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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF LOS ANGELES**

10 JOSE MORELOS, individually, and on behalf
11 of all others similarly situated,

12 Plaintiff,

13 v.

14 SANCTUARY CLOTHING, LLC, a limited
liability company; SANCTUARY CLOTHING,
15 INC., a California corporation; SANCTUARY
CLOTHING 3611, LLC, a limited liability
16 company; and DOES 1 through 10, inclusive,

17 Defendants

Case No.: 23STCV22678

*Assigned for all purposes to the Honorable
Elihu M. Berle, Dept. 6*

COMPLEX ACTION

[PROPOSED] ORDER

*[Filed with Plaintiff's Notice of Motion and
Motion for Preliminary Approval of Class and
PAGA Representative Action Settlement,
Declaration of Plaintiff, Declaration of Sean
Hartranft, and Declaration of Kane Moon]*

PRELIMINARY APPROVAL HEARING

Date: September 2, 2025

Time: 11:00 a.m.

Dept.: 6

FILED
Superior Court of California
County of Los Angeles

09/05/2025

David W. Slayton, Executive Officer / Clerk of Court

By: P. Herrera Deputy

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~~PROPOSED~~ ORDER

WHEREAS, a proposed class and Private Attorneys General Act (“PAGA”) action is pending before the Court, entitled *Jose Morelos v. Sanctuary Clothing, LLC. et al.*, Case No. 23STCV22678;

WHEREAS, Plaintiff Jose Morelos (“Plaintiff”) and Defendants Sanctuary Clothing, LLC, Sanctuary Clothing, Inc., and Sanctuary Clothing 3611, LLC (“Defendants”) (collectively, the “Parties”) have entered into a Joint Stipulation of Class and PAGA Representative Action Settlement and Release (“Settlement” or “Settlement Agreement,” attached as Exhibit 1 to the accompanying declaration of Kane Moon); and

WHEREAS, the Court has considered all papers submitted on Plaintiff’s Motion for Preliminary Approval of Class and PAGA Action Settlement, including the Declaration of Kane Moon, the Settlement Agreement and all exhibits attached thereto, records and prior proceedings to date in this matter, and good cause appearing,

IT IS HEREBY ORDERED, DECREED, AND ADJUDGED as follows:

1. The Parties have agreed to settle and seek a Judgment resolving this Action in accordance with the terms and conditions of the Settlement Agreement. The Court notes that Defendants have agreed to create a common fund of \$275,000.00 (“Gross Settlement Amount”) to cover (a) settlement payments to Class Members who do not validly opt out; (b) a Class Representative Service Payment of up to \$10,000.00 for Plaintiff; (c) Class Counsel’s attorneys’ fees not to exceed one third of the Gross Settlement Amount (\$91,666.67) and up to \$25,000.00 in costs for actual litigation expenses incurred by Class Counsel; (d) Settlement Administration Expenses of up to \$6,000.00; and (e) the PAGA Penalties payment of \$20,000, including the 75% share of the PAGA Penalties payment to the Labor and Workforce Development Agency (“LWDA”) and the 25% share of the PAGA Penalties payment to PAGA Members. The definitions in the Settlement Agreement are hereby incorporated as though fully set forth in this Order, and all other terms and phrases in this Order shall have the same meaning as ascribed to them in the Settlement Agreement.

1 2. The Court finds that, subject to the Final Approval Hearing, the Court
2 preliminarily approves and incorporates the proposed Settlement upon the terms, conditions, and
3 all release language set forth in the Settlement Agreement, including all exhibits thereto, as fair,
4 reasonable, and adequate, and in the best interests of the Class set forth below. The Court further
5 finds that the Settlement Agreement substantially fulfills the purposes and objectives of the class
6 and PAGA action and provides substantial relief to the Class without the risks, burdens, costs, or
7 delay associated with continued litigation, trial, and/or appeal. The Settlement is not a finding or
8 admission of liability by the Defendants or any other person, nor a finding of the validity of any
9 claims asserted in the Action or of any wrongdoing or any violation of law.

10 3. Plaintiff, by and through his counsel, has investigated the pertinent facts and has
11 evaluated the risks associated with continued litigation, trial and/or appeal. The Court finds that
12 the Settlement Agreement: (a) is the result of arm’s-length negotiations between the Parties and
13 experienced counsel; (b) is sufficient to warrant notice of the settlement and the Final Approval
14 Hearing to be disseminated to the Class; (c) meets all applicable requirements of law, including
15 Rule 23 of the Federal Rules of Civil Procedure.

