



1 No. 24STCV04374 (“Quevedo Action,” collectively with the Aghedo Action “Actions”), thereby  
2 commencing a putative class action against Defendant.

3 4. On April 29, 2024, plaintiff Jimmy Quevedo filed a First Amended Class and  
4 Representative Action Complaint in the Quevedo Action, thereby commencing a putative class action  
5 and representative PAGA action against Defendant. The Operative Complaint alleges five (5) causes  
6 of action for violations of the California Labor Code for failure to provide compliant meal periods and  
7 premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments  
8 in lieu thereof, for violations of California Business & Professions Code Section 17200, *et seq.* based  
9 on the aforementioned California Labor Code violations, and for civil penalties under the Private  
10 Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”)  
11 based on the aforementioned California Labor Code violations (“Quevedo Complaint” collectively  
12 with Aghedo Complaint “Operative Complaint”)

13 5. Defendant denies all materials allegations set forth in the Actions and has asserted  
14 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,  
15 Defendant desires to fully and finally settle the Actions, Released Class Claims (as defined herein),  
16 and Released PAGA Claims (as defined herein).

17 6. Class Counsel diligently investigated the class and PAGA claims against Defendant,  
18 including any and all applicable defenses and the applicable law. The investigation included, *inter*  
19 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.  
20 The Parties have engaged in sufficient informal discovery and investigation to assess the relative  
21 merits of the claims and contentions of the Parties.

22 7. On August 13, 2024, the Parties participated in mediation with Marc Feder (the  
23 “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the  
24 Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’  
25 settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed  
26 and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks  
27 associated with continued litigation. Based on Class Counsels’ investigation and evaluation, Class  
28 Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in

1 this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class  
2 Members, State of California, and PAGA Employees in light of all known facts and circumstances,  
3 including the risk of significant delay and uncertainty associated with litigation and various defenses  
4 asserted by Defendant.

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

### 10 DEFINITIONS

11 9. The following definitions are applicable to this Settlement Agreement. Definitions  
12 contained elsewhere in this Settlement Agreement will also be effective.

13 a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for  
14 Class Counsels’ litigation and resolution of the Actions and all actual costs and expenses incurred and  
15 to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 12.

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

19 c. “Class Counsel” means Jonathan M. Genish, Karen I. Gold, Sara Pezeshkpour,  
20 Ashley H. Cruz, Marissa A. Mayhood of Blackstone Law, APC, and Paul K. Haines and Sean M.  
21 Blakely of Haines Law Group, APC who will seek to be appointed counsel for the Class.

22 d. “Class List” means a complete list of all Class Members that Defendant will  
23 diligently and in good faith compile from its records and provide to the Settlement Administrator. The  
24 Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following  
25 information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security  
26 number; (4) dates worked for Defendant during the Class Period; and (8) such other information as is  
27 necessary for the Settlement Administrator to calculate Workweeks and PAGA Workweeks.

28 e. “Class Notice” means the Notice of Class Action & Representative Action

1 Settlement, substantially in the form attached hereto as “Exhibit A.”

2 f. “Class Period” means the period from November 6, 2019, through December  
3 3, 2024.

4 g. “Class Settlement” means the settlement and resolution of all Released Class  
5 Claims.

6 h. “Court” means the Superior Court of the State of California for the County of  
7 Los Angeles.

8 i. “Defendant’s Counsel” means Jamie Hagerott and Erin Ezra of Berger Kahn.

9 j. “Effective Date” means the date when all of the following events have occurred:  
10 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s  
11 Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Class Notice has been  
12 mailed to the Class Members, providing them with an opportunity to object to the terms of the Class  
13 Settlement or opt out of the Class Settlement; (4) the Court has had a Final Approval Hearing and  
14 entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court  
15 entered a Final Approval Order and Judgment; and (6) in the event there are written objections to the  
16 Class Settlement filed prior to the Final Approval Hearing which are not later withdrawn or denied,  
17 the later of the following events: five business days after the period for filing any appeal, writ, or other  
18 appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without  
19 any appeal, writ, or other appellate proceeding having been filed, or, if any appeal, writ, or other  
20 appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five  
21 business days after any appeal, writ, or other appellate proceedings opposing the Court’s Final  
22 Approval Order and Judgment has finally and conclusively dismissed with no right to pursue further  
23 remedies or relief.

