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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

VICTOR M. GARCIA, individually and on behalf of others similarly situated, and as an aggrieved employee and Private Attorney General,

Plaintiff,

vs.

LOS HERMANOS MEXICAN FOODS, INC. DBA LOS TRES HERMANOS, a California corporation; G & R FAMILY ENTERPRISES, INC., a California corporation; PRESIDENTE, a business entity of unknown nature; GRACIANA BODEGA, LLC, a California limited liability company; GRACIANA TAMALE FACTORY, a business entity of unknown nature; GRACIANA, LLC DBA GRACIANA TORTILLA FACTORY, a California limited liability company; and DOES 1 through 50, inclusive;

Defendants.

Case No.: 23STCV17241

Assigned for All Purposes to: Hon. Elihu M. Berle, Dept. 6

AMENDED JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

Complaint Filed: July 24, 2023
FAC Filed: January 9, 2025
Trial Date: None Set

1 (\$40,000.00), subject to Court approval. Defendants have agreed not to oppose Class Counsel's
2 request for fees and reimbursement of reasonable costs and expenses in the amount set forth above.

3 5. "Class List" means a complete list of all Class Members that Defendants will in
4 good faith compile from their records and provide to the Settlement Administrator within fourteen
5 (14) calendar days after the Court enters an Order granting Preliminary Approval of this
6 Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and
7 will include Class Member's: (1) full name; (2) last known home address; (3) last known telephone
8 number; (4) social security number; (5) dates of employment (i.e., hire dates, and, if applicable,
9 re-hire date(s) and/or separation date(s)); (6) total Workweeks during the Class Period; (7) total
10 Pay Periods during the PAGA Period; and (8) any other reasonable information required by the
11 Settlement Administrator in order to effectuate the terms of the Settlement. This is a material term
12 of the Settlement, and if Defendants fail to comply, Plaintiff shall have the right to void the
13 Settlement.

14 6. "Class" or "Class Members" means all current and former non-exempt employees
15 of Defendants who worked in the State of California at any time during the Class Period.

16 7. Class Period means the Los Hermanos Class Period and the Graciana Class Period.

17 8. "Los Hermanos Class Period" means the period commencing on July 24, 2019, and
18 ending on January 4, 2025.

19 9. "Graciana Class Period" means the period commencing on September 25, 2019,
20 and ending on March 30, 2025.

21 10. "Class Representative" means Plaintiff Victor M. Garcia in his capacity as a
22 representative of the Class Members.

23 11. "Class Representative Enhancement Payment" means the amount that the Court
24 authorizes to be paid to Plaintiff in addition to his Individual Settlement Payment, in recognition
25 of the effort and risk he has taken in assisting with the prosecution of the Action and in exchange
26 for a General Release of his claims as provided herein.

27 12. "Court" means the Superior Court of the State of California for the County of Los
28 Angeles.

1 13. “Defendants” means Los Hermanos Mexican Foods, Inc., and Graciana, LLC, and
2 their past, present, and/or future, direct and/or indirect officers, directors, members, managers,
3 agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent
4 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

5 14. “Effective Date” means the later of the following: (a) if no timely objections are
6 filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b)
7 if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being
8 filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal
9 in a way that does not alter the terms of the settlement.

10 15. “Employer Taxes” means employer-funded taxes and contributions imposed on the
11 wage portions of the Individual Settlement Payments under the Federal Insurance Contributions
12 Act (FICA), the Federal Unemployment Tax Act (FUTA), and any similar state and federal taxes
13 and contributions required of employers, such as unemployment insurance.

14 16. “Final Approval” means the date of final affirmation of the Court’s signed Order
15 and Judgment granting final approval of this Settlement.

16 17. “General Release” means the broader release of all claims by Plaintiff in the Action,
17 which is in addition to Plaintiff’s release of claims as a Participating Class Member.

18 18. Gross Settlement Amount” means the sum of Eight Hundred Eighty Thousand
19 Dollars and Zero Cents (\$880,000.00), which shall be paid by Defendants in two payments into a
20 Qualified Settlement Fund (QSF). The first payment shall be in the amount of 50% of the Gross
21 Settlement Amount (\$440,000.00) and shall be paid within 60 days after the Court enters Final
22 Approval of the Settlement or within one year of November 1, 2024, whichever is later. The second
23 payment shall be in the amount of 50% of the Gross Settlement Amount (\$440,000.00) plus the
24 employer’s share of payroll taxes and shall be paid six (6) months after the Court enters Final
25 Approval of the Settlement or by May 1, 2026, whichever is later. The Gross Settlement Amount
26 is non-reversionary, no portion of the Gross Settlement Amount will return to Defendants, and it
27 includes: (1) payments to the Class, (2) Class Counsel’s fees, (3) Class Counsel’s costs, (4)
28 Settlement Administration Costs, (5) the Class Representative Enhancement Payment to Plaintiff,

1 and (6) the PAGA Payment to the LWDA and PAGA Members. The Gross Settlement Amount is
 2 exclusive of the employer’s share of any applicable payroll taxes, which shall be paid by
 3 Defendants separately and in addition to the Gross Settlement Amount. The Gross Settlement
 4 Amount plus any applicable employer-side payroll taxes shall be the maximum amount that
 5 Defendants are required to pay under the Settlement. In the event that the consideration due under
 6 this Agreement is not paid, the Settlement is voidable at the option of Plaintiff. Payment shall be
 7 made per the terms of this Agreement. If the Agreement is voided, then the time for Plaintiff to
 8 bring class and/or aggrieved employee claims will be tolled from the date this Agreement is fully
 9 executed.

10 19. “Individual Settlement Payment” means the amount payable from the Net
 11 Settlement Amount to each Participating Class Member and any payment a PAGA Member is
 12 eligible to receive from the employee portion of the PAGA Payment. Individual Settlement
 13 Payments shall be paid by a Settlement Check made payable to Participating Class Members and/or
 14 PAGA Members.

15 20. “Net Settlement Amount” means the funds available for payments to the Class,
 16 which shall be amount remaining after the following amounts are deducted from the Gross
 17 Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement
 18 Administration Costs, (4) Class Representative Enhancement Payment to Plaintiff; and (5) the
 19 PAGA Payment to the LWDA and PAGA Members.

