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**FILED**  
SUPERIOR COURT of CALIFORNIA  
COUNTY of SANTA BARBARA  
**05/12/2026**  
Angela Braun, Executive Officer  
BY Chavez, Terri Deputy Clerk

12 Attorneys for Plaintiff Angel Nava Mora,  
13 on behalf of himself and all others similarly situated

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
15 **FOR THE COUNTY OF SANTA BARBARA**

16 ANGEL NAVA MORA an individual on  
17 behalf of himself and others similarly  
18 situated,

19 Plaintiff,

20 v.

21 INSTITUTION ALE COMPANY, a  
22 California corporation; and DOES 1  
23 through 50, inclusive,

24 Defendants.

**CLASS ACTION**

Case No.: 24CV01401

*Assigned for all purposes to:*  
Honorable Colleen K. Sterne

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

Hearing Information:  
Date: May 11, 2026  
Time: 10:00 a.m.  
Dept.: 5

Action filed: March 12, 2024  
FAC filed: August 5, 2024  
Trial date: None Set

1 **ORDER**

2 Plaintiff Angel Nava Mora (“Plaintiff”), on behalf of himself and other similarly situated  
3 employees of Defendant Institution Ale Company (“Defendant”) (collectively, “the Parties”),  
4 filed an unopposed Motion for Preliminary Approval of the Class Action and PAGA Settlement  
5 (“Motion”). The Motion was set for hearing on May 11, 2025, at 10:00 a.m. in Department 5 of  
6 the Santa Barbara Superior Court located at 1100 Anacapa St, Santa Barbara, CA 93101. The  
7 Court, having considered the Class Action and PAGA Settlement Agreement and the  
8 Amendment to the Class Action and PAGA Settlement Agreement (collectively, the “Settlement  
9 Agreement”) and the proposed Notice of Class Action and PAGA Settlement (“Class Notice”)  
10 which is attached as Exhibit A to the Settlement Agreement, the submissions of counsel, and all  
11 other papers filed in this litigation, hereby ORDERS as follows:

12 1. Plaintiff’s Motion for Preliminary Approval of the Parties’ Settlement Agreement  
13 and Class Notice, which is attached as **Exhibit 1** to this Order, is GRANTED;

14 2. This Order incorporates by reference the definitions in the Settlement Agreement,  
15 and all terms defined therein will have the same meaning as in this Order;

16 3. The Court conditionally certifies a Class consisting of all persons who currently  
17 or formerly worked for Defendant as a non-exempt, hourly paid employee in California during  
18 the Class Period, which is defined as the period from March 12, 2020, through January 13, 2025.

19 4. The class action settlement contemplated by the Settlement Agreement is  
20 preliminarily approved based upon the terms set forth in the Settlement Agreement. The  
21 Settlement appears to be fair, adequate, and reasonable for the Class and in the best interests of  
22 the absent class members and falls within the range of reasonableness that could ultimately be  
23 granted final approval by the Court.

24 5. The Court preliminarily finds, for settlement purposes only, that the Class meets  
25 (i) the ascertainability and numerosity requirements; (ii) the commonality requirement because,  
26 in the absence of class certification and settlement, each individual Class Member would have to  
27 litigate core common issues of law and fact, all relating to Defendant’s alleged wage-and-hour  
28 violations asserted in the action; (iii) the typicality requirement because Plaintiff and Class

1 Members' claims all arise from the same alleged events and course of conduct, and are based on  
2 the same legal theories; and (iv) the adequacy of representation requirement because Plaintiff has  
3 the same interests as all members of the Class, and Plaintiff and the Class are represented by  
4 experienced and competent counsel. The Court further finds, preliminarily and for settlement  
5 purposes only, that common issues predominate over individual issues in this litigation and that  
6 class treatment is superior to the other means of resolving this dispute.

7         6.         The preliminary approval of the class action settlement includes the approval for  
8 purposes of the Settlement of Alvin B. Lindsay, Enoch Kim, and Antonia McKee of D.Law, Inc.  
9 as Class Counsel, Plaintiff Angel Nava Mora as Class Representative, and Apex Class Action  
10 ("Apex") as the Settlement Administrator. Class Counsel is authorized to act on behalf of the  
11 Class Members with respect to all acts or consents required by or which may be given pursuant  
12 to the Settlement Agreement and such other acts reasonably necessary to consummate the  
13 Settlement. The Settlement Administrator is authorized to perform such acts as set forth in this  
14 Order and the Settlement Agreement.

15         7.         The Court grants approval of the PAGA settlement pursuant to the terms and  
16 conditions contained in the Settlement Agreement. The Court finds that the terms of the PAGA  
17 settlement are fair and reasonable and approves the PAGA settlement pursuant to Labor Code  
18 § 2699(1)(2).

19         8.         The Gross Settlement Amount of \$335,000 is conditionally approved.

20         9.         The payment of the Class Counsel Fees Award not to exceed \$111,666.67 (33%  
21 of the Gross Settlement Amount) to Class Counsel and Class Counsel Litigation Costs Award for  
22 actual litigation costs incurred not to exceed \$25,000 to Class Counsel are conditionally  
23 approved.

24         10.        The Class Representative Service Award not to exceed \$10,000 to Plaintiff for his  
25 services as the class representative is conditionally approved.

26         11.        The payment of the settlement Administration Costs Payment is not exceed  
27 \$7,490 to the Administrator for its services is conditionally approved.

28         12.        Court conditionally approves the Private Attorneys General Act of 2004

1 (“PAGA”) Penalties not to exceed \$20,000 the Parties have allocated for the settlement of the  
2 claims for PAGA penalties stemming from the alleged Labor Code violations. Seventy-five  
3 percent (75%) of the PAGA Penalties (\$15,000) will be paid to the California Labor and  
4 Workforce Development Agency, and the remaining twenty-five percent (25%) of the PAGA  
5 Penalties (\$5,000) will be paid to the Aggrieved Employees, on a pro rata basis

6 13. The Class Notice advises the Class of the material terms and provisions of the  
7 Settlement, the procedure for approval thereof, and their rights with respect thereto, and is  
8 approved as to form and content. The Court approves the procedures set forth in the Settlement  
9 Agreement for Class Members to participate in, opt out of, and object to the Settlement as set  
10 forth in the Class Notice.

