAGA Member execute this  
7 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the  
8 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement  
9 as to the PAGA Members, and the releases provided for by this Settlement Agreement shall have the  
10 same force and effect as if this Settlement Agreement were executed by each Settlement Class Member  
11 and PAGA Member.

12 48. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,  
13 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

14 49. California Law Governs. All terms of this Settlement Agreement and attached exhibits  
15 hereto will be governed by and interpreted according to the laws of the State of California.

16 50. Execution and Counterparts. This Settlement Agreement is subject only to the  
17 execution of all Parties. However, this Settlement Agreement may be executed in one or more  
18 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned  
19 copies of the signature page, will be deemed to be one and the same instrument.

20 51. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this  
21 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived  
22 at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking  
23 into account all relevant factors, present and potential. The Parties further acknowledge that they are  
24 each represented by competent counsel and that they have had an opportunity to consult with their  
25 counsel regarding the fairness and reasonableness of this Settlement Agreement.

26 52. Invalidity of Any Provision. Before declaring any provision of this Settlement  
27 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent  
28 possible consistent with applicable precedents so as to define all provisions of this Settlement

1 Agreement valid and enforceable.

2 53. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by  
3 signing this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate  
4 to implement the Settlement.

5 54. Non-Admission of Liability; No Waiver of Arbitration Agreements. The Parties enter  
6 into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the  
7 burden, expense, and risk of continued litigation. In entering into this Settlement Agreement,  
8 Defendant does not admit, and specifically denies, it has violated any federal, state, or local law;  
9 violated any regulations or guidelines promulgated pursuant to any statute or any other applicable  
10 laws, regulations, or legal requirements; breached any contract; violated or breached any duty;  
11 engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect  
12 to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of  
13 the negotiations connected with it, shall be construed as an admission or concession by Defendant of  
14 any such violations or failures to comply with any applicable law. Defendant specifically contends  
15 that Class Members who are drivers, qualify as exempt under the Federal Motor Carrier's Act and the  
16 California state law equivalent and are not subject to California's overtime and break laws. In  
17 addition, Defendant contends that Class Members are subject to enforceable individual written  
18 arbitration agreements with Defendant that contain valid class action waivers. Except as necessary in  
19 a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its  
20 terms and provisions shall not be offered or received as evidence in any action or proceeding to  
21 establish any liability or admission on the part of Defendant or to establish the existence of any  
22 condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable  
23 law. Nor shall anything in this Settlement Agreement be construed or deemed an admission that the  
24 *Rodriguez* Action was properly brought as a class action pursuant to California Code of Civil  
25 Procedure section 382 and under California Business and Professions Code section 17200 and/or that  
26 the Actions were properly brought as Private Attorney General Actions under PAGA. Nor shall  
27 anything in this Settlement Agreement or in the Preliminary Approval Order or Final Approval Order  
28 be deemed a waiver of Defendant's right to enforce applicable arbitration agreements. Defendant is

1 neither currently, nor in the future, waiving or releasing its rights to enforce those individual arbitration  
2 agreements and class waivers. Nor will Defendant be estopped from asserting its rights to enforce  
3 those individual arbitration agreements and class waivers in future litigation or in claims by or against  
4 Class Members, and that nothing in this Settlement is intended to constitute a waiver, release, or  
5 estoppel to assert those contractual rights, which shall remain in full force and legal effect.

6 55. Captions. The captions and paragraph numbers in this Settlement Agreement are  
7 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or  
8 intent of the provisions of this Settlement Agreement.

9 56. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and  
10 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be  
11 construed more strictly against one Party than another merely by virtue of the fact that it may have  
12 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length  
13 negotiations between the Parties, all Parties have contributed equally to the preparation of this  
14 Settlement Agreement.

15 57. Representation By Counsel. The Parties acknowledge that they have been represented  
16 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and  
17 that this Settlement Agreement has been executed with the consent and advice of counsel and reviewed  
18 in full.

19 58. All Terms Subject to Final Court Approval. All amounts and procedures described in  
20 this Settlement Agreement herein will be subject to final Court approval.