20 21. “Notice” means the Notice of Class Action Settlement in a form substantially
 21 similar to the form attached hereto as **Exhibit A**, in both English and Spanish, that will be mailed
 22 to Class Members’ last known addresses, and which will provide Class Members with information
 23 regarding the Action and information regarding the settlement of the Action.

24 22. “PAGA” means the California Labor Code Private Attorneys General Act of 2004
 25 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”).

26 23. “PAGA Payment” means the payment to the State of California Labor and
 27 Workforce Development Agency (“LWDA”) for its seventy-five percent (75%) share of the total
 28 amount allocated toward penalties under the PAGA and payments to the PAGA Members of their

1 twenty-five percent (25%) share of the total amount allocated toward penalties under the PAGA,
2 all of which are to be paid from the Gross Settlement Amount. Sixty Thousand Dollars and Zero
3 Cents (\$60,000.00) of the Gross Settlement Amount will be allocated toward penalties under
4 PAGA, of which Forty-Five Thousand Dollars and Zero Cents (\$45,000.00) will be paid to the
5 LWDA and Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be distributed to PAGA
6 Members on a pro rata basis based on Pay Periods worked by the PAGA Members during the
7 PAGA Period. PAGA Members will receive payment from the employee portion of the PAGA
8 Payment and will be deemed to have released any claims arising out of PAGA regardless of their
9 decision to participate in the class action if the PAGA Payment is approved by the Court.

10 24. "PAGA Period" means the period commencing on July 21, 2022, and ending on
11 January 4, 2025.

12 25. "PAGA Members" means all current and former non-exempt employees of
13 Defendants who worked in the State of California during the PAGA Period.

14 26. "Parties" means Plaintiff and Defendants, collectively, and "Party" shall mean
15 either Plaintiff or Defendants, individually.

16 27. "Participating Class Members" means all Class Members who do not submit valid
17 and timely Requests for Exclusion. No claim form is required for a Class Member to become a
18 Participating Class Member.

19 28. "Plaintiff" means Victor M. Garcia.

20 29. "Preliminary Approval" means the Court order granting preliminary approval of
21 the Settlement Agreement.

22 30. "Objection" means a Class Member's valid and timely written objection to the
23 Settlement Agreement. For a written Objection to be valid, it must be submitted by the Response
24 Deadline and include: (a) the objector's full name, signature, address, telephone number, the
25 approximate dates of employment at Defendants' in California, last four digits of the Class
26 Member's social security number or employee ID number; (b) the case name and number; (c) a
27 written statement of all grounds for the objection accompanied by legal support, if any, for such
28 objection; (d) copies of any papers, briefs, or other documents upon which the objection is based,

1 if any; and (e) a statement describing whether the objector intends to appear at the Final Approval
2 Hearing, either in person or through counsel at the Class Member's expense.

3 31. "Released Class Claims" means all claims, rights, demands, liabilities, and causes
4 of action that were or could have been alleged in the Operative Complaint that arose during the
5 Class Period, including without limitation with respect to the following claims: (i) failure to pay
6 overtime wages; (ii) failure to provide compliant meal periods; (iii) failure to authorize or permit
7 compliant rest periods; (iv) failure to pay minimum wage; (v) failure to timely pay wages during
8 employment and final wages; (vi) failure to provide complete and accurate wage statements; (vii)
9 failure to keep complete and accurate payroll records; (viii) failure to reimburse necessary
10 business-related expenses; (ix) all claims under California Business & Professions Code § 17200
11 for unfair business practices that could have been premised on the facts, claims, causes of action,
12 or legal theories described above; and (x) violation of the California Industrial Wage Orders that
13 could have been premised on the facts, claims, causes of action, or legal theories described above,
14 as well as any potential penalties, interest, or attorneys' fees associated with all such causes of
15 action under California law. This release includes any and all statutes listed in the operative
16 complaint pertaining to claims against Defendants. This release shall apply to claims arising during
17 the Class Period.

18 32. "Released PAGA Claims" means all claims under the California Labor Code
19 Private Attorneys General Act of 2004 for civil penalties that could have been premised on the
20 facts alleged both in Plaintiff's July 21, 2023 PAGA Letter to the LWDA and in the operative
21 complaint including but not limited to penalties that could have been awarded pursuant to Labor
22 Code sections 210, 226.3, 1197.1, 558, and 2699.

23 33. "Released Parties" means Defendants Los Hermanos Mexican Foods, Inc., and
24 Graciana, LLC as named by Plaintiff in the operative complaint, and their past, present and/or
25 future, direct and/or indirect, officers, directors, members, managers, agents, representatives,
26 attorneys, insurers, partners, investors, shareholders, administrators, parent companies,
27 subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

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1 34. “Request for Exclusion” means a valid and timely written statement submitted by
2 a Class Member requesting to be excluded from the Action. To be effective, the Request for
3 Exclusion must be submitted by the Response Deadline and contain (a) the Class Member’s name,
4 signature, address, telephone number, dates of employment at Defendants’ in California, and the
5 last four digits of the Class Member’s Social Security number and/or the Employee ID number (b)
6 the case name and number; and (c) a clear statement requesting to be excluded from the settlement
7 of the class claims similar to the following: “I wish to exclude myself from the class settlement
8 reached in the matter of “*Victor M. Garcia v. Los Hermanos Mexican Foods, Inc., et al.*, filed in
9 the Los Angeles County Superior Court, Case No. 23STCV17241, I understand that by excluding
10 myself, I will not receive money from the settlement of my individual claims.” To be effective,
11 the Request for Exclusion must be post-marked by the Response Deadline and received by the
12 Settlement Administrator. The Request for Exclusion shall not be effective as to the Released
13 PAGA Claims as Class Members have no right to exclude themselves (opt-out) of the PAGA
14 component of the Settlement.