11 14. The Class Notice will be sent in a notice packet by first-class mail to the Class  
12 Members in accordance with the schedule set forth in the Settlement Agreement. The dates  
13 selected for the mailing and distribution of the Class Notice, and the other dates as set forth in  
14 the Settlement Agreement, meet the requirements of due process and provide the best notice  
15 practicable under the circumstances, and will constitute due and sufficient notice to all persons  
16 entitled thereto.

17 15. Each Class Member who wishes to be excluded from the Class portion of the  
18 Settlement must submit a written request to be excluded from the Class portion of the Settlement  
19 by the deadline set forth in the Class Notice. Any Class Member who does not submit a timely  
20 request to be excluded from the Class portion of the Settlement consistent with the terms of the  
21 Settlement Agreement (“Participating Class Member”) shall be bound by the terms of the  
22 Settlement Agreement.

23 16. Only Participating Class Members may object to the Class portion of the  
24 Settlement, including contesting the fairness of the Settlement, and/or amounts requested for the  
25 Class Counsel Fees and Litigation Costs, Administration Expense Payment, and/or Class  
26 Representative Service Award. Participating Class Members may send written objections to the  
27 Settlement Administrator, by mail, email, or fax, by the deadline set forth in the Class Notice.  
28 Participating Class Members may also appear in Court (or hire an attorney to appear in Court at

1 their own expense) to present verbal objections at the Final Approval Hearing.

2 17. A Final Approval Hearing on the question of whether the proposed Settlement,  
3 Class Counsel Fees and Litigation Costs to Class Counsel for attorneys' fees and reasonable  
4 expenses incurred in connection with this Action, Class Representative Service Award to  
5 Plaintiff for his service in this Action, and Administration Expense Payment should be approved  
6 as fair, reasonable, and adequate as to the Class and whether the Settlement should be given final  
7 approval is scheduled on: \_\_\_\_\_, 2025 at \_\_\_\_\_.m. Plaintiff shall file a motion  
8 for final approval of the Settlement no later than 16 court days prior to the Final Approval  
9 Hearing.

10 18. The Settlement Agreement will not be construed as an admission or evidence of  
11 either liability or the appropriateness of class certification in the non-settlement context, as more  
12 specifically set forth in the Settlement Agreement. Entry of this Order is without prejudice to the  
13 rights of Defendant to oppose certification of a class in this action should the proposed  
14 Settlement not be granted final approval. If, for any reason, the Court does not grant final  
15 approval of the Settlement, all evidence and proceedings held in connection therewith shall be  
16 without prejudice to the status quo ante rights of the parties to the litigation as more specifically  
17 set forth in the Settlement Agreement.

18 19. All further proceedings in this action are stayed except such proceedings  
19 necessary to review, approve, and implement this Settlement.

20 20. The Court finds that all required notifications and submissions to the California  
21 Labor and Workforce Development Agency ("LWDA") about the Settlement Agreement and  
22 Motion have been made by Plaintiff in the time and manner specified under PAGA.

23 **IT IS SO ORDERED.**

24 Dated: 05/12/2026



25 Hon. Colleen K. Sterne

26 Judge of the Superior Court

# EXHIBIT 1

## CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Angel Nava Mora (“Plaintiff”) and Institution Ale Company (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

### 1. DEFINITIONS.

- 1.1 “Action” means Plaintiff’s wage and hour lawsuit filed against Defendant captioned *Angel Nava Mora v. Institution Ale Company* initiated on March 12, 2024, and pending in Superior Court of the State of California, County of Santa Barbara, Case No. 24CV01401.
- 1.2 “Administrator” means Apex Class Action (“Apex”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Class” means all persons who currently or formerly worked for Defendant as a non-exempt, hourly paid employee in California during the Class Period.
- 1.5 “Class Counsel” means Emil Davtyan, David Yeremian, Alvin B. Lindsay, Rose Sorial, Enoch Kim, and Antonia McKee of D.Law, Inc.
- 1.6 “Class Counsel Fees” and “Class Counsel Litigation Costs” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and documented out of pocket expenses, respectively, reasonably incurred to prosecute the Action.
- 1.7 “Class Data” means Class Member identifying information in Defendant’s possession, including the Class Member’s (a) name, (b) last-known mailing address, (c) Social Security number, and (d) number of Workweeks and PAGA Pay Periods.
- 1.8 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a PAGA Member).
- 1.9 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

- 1.10 “Class Notice” means the Court Approved Notice Of Class Action Settlement and Hearing Date For Final Court Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.11 “Class Period” means the period from March 12, 2020, through January 13, 2025.
- 1.12 “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.13 “Class Representative Service Award” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.14 “Court” means the Superior Court of California, County of Santa Barbara.
- 1.15 “Defendant” means named Defendant Institution Ale Company.
- 1.16 “Defense Counsel” means Michael H. Brody and Benjamin F. Fraser of LightGabler LLP.
- 1.17 “Effective Date” means the date when all of the following have occurred: the Court has granted final approval to the settlement (including approval of the settlement of the PAGA claim), has entered and filed the final approval order of the settlement and final judgment; and the judgment has become final. The Judgment becomes final as follows: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur. In the event any appeal or other challenge is filed concerning the settlement, administration of the settlement shall cease and be stayed pending final resolution of such appeal or challenge without reversal or modification to the settlement and judgment.
- 1.18 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.19 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20 “Gross Settlement Amount” means \$335,000.00 which is the total amount Defendant agree to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay (1) Individual Class Payments (including employee tax withholdings from the Wage Portions), (2) Class Counsel Fees, (3) Class Counsel Litigation Costs, (4) Administration Expenses Payment, (5) Plaintiff’s Class Representative Service Award, (6) Individual PAGA Payments, and (7) LWDA PAGA Payment.