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

27 l. “Enhancement Payments” means the amounts to be paid to Plaintiffs, in  
28 recognition of their effort and work in prosecuting the Actions on behalf of Class Members and PAGA

1 Employees, and general release of claims, as set forth in Paragraph 13.

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

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

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

9 p. “Gross Settlement Amount” means the amount of one million three hundred  
10 and fifty thousand dollars and zero cents (\$1,350,000.00) to be paid by Defendant in full satisfaction  
11 of the Actions, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’  
12 Fees and Costs, Enhancement Payments, PAGA Amount, Settlement Administration Costs, and Net  
13 Settlement Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer  
14 Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is  
15 non-reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross  
16 Settlement Amount is subject to increase, as provided in Paragraph 16.

17 q. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee  
18 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be  
19 calculated in accordance with Paragraph 18.

20 r. “Individual Settlement Payment” means the net payment of each Settlement  
21 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and  
22 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in  
23 Paragraph 19.

24 s. “Individual Settlement Share” means the *pro rata* share of the Net Settlement  
25 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated  
26 in accordance with Paragraph 17.

27 t. “LWDA Payment” means the amount of one hundred and one thousand two  
28 hundred and fifty dollars and zero cents (\$101,250.00), i.e., 75% of the PAGA Amount, that the Parties

1 have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 14.

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

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

13 w. “PAGA Amount” means the allocation of one hundred thirty-five thousand  
14 dollars and zero cents (\$135,000.00) from the Gross Settlement Amount for the PAGA Settlement.  
15 Seventy-five percent (75%) of the PAGA Amount, or \$101,250.00, will be paid to the LWDA (i.e.,  
16 the LWDA Payment) and the remaining twenty-five percent (25%), or \$33,750.00, will be distributed  
17 to the PAGA Employees (i.e., the PAGA Employee Amount).

18 x. “PAGA Employee(s)” means all current and former hourly-paid and/or non-  
19 exempt employees who worked for Defendant within the State of California at any time during the  
20 PAGA Period.

21 y. “PAGA Employee Amount” means the amount of thirty-three thousand seven  
22 hundred and fifty dollars and zero cents (\$33,750.00), i.e., 25% of the PAGA Amount, to be distributed  
23 to PAGA Employees on a *pro rata* basis based on their PAGA Workweeks.

24 z. “PAGA Period” means the period from February 21, 2023, through December  
25 3, 2024.

26 aa. “PAGA Settlement” means the settlement and resolution of all Released PAGA  
27 Claims.

28 bb. “PAGA Workweeks” means the number of weeks each PAGA Employee

1 worked for Defendant as an hourly-paid or non-exempt employee in California during the PAGA  
2 Period. PAGA Workweeks will be calculated by the Settlement Administrator.

3 cc. “Preliminary Approval” means the date on which the Court enters the  
4 Preliminary Approval Order.

5 dd. “Preliminary Approval Order” means the order granting preliminary approval  
6 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by  
7 the Court.

8 ee. “Released Class Claims” means any and all claims, debts, liabilities, demands,  
9 obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were  
10 alleged or which could have been alleged based on the factual allegations in the Operative Complaint,  
11 arising during the Class Period, under any federal, state, or local law, and shall specifically include  
12 claims for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal  
13 and rest periods and associated premium payments, timely pay wages during employment and upon  
14 termination, provide complaint wage statements, maintain complete and accurate payroll records, and  
15 reimburse necessary business-related expenses in violation of California Labor Code Sections 201,  
16 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and  
17 Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 5-2001, and all claims  
18 for attorneys’ fees and costs and statutory interest in connection therewith, California Business and  
19 Professions Code sections 17200, *et seq.*, and any other claims, including claims for statutory  
20 penalties, pertaining to the Class Members.

21 ff. “Released PAGA Claims” means any and all claims arising from any of the  
22 factual allegations in the PAGA Letter Plaintiff Jimmy Quevedo served via certified mail on the  
23 California Labor and Workforce Development Agency and Defendant on February 21, 2024, arising  
24 during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004,  
25 California Labor Code Sections 2698 *et seq.*, including all claims for attorneys’ fees and costs related  
26 thereto, for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal  
27 and rest periods and associated premium payments, timely pay wages during employment and upon  
28 termination, provide complaint wage statements, maintain complete and accurate payroll records, and

1 reimburse necessary business-related expenses in violation of California Labor Code Sections 201,  
2 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and  
3 Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 5-2001.

4 gg. “Released Parties” means Defendant and its current and former officers,  
5 directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and  
6 assigns.