21 59. Notices. All notices, demands, and other communications to be provided concerning  
22 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third  
23 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed  
24 as follows:

25 To Plaintiff Rodriguez and Class Counsel:  
26 Jonathan M. Genish  
27 jgenish@blackstonepc.com  
28 Miriam L. Schimmel  
mschimmel@blackstonepc.com  
Joana Fang  
jfang@blackstonepc.com

1 Alexandra Rose  
2 arose@blackstonepc.com  
3 **BLACKSTONE LAW, APC**  
4 8383 Wilshire Boulevard, Suite 745  
5 Beverly Hills, California 90211  
6 Tel: (310) 622-4278 / Fax: (855) 786-6356

7 To Plaintiff Menjivar and Class Counsel:

8 Rana Nader  
9 nader@proxylawfirm.com  
10 Hengameh S. Safaei  
11 safei@proxylawfirm.com  
12 **PROXY LAW FIRM LLP**  
13 10880 Wilshire Boulevard, Suite 1101  
14 Los Angeles, California 90024  
15 Tel: (310) 853-8333 / Fax: (310) 861-5931

16 To Defendant:

17 Christine D. Baran  
18 cbaran@fisherphillips.com  
19 Kyle S. Chelwick  
20 kchelwick@fisherphillips.com  
21 **FISHER & PHILLIPS LLP**  
22 2050 Main Street, Suite 1000  
23 Irvine, California 92614  
24 Tel: (949) 851-2424 / Fax: (949) 851-0152

25 60. Cooperation and Execution of Necessary Documents. All Parties and their counsel will  
26 cooperate with each other in good faith and use their best efforts to implement the Settlement,  
27 including and not limited to, executing all documents to the extent reasonably necessary to effectuate  
28 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or  
content of any document needed to implement the Settlement Agreement, or on any supplemental  
provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties  
may seek the assistance of the Mediator and then the Court to resolve such disagreement.

**IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint  
Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendant:

**IT IS SO AGREED.**

Dated: 10/24/2024

**PLAINTIFF ANGEL RODRIGUEZ**

  
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Plaintiff Angel Rodriguez

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**PLAINTIFF LUCIO MENJIVAR**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Plaintiff Lucio Menjivar

**DEFENDANT AMERICAN TEXTILE  
MAINTENANCE COMPANY**

Dated: \_\_\_\_\_

\_\_\_\_\_

Full Name: \_\_\_\_\_

Title: \_\_\_\_\_

On behalf of Defendant American Textile  
Maintenance Company

**APPROVED AS TO FORM ONLY:**

**BLACKSTONE LAW, APC**



Dated: October 25, 2024

\_\_\_\_\_  
Jonathan M. Genish  
*Attorneys for* Plaintiff Angel Rodriguez  
and Proposed Class Counsel

**PROXY LAW FIRM LLP**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Rana Nader  
Hengameh S. Safaei  
*Attorneys for* Plaintiff Lucio Menjivar  
and Proposed Class Counsel

**FISHER & PHILLIPS, LLP**

Dated: \_\_\_\_\_

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Christine D. Baran  
Kyley S. Chelwick  
*Attorneys for* Defendant American Textile  
Maintenance Company

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Dated: 10/24/2024 \_\_\_\_\_

**PLAINTIFF LUCIO MENJIVAR**  
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Lucio Menjivar  
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Plaintiff Lucio Menjivar

**DEFENDANT AMERICAN TEXTILE  
MAINTENANCE COMPANY**

Dated: \_\_\_\_\_

Full Name: \_\_\_\_\_

Title: \_\_\_\_\_  
On behalf of Defendant American Textile  
Maintenance Company

**APPROVED AS TO FORM ONLY:**

**BLACKSTONE LAW, APC**

Dated: \_\_\_\_\_

Jonathan M. Genish  
*Attorneys for Plaintiff Angel Rodriguez  
and Proposed Class Counsel*

**PROXY LAW FIRM LLP**

Dated: 10/23/2024 \_\_\_\_\_

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Rana Nader  
Hengameh S. Safaei  
*Attorneys for Plaintiff Lucio Menjivar  
and Proposed Class Counsel*

**FISHER & PHILLIPS, LLP**

Dated: \_\_\_\_\_

Christine D. Baran  
Kyle S. Chelwick  
*Attorneys for Defendant American Textile  
Maintenance Company*



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**PLAINTIFF LUCIO MENJIVAR**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Plaintiff Lucio Menjivar