16 **Conditional Certification of the Class for Settlement Purposes**

17 4. For purposes of settlement only: (a) Moon Law Group, PC is appointed as Class
18 Counsel for the Class; and (b) Plaintiff Jose Morelos is appointed Class Representative. The
19 Court finds that these attorneys are competent and capable of exercising the responsibilities of
20 Class Counsel and that Plaintiff will adequately protect the interests of the Class defined below.

21 5. For purposes of settlement only and for purposes of disseminating Class Notice,
22 and without prejudice to Defendants’ right to contest class certification if the Settlement
23 Agreement is not finally approved, the Court conditionally certifies the following Class as
24 defined in the Settlement Agreement: “all persons who were employed by Settling defendants
25 within the State of California as hourly, non-exempt employees at any time from September 19,
26 2019 through February 3, 2025.” Excluded from the Settlement Class are all persons who
27 properly and timely elect to opt out.
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1 6. The Court finds, subject to the Final Approval Hearing, that the Settlement
2 Agreement is fundamentally fair, adequate, and reasonable, and, solely within the context of and
3 for the purposes of settlement only, that the Class satisfies the requirements of Rule 23 of the
4 Federal Rules of Civil Procedure, and specifically, that: (1) the Class is so numerous that joinder
5 of all members is impracticable; (2) there are questions of fact and law common to the Class; (3)
6 the claims of the Class Representative are typical of the claims of the members of the Class; (4)
7 the Class Representative and Class Counsel will fairly and adequately protect the interests of the
8 members of the Class; (5) common questions of law or fact predominate over questions affecting
9 individual members; and (6) a class action is a superior method for fairly and efficiently
10 adjudicating the Action.

11 7. If the Settlement Agreement does not receive the Court's final approval, or if final
12 approval is reversed on appeal, or if the Settlement Agreement is terminated or otherwise fails to
13 become effective, the Court's conditional grant of class certification shall be vacated, null, and
14 void in all respects, and the Class Representative and the Class will once again bear the burden of
15 establishing the propriety of class certification for purposes of litigation. In such case, neither the
16 conditional certification of the Class for settlement purposes, nor any other act relating to the
17 negotiation or execution of the Settlement Agreement shall be considered as a factor in
18 connection with any class certification issue(s).

19 **Class Counsel's Award and Class Representative's Service Payment**

20 8. The Court preliminarily approves Class Counsel's ability to request attorneys' fees
21 of up to one-third of the Gross Settlement Amount (\$91,666.67.00), and costs not exceeding
22 \$25,000.00.

23 9. The Court preliminarily approves the requested Class Representative Service
24 Payment of \$10,000.00 to Plaintiff Jose Morelos.

25 **Release**

26 10. Upon the final approval by the Court of this Settlement and Defendant's transfer to
27 the Settlement Administrator of all funds due under the terms of the Settlement, and except as to
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1 such rights or claims as may be created by this Settlement, the Class Representative and all Class
2 Members who have not submitted a valid and timely request for exclusion as to claims and the
3 PAGA Members will release claims for the respective Class Period and PAGA Period as follows:

4 a. Released Class Claims. “Released Class Claims” means all federal, state and local
5 law claims, rights, demands, liabilities, and causes of action, asserted in any of the
6 complaints filed in the Action, and all claims that could have been asserted in the
7 Action based on the facts alleged in any of the complaints filed in the Action under
8 any federal, state or local law or arising under the Wage Orders, including causes
9 of action for (1) failure to pay minimum wages for all hours worked (2) claims
10 relating to the rounding of time; (3) claims related to the regular rate calculation;
11 (4) failure to pay overtime compensation; (5) failure to provide meal periods and
12 pay meal period premiums; (6) failure to authorize and permit rest breaks and pay
13 rest period premiums; (7) failure to indemnify necessary business expenses; (8)
14 failure to timely pay all final wages; (10) failure to provide accurate itemized wage
15 statements; (11) unfair and unlawful competition based on the Labor Code
16 violations alleged in (1)-(10); and all claims for attorneys’ fees and costs based on
17 the foregoing, that accrue during the Class Period.