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

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

23 jj. “Settlement Administrator” means Apex Class Action, LLC, who the Parties  
24 and their counsel have jointly agreed to serve as the Settlement Administrator. The Parties have  
25 verified that as a condition of appointment, Apex Class Action, LLC agrees to be bound by this  
26 Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for  
27 payment of Administration Expenses. The Parties and their counsel each represent that they do not  
28 have any financial interest in the Settlement Administrator or otherwise have a relationship with the

1 Settlement Administrator that could create a conflict of interest. Plaintiffs agree that it will secure  
2 prior to filing for Preliminary Approval a signed declaration from the Settlement Administrator  
3 attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to  
4 serve; competency; operative procedures for protecting the security of Class Data; amounts of  
5 insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to  
6 any actual or potential conflicts of interest with Class Members; and the nature and extent of any  
7 financial relationship with Plaintiffs, Class Counsel or Defendant’s Counsel.

8 kk. “Settlement Administration Costs” means the costs payable from the Gross  
9 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in  
10 Paragraph 15.

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

13 mm. “Workweeks” means the number of weeks each Class Member worked for  
14 Defendant as an hourly-paid or non-exempt employee in California during the Class Period.  
15 Workweeks will be calculated by the Settlement Administrator.

16 nn. “Workweeks Dispute” means a letter submitted by a Class Member disputing  
17 the number of Workweeks and/or PAGA Workweeks to which they have been credited, which must:  
18 (a) contain the case name and number of the Actions; (b) contain the Class Member’s full name,  
19 signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security  
20 number; (c) clearly state that the Class Member disputes the number of Workweeks and/or PAGA  
21 Workweeks credited to the Class Member and what the Class Member contends is the correct number;  
22 and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or  
23 before the Response Deadline.

24 **CLASS CERTIFICATION**

25 10. For the purposes of this Settlement only, the Parties stipulate to the certification of the  
26 Class.

27 11. The Parties agree that certification for the purpose of settlement is not an admission  
28 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for

1 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as  
2 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not  
3 be admissible in connection with, the issue of whether or not certification would be inappropriate in a  
4 non-settlement context.

### 5 **TERMS OF THE AGREEMENT**

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

8 12. **Attorneys' Fees and Costs.** Defendant agrees not to oppose or impede any application  
9 or motion by Class Counsel for attorneys' fees in the amount up to one-third (33.33%) of the Gross  
10 Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00) and  
11 reimbursement of actual costs and expenses associated with Class Counsels' litigation and settlement  
12 of the Actions, in an amount not to exceed twenty-five thousand and five hundred dollars and zero  
13 cents (\$25,500.00), both of which will be paid from the Gross Settlement Amount. These amounts  
14 will cover any and all work performed and any and all costs incurred by Class Counsel in connection  
15 with the litigation of the Actions, including without limitation all work performed and costs incurred  
16 to date, and all work to be performed and all costs to be incurred in connection with obtaining the  
17 Court's approval of this Settlement Agreement, including any objections raised and any appeals  
18 necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly  
19 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.  
20 The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees  
21 and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court  
22 to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement  
23 Class Members.

24 13. **Enhancement Payments.** Defendant agrees not to oppose or impede any application or  
25 motion by Plaintiffs for an Enhancement Payments in the amount up to seven thousand and five  
26 hundred dollars and zero cents (\$7,500) for each individual plaintiff. The Enhancement Payments,  
27 which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition  
28 to their Individual Settlement Payment as a Settlement Class Member and Individual PAGA Payment

1 as a PAGA Employee. Plaintiffs shall be solely and legally responsible for correctly characterizing  
2 this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement  
3 Administrator shall issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments. Any portion  
4 of the requested Enhancement Payments that is not awarded by the Court to Plaintiffs shall be  
5 reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

6 14. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of  
7 one hundred and thirty-five thousand dollars and zero cents (\$135,000.00) shall be allocated from the  
8 Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor  
9 Code Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or  
10 \$101,250.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or  
11 \$33,750.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata*  
12 basis, based on the total number of PAGA Workweeks worked by each PAGA Employee during the  
13 PAGA Period (i.e., the Individual PAGA Payments).

14 15. Settlement Administration Costs. The Settlement Administrator will be paid for the  
15 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,  
16 which is currently not to exceed fourteen thousand dollars and zero cents (\$14,000.00). These costs,  
17 which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter*  
18 *alia*, translating the Class Notice to Spanish and Tagalog, printing, distributing, and tracking Class  
19 Notices and other documents for the Settlement, calculating and distributing payments due under the  
20 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,  
21 and remittances, providing necessary reports and declarations, and other duties and responsibilities set  
22 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual  
23 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess  
24 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any  
25 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not  
26 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement  
27 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the  
28 Settlement Class Members.

