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 JORGE M. ARELLANO RAMIREZ

8
 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF ORANGE

11
 12 JORGE M. ARELLANO RAMIREZ,
 individually, and on behalf of all others
 13 similarly situated

14 Plaintiff,

15 vs.

16
 17 SOL ACCEPTANCE, LLC, a limited liability
 company; and DOES 1 through 10, inclusive

18 Defendants.
 19

Case No.: 30-2023-01360685-CU-OE-CXC

CLASS AND REPRESENTATIVE ACTION

[Hon. William Claster]

**CLASS ACTION AND PAGA SETTLEMENT
 AGREEMENT AND CLASS NOTICE**

Complaint filed: November 9, 2023
 Trial date: Not set

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE**

2 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
3 plaintiff Jorge M. Arellano Ramirez (“Plaintiff”) and defendant SOL Acceptance, LLC (“Defendant”). The
4 Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

5
6 **1. DEFINITIONS.**

7 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant
8 captioned *Jorge M. Arellano Ramirez v. SOL Acceptance, LLC* initiated on November 9,
9 2023, and pending in the Superior Court of the State of California, County of Orange.

10 1.2. “Administrator” means Apex Class Action Administration, the neutral entity the Parties
11 have agreed to appoint to administer the Settlement.

12 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
13 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
14 accordance with the Administrator’s “not to exceed” bid submitted to the Court in
15 connection with Preliminary Approval of the Settlement.

16 1.4. “Aggrieved Employee(s)” means all persons employed by Defendant as hourly-paid or
17 non-exempt employees in the State of California from November 9, 2022 until the date of
18 preliminary approval of the Settlement or October 24, 2025, whichever is earlier.

19 1.5. “Class” means all persons employed by Defendant as hourly-paid or non-exempt
20 employees in the State of California from November 9, 2019 to the date of preliminary
21 approval of the Settlement or October 24, 2025, whichever is earlier, that did not sign a
22 separation or release agreement with Defendant.

23 1.6. “Class Counsel” means Moon Law Group, PC.

24 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
25 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees
26 and expenses, respectively, incurred to prosecute the Action.

27 1.8. “Class Data” means Class Member identifying information in Defendant’s possession
28 including the Class Member’s name, last-known mailing address, Social Security number,

1 and number of Class Period Workweeks and PAGA Pay Periods.

2 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a
3 Participating Class Member or Non-Participating Class Member (including a Non-
4 Participating Class Member who qualifies as an Aggrieved Employee).

5 1.10. “Class Member Address Search” means the Administrator’s investigation and search for
6 current Class Member mailing addresses using all reasonably available sources, methods
7 and means including, but not limited to, the National Change of Address (“NCOA”)
8 database, skip traces, and direct contact by the Administrator with Class Members.

9 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION
10 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
11 mailed to Class Members in English in the form, without material variation unless
12 otherwise agreed by the Parties, attached as Exhibit A and incorporated by reference into
13 this Agreement. The Parties, through counsel, may agree to modifications to the Class
14 Notice required to correct errors or effectuate changes required by the Court without the
15 need to amend this Agreement, and the revised Class Notice shall be incorporated herein in
16 place of the original Exhibit A.

17 1.12. “Class Period” means the period from November 9, 2019 to the date of preliminary
18 approval of the Settlement or October 24, 2025, whichever is earlier.

19 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action
20 seeking Court approval to serve as the Class Representative.

21 1.14. “Class Representative Service Payment” means the payment to the Class Representative,
22 Jorge M. Arellano Ramirez, for initiating the Action and providing services in support of
23 the Action.

24 1.15. “Court” means any court before which the Parties seek settlement approval of this
25 Agreement, including the Superior Court of California, County of Orange.

26 1.16. “Defendant” means SOL Acceptance, LLC, the named defendant in the Action.

27 1.17. “Defense Counsel” means The Green Firm, PC.

28 1.18. “Effective Date” means: (a) the date the Court grants the Final Approval Order, if no

1 objections are asserted and no individual seeks to intervene in the matter; or (b) sixty-
2 five (65) calendar days after the date of entry of the Final Approval Order, if any
3 objections are asserted or any individual seeks to intervene in the matter but no appeal is
4 filed; or (c) if a timely appeal is made, ten (10) business days after the final resolution of
5 that appeal if the appeal is rejected or dismissed, the settlement is upheld, and the
6 settlement approval order is no longer subject to further judicial review.