15 35. “Response Deadline” shall be sixty (60) calendar days after the Settlement
16 Administrator mails the Notice to Class Members, which is the last date on which Class Members
17 may submit Requests for Exclusion, Objections to the Settlement, or Workweek/Pay Period
18 Disputes. In the event the 60th day falls on a Sunday or Federal holiday, the Response Deadline
19 will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline
20 for Requests for Exclusion or Objections will be extended fifteen (15) calendar days for any Class
21 Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a
22 Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day
23 on which the U.S. Postal Service is open. The Response Deadline may also be extended by express
24 agreement between Class Counsel and Defendants. Under no circumstances, however, will the
25 Settlement Administrator have the authority to unilaterally extend the deadline for Class Members
26 to submit a Request for Exclusion or Objection to the Settlement.

27 36. “Settlement” means the disposition of the Action pursuant to this Agreement.
28

1 41. Potential Increase to the Gross Settlement Amount: Defendants represented there
2 were approximately 5,586 Workweeks worked by 83 Class Members for Defendant Los Hermanos
3 Mexican Foods, Inc., and approximately 18,812 Workweeks worked by 258 Class Members for
4 Defendant Graciana, LLC, within the Class Period. Should the actual number of Workweeks
5 increase by more than ten percent (10%) (i.e., by more than 6,145 Workweeks and 20,693
6 Workweeks, respectively), Defendants shall increase the Gross Settlement Amount proportionally
7 by the percentage increase in Workweeks above 10%. For example, if the number of Workweeks
8 increases by 11%, the Gross Settlement Amount will increase by 1%.

9 42. Funding of the Gross Settlement Amount: Defendants will deposit the Gross
10 Settlement Amount into a Qualified Settlement Fund (“QSF”) to be established by the Settlement
11 Administrator in two payments. The first payment shall be in the amount of 50% of the Gross
12 Settlement Amount (\$440,000.00) and shall be paid within 60 days after the Court enters Final
13 Approval of the Settlement or within one year of November 1, 2024, whichever is later. The second
14 payment shall be in the amount of 50% of the Gross Settlement Amount (\$440,000.00) plus the
15 employer’s share of payroll taxes and shall be paid six (6) months after the Court enters Final
16 Approval of the Settlement or by May 1, 2026, whichever is later. Defendants shall provide all
17 information necessary for the Settlement Administrator to calculate necessary payroll taxes
18 including its official name, 8-digit state unemployment insurance tax ID number, and other
19 information requested by the Settlement Administrator, no later than seven (7) calendar days of
20 the Effective Date. This information shall be kept confidential from Plaintiff. Defendants may
21 not vary from the Court approved scheduling for the funding of the Gross Settlement Amount
22 unless the Parties agree otherwise; it is not anticipated there would be a need to alter the funding
23 date. If Defendants have an objection to the Court approved funding timeline, Defendants must
24 seek *ex parte* relief from the Court about its objection, unless Plaintiff agrees with Defendants
25 otherwise.

26 43. Distribution of the Gross Settlement Amount: After Court approval and no later
27 than seven (7) calendar days of the funding of the Settlement, the Settlement Administrator will
28 issue payments for: (a) Individual Settlement Payments; (b) the PAGA Payment to the Labor and

1 Workforce Development Agency; (c) the Class Representative Enhancement Payments; (d) Class
2 Counsel's Fees and Costs and (e) Settlement Administration Costs.

3 44. Attorneys' Fees and Costs: Defendants agree not to oppose any application or
4 motion by Class Counsel for attorneys' fees of up to Thirty-Five Percent (35%) of the Gross
5 Settlement Amount, i.e., Three Hundred Eight Thousand Dollars and No Cents (\$308,000.00), plus
6 the reimbursement of reasonable costs and expenses associated with the litigation and settlement
7 of the Action, in an amount not to exceed Forty Thousand Dollars and No Cents (\$40,000.00),
8 both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees
9 or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount
10 and distributed to Participating Class Members as provided in this Agreement.

11 45. Class Representative Enhancement Payment: Defendants agree not to oppose or
12 object to any application or motion by Plaintiff for Class Representative Enhancement Payment of
13 Ten Thousand Dollars and No Cents (\$10,000.00). The Class Representative Enhancement
14 Payment is in exchange for the General Release of the Plaintiff's individual claims and for his
15 time, effort and risk in bringing and prosecuting the Action. Any portion of the requested Class
16 Representative Enhancement Payment that is not awarded to the Class Representative shall be
17 reallocated to the Net Settlement Amount and distributed to Participating Class Members as
18 provided in this Agreement.

19 46. Settlement Administration Costs: The Settlement Administrator will be paid for the
20 reasonable costs of administration of the Settlement and distribution of payments from the Gross
21 Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall
22 not exceed Ten Thousand Dollars and No Cents (\$10,000.00).

23 47. PAGA Payment: Sixty Thousand Dollars and No Cents (\$60,000.00) shall be
24 allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the
25 PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment,
26 or Forty-Five Thousand Dollars and No Cents (\$45,000.00), to the California Labor and Workforce
27 Development Agency ("LWDA"). Fifteen Thousand Dollars and No Cents (\$15,000.00) will be
28 distributed to PAGA Members on a pro rata basis based on the total number of Pay Periods worked

1 by each PAGA Member during the PAGA Period. PAGA Members shall receive their portion of
 2 the PAGA Payment and will be deemed to have released any claims arising out of PAGA
 3 regardless of their decision to opt out of the class settlement.

4 48. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount
 5 will be used to satisfy the class portion of Participating Class Members Individual Settlement
 6 Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount
 7 is as follows:

Gross Settlement Amount	\$	880,000.00
Enhancement Payment:	\$	10,000.00
Class Counsel’s Fees:	\$	308,000.00
Class Counsel’s Costs:	\$	40,000.00
PAGA Payment	\$	60,000.00
Settlement Administration Costs:	\$	<u>10,000.00</u>
Estimated Net Settlement Amount	\$	452,000.00

15 49. Individual Settlement Payment Calculations: Individual Settlement Payments will
 16 be paid from the Net Settlement Amount that includes the 25% portion of the PAGA Payment
 17 allocated for PAGA Members and shall be paid pursuant to the formula set forth herein:

18 a) Calculation of Class Portion of Individual Settlement Payments:

19 The Settlement Administrator will calculate the total Workweeks for all Participating Class
 20 Members by adding the number of Workweeks worked by each Participating Class Member during
 21 the Class Period. The respective Workweeks for each Participating Class Member will be divided
 22 by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for
 23 each Participating Class Member. Each Participating Class Member’s Payment Ratio will then be
 24 multiplied by the Net Settlement Amount to calculate each Settlement Class Member’s estimated
 25 share of the Net Settlement Amount: (Participating Class Member’s Workweeks ÷ total
 26 Workweeks during Class Period) × Net Settlement Amount.