1           16.   Escalator Clause. Defendant has represented that the Class Members worked  
2 approximately 55,000 Workweeks during the Class Period. If it is determined by the Settlement  
3 Administrator that the total number of Workweeks worked by the Class Members during the Class  
4 Period actually exceeds 55,000 by more than 10% (i.e., by more than 60,500 Workweeks), then the  
5 Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the  
6 number of Workweeks worked by the Class Members above 10%. For example, if the number of  
7 Workweeks increases by 11% to 61,050 Workweeks, then the Gross Settlement Amount will increase  
8 by 1%.

9           17.   Individual Settlement Share Calculations. Individual Settlement Shares will be  
10 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of  
11 Workweeks, as follows:

12                   a.    After Preliminary Approval, the Settlement Administrator will divide the Net  
13 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek  
14 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value  
15 to yield each Class Member's estimated Individual Settlement Share that each Class Member may be  
16 entitled to receive under the Class Settlement.

17                   b.    After Final Approval, the Settlement Administrator will divide the final Net  
18 Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek  
19 Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek  
20 Value to each Settlement Class Member's final Individual Settlement Share.

21           18.   Individual PAGA Payment Calculations. Individual PAGA Payments will be  
22 calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees'  
23 number of PAGA Workweeks, as follows: The Settlement Administrator will divide the PAGA  
24 Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA  
25 Employees to yield the "PAGA Workweek Value," and multiply each PAGA Employee's individual  
26 PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee's Individual  
27 PAGA Payment.

28           19.   Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each

1 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty  
2 percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be  
3 reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages  
4 will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement  
5 Administrator will withhold the employee's share of taxes and withholdings with respect to the wages  
6 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their  
7 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes  
8 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross  
9 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)  
10 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

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

17 21. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not  
18 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or  
19 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement  
20 Class Members, and PAGA Employees are not relying on any statement, representation, or calculation  
21 by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs, Settlement  
22 Class Members, and PAGA Employees understand and agree that Plaintiffs, Settlement Class  
23 Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties  
24 assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement Class  
25 Members, and PAGA Employees should consult with their tax advisors concerning the tax  
26 consequences of any payment they receive under the Settlement.

27 22. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT  
28 (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY

1 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN  
2 “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS  
3 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE  
4 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS  
5 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE  
6 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE  
7 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART  
8 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY  
9 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE  
10 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)  
11 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE  
12 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY  
13 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR  
14 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY  
15 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO  
16 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT  
17 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISOR’S TAX  
18 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)  
19 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR  
20 TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION  
21 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

22       23.     Settlement Awards Do Not Trigger Additional Benefits. All payments made under the  
23 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually  
24 are issued to the payee. It is expressly understood and agreed that payments made under this  
25 Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or any PAGA Employee  
26 to additional compensation or benefits under any new or additional compensation or benefits, or any  
27 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period,  
28 nor will it entitle Plaintiffs, Settlement Class Members, or any PAGA Employee to any increased

1 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding  
2 any contrary language or agreement in any benefit or compensation plan document that might have  
3 been in effect during the Class Period).

4 24. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

5 Upon execution of this Settlement Agreement, Plaintiffs will obtain a hearing date from the Court for  
6 Plaintiffs' motion for preliminary approval of the Settlement, which Plaintiffs and Class Counsel will  
7 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said  
8 motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion  
9 before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval  
10 of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiffs will  
11 apply for the entry of the Preliminary Approval Order seeking the following:

- 12 a. Conditionally certifying the Class for settlement purposes only;
- 13 b. Granting Preliminary Approval of the Settlement;
- 14 c. Preliminarily appointing Plaintiffs as the representatives of the Class;
- 15 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 16 e. Approving as to form and content, the mutually-agreed upon and proposed

17 Class Notice and directing its mailing by First Class U.S. Mail;

- 18 f. Approving the manner and method for Class Members to request exclusion  
19 from or object to the Class Settlement as contained herein and within the Class Notice;

- 20 g. Scheduling a Final Approval Hearing at which the Court will determine whether  
21 Final Approval of the Settlement should be granted.

22 25. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),  
23 Class Counsel shall notify the LWDA of the Settlement upon filing the motion for preliminary  
24 approval of the Settlement.