7 1.19. “Final Approval Order” means the Court’s order granting final approval of the Settlement.

8 1.20. “Final Approval Hearing” means the Court’s hearing on the motion for final approval of
9 the Settlement.

10 1.21. “Gross Settlement Amount” means \$225,000.00 which is the total amount Defendant
11 agrees to pay under the Settlement except as provided in Paragraphs 3.1 and 8 below. The
12 Gross Settlement Amount will be used to pay Individual Class Payments, Individual
13 PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class
14 Counsel Litigation Expenses Payment, Class Representative Service Payment, and the
15 Administration Expenses Payment.

16 1.22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
17 Net Settlement Amount calculated according to the number of Workweeks worked during
18 the Class Period.

19 1.23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of
20 the PAGA Penalties calculated according to the number of PAGA Pay Periods worked
21 during the PAGA Period.

22 1.24. “Judgment” means the judgment entered by the Court based upon the Final Approval.

23 1.25. “LWDA” means the California Labor and Workforce Development Agency, the agency
24 entitled, under Labor Code § 2699(i).

25 1.26. “LWDA PAGA Payment” means the 75% portion of the PAGA Penalties paid to the
26 LWDA under Labor Code § 2699(i).

27 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following
28 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA

1 PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment,
2 Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
3 The remainder is to be paid to Participating Class Members as Individual Class Payments.

- 4 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Class
5 portion of the Settlement by sending the Administrator a valid and timely Request for
6 Exclusion.
- 7 1.29. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked
8 for Defendant for at least one day during the PAGA Period.
- 9 1.30. “PAGA Period” means the period from November 9, 2022, to the date of preliminary
10 approval of the Settlement or October 24, 2025, whichever is earlier.
- 11 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 12 1.32. “PAGA Notice” means Plaintiff’s letter to Defendant and the LWDA dated November 5,
13 2023, providing notice pursuant to Labor Code § 2699.3(a).
- 14 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
15 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$6,250.00) and
16 75% to the LWDA (\$18,750.00) in settlement of PAGA claims.
- 17 1.34. “Participating Class Member” means a Class Member who does not submit a valid and
18 timely Request for Exclusion from the Class portion of the Settlement.
- 19 1.35. “Plaintiff” means Jorge M. Arellano Ramirez, the named plaintiff in the Action.
- 20 1.36. “Preliminary Approval Hearing” means the hearing of the motion requesting preliminary
21 approval of the Class portion of the Settlement.
- 22 1.37. “Preliminary Approval Order” means the order granting preliminary approval of the Class
23 portion of the Settlement.
- 24 1.38. “Released Class Claims” means the claims being released as described in Paragraph 5.2
25 below.
- 26 1.39. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3
27 below.
- 28 1.40. “Released Parties” means Defendant and any predecessor, successor, subsidiary, parent,

1 affiliated or related entity, and each of their owners, managers, managerial employees,
2 agents, directors, and officers.

3 1.41. "Request for Exclusion" means a Class Member's submission of a written request to be
4 excluded from the Class Settlement.

5 1.42. "Response Deadline" means sixty (60) calendar days after the Administrator mails Notice
6 to Class Members and Aggrieved Employees, and shall be the last date on which Class
7 Members may: (a) fax, email, or mail Requests for Exclusion from the Class portion of the
8 Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. The Response
9 Deadline for Class Members to whom Notice Packets are resent after having been returned
10 undeliverable to the Administrator shall be extended by fourteen (14) calendar days
11 beyond the original Response Deadline.

12 1.43. "Settlement" means the disposition of the Action effected by this Agreement and the
13 Judgment.

14 1.44. "Workweek" means any week during which a Class Member worked for Defendant for at
15 least one day, during the Class Period.