27 b) Calculation of PAGA Portion of Individual Settlement Payments:

28 The Settlement Administrator will calculate the total Pay Periods for all PAGA Members by

1 adding the number of Pay Periods worked by each PAGA Member during the PAGA Period. The
2 respective Pay Periods for each PAGA Member will be divided by the total Pay Periods for all
3 PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's
4 Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate
5 each PAGA Member's estimated share of the PAGA Payment:
6 $(\text{PAGA Member's Pay Periods} \div \text{Pay Periods during PAGA Period}) \times \$15,000.00$ (the employee
7 portion of the PAGA Payment). PAGA Members shall receive this portion of their Individual
8 Settlement Payment and will be deemed to have released any claims arising out of PAGA
9 regardless of whether they opt out of the participation regarding the class claims.

10 c) Allocation of Individual Settlement Payments: All Individual
11 Settlement Payments will be allocated as follows: fifteen percent (15%) of each Individual
12 Settlement Payment will be allocated as wages, forty percent (40%) shall be allocated as interest,
13 and forty-five percent (45%) shall be allocated as penalties. The portion of the Individual
14 Settlement Payment allocated to wages will be reported by the Settlement Administrator on an IRS
15 Form W-2. The remaining non-wage payments will be reported on an IRS Form 1099 by the
16 Settlement Administrator. Individual Settlement Payments shall be paid exclusively from the QSF,
17 pursuant to the settlement formula set forth herein. Also, for tax purposes, the Parties agree that
18 100% of each PAGA Member's individual PAGA payment amount shall constitute penalties, and
19 each PAGA Member will be issued an IRS Form 1099 for such payment to him or her, if required
20 by law. Neither Counsel for Plaintiff nor Defendants intend anything contained in this Agreement
21 to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied
22 upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R.
23 Part 10, as amended) or otherwise.

24 50. No Credit Toward Benefit Plans: The Individual Settlement Payments made to
25 Participating Class Members under this Settlement, as well as any other payments made pursuant
26 to this Settlement, will not modify any previously credited hours or service under any employee
27 benefit plan, policy, or bonus program sponsored by the Released Parties. Such amounts will not
28 form the basis for additional contributions to, benefits under, or any other monetary entitlement

1 under the Released Parties' sponsored benefit plans, policies, or bonus programs. The payments
2 made under the terms of this Stipulation shall not be applied retroactively, currently, or on a going
3 forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of
4 the Released Parties' benefit plans, policies, or bonus programs. The Released Parties retain the
5 right to modify the language of their benefit plans, policies and bonus programs to effectuate this
6 intent, and to make clear that any amounts paid pursuant to this Settlement are not for "hours
7 worked," "hours paid," "hours of service," or any similar measuring term as defined by applicable
8 plans, policies and bonus programs for purposes of eligibility, vesting, benefit accrual, or any other
9 purpose, and that additional contributions or benefits are not required by this Settlement.

10 51. Settlement Administration Process: The Parties agree to cooperate in the
11 administration of the Settlement and to make all reasonable efforts to control and minimize the
12 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will
13 provide the following services:

- 14 a) Establish and maintain a Qualified Settlement Fund.
- 15 b) Calculate the Individual Settlement Payment each Participating Class Member is
16 eligible to receive and the portion of the PAGA Payment each PAGA Member shall
17 receive.
- 18 c) Print and mail the Notice.
- 19 d) Conduct additional address searches for mailed Notices that are returned as
20 undeliverable.
- 21 e) Process Requests for Exclusion, field inquiries from Class Members.
- 22 f) Print and issue Settlement Payment Checks, prepare IRS W2 and 1099 Tax Forms
23 and any other filings required by any governmental taxing authority.
- 24 g) Provide declarations and/or other information to this Court as requested by the
25 Parties and/or the Court regarding the settlement administration process.
- 26 h) Provide weekly status reports to counsel for the Parties.
- 27 i) Posting a notice of final judgment online at Settlement Administrator's website.
- 28 j) Translate the Notice from English to Spanish.

1 52. Delivery of the Class List: Within fourteen (14) calendar days of Preliminary
2 Approval, Defendants will provide the Class List to the Settlement Administrator, which will be
3 kept confidential from Plaintiff and Class Counsel.

4 53. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the
5 Class List from Defendants, the Settlement Administrator will mail the Notice to all Class
6 Members via regular First-Class U.S. Mail, using the most current, known mailing addresses
7 identified in the Class List.

8 54. Confirmation of Contact Information in the Class List: Prior to mailing, the
9 Settlement Administrator will perform a search based on the National Change of Address Database
10 for information to update and correct for any known or identifiable address changes. Any Notice
11 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline
12 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto
13 and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no
14 forwarding address is provided, the Settlement Administrator will promptly attempt to determine
15 the correct address using a skip-trace, or other search using the name, address telephone number
16 and/or Social Security number of the Class Member involved and will then perform a single re-
17 mailing. If any notice sent to a Class Member by the Settlement Administrator is returned as
18 undeliverable to a current employee, then Defendants shall make all reasonable efforts to obtain
19 the current address from the Class Member and provide the same within seven (7) calendar days
20 of notice from the Settlement Administrator. Those Class Members who receive a re-mailed
21 Notice, whether by skip-trace or by request, will have between the later of (a) an additional fifteen
22 (15) calendar days or (b) the Response Deadline to postmark a Request for Exclusion, or an
23 Objection to the Settlement.

24 55. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)
25 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;
26 (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked
27 for Defendants during the Settlement Class Period; (e) each Class Member's estimated Individual
28 Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates

1 which comprise the Class Period; (g) the deadlines by which the Class Member must postmark
2 Requests for Exclusion, Objections to the Settlement, or Workweek Disputes; (h) the claims to be
3 released, as set forth herein; and (i) the date for the final approval hearing.