25 26. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,  
26 Defendant will provide the Class List to the Settlement Administrator.

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

- 28 a. Within seven (7) calendar days after receiving the Class List from Defendant,

1 the Settlement Administrator will perform a search based on the National Change of Address Database  
2 or any other similar services available, such as provided by Experian, for information to update and  
3 correct for any known or identifiable address changes, and will mail a Class Notice in English,  
4 Spanish, and Tagalog (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class  
5 Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the  
6 Settlement Administrator.

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

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

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

1 Workweeks and/or PAGA Workweeks that the disputing Class Member should be credited with under  
2 the Settlement. The Settlement Administrator's decision on such disputes will be final and non-  
3 appealable.

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

23 30. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class  
24 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by  
25 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing  
26 envelope will be the exclusive means to determine whether a Notice of Objection has been timely  
27 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's  
28 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely

1 and complete and which were not), and also attach them to a declaration that is to be filed with the  
2 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel  
3 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or  
4 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or  
5 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of  
6 whether they have submitted a Notice of Objection.

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

16       32.     Defendant's Right to Rescind. If more than ten percent (10%) of the Class Members  
17 submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement  
18 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class  
19 Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of  
20 the number of Class Members who have submitted timely and valid Requests for Exclusion following  
21 the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement  
22 administration owed to the Settlement Administrator incurred up to that date.

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

26       34.     Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After  
27 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final  
28 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)

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

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

17 35. Funding of the Gross Settlement Amount. After the Effective Date, Defendant will  
18 deposit the Gross Settlement Amount into a Qualified Settlement Fund (“QSF”) within the meaning  
19 of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator.  
20 The earliest date that Defendant will deposit the Gross Settlement Amount is September 4, 2025. If  
21 the Effective Date is on or after September 4, 2025, Defendant will deposit the Gross Settlement  
22 Amount no later than five (5) business days after the Effective Date. Defendant shall provide all  
23 information necessary for the Settlement Administrator to calculate necessary payroll taxes including  
24 its official name, 8-digit state unemployment insurance tax ID number, and other information  
25 requested by the Settlement Administrator, no later than five (5) business days after the Effective Date.

26 36. Distribution of the Gross Settlement Amount. Within five (5) business days of the  
27 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual  
28 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,  
LWDA Payment to the LWDA, Enhancement Payments to Plaintiffs, Attorneys’ Fees and Costs to

1 Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also  
2 set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and  
3 timely forward these to the appropriate government authorities.

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

26 38. Class Settlement Release. Upon the full funding of the Gross Settlement Amount,  
27 Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released,  
28 settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

1           39.    PAGA Settlement Release. Upon the full funding of the Gross Settlement Amount,  
2 Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will  
3 be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and  
4 discharged the Released Parties of all Released PAGA Claims.

5           40.    Plaintiffs' General Release. Upon the full funding of the Gross Settlement Amount,  
6 Plaintiffs, individually and on their own behalf, will be deemed to have fully, finally, and forever  
7 released, settled, compromised, relinquished, and discharged the Released Parties from any and all  
8 claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages,  
9 or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected,  
10 asserted or unasserted, which Plaintiffs, at any time of execution of this Settlement Agreement, had or  
11 claimed to have or may have, including but not limited to any and all claims arising out of, relating to,  
12 or resulting from their employment and/or separation of employment with the Released Parties,  
13 including any claims arising under any federal, state, or local law, statute, ordinance, rule, or regulation  
14 or Executive Order relating to employment, including, but in no way limited to, any claim under Title  
15 VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 1981; the Americans with Disabilities  
16 Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act; the California  
17 Family Rights Act; the California Fair Employment and Housing Act; all claims for wages or penalties  
18 under the Fair Labor Standards Act; all claims for wages or penalties under the California Labor Code;  
19 Business and Professions Code sections 17200 *et seq.*; all laws relating to violation of public policy,  
20 retaliation, or interference with legal rights; any and all other employment or discrimination laws;  
21 whistleblower claims; any tort, fraud, or constitutional claims; and any breach of contract claims or  
22 claims of promissory estoppel. It is agreed that this is a general release and is to be broadly construed  
23 as a release of all claims, provided that, notwithstanding the foregoing, this Paragraph expressly does  
24 not include a release of any claims that cannot be released hereunder by law. Plaintiffs understand  
25 and expressly agrees that this Settlement Agreement extends to claims that they have against  
26 Defendant, of whatever nature and kind, known or unknown, suspected or unsuspected, vested or  
27 contingent, past, present, or future, arising from or attributable to an incident or event, occurring in  
28 whole or in part, on or before the execution of this Settlement Agreement. Any and all rights granted

1 under any state or federal law or regulation limiting the effect of this Settlement Agreement, including  
2 the provisions of Section 1542 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED.