16
17 **2. RECITALS.**

18 2.1. On November 9, 2023, Plaintiff commenced this Action by filing a Complaint alleging
19 causes of action against Defendant for [(1) Failure to Pay Minimum Wages (Cal. Lab.
20 Code §§ 204,1194, 1194.2, and 1197); (2) Failure to Pay Overtime Compensation (Cal.
21 Lab. Code §§ 1194 and 1198); (3) Failure to Provide Meal Periods (Cal. Lab. Code §§
22 226.7, 512); (4) Failure to Authorize and Permit Rest Breaks (Cal. Lab. Code §§ 226.7);
23 (5) Failure to Indemnify Necessary Business Expenses (Cal. Lab. Code §2802); (6) Failure
24 to Timely Pay Final Wages at Termination (Cal. Lab. Code §§ 201-203); (7) Failure to
25 Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); and (8) Unfair
26 Business Practices (Cal. Bus. & Prof. Code § 17200, *et. seq.*)]. On January 16, 2024,
27 Plaintiff filed a First Amended Complaint alleging causes of action against Defendant for
28 civil penalties under the Private Attorneys General Act ("PAGA"). On April 8, 2024,

1 Plaintiff filed a Second Amended Complaint to correct an error to Plaintiff’s name. The
 2 Second Amended Complaint is the operative complaint in the Action (the “Operative
 3 Complaint.”)] Defendant denies the allegations in the Operative Complaint, denies any
 4 failure to comply with the laws identified in in the Operative Complaint, and denies any
 5 and all liability for the causes of action alleged.

6 2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and
 7 the LWDA by sending the PAGA Notice.

8 2.3. On June 24, 2025, the Parties participated in an all-day mediation presided over by Mike
 9 Ludwig which led to this Agreement to settle the Action.

10 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Defendant’s policy
 11 documents for the relevant periods, testimony, and electronic time and pay records.
 12 Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in
 13 *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot*
 14 *Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) (“*Dunk/Kullar*”).

15 2.5. The Court has not granted class certification.

16 2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any
 17 other pending matter or action asserting claims that will be extinguished or affected by the
 18 Settlement.

19 **3. MONETARY TERMS.**

20 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant
 21 promises to pay \$225,000.00 and no more as the Gross Settlement Amount and to
 22 separately pay any and all employer payroll taxes owed on the Wage Portions of the
 23 Individual Class Payments. Defendant has no obligation to pay the Gross Settlement
 24 Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.1 of this
 25 Agreement. The Administrator will disburse the entire Gross Settlement Amount without
 26 asking or requiring Participating Class Members or Aggrieved Employees to submit any
 27 claim as a condition of payment. None of the Gross Settlement Amount will revert to
 28 Defendant.

1 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the
2 following payments from the Gross Settlement Amount, in the amounts specified by the
3 Court in the Final Approval:

4 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of
5 not more than \$7,500.00 (in addition to any Individual Class Payment and any
6 Individual PAGA Payment the Class Representative is entitled to receive as a
7 Participating Class Member and Aggrieved Employee), as approved by the Court.
8 Defendant will not oppose Plaintiff's request for a Class Representative Service
9 Payment that does not exceed this amount. If the Court approves a Class
10 Representative Service Payment less than the amount requested, the Administrator
11 will retain the remainder in the Net Settlement Amount. The Class Representative
12 Service Payment will be reported using IRS Form 1099. Plaintiff assumes full
13 responsibility and liability for any taxes owed on the Class Representative Service
14 Payment.

15 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 1/3%,
16 which is currently estimated to be \$75,000.00, and a Class Counsel Litigation
17 Expenses Payment of not more than \$15,000.00. Defendant will not oppose
18 requests for these payments provided that they do not exceed these amounts.
19 Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment
20 and Class Litigation Expenses Payment no later than sixteen (16) court days prior
21 to the Final Approval Hearing. If the Court approves a Class Counsel Fees
22 Payment and/or a Class Counsel Litigation Expenses Payment less than the
23 amounts requested, the Administrator will allocate the remainder to the Net
24 Settlement Amount. Released Parties shall have no liability to Class Counsel, or
25 any other Plaintiff's Counsel, arising from any claim to any portion of any Class
26 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The
27 Administrator will pay the Class Counsel Fees Payment and Class Counsel
28 Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel

1 assumes full responsibility and liability for taxes owed on the Class Counsel Fees
2 Payment and the Class Counsel Litigation Expenses Payment and holds Defendant
3 harmless, and indemnifies Defendant, from any dispute or controversy regarding
4 any division or sharing of any of these Payments.