- 1.21 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.22 “Individual PAGA Payment” means the Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.23 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.24 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.25 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.26 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, LWDA PAGA Payment, Class Representative Service Award, Class Counsel Fees, Class Counsel Litigation Costs, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.27 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.28 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.29 “PAGA Pay Period” means any pay period during which a PAGA Member worked for Defendant for at least one (1) day during the PAGA Period.
- 1.30 “PAGA Period” means the period from June 1, 2023, to January 13, 2025.
- 1.31 “PAGA Member” means all persons who currently or formerly worked for Defendant as a non-exempt, hourly paid employee in California during the PAGA Period.
- 1.32 “PAGA Notice” means Plaintiff’s March 12, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). (LWDA-CM-1016145-24).
- 1.33 “PAGA Penalties” means the total amount of PAGA civil penalties (\$20,000.00) to be paid from the Gross Settlement Amount, allocated 25% to PAGA Members (\$5,000.00) and the 75% to LWDA (\$15,000.00) in settlement of PAGA claims.

- 1.34 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.35 “Plaintiff” means Angel Nava Mora, the named plaintiff in the Action.
- 1.36 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.37 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.38 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.39 “Released Parties” means Defendant Institution Ale Company and its current or former officers, partners, directors, shareholders, owners, investors, assigns, attorneys, insurers, agents, independent contractors, employees, joint employers, staffing companies, labor contractors, predecessors, successors, parents, subsidiaries, affiliates, joint employers, related entities or other representatives of any kind, and related parties that have been asserted or could have been asserted based on the allegations in the PAGA notice dated March 12, 2024, Complaint filed March 12, 2024, and First Amended Complaint filed August 5, 2024.
- 1.40 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.41 “Response Deadline” means sixty (60) days after the Administrator mails Notice to Class Members and Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
- 1.42 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.43 “Workweek” means any calendar week (i.e., a week beginning with Sunday and ending with Saturday), in which a Class Member worked for Defendant for at least one (1) day during the Class Period.

## 2. **RECITALS.**

- 2.1 On March 12, 2024, Plaintiff filed a lawsuit entitled *Angel Nava Mora v. Institution Ale*, California Superior Court for the County of Santa Barbara, Case No. 24CV01401, alleging causes of action against Defendant for failing to pay minimum wages, failing to pay wages and overtime wages under Labor Code § 510, meal period liability under

Labor Code § 226.7, rest break liability under Labor Code § 226.7, failure to pay reporting time under 8 CCR § 11050(5), violation of Labor Code § 226(a), violation of Labor Code § 221, violation of Labor Code § 204, violation of Labor Code § 203, failure to keep required payroll records under Labor Code §§ 1174 and 1174.5, failure to reimburse necessary business expenses § 2802, and violation of Business & Professions Code § 17200 *et seq.* (“Action”). On August 5, 2024, Plaintiff filed a First Amended Complaint adding a claim for civil penalties under the California Private Attorneys General Act (“Operative Complaint”).

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave written notice to Defendant and the LWDA by sending the PAGA Notice on March 12, 2024 (LWDA-CM-1016145-24).
- 2.3 On November 13, 2024, the Parties participated in an all-day mediation with Steven J. Serratore, Esq., which resulted in the settlement of this matter via a mediator’s proposal, subject to the Court’s approval.
- 2.4 Prior to mediation, Plaintiff obtained, through formal and informal discovery, a 30.2% sampling of payroll and timekeeping data, as well as other data. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).
- 2.5 Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged. The Parties have entered into this Agreement to resolve the dispute or disputes that have arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit and specifically denies that it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful or improper conduct with respect to its employees or operations. Apart for purposes of settling this Action, the Parties agree this Settlement may not be used or admitted for any other purpose or in any other proceeding other than to enforce and effectuate the terms and conditions of this specific Settlement as provided herein.
- 2.6 Defendant does not admit this matter is suitable for certification or treatment as a class or other representative action, and the Court has not granted class certification.
- 2.7 The Parties represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraphs 8 and 9 below, Defendant promises to pay no more than \$335,000.00 as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any employer payroll taxes) prior to the deadline stated in Paragraph 4.2 of this Agreement. Prior to disbursing the Gross Settlement Amount, the Administrator will provide a disbursement breakdown to Class Counsel and Defense Counsel and will not disburse any funds until the breakdown is approved by both counsels. Any disputes regarding disbursement will be resolved by the Court. Upon receiving approval from both Class Counsel and Defense Counsel, the Administrator will disburse the Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 **Payments from the Gross Settlement Amount.** The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 **To Plaintiff:** Class Representative Service Award to Plaintiff of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Award that does not exceed this amount. As part of the motion for Class Counsel Fees and Class Counsel Litigation Costs, Plaintiff will seek Court approval for any Class Representative Service Award no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the Class Representative Service Award. The Parties agree that regardless of the amount of the service award awarded to Plaintiff by the Court, the enforceability of this Agreement shall not be affected.

3.2.2 **To Class Counsel:** Class Counsel Fees of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$111,666.67, and Class Counsel Litigation Costs of not more than \$25,000.00. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Class Counsel Litigation Costs no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a payment for Class Counsel Fees and/or a Class Counsel Litigation Costs less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Defendant shall have no liability to Class Counsel or any other Plaintiff's Counsel

arising from any claim to any portion of the Class Counsel Fees and/or Class Counsel Litigation Costs. The Administrator will pay the Class Counsel Fees and Class Counsel Litigation Costs using one or more IRS 1099 Forms. Class Counsel shall assume full responsibility and liability for taxes owed on the Class Counsel Fees and the Class Counsel Litigation Costs and agrees to hold Defendant harmless from any dispute or controversy regarding any division or sharing of any of these payments.

In the event that the Court reduces or does not approve the requested Class Counsel Fees Award and/or Class Counsel Litigation Costs Award, Class Counsel reserve their right to appeal such order; however, Plaintiff and/or Class Counsel shall not request or demand an increase to the Gross Settlement Amount on that basis. The Parties agree that regardless of the amount of attorney fees and costs that the Court approves and awards, the enforceability of this Agreement shall not be affected.