3 Section 1542 of the California Civil Code reads as follows:

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

9 41. Final Approval Order and Judgment. The Parties shall provide the Settlement  
10 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,  
11 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for  
12 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the  
13 Class will be required.

14 42. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the  
15 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and  
16 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the  
17 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,  
18 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this  
19 Settlement Agreement. In the event that one or more of the Parties institutes any legal action or other  
20 proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare  
21 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to  
22 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert  
23 witness fees incurred in connection with any enforcement actions.

24 43. Effects of Termination or Rescission of Settlement. Termination or rescission of the  
25 Settlement Agreement shall have the following effects:

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

28 b. In the event the Settlement Agreement is terminated, Defendant shall have no

1 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating  
2 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement  
3 Administrator is notified that the Settlement has been terminated;

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

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

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

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

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

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

23 46. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the  
24 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all  
25 prior or contemporaneous agreements, understandings, representations, and statements, whether oral  
26 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or  
27 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties  
28 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),  
which provide that a written agreement is to be construed according to its terms and may not be varied

1 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written  
2 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

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

7 48. Amendment or Modification. Prior to the filing of the motion for preliminary approval  
8 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement  
9 except by written agreement signed by counsel for all Parties. After the filing of the motion for  
10 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this  
11 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject  
12 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not  
13 constitute a waiver of any other provision.

14 49. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and  
15 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement  
16 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant  
17 to this Settlement Agreement to effectuate its terms and to execute any other documents required to  
18 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have  
19 full authority to enter into this Settlement Agreement, and further intend that this Settlement  
20 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible  
21 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation  
22 confidentiality provisions that otherwise might apply under state or federal law.

23 50. Signatories. It is agreed that because the members of the Class are so numerous, it is  
24 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this  
25 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the  
26 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement  
27 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have  
28 the same force and effect as if this Settlement Agreement were executed by each Settlement Class  
Member and PAGA Employee.

51. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,

1 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

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

8 54. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this  
9 Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived  
10 at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking  
11 into account all relevant factors, present and potential. The Parties further acknowledge that they are  
12 each represented by competent counsel and that they have had an opportunity to consult with their  
13 counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if  
14 necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the  
15 Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the  
16 Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

17 55. Invalidity of Any Provision. Before declaring any provision of this Settlement  
18 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent  
19 possible consistent with applicable precedents so as to define all provisions of this Settlement  
20 Agreement valid and enforceable.

21 56. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by  
22 signing this Settlement Agreement, are hereby bound by the terms herein and agrees to fully cooperate  
23 to implement the Settlement.

24 57. Non-Admission of Liability. The Parties enter into this Settlement Agreement to  
25 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of  
26 continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and  
27 specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines  
28 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;

1 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;  
2 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement  
3 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be  
4 construed as an admission or concession by Defendant of any such violations or failures to comply  
5 with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement  
6 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received  
7 as evidence in any action or proceeding to establish any liability or admission on the part of Defendant  
8 or to establish the existence of any condition constituting a violation of, or a non-compliance with,  
9 federal, state, local or other applicable law.

10 58. Captions. The captions and paragraph numbers in this Settlement Agreement are  
11 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or  
12 intent of the provisions of this Settlement Agreement.

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

19 60. Representation By Counsel. The Parties acknowledge that they have been represented  
20 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and  
21 that this Settlement Agreement has been executed with the consent and advice of counsel, and  
22 reviewed in full.

23 61. All Terms Subject to Final Court Approval. All amounts and procedures described in  
24 this Settlement Agreement herein will be subject to final Court approval.