18 b. Released PAGA Claims. “Released PAGA Claims” means all claims for civil
19 penalties under PAGA asserted in any of the complaints filed in the Action, and all
20 claims that could have been asserted in the Action based on the facts alleged in any
21 of the complaints filed in the Action and in Plaintiff’s September 9, 2023 PAGA
22 Notice in California Labor and Workforce Development Agency (“LWDA”), Case
23 No. LWDA-CM-980664-23 including, but not limited to, claims for violations of
24 the California Labor Code for (1) failure to pay minimum wages for all hours
25 worked (2) claims relating to the rounding of time; (3) claims related to the regular
26 rate calculation; (4) failure to pay overtime compensation; (5) failure to provide
27 meal periods and pay meal period premiums; (6) failure to authorize and permit
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1 rest breaks and pay rest period premiums; (7) failure to indemnify necessary
2 business expenses; (8) failure to timely pay all final wages; (10) failure to provide
3 accurate itemized wage statements.

4 **Notice and Administration**

5 11. The Court approves, as to form, content, and distribution, the Notice plan set forth
6 in the Settlement Agreement, including the Notice of Class Settlement as set forth in the
7 Settlement Agreement and attached thereto as Exhibit A, and finds that such Class Notice is
8 reasonable and the best notice practicable under the circumstances, and that the Class Notice
9 complies fully with the requirements of the Federal Rules of Civil Procedure. The Court also
10 finds that the Class Notice constitutes valid, due, and sufficient notice to all persons entitled
11 thereto, and meets the requirements of Due Process. The Court further finds that the Class Notice
12 is reasonably calculated to, under all circumstances, reasonably apprise members of the Class of
13 the pendency of this action, the terms of the Settlement Agreement, and the right to object to the
14 settlement and to exclude themselves from the Class. In addition, the Court finds that no notice
15 other than that specifically identified in the Settlement Agreement is necessary in this Action.
16 The Parties, by agreement, may revise the Notice in ways that are not material, or in ways that are
17 appropriate to update those documents for purposes of accuracy or formatting.

18 12. The Court approves the request for the appointment of Apex Class Action
19 Administration as Settlement Administrator under the terms of the Settlement Agreement, with
20 reasonable settlement administration expenses estimated not to exceed \$6,000.00.

21 13. Pursuant to the Settlement Agreement, including specifically Paragraph 45, the
22 Settlement Administrator is directed to send the Class Notice directly by United States first class
23 mail in accordance with the procedures in the Settlement Agreement. The Settlement
24 Administrator shall also establish and maintain a toll-free informational telephone support line to
25 assist the Class Members who have questions regarding the Settlement or Class Notice.

26 **Submission of Requests for Exclusion from Class**

27 14. Any person falling within the definition of the Class may, upon valid and timely
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1 request, exclude themselves or “opt out” from the non-PAGA portion of the Settlement. Any
2 such person may do so if, on or before the Response Deadline (45 days after the initial mailing of
3 the Class Notice), they comply with the procedures for submitting a Request for Exclusion as set
4 forth in the Settlement Agreement and Class Notice. Any Class Members so excluded shall
5 neither be bound by the terms of the non-PAGA portion of the Settlement Agreement nor entitled
6 to any of the benefits of such portion.

7 15. Members of the Settlement Class who fail to submit a valid and timely Request for
8 Exclusion shall become a Participating Class Member and shall be bound by all terms of the
9 Settlement Agreement, including those pertaining to the Released Class Claims, as well as any
10 Judgment that may be entered by the Court if it grants final approval of the Settlement. However,
11 irrespective of whether a Class Member submits a Request for Exclusion, upon final approval of
12 the Settlement, all Class Members who are PAGA Members will be issued an Individual PAGA
13 Payment from the PAGA Group Payment and shall be deemed to have released the Released
14 PAGA Claims.

15 **Submission of Objections by Class Members**

16 16. Any person falling within the definition of the Class who does not submit a timely
17 and valid Request for Exclusion shall be permitted to object to the Settlement before Final
18 Approval pursuant to the procedures set forth in the Settlement Agreement and Class Notice. To
19 object, a Class Member must do so on or before the Response Deadline (45 days after the initial
20 mailing of the Notice). Irrespective of whether a notice of objection is submitted, Class Members
21 are entitled to be heard at the Final Approval Hearing.

22 17. If the Court rejects the Class Member’s objection, the Class Member will still be
23 bound by all the terms of the Settlement Agreement and the releases.