- 3.2.3 To the Administrator: An Administration Expenses Payment not to exceed \$7,490.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than \$7,490.00, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks during the Class Period.
- 3.2.4.1 Tax Allocation of Individual Class Payments. 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 45% of of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and business expenses, and 45% to penalties (the "Non-Wage Portions"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- 3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and PAGA Members: PAGA Penalties in the amount of \$20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00) allocated to the LWDA PAGA Payment and 25% (\$5,000.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Members' 25% share of PAGA Penalties (\$5,000.00) by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's number of PAGA Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. The Parties agree that regardless of the amount of the Gross Settlement Amount that the Court decides to allocate and approve as the PAGA payment portion of the settlement the enforceability of the settlement shall not be affected.

#### 4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks and Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 441 Class Members who collectively worked a total of 18,055 Workweeks during the Class Period, and 189 PAGA Members who worked a total 3,372 of PAGA Pay Periods during the PAGA Period.

4.2 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than thirty (30) calendar days after the Effective Date.

4.3 Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, Class Counsel Fees, Class Counsel Litigation Costs, and the Class Representative Service Award. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.3.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the

date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all PAGA Members including Non-Participating Class Members who qualify as PAGA Members. The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.3.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.3.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.3.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective upon the Effective Date and remittance of the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by Defendant to the Settlement Administrator, Plaintiff, Participating Class Members, and PAGA Members shall fully and finally release and discharge claims against the Released Parties as follows:

5.1 Plaintiff's General Release and Waiver of Rights Under CCC Section 1542. In addition to the Participating Class Member and PAGA Member releases below, Plaintiff also releases all known and unknown claims, whether ascertained or unascertained, that he has against the Released Parties up to the date of his execution of this Agreement. Plaintiff expressly waives and relinquishes, to the fullest extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides:

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

5.2 Release by Participating Class Members: Participating Class Members release and discharge the Released Parties from any and all wage and hour claims, rights, demands, debts, liabilities, causes of action, primary rights, or claims for relief arising out of or related to work performed by Settlement Class Members during the Class Period that: 1) are alleged, were alleged, could have been alleged in the complaints in the Action (including previously filed complaints in the Action); or 2) arise out of, are comprised of, and/or are related to the facts, matters, transactions or occurrences alleged in the complaints in the Action, whether under federal, state, or common law, including, violations of the California Labor Code, the California Business and Professions Code sections 17200 et seq., the Industrial Welfare Commission Wage Orders, and the Fair Labor Standards Act. By way of illustration only and not as a limitation, this release includes all types of recovery and relief available for the above-referenced claims and theories of relief, including, without limitation, any claims for unpaid or untimely payment of any wages or other amounts owed, unpaid minimum wage, unpaid overtime, unpaid double-time pay, non-compliant meal periods or rest breaks or for premium pay, provisions regulating hours and days of work in any IWC order, failure to pay vacation wages, failure to provide sick pay, failure to provide notice of paid sick time accrual, failure to pay reporting time pay, requiring a written agreement to any term or condition known to be prohibited by law, unreimbursed expenses, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, failure to provide accurate, itemized wage statements or other wage statement violations, unfair business practices, and including claims arising therefrom for damages, reimbursement, restitution, losses, penalties, fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive or declaratory relief, chargebacks, liquidated damages or similar relief. This release does not include claims for vested retirement benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation.

5.3 Release by PAGA Members: PAGA Members are deemed to fully and finally release and discharge Released Parties from any and all wage and hour claims, rights, demands, debts, liabilities, causes of action, primary rights, or claims for civil penalties arising out of or related to work performed by PAGA Members for any acts or omissions during the PAGA Period that: 1) are alleged or were alleged, or could have been alleged in the complaint in the Action (including any previously filed complaint in the Action) or any PAGA administrative exhaustion/notice letter (including any previously submitted administrative exhaustion/notice letter); or 2) arise out of, are comprised of, and/or are related to the facts, matters, transactions or occurrences alleged in the complaints in the Action, whether under federal, state, or common law, including, violations of the

California Labor Code, the California Business and Professions Code sections 17200 et seq., the Industrial Welfare Commission Wage Orders, and the Fair Labor Standards Act. This release includes all claims for civil penalties available for the above-referenced claims and theories of relief, including, without limitation, any claims for unpaid or untimely payment of any wages or other amounts owed, unpaid minimum wage, unpaid overtime, unpaid double-time pay, non-compliant meal periods or rest breaks or for premium pay, provisions regulating hours and days of work in any IWC order, failure to pay vacation wages, failure to provide sick pay, failure to provide notice of paid sick time accrual, failure to pay reporting time pay, requiring a written agreement to any term or condition known to be prohibited by law, unreimbursed expenses, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, failure to provide accurate, itemized wage statements or other wage statement violations, unfair business practices, and including any claims arising therefrom for any monetary or non-monetary relief, and claims for attorneys' fees, expenses, and costs, that may be obtained under the PAGA statute.

6. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiff will prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s requirements for Preliminary Approvals.

6.1 **Plaintiff’s Responsibilities.** Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the Class and PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting conditional certification of the Class for settlement purposes only and Preliminary Approval and Approval of Class and PAGA Settlement; appointing the Class Representative, Class Counsel, and Administrator; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, Defendant, or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (vi) a signed declaration from Class Counsel attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaints (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. Plaintiff, by and through Class Counsel, is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for

appearing in Court to advocate in favor of the Motion for Preliminary Approval. Defendant will not oppose Plaintiff's Motion for Preliminary Approval. Plaintiff is also responsible for delivering the Court's Preliminary Approval to the Administrator.

6.2 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, the Parties, by and through their respective Counsel, will expeditiously work together by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, the Parties, by and through their respective Counsel, will expeditiously work together by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

6.3 Court Determinations: The amounts of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, with the exception of Plaintiff's right to appeal stated in Paragraph 3.2.2. The Court's approval or denial of any amount requested for these items are not material conditions of this Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of this Agreement. Any order or proceeding relating to an application for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment shall not operate to terminate or cancel this Agreement. If the Court declines to conditionally certify the Class or to Preliminarily Approve all material aspects of the Agreement with prejudice, the Agreement will be null and void, and the Parties will have no further obligations under the Agreement.