**DEFENDANT AMERICAN TEXTILE  
MAINTENANCE COMPANY**

Dated: 10/25/2025

\_\_\_\_\_  
*B Moskowitz*

Full Name: BRUCE MOSKOWITZ

Title: CFO

On behalf of Defendant American Textile  
Maintenance Company

**APPROVED AS TO FORM ONLY:**

**BLACKSTONE LAW, APC**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Jonathan M. Genish  
*Attorneys for Plaintiff Angel Rodriguez  
and Proposed Class Counsel*

**PROXY LAW FIRM LLP**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Rana Nader  
Hengameh S. Safaei  
*Attorneys for Plaintiff Lucio Menjivar  
and Proposed Class Counsel*

**FISHER & PHILLIPS, LLP**

Dated: October 25, 2024

\_\_\_\_\_  
*Kyley S. Chelwick*

Christine T. Baran  
Kyley S. Chelwick  
*Attorneys for Defendant American Textile  
Maintenance Company*

# **EXHIBIT A**

## **NOTICE OF CLASS ACTION SETTLEMENT**

*Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court Case No 22STCV17855  
*Lucio Menjivar v. American Textile Maintenance Company*, Los Angeles County Superior Court Case No.  
22STCV10611

**Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. It contains important information about your right to receive a settlement payment.**

You have received this Notice because a class and representative action settlement has been reached between Plaintiffs Angel Rodriguez and Lucio Menjivar (together, “Plaintiffs”) and American Textile Maintenance Company doing business as Republic Master Chefs (“Defendant”) (collectively, the “Parties”) in the above-referenced cases (together, “Actions”). The Parties entered into a proposed First Amended Joint Stipulation of Class Action and PAGA Settlement (“Settlement”).

All current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the Class Period (“Class” or “Class Members”) are eligible to receive a payment under the settlement and resolution of all Released Class Claims (“Class Settlement”). The “Class Period” is the period from May 31, 2018 through June 23, 2024.

All current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period (“PAGA Members”) are eligible to receive a payment under the settlement and resolution of all Released PAGA Claims (“PAGA Settlement”). The “PAGA Period” is the period from January 18, 2021 through June 23, 2024.

On [date of Preliminary Approval], the Los Angeles County Superior Court granted preliminary approval of the Settlement, conditionally certified the Class for Settlement purposes only, and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Actions.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING AND RECEIVE PAYMENT</b>	If you do nothing, you will be a Settlement Class Member, eligible for an Individual Settlement Share and an Individual PAGA Payment (if any). In exchange, you will give up your legal rights to pursue claims released by the Settlement.  See Section 7 of this Notice.
<b>OPT OUT OF THE CLASS SETTLEMENT</b>	You can exclude yourself from the Class Settlement by sending the Settlement Administrator a Request for Exclusion. Once excluded, you will no longer be eligible for an Individual Settlement Share and you will retain your legal rights to pursue the Released Class Claims that would otherwise be released by the Settlement.  You cannot opt out of the PAGA Settlement.  See Section 5 of this Notice.
<b>OBJECT TO THE CLASS SETTLEMENT</b>	If you do not opt out of the Class Settlement, you can object to any aspect of the Class Settlement.  See Section 6 of this Notice.

**1. *What are the Actions About?***

On January 18, 2022, Plaintiff Menjivar provided written notice to the Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code alleged to have been violated by Defendant (“Menjivar PAGA Letter”). On March 28, 2022, Plaintiff Menjivar filed a Complaint for Violation of the California Private Attorneys General Act of 2004, California Labor Code § 2698 *et seq.* in the action entitled *Lucio Menjivar v. American Textile Maintenance Company*, Los Angeles County Superior Court Case No. 22STCV10611 (“Menjivar Action”), which alleges civil penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”). On May 31, 2022, Plaintiff Rodriguez provided written notice to the LWDA and Defendant of the specific provisions of the California Labor Code alleged to have been violated by Defendant (“Rodriguez PAGA Letter”). Together, the Menjivar PAGA Letter and Rodriguez PAGA Letter are referred to as the “PAGA Letters.” Also on May 31, 2022, Plaintiff Rodriguez filed a Class Action Complaint for Damages in the action entitled *Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court Case No. 22STCV17855 (“Rodriguez Action”), thereby commencing a putative class action against Defendant. On August 4, 2022, Plaintiff Rodriguez filed a First Amended Class Action Complaint for Damages and Enforcement Action Under the Private Attorneys General Act, California Labor Code §§ 2698 *Et Seq.* (“Rodriguez Operative Complaint”), which added a cause of action under PAGA. Together, the Menjivar Operative Complaint and the Rodriguez Operative Complaint are referred to as the “Operative Complaints.”