24 **Final Approval Hearing**

25 19. The Final Approval Hearing shall be held before this Court on _____,
26 at _____ p.m. in Department 6, 312 North Spring Street, Los Angeles, CA 90012, to
27 determine: (a) whether the proposed settlement of the Action on the terms and conditions
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1 provided for in the Settlement Agreement (including as it may be modified prior to the Final
2 Approval Hearing date) is fair, reasonable, and adequate and should be given final approval by
3 the Court; (b) whether a judgment and order of dismissal with prejudice should be entered; (c)
4 whether to approve the Class Counsel Fees Payment and Class Counsel Litigation Expenses
5 Payment to Class Counsel; and (d) whether to approve the payment of the Class Representative
6 Service Payment to the Class Representative. The Court may adjourn the Final Approval Hearing
7 without further notice to members of the Class. The new date of Hearing, if any, shall be
8 published on the Court's docket and on the Class Notice.

9 **Implementation Schedule**

10 20. The Court orders the following Implementation Schedule:

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12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	September 23, 2025	Defendants to provide the Settlement Administrator the Class Member Contact Information in a spreadsheet in electronic format, including name(s), last known mailing addresses, telephone number and email address, Social Security numbers, and the number of Covered Class Workweeks, and Covered PAGA Pay Periods.
	Within 10 days after receipt of Class Member Contact Information from Defendants	Settlement Administrator and Defendants to meet and confer regarding the Class Member Contact Information and any additional information reasonable and necessary for administering the terms of the agreement
	October 7, 2025	Settlement Administrator to mail all Class Members identified in the Class Member Contact Information after updating Class Member addresses using National Change of Address database.

<p>1 2 3 Within 5 business days of Settlement 4 Administrator's receipt of any Class Notice 5 returned as undelivered</p>	<p>Settlement Administrator to mail Class 6 Notice using any forwarding address 7 provided by the USPS. If USPS does not 8 have a forwarding address, Settlement 9 Administrator will conduct a Class 10 Member Address Search and re-mail the 11 Class Notice.</p>
<p>12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 December 8, 2025</p>	<p>Deadline for Class Members to opt-out or object. The Response Deadline for Settlement Class Members to whom the Notice of Settlement is remailed after having been returned as undeliverable to the Settlement Administrator shall be 45 calendar days after the Settlement Administrator's initial mailing of the Notice of Settlement to Settlement Class Members, or 10 days after the re-mailing, whichever is later.</p>
<p>Deadline to file Motion for Final Approval</p>	<p>November 10, 2025, with Class Counsel to file declaration of Settlement Administrator re: Administration Report no later than December 26, 2025.</p>
<p>Final Approval Hearing</p>	<p>January 9, 2026 at 9:00 a.m. in Department 6</p>

Further Matters

21. All further proceedings in the Action are ordered stayed until Final Judgment or termination of the Settlement Agreement, whichever occurs earlier, except for those matters necessary to obtain and/or effectuate final approval of the Settlement Agreement. Additionally, pending this Court's determination as to whether to finally approve the Settlement, the Court hereby prohibits and/or enjoins any other person, entity or counsel (other than successful opt-outs to this Settlement) from representing or from commencing, prosecuting, participating in or assisting in any lawsuit or proceeding against the Releasees on any matters within the scope of the Released Class Claims and Released PAGA Claims.

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22. The Court retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement Agreement. The Court may approve the Settlement, with such modifications as may be agreed to by the Parties, if appropriate, without further notice to the Class.

Dated: 09/05/2025



Elihu M. Berle

Elihu M. Berle / Judge

Honorable Elihu M. Berle

EXHIBIT A

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

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against SANCTUARY CLOTHING, LLC; SANCTUARY CLOTHING, INC; and, SANCTUARY CLOTHING 3611, LLC (“Sanctuary”) for alleged wage and hour violations. The Action was filed by a former Sanctuary employee Jose Morelos (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt, hourly-paid employees (“Class Members”) who worked for Sanctuary during the Class Period (September 19, 2019 through February 3, 2025); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt, hourly-paid employees who worked for Sanctuary during the PAGA Period (September 9, 2022 through February 3, 2025) (“Aggrieved Employees”).

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

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

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

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Sanctuary to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Sanctuary.

If you worked for Sanctuary during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Sanctuary.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Sanctuary, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

1. WHAT IS THE ACTION ABOUT?

You Don't Have to Do Anything to Participate in the Settlement

If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Sanctuary that are covered by this Settlement (Released Claims).