## 7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

#### 7.4 Notice to Class Members.

- 7.4.1 Not later than fourteen (14) calendar days after the date on which the Court enters an order granting preliminary approval of the Settlement, Defendant shall provide the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet, containing the following information for each Class Member: (1) full name; (2) last known home address; (3) social security number; and (4) the number of Workweeks and PAGA Pay Periods. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement, and not provide the Class Data to Plaintiff or Class Counsel. Defendant has a continuing duty to promptly notify Class Counsel if it is discovered that the Class Data omitted class member identifying information and to provide corrected or updated Class Data to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 7.4.2 Not later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and PAGA Pay Periods in the Class Data.
- 7.4.3 Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.4 Not later than three (3) business days after the Administrator's receipt of any Class Notices returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- 7.4.5 The deadlines for Class Members' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.6 If the Administrator, Defendant, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves from (opt-out of) the Class Settlement must send the Administrator by mail, fax, or email, a signed written Request for Exclusion not later than the Response Deadline.
- 7.5.2 A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's: (i) full name, (ii) last four digits of his/her Social Security number, (iii) mailing address, (iv) email address or telephone number, and (v) a simple statement electing to be excluded from the Settlement. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.3 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.4 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement,

including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.5 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are PAGA Members are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks and PAGA Pay Periods. Each Class Member shall have until the Response Deadline to challenge the number of Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator shall request dates of employment for the challenging Class Member/Aggrieved Employee, and is entitled to presume that the Workweeks and PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data and dates of active employment provided by Defendant. The Administrator's determination of each Class Member's allocation of Workweeks and PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination on the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for Class Counsel Fees, Class Counsel Litigation Costs, and/or Class Representative Service Award.

7.7.2 A Participating Class Member who elects to mail a written objection to the Administrator must do so not later than the Response Deadline.

7.7.3 Participating Class Members will need to mail any written objections to the Administrator only. The written objection must: (i) indicate what the Class Member is objecting to; (ii) explain why the Class Member is objecting; (iii) include any fact that support the objection; and (iv) include the Class Member's full name, last four digits of his/her Social Security number, present address, and email address or telephone number.

- 7.7.4 Participating Class Members will not be barred from appearing at the Final Approval Hearing if they have not complied with the objection procedures for mailing objections to the Settlement Administrator. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
- 7.7.5 Non-Participating Class Members have no right to object to any of the class action components of the Settlement. PAGA Members have not right to object to the PAGA portion of the Agreement and shall be bound by the release of claims identified in Paragraph 5.3 of this Agreement.
- 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Award, Class Counsel Litigation Costs Award and Class Representative Service Award, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- 7.8.4 Workweek and PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator's Declaration. Not later than seven (7) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
- 7.8.7 Payroll Tax Calculation. The Administrator shall calculate Defendant's share of employer payroll taxes due on the Wage Portion of Individual Class Payments and provide this information to the Parties for purposes of Final Approval. The Administrator shall remit employer taxes and required forms to the appropriate taxing authorities within the deadlines set by law.
8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**. Based on a review of its records to date, Defendant represented that there are approximately 17,460 Class Members Workweeks during the time period from March 12, 2020 through November 13, 2024. In the event the number of Workweeks during such period is more than 19,250 (i.e., more than 10% above 17,500), then the Gross Settlement Amount shall be increased proportionally by the number of workweeks in excess of 19,250. Class Counsel Fees shall remain one-third of the increased Gross Settlement Amount if the escalator clause is triggered.
9. **DEFENDANT'S RIGHT TO WITHDRAW**. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, in its discretion, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect

whatsoever, and that no Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than fourteen (14) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect. The parties and their counsel agree that they shall not seek, solicit, or otherwise encourage Class Members to submit exclusion/opt-out requests or objections to the settlement. Plaintiff agrees he will not opt-out of or object to the settlement.

10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) calendar days prior to filing the Motion for Final Approval. The Parties, by and through their respective Counsel, will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 **Duty to Cooperate.** The Parties agree to cooperate to promote participation in the Settlement and in seeking court approval of the Settlement, including working cooperatively to address any questions raised by the Court and making any reasonable amendments required by the Court by, and among other things, modifying the Settlement Agreement, submitting supplemental evidence or declarations reasonably required, and supplementing points and authorities as requested by the Court. The Court’s decision to award less than the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Settlement within the meaning of this paragraph.

10.2.1 The Parties agree not to take any action to encourage any Class Members to opt out of and/or object to the Settlement. Defendant agree not to obtain settlements agreements from the Class Members during the Settlement approval process and will work in good faith to reach an agreement approved by the Court.

10.2.2 In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and obtain a proposed amended judgment.

12. **ADDITIONAL PROVISIONS.**

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaints have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this

Agreement, and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2 Confidentiality Prior to Preliminary Approval. The Parties agree that, until the Motion for Preliminary Approval of Settlement is filed, they and their respective Counsel will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, member of the press, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. The Parties agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This Paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all prior written agreements, including the Memorandum of Understanding of Settlement, and any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.4 Attorney Authorization. The Parties separately warrant and represent that Class Counsel and Defense Counsel are authorized, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.6 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 12.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.9 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.10 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.11 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement. The parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about this case and/or the fact, amount, or terms of the MOU or settlement prior to the Court granting preliminary approval of the settlement.
- 12.12 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of any Class Data or other confidential information.
- 12.13 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.14 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.15 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

D.Law, Inc.  
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emil@d.law  
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To Defendant:

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Camarillo, CA 93010  
(805) 248-7208  
(805) 248-7209 (fax)

12.16 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.17 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the

entire period of this settlement process.

12.18 Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorney's fees and litigation costs, including expert witness fees in connection with any enforcement actions.

**APPROVED:**

Dated: June 18, 2025

DocuSigned by:  
*Angel*  
64A7BAECB8E94A7

\_\_\_\_\_  
Angel Nava Mora

Dated: June \_\_\_\_\_, 2025

\_\_\_\_\_  
Institution Ale Company

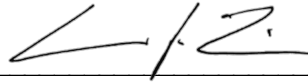
By: \_\_\_\_\_

Its: \_\_\_\_\_

**APPROVED AS TO FORM:**

Dated: June 20, 2025

D.LAW, INC.