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







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

3 **IT IS SO AGREED.**

4 **PLAINTIFF BRITTNI AGHEDO**

5  
6 Dated: \_\_\_\_\_

\_\_\_\_\_  
Brittni Aghedo

7 **PLAINTIFF IEASHA PETERS**

8  
9 Dated: \_\_\_\_\_

\_\_\_\_\_  
Ieasha Peters

10  
11 **PLAINTIFF JIMMY QUEVEDO**

12  
13 Dated: Nov 22, 2024  
14 \_\_\_\_\_

\_\_\_\_\_  
  
Jimmy Quevedo (Nov 22, 2024 10:49 PST)  
Jimmy Quevedo

15  
16 **DEFENDANT VILLA ESPERANZA**  
17 **SERVICES**

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

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

Title: \_\_\_\_\_  
On behalf of Villa Esperanza Services

19  
20  
21 **APPROVED AS TO FORM ONLY:**

22 **BLACKSTONE LAW, APC**

23  
24  
25 Dated: \_\_\_\_\_

\_\_\_\_\_  
Karen I. Gold  
*Attorneys for Plaintiffs Brittni Aghedo & Ieasha  
Peters and Proposed Class Counsel*

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

3 **IT IS SO AGREED.**

4 **PLAINTIFF BRITJNI AGHEDO**

5  
6 Dated: \_\_\_\_\_

\_\_\_\_\_  
Brittjni Aghedo

7 **PLAINTIFF IEASHA PETERS**

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

\_\_\_\_\_  
Ieasha Peters

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11 **PLAINTIFF JIMMY QUEVEDO**

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

\_\_\_\_\_  
Jimmy Quevedo

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15  
16 **DEFENDANT VILLA ESPERANZA**  
17 **SERVICES**

18 Dated: 11/18/24

  
\_\_\_\_\_

Full Name: Vicky Castillo

Title: Chief Financial Officer  
On behalf of Villa Esperanza Services

19  
20  
21 **APPROVED AS TO FORM ONLY:**

22  
23 **BLACKSTONE LAW, APC**

24  
25 Dated: \_\_\_\_\_

\_\_\_\_\_  
Karen I. Gold  
*Attorneys for Plaintiffs Brittjni Aghedo & Ieasha  
Peters and Proposed Class Counsel*

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**HAINES LAW GROUP, APC**



Dated: November 22, 2024

Paul K. Haines  
*Attorneys for* Plaintiff Jimmy Quevedo  
and Proposed Class Counsel

**BERGER KAHN**

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

\_\_\_\_\_  
Erin Ezra  
*Attorneys for* Defendant Villa Esperanza  
Services

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**HAINES LAW GROUP, APC**

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

\_\_\_\_\_  
Paul K. Haines  
*Attorneys for Plaintiff Jimmy Quevedo  
and Proposed Class Counsel*

**BERGER KAHN**

Dated: 11/19/24

  
\_\_\_\_\_  
Erin Ezra  
*Attorneys for Defendant Villa Esperanza  
Services*

# **EXHIBIT A**

**NOTICE OF CLASS ACTION & REPRESENTATIVE ACTION SETTLEMENT**

*Brittini Aghedo et al. v. Villa Esperanza Services; Jimmy Quevedo v. Villa Esperanza Services*

Superior Court of California for the County of Los Angeles, Case Nos. 23STCV27362; 24STCV04374

**PLEASE READ THIS CLASS NOTICE CAREFULLY.**

**You have received this Class Notice because Defendant’s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.**

**You do not need to take any action to receive a settlement payment.**

**This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.**

**YOU ARE NOTIFIED THAT:** A class and representative action settlement has been reached between plaintiff Brittini Aghedo, plaintiff Ieasha Peters, and plaintiff Jimmy Quevedo (“Plaintiffs” and Defendant Villa Esperanza Services (“Defendant”) (Plaintiffs and Defendant are collectively referred to as the “Parties”) in the cases titled *Brittini Aghedo et al. v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 24STCV04374 (collectively “Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

**I. IMPORTANT DEFINITIONS**

“**Class**” or “**Class Member**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant within the State of California at any time during the Class Period.

“**Class Period**” means the period from November 6, 2019, through December 3, 2024.

“**Class Settlement**” means the settlement and resolution of all Released Class Claims.

“**PAGA Employees**” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period.

“**PAGA Period**” means the period from February 21, 2023, through December 3, 2024.

“**PAGA Settlement**” means the settlement and resolution of all Released PAGA Claims.

**II. BACKGROUND OF THE ACTION**

On November 6, 2023, plaintiff Brittini Aghedo and plaintiff Ieasha Peters commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Los Angeles County Superior Court, Case No. 23STCV27362 (“Aghedo Complaint”).

On February 21, 2024, plaintiff Jimmy Quevedo provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code that he contends were violated (“PAGA Letter”). On February 21, 2023, plaintiff Jimmy Quevedo commenced a putative class action lawsuit by filing a Class Action Complaint in the Los Angeles County Superior Court, Case No. 24STCV04374. On April 29, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint (“Quevedo Complaint” collectively with Aghedo Complaint “Operative Complaint”), adding a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* (“PAGA”).