4 56. Disputed Information on Notice: Class Members will have an opportunity to
5 dispute the information provided in their Notice. To the extent Class Members dispute the number
6 of Workweeks with which they have been credited or the amount of their Individual Settlement
7 Payment, Class Members may produce evidence to the Settlement Administrator showing that
8 such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants'
9 records will be presumed determinative. However, if a Class Member produces evidence to the
10 contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class
11 Member and the Parties will make the final decision as to the number of eligible Workweeks that
12 should be applied and/or the Individual Settlement Payment to which the Class Member may be
13 entitled, in the event that Defendants cannot make this determination themselves. If the Parties do
14 not agree, the dispute will be submitted to the Court.

15 57. Defective Submissions: If a Class Member's Request for Exclusion is defective as
16 to the requirements listed herein, that Class Member will be given an opportunity to cure the
17 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3)
18 business days of receiving the defective submission to advise the Class Member that his or her
19 submission is defective and that the defect must be cured to render the Request for Exclusion valid.
20 The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar
21 days from the date of the cure letter, whichever date is later, to postmark a revised Request for
22 Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the
23 Settlement Administrator will have no further obligation to give notice of a need to cure. If the
24 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

25 58. Request for Exclusion Procedures: Any Class Member wishing to opt-out from the
26 Action must sign and postmark a written Request for Exclusion to the Settlement Administrator
27 by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name,
28 signature, address, telephone number, dates of employment at Defendants in California, and the

1 last four digits of the Class Member's Social Security number and/or the Employee ID number;
2 (b) the case name and number; and (c) a clear statement requesting to be excluded from the
3 settlement of the class claims similar to the following: "I wish to exclude myself from the class
4 settlement reached in the matter of *Victor M. Garcia v. Los Hermanos Mexican Foods, Inc., et al.*,
5 filed in the Los Angeles County Superior Court, Case No. 23STCV17241, I understand that by
6 excluding myself, I will not receive money from the settlement of my individual claims." The date
7 of the postmark on the return mailing envelope receipt confirmation will be the exclusive means
8 to determine whether a Request for Exclusion has been timely submitted. To be effective, the
9 Request for Exclusion must be post-marked by the Response Deadline and received by the
10 Settlement Administrator. All Requests for Exclusion will be submitted to the Settlement
11 Administrator, who will certify jointly to Class Counsel and Defendants' Counsel the Requests for
12 Exclusion that were timely submitted. All Class Members who do not request exclusion from the
13 Action will be bound by all terms of the Settlement Agreement if the Settlement is granted final
14 approval by the Court and deemed Effective under this Agreement. The Request for Exclusion
15 shall not be effective as to the release of claims arising under the Private Attorneys General Act.

16 59. Defendants' Right to Rescind: If Class Members representing more than ten percent
17 (10%) of the Class opt out of the Settlement, Defendants may, at their election, rescind the
18 Settlement Agreement, rendering all actions taken in furtherance of it null and void. Defendants
19 must give written notice to Class Counsel of their intent to rescind the Agreement within fourteen
20 (14) calendar days of the Settlement Administrator notifying the Parties of the opt-outs. If
21 Defendants exercise their right to rescind the Agreement, Defendants shall be responsible for all
22 Settlement Administration Costs incurred to the date of rescission. In such a case, the Parties and
23 any funds to be awarded under this Settlement Agreement shall be returned to their respective
24 statuses as of the date and time immediately prior to the execution of this Agreement, and the
25 Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except
26 that any fees already incurred by the Settlement Administrator shall be paid by Defendants.

27 60. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the
28 complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes,

1 any Class Member who does not affirmatively opt-out of the Settlement by submitting a timely
2 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the
3 Released Class Claims, as well as any Judgment that may be entered by the Court if it grants final
4 approval to the Settlement. Class Members who opt-out of the Settlement shall not be bound by
5 such Judgment or release. The names of Class Members who have opted-out of the settlement shall
6 be disclosed to the Counsel for both Plaintiff and Defendants and noted in the proposed Judgment
7 submitted to the Court.

8 61. Objection Procedures: To object to the Settlement, a Participating Class Member
9 must postmark a valid Objection to the Settlement Administrator on or before the Response
10 Deadline. The Objection must be signed by the Participating Class Member and contain all
11 information required by this Settlement Agreement including the employees full name, address,
12 telephone number, the last four digits of their social security number and/or Employee ID number,
13 and the specific reason including any legal grounds for the Participating Class Members objection.
14 The postmark date will be deemed the exclusive means for determining that the Notice of
15 Objection is timely. Participating Class Members who fail to object in the manner specified above
16 will be foreclosed from making a written objection, but shall still have a right to appear at the Final
17 Approval Hearing in order to have their objections heard by the Court. At no time will any of the
18 Parties or their counsel seek to solicit or otherwise encourage Participating Class Members to
19 submit written objections to the Settlement or appeal from the Order and Judgment. Class Counsel
20 will not represent any Class Members with respect to any objections to this Settlement.

21 62. Certification Reports Regarding Individual Settlement Payment Calculations: The
22 Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report
23 which certifies: (a) the number of Class Members who have submitted valid Requests for
24 Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member
25 has submitted a challenge to any information contained in the Notice. Additionally, the Settlement
26 Administrator will provide to counsel for both Parties any updated reports regarding the
27 administration of the Settlement Agreement as needed or requested.

1 63. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator
2 to Participating Class Members and PAGA Members will be negotiable for at least one hundred
3 eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his
4 or her Settlement Check or PAGA Payment check within 180 days, the uncashed funds, subject to
5 Court approval, shall be distributed to the Controller of the State of California to be held pursuant
6 to the Unclaimed Property Law, California Civil Code §1500, et. seq. for the benefit of those
7 Participating Class Members and PAGA Members who did not cash their checks until such time
8 that they claim their property. The Parties agree that this disposition results in no “unpaid residue”
9 under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out
10 to Participating Class Members and PAGA Members, whether or not they all cash their Settlement
11 Checks or PAGA payment checks. Therefore, Defendants will not be required to pay any interest
12 on such amounts. The Individual Settlement Payments provided to Participating Class Members
13 and to PAGA Members shall prominently state the expiration date or a statement that the
14 Settlement Check will expire in one hundred eighty (180) days, or alternatively, such a statement
15 may be made in a letter accompanying the Individual Settlement Payment. Expired Individual
16 Settlement Payments will not be reissued, except for good cause and as mutually agreed by the
17 Parties in writing. The parties agree no unclaimed funds will result from the settlement.