You Can Opt-out of the Class Settlement but not the PAGA Settlement

If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.

The Opt-out Deadline is _____

You cannot opt-out of the PAGA portion of the proposed Settlement. Sanctuary must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below). All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement

Written Objections Must be Submitted by _____

The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Participate in the _____ Final Approval Hearing

The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Sanctuary's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods

Written Challenges Must be Submitted by _____

Plaintiff is a former Sanctuary employee. The Action accuses Sanctuary of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide e.g., meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: Moon Law Group, PC (“Class Counsel.”)

Sanctuary strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Sanctuary or Plaintiff is correct on the merits. In the meantime, Plaintiff and Sanctuary hired an experienced, neutral mediator Steven Rothman in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Sanctuary have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Sanctuary does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Sanctuary has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Sanctuary will pay \$275,000.00 as the Gross Settlement Amount (Gross Settlement). Sanctuary has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Sanctuary will fund the Gross Settlement not more than 15 court days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to \$91,666.67 (33% of the Gross Settlement) to Class Counsel for attorneys' fees and up to actual litigation costs incurred by Class Counsel in prosecuting this claim. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$10,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to \$6,000.00 to the Administrator for services administering the Settlement.

D. Up to \$20,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

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

Although Plaintiff and Sanctuary have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the payments will be distributed to the State Controller of Unclaimed Property Fund in your name.

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

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

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Sanctuary have agreed that, in either case, the Settlement will be void; Sanctuary will not pay any money, and Class Members will not release any claims against Sanctuary.

8. Administrator. The Court has appointed a neutral company, Apex Class Action Administration (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Sanctuary has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Sanctuary or related entities for wages based on the Class Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

Upon occurrence of the Effective Date and payment of payments due under the terms of the Settlement, and in exchange for the consideration, undertakings, and covenants agreed to by Settling Defendants in this Agreement, and to the fullest extent permitted by applicable law, the Settlement Class will release, discharge, and covenant not to sue Settling Defendants, and all of their respective past and present employees, directors, officers, attorneys, representatives, insurers, agents, parents, subsidiaries, affiliates, related companies, predecessors, successors, lessees, and assigns, and any entity that could be jointly liable with any of these (individually and collectively "Defendant Releasees") from and with respect to all actions, causes of action, suits,

liabilities, claims, and demands whatsoever, and each of them, whether known or unknown, which the Settlement Class or individual members thereof, has, had, or hereafter may claim to have, against Defendant Releasees, or any of them, which arose during the Class Period and are based on or arise from any and all claims and allegations in this Action and/or the Complaints, as well as any and all claims and allegations that could have been raised in this Action and/or the Complaint based on the allegations asserted therein, which include, by way of description, but not by way of limitation, claims on behalf of the Settlement Class alleging that Settling Defendants failed to provide Settlement Class Members with legally compliant meal periods, failed to provide Settlement Class Members with legally compliant rest breaks, failed to provide Settlement Class Members with all wages due, including minimum wages, regular wages, wages at the regular rate of pay, and overtime wages, failed to provide Settlement Class Members with compliant wage statements, failed to timely pay Settlement Class Members all wages due upon termination, and engaged in Unfair Business Practices as well as any other claims under constitutional, statutory, and/or common law any way related to any of the claims described in this Paragraph 57 (“Released Class Claims”). For the avoidance of doubt, Released Class Claims shall include claims under the Fair Labor Standards Act (“FLSA”), and the settlement check provided to each Settlement Class Member shall include a notation indicating that by cashing or depositing the settlement check the Settlement Class Member shall opt in to a settlement of FLSA claims.

10. Aggrieved Employees’ PAGA Release. After the Judgment is final and Sanctuary has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating and Non-Participating Class Members will be legally barred from asserting any of the claims released under the Settlement for PAGA claims. This means that regardless of whether you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Sanctuary or related entities for PAGA penalties based on the PAGA Period facts, as alleged in the Action and resolved by this Settlement.