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages upon termination of employment and associated waiting-time penalties,

provide accurate wage statements, and reimburse business expenses, 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. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Actions or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action, LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiffs as representatives of the Class ("Class Representatives"), and the following Plaintiffs' attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish  
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If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Actions have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

### **III. SUMMARY OF THE PROPOSED SETTLEMENT**

#### **A. Settlement Formula**

The total gross settlement amount is one million three hundred and fifty thousand dollars and zero cents (\$1,350,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed one-third of the Gross Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed twenty-five thousand and five hundred dollars and zero cents (\$25,500.00) to Class Counsel; (2) Enhancement Payments in an amount not to exceed seven thousand and five hundred dollars and zero cents (\$7,500.00) to each plaintiff for their services in the Actions; (3) the amount of one hundred and thirty-five thousand dollars and zero cents (\$135,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$101,250.00) (“LWDA Payment”) and the remaining 25% (\$33,750.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed [REDACTED] (\$ [REDACTED]) to the Settlement Administrator.

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 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 (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). 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 (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on means the number of weeks each PAGA Employee worked for Defendant as an hourly-paid or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Employees to yield the “PAGA Workweek Value,” and multiplied each PAGA Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee’s Individual PAGA Payment.

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

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

#### **B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendant’s Records**

According to Defendant’s records:

- From [REDACTED] through [REDACTED] (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.

- From [REDACTED] through [REDACTED] (i.e., the PAGA Period), you are credited as having worked [REDACTED] 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”). The Workweeks Dispute must: (a) contain the case name and number of the Actions (*Brittini Aghedo et al. v. Villa Esperanza Services*, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Case No. 24STCV04374); (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 listed in Section IV.B below, postmarked **on or before** [Response Deadline].

### **C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)**

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

**Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. 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.**

**Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

### **D. Release of Claims**

Upon the full funding of the Gross Settlement Amount, 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 full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees 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 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 and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, and all claims for attorneys’ fees and costs and statutory interest in connection therewith, 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 claims arising from any of the factual allegations in the PAGA Letter, 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 and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide complaint wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 16-2001.

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

**E. Attorneys’ Fees and Costs to Class Counsel**

Class Counsel will seek attorneys’ fees in an amount not to exceed one-third (33.33%) of the Gross Settlement Amount (i.e., \$449,955.00 if the Gross Settlement Amount is \$1,350,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed twenty-five thousand and five hundred dollars and zero cents (\$25,500.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

**F. Enhancement Payments to Plaintiffs**

Plaintiffs will seek the amount of twenty-two thousand five hundred dollars and zero cents (\$22,500.00) (“Enhancement Payments”), to be split equally between Plaintiffs in recognition of their services in connection with the Actions. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to their Individual Settlement Payment and Individual PAGA Payment that they are entitled to under the Settlement.

**G. Settlement Administration Costs to Settlement Administrator**

Payment to the Settlement Administrator is estimated not to exceed fourteen thousand dollars and zero cents (\$14,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

**IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?**

**A. Participate in the Settlement**

**If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything.** You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

**B. Request Exclusion from the Class Settlement**

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Actions (*Brittini Aghedo et al. v. Villa Esperanza Services*, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Case No. 24STCV04374); (b) contain your full name, signature, address, telephone number, and 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 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 III.D above), 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 III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

### **C. 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”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Actions (*Brittini Aghedo et al. v. Villa Esperanza Services*, Case No. 23STCV27362 and *Jimmy Quevedo v. Villa Esperanza Services*, Case No. 24STCV04374); (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 IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

### **V. FINAL APPROVAL HEARING**

The Court will hold a Final Approval Hearing in Department 012 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California, 90012 on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will 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 Aggrieved Employees. It is not necessary for you to appear at the Final Approval 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/lacceligibility/ui/civil.aspx?casetype=ci>.

### **VI. ADDITIONAL INFORMATION**

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court. You may view the Settlement Agreement and other documents filed in the Action by for a fee by making an appointment in advance and visiting the civil clerk’s office during business hours, located at the Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California 90012, or by online by visiting the following website: <https://www.lacourt.org/casesummary/ui/>

You may also visit the Settlement Administrator’s website at [website link] for more information and documents relating to the Settlement

**PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.**

**IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**