\_\_\_\_\_  
Emil Davtyan  
David Yeremian  
Alvin B. Lindsay  
Enoch J. Kim  
Rose Sorial  
Antonia McKee  
Attorneys for Plaintiff Angel Nava Mora

Dated: June \_\_\_\_\_, 2025

LIGHTGABLER LLP

\_\_\_\_\_  
Michael H. Brody  
Benjamin F. Fraser  
Attorneys for Institution Ale Company

entire period of this settlement process.


12.18 Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorney's fees and litigation costs, including expert witness fees in connection with any enforcement actions.

**APPROVED:**

Dated: June \_\_\_\_\_, 2025

\_\_\_\_\_  
Angel Nava Mora

Dated: June 26, 2025

  
\_\_\_\_\_  
Institution Ale Company  
By: ROGER L. SMITH  
Its: PRESIDENT

**APPROVED AS TO FORM:**


Dated: June \_\_\_\_\_, 2025

D.LAW, INC.

\_\_\_\_\_  
Emil Davtyan  
David Yeremian  
Alvin B. Lindsay  
Enoch J. Kim  
Rose Sorial  
Antonia McKee  
Attorneys for Plaintiff Angel Nava Mora

Dated: June 26, 2025

LIGHTGABLER LLP

  
\_\_\_\_\_  
Michael H. Brody  
Benjamin F. Fraser  
Attorneys for Institution Ale Company

## **AMENDMENT TO CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE**

In compliance with the Court's March 20, 2026 tentative ruling on Plaintiff's Motion for Preliminary Approval of Settlement, the Parties wish to amend the Settlement Agreement solely in connection with Sections 1.5, 1.39, 5.2, and 5.3 of the Settlement Agreement with respect to the definition of Class Counsel, the definition of Released Parties, and the Release of Claims by Plaintiff and Class Members and the Release of PAGA Claims under the Settlement Agreement, as set forth herein.

Pursuant to Paragraphs 12.4 and 12.7 of the Class Action and PAGA Settlement Agreement ("Agreement") between Plaintiff Angel Nava Mora ("Plaintiff") and Defendant Institution Ale Company ("Defendant") (collectively, the "Parties"), subject to the terms and conditions herein and the Court's approval, the following paragraphs of the Agreement are hereby amended as follows:

### **I. AMENDMENT**

#### **1. DEFINITIONS.**

A. Section 1.5 of the Settlement Agreement is hereby deleted and replaced with the following:

i. **Class Counsel**

1.5 "Class Counsel" means Alvin B. Lindsay, Enoch Kim, and Antonia McKee of D.Law, Inc.

B. Section 1.39 of the Settlement Agreement is hereby deleted and replaced with the following:

i. **Released Parties**

1.39 "Released Parties" means Defendant Institution Ale Company and its current or former officers, partners, directors, shareholders, owners, investors, assigns, attorneys, insurers, agents, independent contractors, employees, joint employers, staffing companies, labor contractors, predecessors, successors, parents, subsidiaries, affiliates, joint employers, and related entities or other representatives of any kind...

## 5. RELEASES OF CLAIMS.

A. Section 5.2 of the Settlement Agreement is hereby deleted and replaced with the following:

i. **Class Member Release**

5.2 Release by Participating Class Members: Participating Class Members release and discharge the Released Parties from any and all wage and hour claims, rights, demands, debts, liabilities, causes of action, primary rights, or claims for relief arising out of or related to work performed by Settlement Class Members for Defendant during the Class Period that are alleged, were alleged, or could have reasonably been alleged based on the factual allegations stated in the Operative Complaint and that arose during the Class Period, whether under federal, state, or common law, including, violations of the California Labor Code, the California Business and Professions Code sections 17200 et seq., and the Industrial Welfare Commission Wage Orders. By way of illustration only, this release includes, without limitation, all types of recovery and relief available for the above-referenced claims and theories of relief, including any claims for unpaid or untimely payment of any wages or other amounts owed, unpaid minimum wage, unpaid overtime, unpaid double-time pay, non-compliant meal periods or rest breaks or for premium pay, provisions regulating hours and days of work in any IWC order, failure to pay vacation wages, failure to provide sick pay, failure to provide notice of paid sick time accrual, failure to pay reporting time pay, requiring a written agreement to any term or condition known to be prohibited by law, unreimbursed expenses, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, failure to provide accurate, itemized wage statements or other wage statement violations, unfair business practices, and including claims arising therefrom for damages, reimbursement, restitution, losses, penalties (excluding PAGA), fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive or declaratory relief, chargebacks, liquidated damages or similar relief. This release does not include claims for vested retirement benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation.

B. Section 5.3 of the Settlement Agreement is hereby deleted and replaced with the following:

i. **PAGA Member Release**

5.3 Release by PAGA Members: PAGA Members are deemed to fully and finally release and discharge Released Parties from any and all claims for civil penalties brought under PAGA arising out of or related to work performed by

PAGA Members for Defendant during the PAGA Period that are alleged, were alleged, or could reasonably have been alleged based on the factual allegations stated in the Operative Complaint and PAGA Notice and that arose during the PAGA Period. This release includes all claims for civil penalties available for the above-referenced claims and theories of relief, including, without limitation, any claims for unpaid or untimely payment of any wages or other amounts owed, unpaid minimum wage, unpaid overtime, unpaid double-time pay, non-compliant meal periods or rest breaks or for premium pay, provisions regulating hours and days of work in any IWC order, failure to pay vacation wages, failure to provide sick pay, failure to provide notice of paid sick time accrual, failure to pay reporting time pay, requiring a written agreement to any term or condition known to be prohibited by law, unreimbursed expenses, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, failure to provide accurate, itemized wage statements or other wage statement violations, and including any claims arising therefrom for any monetary or non-monetary relief, and claims for attorneys' fees, expenses, and costs, that may be obtained under the PAGA statute.

**II. EFFECT OF AMENDMENT**

Except as and to the extent expressly modified by this Amendment, the Settlement Agreement, as so amended, will remain in full force and effect in all respects. Each reference to the "Settlement Agreement" in the Settlement Agreement will refer to the Settlement Agreement as amended by the Amendment.