18 64. Administration of Taxes by the Settlement Administrator: The Settlement
19 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class
20 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant
21 to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll
22 taxes and penalties to the appropriate government authorities.

23 65. Tax Liability: Defendants make no representation as to the tax treatment or legal
24 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not
25 relying on any statement, representation, or calculation by Defendants or by the Settlement
26 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
27 they will be solely responsible for the payment of any taxes and penalties assessed on the payments
28 described herein. Defendants’ share of any employer payroll taxes and other required employer

1 withholdings due on the Individual Settlement Payments, including, but not limited to, Defendants'
2 FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement
3 Amount.

4 66. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,
5 the “acknowledging party” and each Party to this Agreement other than the acknowledging party,
6 an “other party”) acknowledges and agrees that: (1) no provision of this Agreement, and no written
7 communication or disclosure between or among the Parties or their attorneys and other advisers,
8 is or was intended to be, nor shall any such communication or disclosure constitute or be construed
9 or be relied upon as, tax advice within the meaning of United States Treasury Department circular
10 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon
11 his, her or its own, independent legal and tax counsel for advice (including tax advice) in
12 connection with this Agreement, (b) has not entered into this Agreement based upon the
13 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not
14 entitled to rely upon any communication or disclosure by any attorney or advisor to any other Party
15 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
16 adviser to any other Party has imposed any limitation that protects the confidentiality of any such
17 attorney’s or adviser’s tax strategies (regardless of whether such limitation is legally binding) upon
18 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,
19 including any transaction contemplated by this Agreement.

20 67. No Prior Assignments: The Parties and their counsel represent, covenant, and
21 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to
22 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
23 action, cause of action or right herein released and discharged.

24 68. Release by Participating Class Members: Upon the complete funding of the Gross
25 Settlement Amount and all applicable employer-side payroll taxes, Participating Class Members
26 shall fully and finally release and discharge the Released Parties from the Released Class Claims
27 that arose during the Class Period. This release shall be binding on all Participating Class Members.
28

1 69. Release by Plaintiff, State of California, LWDA and PAGA Members: Upon the
2 complete funding of the Gross Settlement Amount all applicable employer-side payroll taxes,
3 Plaintiff, the LWDA, the State of California, through Plaintiff as its agent and/or proxy, any
4 another representative, proxy, or agent thereof, including but not limited to any and all PAGA
5 Members, shall fully and finally release and discharge the Released Parties from the Released
6 PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to
7 have claim preclusion, issue preclusion, or otherwise bar a representative action to the broadest
8 extent possible by law if an aggrieved employee were to bring a subsequent claim on behalf of the
9 LWDA based on the same factual predicate as the Action and covering the same time.

10 70. Release of Additional Claims & Rights by Plaintiff: Upon the complete funding of
11 the Gross Settlement Amount all applicable employer-side payroll taxes, Plaintiff shall release and
12 discharge and Defendants, their past and present officers, directors, shareholders, employees,
13 agents, principals, heirs, representatives, accountants, auditors, consultants, and their respective
14 successors and predecessor in interest, subsidiaries, affiliates, parents and attorneys (collectively
15 the “Released Parties”), from all claims, demands, rights, liabilities and causes of action that were
16 pled in any of the Complaints in the Action, or which could have been pled in any of the Complaints
17 in the Action based on the factual allegations or could have arisen in any manner from the factual
18 allegations therein, that arose during the Class Period (“Released Claims”) with respect to all
19 alleged claims from the Complaints including the following claims: (a) failure to pay all overtime
20 wages; (b) failure to pay all minimum wages; (c) failure to provide proper meal periods, or
21 premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or
22 premium pay for non-compliant rest periods; (e) failure to provide accurate wage statements; (t)
23 failure to pay all accrued and unused annual vacation pay; (g) claims for PAGA civil penalties
24 based on the foregoing Labor Code violations; and (h) all claims for unfair business practices that
25 could have been premised of the facts, claims, causes of action or legal theories described above.
26 The Release only covers claims arising during the Class Period; however, the Release shall survive
27 and remain effective beyond the end of the Class Period. Such claims include but are not limited
28 to any and all Released Class Claims and Released PAGA Claims and termination thereof,

1 California Civil Code, to include §§3287, 3336 and 3294; 12 CCR §11040; 8 CCR § 11060;
2 California Code of Civil Procedure §1021.5; California common law of contract; 29 CFR
3 §778.223; and 29 CFR §778.315; federal common law and, to the extent permitted by law, the
4 Employee Retirement Income Security Act, 29 U.S.C. §§1001, *et seq.* (ERISA) §778.315; and
5 federal common law. In addition, Plaintiff's General Release includes but is not limited to, all
6 claims for lost wages and benefits, emotional distress, retaliation, restitution, penalties, punitive
7 damages, and attorneys' fees and costs (except those provided by this Settlement Agreement)
8 arising under federal, state, or local laws for discrimination, harassment, retaliation, and wrongful
9 termination, such as, by way of example only, (as amended) 42 U.S.C. §1981, Title VII of the Civil
10 Rights Act of 1964, the Americans with Disabilities Act (ADA), the Age Discrimination in
11 Employment Act (ADEA), and the California Fair Employment and Housing Act (FEHA); and the
12 law of contract and tort. This release excludes the release of claims not permitted by law. Plaintiff's
13 General Release include all claims, whether known or unknown. Even if Plaintiff discovers facts
14 in addition to or different from those they now know or believe to be true with respect to the subject
15 matter of Plaintiff's General Release, those claims will remain released and forever barred. The
16 *res judicata* effect of the judgment will be the same as that of the Release. The "Effective Date"
17 shall be defined as the latter of: (a) the date the Court grants final approval of the Settlement, if no
18 objections have been filed and not withdrawn; (b) the time for appeal has expired if an objection
19 has been filed and no appeal has been filed and not withdrawn; or (c) if an appeal is filed and is
20 not withdrawn, the final resolution of any appeal including the issuance the remittitur thereafter
21 Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section
22 1542, which provides:

23 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
24 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
25 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
26 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
27 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
28 DEBTOR OR RELEASED PARTY.