Upon occurrence of the Effective Date and payment of payments due under the terms of the Settlement, and in exchange for the for the consideration, undertakings, and covenants agreed to by Settling Defendants in this Agreement, and to the fullest extent permitted by applicable law, the PAGA Group will release, discharge, and covenant not to sue the Defendant Releasees from and with respect to all actions, causes of action, suits, liabilities, claims, and demands under the California Labor Code Private Attorneys’ General Act (*i.e.*, PAGA), whether known or unknown, which the PAGA Group or individual members thereof, has, had, or hereafter may claim to have, against Defendant Releasees, or any of them, which arose during the PAGA Period and are based on or arise from any and all claims and allegations in this Action and/or the Complaints and/or the Second PAGA Notice, as well as any and all claims and allegations that could have been raised in this Action and/or the Complaints and/or the Second PAGA Notice, which include, by way of description, but not by way of limitation, claims under PAGA on behalf of PAGA Group alleging that Settling Defendants failed to provide members of the PAGA Group with legally compliant meal periods, failed to provide members of the PAGA Group with legally compliant rest breaks, failed to provide members of the PAGA Group with all wages due, including minimum wages, regular wages, wages at the regular rate of pay, and overtime wages, failed to provide members of the PAGA Group with compliant wage statements, and failed to timely pay members of the PAGA Group all wages due upon

termination, as well as any other claims under constitutional, statutory, and/or common law any way related to any of the claims described in this Paragraph 58.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Sanctuary's records, are stated on the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Sanctuary's calculation of Workweeks and/or Pay Periods based on Sanctuary's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Sanctuary's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Morelos v. Sanctuary Clothing, LLC et al.*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Sanctuary are asking the Court to approve. At least 16 court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website <https://apexclassaction.com/> or the Court's website <https://www.lacourt.org>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Jose Morelos v. Sanctuary Clothing, LLC, et al.*, and include your name, current address, telephone number, and approximate dates of employment for Sanctuary and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ in Department 6 of the Los Angeles Superior Court, located at 312 N. Spring St., Los Angeles,

California 90012. At the Hearing, the Judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website <https://apexclassaction.com/> beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Sanctuary and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____'s website at _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 23STCV2678. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:

Name of Attorney: Kane Moon, Daniel J. Park, Jaeyoung Lee

Email Address: kmoon@moonlawgroup.com,
dpark@moonlawgroup.com
jlee@moonlawgroup.com

Name of Firm: Moon Law Group, PC

Mailing Address: 725 S. Figueroa St., Ste. 3100, Los Angeles, CA 90017

Telephone: 213-320-0519

Settlement Administrator: Sean Hartranft

Name of Company: Apex Class Action Administration

Email Address: sean@apexclassaction.com

Mailing Address: 18 Technology Drive, Suite 164
Irvine, CA 92618

Telephone: 1-800-355-0700

Fax Number:

Counsel for Settling Defendants: O'Melveny & Myers LLP
Name of Attorneys: Adam J. Karr, Esq.
Paul A. Holton, Esq.

Email Addresses: akarr@omm.com
pholton@omm.com

Mailing Address: 400 South Hope St., 19th Floor
Los Angeles, California 90071

Telephone: 213-430-6000

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund (https://www.sco.ca.gov/search_upd.html) for instructions on how to retrieve the funds you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

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

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PROOF OF SERVICE

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 725 S Figueroa St., 31st Floor, Los Angeles, California 90017. On **September 3, 2025**, I served the foregoing document described as:

[PROPOSED] ORDER

X by placing ___ the original X a true copy thereof enclosed in sealed envelope(s) addressed as follows :

Adam J. Karr
Susannah K. Howard
Allan W. Gustin
Stephanie Y. Fung
O'MELVENY & MYERS LLP
400 South Hope Steet, 18th Floor
Los Angeles, CA 90071-2899
Telephone: (213)430-6000
Facsimile: (213) 430-6407
akarr@omm.com
showard@omm.com
agustin@omm.com
sfung@omm.com

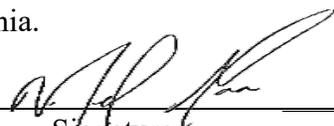
*Attorney for Defendant SANCTUARY CLOTHING, LLC., a limited liability company;
SANCTUARY CLOTHING, INC., a California corporation; SANCTUARY CLOTHING
3611, LLC, a limited liability company*

BY ELECTRONIC SERVICE: Based on a court order or an agreement of the parties to accep electronic service, I caused the documents to be sent to the persons at the electronic service addresses listed above via third-party cloud service **CASEANYWHERE**.

X (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on **September 3, 2025**, at Los Angeles, California.

Helena Maa
Name


Signature