**III. COUNTERPARTS**

This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Delivery of an executed signature page of this Second Amendment by facsimile or other electronic means shall be as effective as delivery of a manually executed signature page of this Settlement Agreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Amendment to the Class Action and PAGA Settlement Agreement between Plaintiff, on the one hand, and Defendant, on the other hand, as of the date(s) set forth below:

**SIGNATURES**

**APPROVED:**

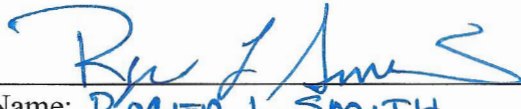
**PLAINTIFF**

Dated: 4/23/2026

DocuSigned by:  
*Angel*  
64A7B4FCB8E94A7...  
Angel Nava Mora

**DEFENDANT**

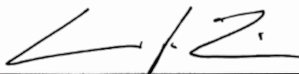
Dated: 4-22-2026

  
Name: ROGER L. SMITH  
Title: PRESIDENT  
On behalf of Defendant Institution Ale Company

**APPROVED AS TO FORM:**

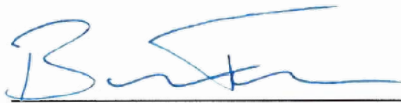
**D.LAW, INC., as duly authorized representative of Plaintiff Angel Nava Mora**

Dated: April 23, 2026

  
Alvin B. Lindsay  
Enoch J. Kim  
Antonia McKee  
Attorneys for Plaintiff Angel Nava Mora

**LIGHTGABLER LLP, as duly authorized representative of Defendant Institution Ale Company**

Dated: April 23, 2026

  
Michael H. Brody  
Benjamin F. Fraser  
Attorneys for Defendant Institution Ale Company

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

*Angel Nava Mora v. Institution Ale Company.*

California Superior Court for the County of Santa Barbara, Case No. 24CV01401

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

**You may be eligible to receive money** from an employee class action lawsuit (“Action”) against Institution Ale Company (“Defendant”) for alleged wage and hour violations. The Action was filed by a former employee, Angel Nava Mora (“Plaintiff”), and seeks payment of unpaid wages and other relief for a class of all persons who currently or formerly worked for Defendant as a non-exempt, hourly paid employee in California during the Class Period (March 12, 2020, through January 13, 2025) (hereinafter, the “Class”). The Action also seeks penalties under the California Private Attorney General Act (“PAGA”) for all all persons who currently or formerly worked for Defendant as a non-exempt, hourly paid employee in California during the the PAGA Period (June 1, 2023, through January 13, 2025).

Defendant denies violating any laws or failing to pay any wages and contend that they complied with all applicable laws. However, Defendant has agreed to a proposed settlement as a compromise of the dispute claims without admitting any liability or wrongdoing. The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s applicable records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ \_\_\_\_\_ (less withholdings) 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 Defendant’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 Defendant’s applicable records showing that **you worked \_\_\_\_\_ Workweeks** during the Class Period in California and **you worked \_\_\_\_\_ Pay Periods** in California during the PAGA Period. If you believe that you worked more workweeks or Pay Periods in California during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

Read this Notice carefully. 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 do not act. 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 Defendant to make payments under the Settlement and requires Class Members and PAGA Members to give up their rights to assert certain claims against Defendant.

**Defendant 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**

<p><b>You Don’t Have to Do Anything to Participate in the Settlement</b></p>	<p>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 Defendant that are covered by this Settlement (Released Claims).</p>
<p><b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b></p> <p><b>The Opt-out Deadline is _____</b></p>	<p>If you don’t want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p> <p>You cannot opt-out of the PAGA Settlement. Defendant must pay Individual PAGA Payments to all PAGA Members and PAGA Members must give up their rights to pursue Released Claims (defined below).</p>
<p><b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b></p> <p><b>Written Objections Must be Submitted by _____</b></p>	<p>All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the Class 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.</p>
<p><b>You Can Participate in the</b></p>	<p>The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t have to attend but you do have the</p>

<p>_____ <b>Final Approval Hearing</b></p>	<p>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.</p>
<p><b>You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by</b></p> <p>_____</p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks/Pay Periods you worked at least one day in California during the Class Period and PAGA Period, respectively. The number of workweeks/Pay Periods you worked during the Class Period and PAGA Period according to Defendant’s applicable 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.</p>

**1. WHAT IS THE ACTION ABOUT?**

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay minimum wages, failing to pay overtime wages, failing to pay wages due upon termination, failing to keep required payroll records, failing to reimburse necessary business expenses, failing to provide meal periods, rest breaks, and accurate itemized wage statements, and violation of Business & Professions Code § 17200 *et seq.* Based on the same claims, Plaintiff has also asserted a claim for civil penalties under PAGA.

Defendant strongly denies violating any laws or failing to pay any wages or expenses and contend it complied with all applicable laws.

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

So far, the Court has made no determination as to the merits of Plaintiff’s claims in the Action.

In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating a settlement (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 Defendant 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, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel believe the Settlement is a good deal for you because they believe that: (1) Defendant 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 PAGA Members. The Court preliminarily approved the

proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing for Final Approval of the Settlement.

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

1. Defendant Will Pay \$335,000.00 as the Gross Settlement Amount. Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the (1) Individual Class Payments, (2) Class Counsel Fees, (3) Class Counsel Litigation Costs, (4) Administration Expenses, (5) Plaintiff's Class Representative Service Award, (6) Individual PAGA Payments, and (7) penalties to be paid to the LWDA.
  - a. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement and all employer payroll taxes for the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator no later than the Effective Date. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the Administrator will mail checks to the appropriate entities and persons.
  - b. "Effective Date" means the date when all of the following have occurred: the Court has granted final approval to the settlement (including approval of the settlement of the PAGA claim), has entered and filed the final approval order of the settlement and final judgment; and the judgment has become final. The Judgment becomes final as follows: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur. In the event any appeal or other challenge is filed concerning the settlement, administration of the settlement shall cease and be stayed pending final resolution of such appeal or challenge without reversal or modification to the settlement and judgment.
2. Court Approved Payments from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following payments from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
  - a. Up to one-third of the Gross Settlement Amount to Class Counsel for attorneys' fees (\$111,666.67) and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
  - b. Up to \$10,000.00 as a Class Representative Service Award for filing the Action, working with Class Counsel, and representing the Class. A Class