1 Notwithstanding the foregoing, Plaintiff does not waive or release any claim which cannot be
2 waived or released by private agreement. Further, nothing in this Agreement shall prevent Plaintiff
3 from filing a charge or complaint with, or from participating in, an investigation or proceeding
4 conducted by the SEC, OSHA, EEOC, DFEH, NLRB or any other federal, state or local agency
5 charged with the enforcement of any employment or other applicable laws. Plaintiff, however,
6 understands that by signing this Agreement, she waives the right to recover any damages or to
7 receive other relief in any claim or suit brought by or through the EEOC, the DFEH or any other
8 state or local deferral agency on their behalf to the fullest extent permitted by law, but expressly
9 excluding any monetary award or other relief available from the SEC/OSHA, including an
10 SEC/OSHA whistleblower award, or other awards or relief that may not lawfully be waived.

11 71. Nullification of Settlement Agreement: In the event that: (a) the Court does not
12 enter the Preliminary Approval Order and approve the Released Claims specified herein without
13 requiring material changes to the “Basic Settlement Terms” defined as relating to the monetary
14 sums to be paid in the Settlement, the parameters of the Released Claims and the covered Class
15 Period, revisions to the Increase in Workweeks provision contained herein; and revisions to
16 Defendants’ Option to Nullify the Settlement Agreement provision contained herein; (b) the Court
17 does not finally approve the Settlement without requiring material changes to the Basic Settlement
18 Terms as provided herein; (c) the Court strikes or does not approve any material term of this
19 Settlement Agreement; (d) Defendants exercise its option to nullify the Settlement Agreement
20 based on an excessive number of opt-outs, as described in the above; or (e) the Settlement does
21 not become final as written and agreed to by the Parties for any other reason, then this Settlement
22 Agreement, and any documents generated to bring it into effect, will be null and void, all amounts
23 deposited into the QSF will be returned to Defendants, and the Parties shall be returned to their
24 original respective positions. Any order or judgment entered by the Court in furtherance of this
25 Settlement Agreement will likewise be treated as void from the beginning and the Stipulations and
26 Recitals contained herein shall be of no force or effect and shall not be treated as an admission by
27 the Parties or their counsel. Should the Court fail to approve this settlement for any reason, the
28 Parties agree that they will return to and attend mediation with a mutually agreed Mediator in an

1 effort to reach a settlement that may be approved by the Court, unless the Parties are able to resolve
2 the issue without resort to a mediator.

3 72. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to
4 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
5 Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes
6 only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a
7 Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the
8 Notice to be sent to all class Members as specified herein. In conjunction with the Preliminary
9 Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the
10 Settlement, and will include the proposed Notice attached as **Exhibit A**. Defendants agree that
11 they will not oppose Plaintiff's motion for Preliminary Approval. Any failure by the Court to fully
12 and completely approve the Agreement as to the Action will result in this Settlement Agreement
13 and the Memorandum of Understanding entered into by the Parties, and all obligations under this
14 Settlement Agreement and the Memorandum of Understanding being nullified and voided.

15 73. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the
16 deadlines to postmark Requests for Exclusion or Objections to the Settlement Agreement, and with
17 the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
18 determine the Final Approval of the Settlement Agreement along with the amounts properly
19 payable for: (a) Individual Settlement Payments; (b) Class Counsel's Fees and Costs; (c) the Class
20 Representative Enhancement Payments; and (d) the Settlement Administration Costs. Any failure
21 by the Court to fully and completely approve the Settlement Agreement as to all of the Action, or
22 the entry of any Order by another Court with regard to any of the Action which has the effect of
23 modifying material terms of this Agreement as described above or preventing the full and complete
24 approval of the Settlement Agreement as written and agreed to by the Parties, will result in this
25 Agreement and all obligations under this Agreement being null and void. Defendants agree it shall
26 not oppose the granting of the Motion for Final Approval, provided Defendants have not exercised
27 their right to rescind pursuant to the terms of this Agreement.

1 74. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by
2 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
3 Judgment to the Court for its approval. After entry of the Judgment and Effective Date of this
4 Agreement, the Court will have continuing jurisdiction solely for purposes of addressing: (a) the
5 interpretation and enforcement of the terms of the Settlement, (b) Settlement administration
6 matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth
7 in this Settlement.

8 75. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
9 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
10 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

11 76. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute
12 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
13 agreements in relation to settlement terms may be deemed binding on the Parties.

14 77. Amendment or Modification: This Settlement Agreement may be amended or
15 modified only by a written instrument signed by counsel for all Parties or their successors-in-
16 interest.

17 78. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant
18 and represent they are expressly authorized by the Parties whom they represent to negotiate this
19 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
20 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
21 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
22 counsel will cooperate with each other and use their best efforts to affect the implementation of
23 the Settlement. If the Parties are unable to reach agreement on the form or content of any document
24 needed to implement the Settlement, or on any supplemental provisions that may become
25 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court
26 or Mediator to resolve such disagreement.

27 79. Neutral Employment Reference: Defendants agree that they will adopt a neutral
28 reporting policy regarding any future employment references related to Plaintiff. In the event that

1 any potential or future employers of Plaintiff requests a reference regarding Defendants'
2 employment of Plaintiff, Defendants shall only provide Plaintiff's dates of employment and job
3 titles during employment. Defendants shall not refer to the Action or this Settlement.

4 80. Binding on Successors and Assigns: This Settlement Agreement will be binding
5 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
6 defined.

7 81. California Law Governs: All terms of this Settlement Agreement and Exhibits
8 hereto will be governed by and interpreted according to the laws of the State of California.

9 82. Execution and Counterparts: This Settlement Agreement is subject only to the
10 execution of all Parties. However, the Settlement Agreement may be executed in one or more
11 counterparts. All executed counterparts and each of them, including facsimile and scanned copies
12 of the signature page, will be deemed to be one and the same instrument provided that counsel for
13 the Parties will exchange among themselves original signed counterparts.