The Actions collectively allege that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination and associated waiting-time penalties, and provide accurate wage statements, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA.

Defendant expressly denies that it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiffs, the Class, or to the PAGA Members. Defendant contends that those Class Members and PAGA Members who are drivers, qualify as exempt under the Federal Motor Carrier’s Act and the California state law equivalent and are not subject to California’s overtime or break laws. In addition, Defendant contends that Class Members are subject to enforceable individual written arbitration agreements with Defendant that contain valid class action waivers, and that in entering into the Settlement, Defendant is neither currently, nor in the future, waiving or releasing its rights to enforce those individual arbitration agreements and class waivers. Nor will Defendant be estopped from asserting its rights to enforce those individual arbitration agreements and class waivers in future litigation or in claims by or against Class Members, and that nothing in the Settlement is intended to constitute a waiver, release, or estoppel to assert those contractual rights, which shall remain in full force and legal effect.

The Court has not made any determination as to whether the claims advanced by Plaintiffs have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiffs or Defendant; instead, both sides agreed to resolve the Actions with no decision or admission of who is right or wrong. By agreeing to resolve the Actions and PAGA Letters, all parties avoid the risks and cost of a trial.

**2. Who Are the Attorneys Representing the Parties?**

Attorneys for Plaintiffs and the Class	Attorneys for Defendant
<p style="text-align: center;"><b>BLACKSTONE LAW, APC</b> Jonathan M. Genish Miriam L. Schimmel Joana Fang Alexandra Rose 8383 Wilshire Boulevard, Suite 745 Beverly Hills, California 90211 Tel: (310) 622-4278 / Fax: (855) 786-6356</p> <p style="text-align: center;"><b>PROXY LAW FIRM LLP</b> Rana Nader Hengameh S. Safaei 10880 Wilshire Boulevard, Suite 1101 Los Angeles, California 90024 Tel: (310) 853-8333 / Fax: (310) 861-5931</p>	<p style="text-align: center;"><b>FISHER &amp; PHILLIPS LLP</b> Christine D. Baran Kyley Chelwick 2050 Main Street, Suite 1000 Irvine, California 92614 Tel: (949) 851-2424 / Fax: (949) 851-0152</p>

Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

**3. Summary of the Settlement Terms and Distribution to Class Members and PAGA Members**

The total Gross Settlement Amount is \$1,175,000.00 (“Gross Settlement Amount”).

The “Net Settlement Amount” means the portion of the Gross Settlement Amount available for distribution to Class Members after the deduction of the following payments, which are subject to Court approval: (1) Enhancement Payments to Plaintiffs in amounts up to \$7,500.00 each (total, \$15,000.00), for the prosecution of the Actions and general release of claims; (2) Settlement Administration Costs to Apex Class Action LLC (“Settlement Administrator”) not to exceed \$25,000.00; (3) PAGA Amount of \$50,000.00, 75% of which will be paid to the LWDA (i.e., \$37,500.00) (“LWDA Payment”) and the remaining 25% (i.e., \$12,500.00) will be paid to PAGA Members (“PAGA Member Amount”); (4) attorneys’ fees in an amount not to exceed 1/3 of the Gross Settlement Amount (i.e., \$391,666.66) and reimbursement of litigation costs and expenses, in an amount not to exceed \$30,000.00 to Class Counsel.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement.

Based upon the calculation above, your Individual Settlement Share is estimated to be \$ [redacted]. This is based on Defendant’s records which show you worked [redacted] Workweeks during the Class Period. The Individual Settlement Share is subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Each Individual Settlement Share will be allocated as 20% wages, which will be reported on an IRS Form W-2, and 80% as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099. Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Member Amount (“Individual PAGA Payment”) based on the number of weeks each PAGA Member worked for Defendant as an

hourly-paid and/or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator has divided the PAGA Member Amount by the PAGA Workweeks of all PAGA Members to yield the “PAGA Workweek Value,” and multiplied each PAGA Member’s individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Member’s Individual PAGA Payment.

Based upon the calculation above, your Individual PAGA Payment is estimated to be \$ [redacted]. This is based on Defendant’s records which show you worked [redacted] PAGA Workweeks during the PAGA Period. The Individual PAGA Payment (if applicable) will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholding, and will be reported on IRS Form 1099 (if applicable).

Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for 180 days from the void date shown on each check, and thereafter, will be canceled. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will distribute the funds to the California State Controller’s Office Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Member.

**4. How Do I Dispute my Number of Workweeks and/or PAGA Workweeks?**

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator (“Workweeks Dispute”), which must: (a) contain the case name and number of the *Rodriguez* Action (*Angel Rodriguez v. American Textile Maintenance*, Case No. 22STCV17855); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address below, postmarked **on or before [Response Deadline]**.

[Settlement Administrator]  
[Mailing Address]

**5. How Do I Opt Out or Exclude Myself From the Class Settlement?**

You may exclude yourself from the Class Settlement by submitting a written request to be excluded from the Class Settlement (“Request for Exclusion”), which must (a) contain the case name and number of the *Rodriguez* Action (*Angel Rodriguez v. American Textile Maintenance*, Case No. 22STCV17855); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section 4 above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section 7 below), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section 7 below, as well as any judgment that may be entered by the Court based thereon. PAGA Members will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

**6. How Do I Object to the Class Settlement?**

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”), which must: (a) contain the case name and number of the *Rodriguez* Action (*Angel Rodriguez v. American Textile Maintenance*, Case No. 22STCV17855); (b) contain your full name, signature, address,



telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section 4 above, postmarked **on or before [Response Deadline]**.

Settlement Class Members may also appear at the Final Approval Hearing, either in person or through the objector's own counsel, and orally object to the Class Settlement, regardless of whether they have submitted a Notice of Objection.

## **7. *How Does This Settlement Affect My Rights? What are the Released Claims?***

Upon the Effective Date, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date, Plaintiffs, the State of California with respect to all PAGA Members, and all PAGA Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were alleged or which could have been alleged based on the factual allegations in the Rodriguez Operative Complaint, arising during the Class Period, under any federal, state, or local law, and shall specifically include claims for Defendant’s alleged failure to pay overtime wages; failure to pay minimum wages; failure to provide meal periods or compensation in lieu thereof; failure to provide rest periods or compensation in lieu thereof; failure to pay waiting time penalties upon termination; failure to provide accurate wage statements; violation of California Labor Code Sections 201, 202, 203, 226, 226(a), 226(c), 226.7, 226.7(b), 510, 512, 512(a), 1194, 1194.2, 1197, 1197.1, and 1198, and the applicable Industrial Welfare Commission Order; California Business and Professions Code sections 17200, *et seq.*; and any other claims, including claims for statutory penalties, pertaining to the Class Members.

“Released PAGA Claims” means any and all PAGA claims and/or causes of action which were alleged or could have been alleged based on the factual allegations in the PAGA Letters and Operative Complaints, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq.*, including all claims for attorneys’ fees and costs related thereto, for Defendant’s alleged failure to pay overtime wages; failure to pay minimum wages; failure to provide meal periods or compensation in lieu thereof; failure to provide rest periods or compensation in lieu thereof; failure to pay waiting time penalties during employment and upon termination; failure to provide accurate wage statements; and failure to provide accurate payroll records; and civil penalties pursuant to California Labor Code Sections 210, 226, 226.3, 558, 1174.5, 1197.1, 2698, and 2699 in connection with violations of California Labor Code Sections 201, 202, 203, 204, 226, 226(a), 226.7, 226.7(b), 510, 512, 512(a), 558, 558.1, 1174, 1174(d), 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802; and Industrial Welfare Commission Wage Order No. 6-2001.

“Released Parties” means Defendant and its present and former officers, directors, members, owners, shareholders, assigns, subsidiaries, attorneys, insurers, successors, predecessors, and affiliates.

## **8. *Final Approval Hearing***

The Court will hold a Final Approval Hearing on **[date]** at **[time]** in Department 9 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, CA 90012 to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Members. You are not required to appear at this hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/laceligibility/ui/civil.aspx?casetype=ci>

**IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS**, you may contact the Settlement Administrator at the telephone number listed below, toll-free.

This Notice does not contain all the terms of the proposed Settlement or all the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Los Angeles Superior Court, at 111 N. Hill Street, Los Angeles, CA 90012 during regular business hours.

You may also visit the Settlement Administrator's website at [redacted] for more information and documents relating to the Settlement.

**PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.**