Representative Service Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

- c. Up to \$7,490.00 to the Administrator for 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 PAGA Members based on the number of Pay Periods they worked during the PAGA Period.
3. Net Settlement Amount Distributed to Class Members. After making the above payments in amounts approved by the Court, the Administrator will distribute the remaining Gross Settlement Amount ("Net Settlement Amount") by making Individual Class Payments to Participating Class Members based on the number of Workweeks they worked during the Class Period.
  4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 10% of each Individual Class Payment to taxable wages ("Wage Portion") and 45% to interest and business expenses and 45% to penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes each respective Defendant owes on the Wage Portion. 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 Defendant 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 monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

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

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 of the Class Settlement ("Request for Exclusion"). The Request for Exclusion

should be a letter from the Class Member or his/her representative setting forth the Class Member's name, (ii) last four digits of your Social Security number, (iii) present mailing address, (iv) email address or telephone number, and (v) a simple statement communicating the Class Member's election to be excluded from the Settlement. Class Members who opt-out (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 Defendant.

You cannot opt-out of the PAGA 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 Defendant 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 to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Apex Class Action LLC (the "Administrator"), to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges regarding workweeks, mail and remail 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. Releases of Claims. Effective upon remittance of the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by Defendant (their respective portions) to the Settlement Administrator, Participating Class Members and PAGA Members shall fully and finally release and discharge claims against the Released Parties as follows:

Release by Participating Class Members: Participating Class Members release and discharge the Released Parties from any and all wage and hour claims, rights, demands, debts, liabilities, causes of action, primary rights, or claims for relief arising out of or related to work performed by Settlement Class Members for Defendant during the Class Period that are alleged, were alleged, or could have reasonably been alleged based on the factual allegations stated in the Operative Complaint and that arose during the Class Period, whether under federal, state, or common law, including, violations of the California Labor Code, the California Business and Professions Code sections 17200 et seq., and the Industrial Welfare Commission Wage Orders. By way of illustration only, this release includes, without limitation, all types of recovery and relief available for the above-referenced claims and theories of relief, including any claims for unpaid or

untimely payment of any wages or other amounts owed, unpaid minimum wage, unpaid overtime, unpaid double-time pay, non-compliant meal periods or rest breaks or for premium pay, provisions regulating hours and days of work in any IWC order, failure to pay vacation wages, failure to provide sick pay, failure to provide notice of paid sick time accrual, failure to pay reporting time pay, requiring a written agreement to any term or condition known to be prohibited by law, unreimbursed expenses, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, failure to provide accurate, itemized wage statements or other wage statement violations, unfair business practices, and including claims arising therefrom for damages, reimbursement, restitution, losses, penalties (excluding PAGA), fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive or declaratory relief, chargebacks, liquidated damages or similar relief. This release does not include claims for vested retirement benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation.

Release by PAGA Members: PAGA Members are deemed to fully and finally release and discharge Released Parties from any and all claims for civil penalties brought under PAGA arising out of or related to work performed by PAGA Members for Defendant during the PAGA Period that are alleged, were alleged, or could reasonably have been alleged based on the factual allegations stated in the Operative Complaint and PAGA Notice and that arose during the PAGA Period. This release includes all claims for civil penalties available for the above-referenced claims and theories of relief, including, without limitation, any claims for unpaid or untimely payment of any wages or other amounts owed, unpaid minimum wage, unpaid overtime, unpaid double-time pay, non-compliant meal periods or rest breaks or for premium pay, provisions regulating hours and days of work in any IWC order, failure to pay vacation wages, failure to provide sick pay, failure to provide notice of paid sick time accrual, failure to pay reporting time pay, requiring a written agreement to any term or condition known to be prohibited by law, unreimbursed expenses, failure to timely pay wages during employment or upon separation and for waiting-time penalties, failure to maintain accurate records or provide requested records, failure to provide accurate, itemized wage statements or other wage statement violations, and including any claims arising therefrom for any monetary or non-monetary relief, and claims for attorneys' fees, expenses, and costs, that may be obtained under the PAGA statute.

#### **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 PAGA Members and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual PAGA Member.
3. Workweek and PAGA Pay Period Challenges. The number of Workweeks you worked in California during the Class Period and number of Pay Periods you worked in California during the PAGA Period, as recorded in Defendant's applicable records, are stated in 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 Defendant's calculation of workweeks based on Defendant'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 challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant'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 PAGA Members. The single check will combine the Individual Class Payment and the Individual PAGA Payment (if any).
2. PAGA Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Members (including those who opt out of the Class Settlement).

**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?

As explained above, you must submit a Request for Exclusion to the Administrator if you wish to opt-out of the Class Settlement. Your Request for Exclusion must be sent to the Administrator

by mail, fax, or email by \_\_\_\_\_. 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 Class Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least sixteen (16) court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair and the amounts being requested for Class Counsel fees and litigation expenses and 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 \_\_\_\_\_.

Participating Class Members who wish to object will need to mail their objections to the Administrator only. 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 *Angel Nava Mora v. Institution Ale Company* and include your name, last four digits of your Social Security Number, current mailing address, telephone number, and approximate dates of employment for Defendant and sign the objection. **The deadline for sending written objections to the Administrator is \_\_\_\_\_.** 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 5, California Superior Court, County of Santa Barbara, 1100 Anacapa Street, Santa Barbara, CA 93101. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount 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. 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 \_\_\_\_\_ 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 Defendant 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 (<https://website/>) and entering the Case Number 24CV01401.

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

Class Counsel:  
D.Law, Inc.  
Alvin B. Lindsay  
[a.lindsay@d.law](mailto:a.lindsay@d.law)  
Enoch Kim  
[e.kim@d.law](mailto:e.kim@d.law)  
Antonia McKee  
[a.bliznets@d.law](mailto:a.bliznets@d.law)  
450 N. Brand Blvd., Suite 840  
Glendale, CA 91203  
Telephone: (818) 962-6465

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

**10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund \_\_\_\_\_ for instructions on how to retrieve the funds.

**11. WHAT IF I CHANGE MY ADDRESS?**

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