14 83. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe
15 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
16 arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation,
17 taking into account all relevant factors, present and potential. The Parties further acknowledge that
18 they are each represented by competent counsel and that they have had an opportunity to consult
19 with their counsel regarding the fairness and reasonableness of this Settlement.

20 84. Invalidity of Any Provision: Before declaring any provision of this Agreement
21 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible
22 consistent with applicable precedents so as to define all provisions of this Agreement valid and
23 enforceable.

24 85. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to
25 class certification for purposes of this Settlement only; except, however, that either party may
26 appeal any court order that materially alters the Settlement Agreement's terms.

27 86. Class Action Certification for Settlement Purposes Only: The Parties agree to
28 stipulate to class action certification only for purposes of the Settlement. If, for any reason, the

1 Settlement is not approved, the stipulation to certification will be void. The Parties further agree
2 that certification for purposes of the Settlement is not an admission that class action certification
3 is proper under the standards applied to contested certification motions and that this Agreement
4 will not be admissible in this or any other proceeding as evidence that either: (a) a class action
5 should be certified or (b) Defendants are liable to Plaintiff or any Class Member, other than
6 according to the Settlement's terms.

7 87. Non-Admission of Liability: The Parties enter into this Agreement to resolve the
8 dispute that has arisen between them and to avoid the burden, expense, and risk of continued
9 litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, that
10 they have violated any federal, state, or local law; violated any regulations or guidelines
11 promulgated pursuant to any statute or any other applicable laws, regulations, or legal
12 requirements; breached any contract; violated or breached any duty; engaged in any
13 misrepresentation or deception; or engaged in any other unlawful conduct with respect to their
14 employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations
15 connected with it, shall be construed as an admission or concession by Defendants of any such
16 violations or failures to comply with any applicable law. Except as necessary in a proceeding to
17 enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be
18 offered or received as evidence in any action or proceeding to establish any liability or admission
19 on the part of Defendants or to establish the existence of any condition constituting a violation of,
20 or a non-compliance with, federal, state, local, or other applicable law. In the event this Agreement
21 is not approved by the Court, appellate court, or is otherwise terminated, voided, or fails to be
22 enforceable as written, Plaintiff shall not be deemed to have waived, limited, or affected in any
23 way any claims, rights, remedies, or defenses, and Defendants shall not be deemed to have waived,
24 limited, or affected in any way any objections, rights, or defenses in the Action. The Parties shall
25 be restored to their respective positions in the Action prior to the entry of this Settlement.

26 88. Captions: The captions and section numbers in this Agreement are inserted for the
27 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
28 provisions of this Agreement.

1 89. Waiver: No waiver of any condition or covenant contained in this Settlement
2 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
3 to imply or constitute a further waiver by such party of the same or any other condition, covenant,
4 right or remedy.

5 90. Enforcement Action: In the event that one or more of the Parties institutes any legal
6 action or other proceeding against any other Party or Parties to enforce the provisions of this
7 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
8 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees
9 and costs, including expert witness fees incurred in connection with any enforcement actions.

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

15 92. Representation By Counsel: The Parties acknowledge that they have been
16 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
17 and that this Agreement has been executed with the consent and advice of counsel and reviewed
18 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
19 Agreement.

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

22 94. Cooperation and Execution of Necessary Documents: The Parties agree to
23 cooperate to promote participation in the Settlement, and in seeking court approval of the
24 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
25 Members to opt out of and/or object to the Settlement. Defendants agree not to obtain any
26 settlement agreement waivers, or *Pick-Up Stix* agreements from any Class Member prior to the
27 funding of the Gross Settlement Amount concerning claims released via this Agreement, or enter
28 into any arbitration agreement with any Class Member that covers the claims released via this

1 Agreement during the Settlement approval process prior to the funding of the Gross Settlement
2 Amount and that the Parties will work in good faith to reach an agreement approved by the Court.

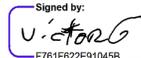
3 95. Confidentiality: The Parties and their counsel agree to keep the terms of the
4 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff,
5 Class Counsel, Defendants and their counsel agree that they will not issue any press releases,
6 initiate any contact with the press, respond to any press inquiry or have any communication with
7 the press about the fact, amount or terms of the Settlement Agreement. Nothing in this Settlement
8 Agreement shall limit Defendants' ability to fulfill disclosure obligations reasonably required by
9 law or in furtherance of business purposes, including the fulfillment of obligations stated in this
10 Settlement Agreement or limit Class Counsel's communications with the Class Members and
11 PAGA Members in furtherance of approval of this Settlement.

12 96. Binding Agreement: The Parties warrant that they understand and have full
13 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
14 fully enforceable and binding on all Parties and agree that it will be admissible and subject to
15 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
16 provisions that otherwise might apply under federal or state law.

17 97. Submission to the LWDA: The Settlement Agreement shall be submitted by
18 Plaintiff to the LWDA within the time limits and as prescribed by law.

19 Dated: 9/2/2025

PLAINTIFF

20 By: 
21 Victor M. Garcia

22 Dated: August 27, 2025

PROTECTION LAW GROUP, LLP

23
24 By: 
25 Carlos Jimenez, Esq.
26 Heather Davis, Esq.
27 Amir Nayebdadash, Esq.
28 Attorneys for Plaintiff
Victor M. Garcia

1 Dated: 9/3/2025

DEFENDANT LOS HERMANOS MEXICAN FOODS, INC.

2
3 By: Signed by: *Jose Gutierrez*
58F00B10EB0446A...

4
5 Its: Jose Gutierrez

6
7
8 Dated: 9/3/2025

DEFENDANT GRACIANA, LLC

9 By: Signed by: *Jeffrey Williams*
CA4C6B0910D543E...

10
11 Its: Jeffrey Williams

12
13
14 Dated: 08/28/25

LANDEGGER VERANO & DAVIS, ALC

15 By: *Roxana E. Verano*

16
17
18 Roxana E. Verano, Esq.
19 *Attorneys for Defendants*
20 Los Hermanos Mexican Foods, Inc.,
21 and Graciana, LLC