5 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed
6 \$4,990.00, except for a showing of good cause and as approved by the Court. To
7 the extent the Administration Expenses Payment are less or the Court approves
8 payment less than \$4,990.00, the Administrator will retain the remainder in the Net
9 Settlement Amount.

10 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by
11 (a) dividing the Net Settlement Amount by the total number of Workweeks worked
12 by all Participating Class Members during the Class Period and (b) multiplying the
13 result by each Participating Class Member's Workweeks.

14 3.2.4.1. Tax Allocation of Individual Class Payments. Thirty percent (30%) of each
15 Participating Class Member's Individual Class Payment will be allocated to
16 settlement of wage claims (the "Wage Portion"). The Wage Portions are
17 subject to tax withholding and will be reported on an IRS W-2 Form.
18 Seventy percent (70%) of each Participating Class Member's Individual
19 Class Payment will be allocated to settlement of claims for interest and
20 penalties (the "Non-Wage Portion"). The Non-Wage Portions are not
21 subject to wage withholdings and will be reported on IRS 1099 Forms.
22 Participating Class Members assume full responsibility and liability for any
23 employee taxes owed on their Individual Class Payments.

24 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
25 Class Payments. Non-Participating Class Members will not receive any
26 Individual Class Payments. The Workweeks of Non-Participating Class
27 Members are not included in the calculation of payments to Participating
28 Class Members and therefor have no effect on the calculation of Individual

Class Payments paid from the Net Settlement Amount.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$25,000.00 to be paid from the Gross Settlement Amount, with 75% (\$18,750.00) allocated to the LWDA PAGA Payment and 25% (\$6,250.00) 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 Aggrieved Employees' 25% share of the \$6,250.00 in PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees 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-MISC Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than fourteen (14) calendar days after the Effective Date.

4.2. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.

1 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
 2 Payment and the Class Representative Service Payment shall not precede disbursement of
 3 Individual Class Payments and Individual PAGA Payments.

4 4.2.1. The Administrator will issue checks for the Individual Class Payments and/or
 5 Individual PAGA Payments and send them to the Class Members via First Class
 6 U.S. Mail, postage prepaid. The face of each check shall prominently state the
 7 date (not less than 180 calendar days after the date of mailing) when the check will
 8 be voided. The Administrator will cancel all checks not cashed by the void date.
 9 The Administrator will send checks for Individual Settlement Payments to all
 10 Participating Class Members (including those for whom Class Notice was returned
 11 undelivered). The Administrator will send checks for Individual PAGA Payments
 12 to all Aggrieved Employees including Non-Participating Class Members who
 13 qualify as Aggrieved Employees (including those for whom Class Notice was
 14 returned undelivered). The Administrator may send Participating Class Members a
 15 single check combining the Individual Class Payment and the Individual PAGA
 16 Payment. Before mailing any checks, the Settlement Administrator must update
 17 the recipients' mailing addresses using the NCOA database.

18 4.2.2. The Administrator must conduct a Class Member Address Search for all other
 19 Class Members whose checks are returned undelivered without a United States
 20 Postal Service ("USPS") forwarding address. Within seven (7) calendar days of
 21 receiving a returned check the Administrator must re-mail checks to the USPS
 22 forwarding address provided or to an address ascertained through the Class
 23 Member Address Search. The Administrator need not take further steps to deliver
 24 checks to Class Members whose re-mailed checks are returned as undelivered. The
 25 Administrator shall promptly send a replacement check to any Class Member
 26 whose original check was lost or misplaced, requested by the Class Member prior
 27 to the void date.

28 4.2.3. For any Class Member whose Individual Class Payment check or Individual

1 PAGA Payment check is uncashed and cancelled after the void date, the
2 Administrator shall transmit the funds represented by such checks to the California
3 Controller's Unclaimed Property Fund in the name of the Class Member thereby
4 leaving no "unpaid residue" subject to the requirements of California Code of Civil
5 Procedure § 384(b).

6 4.2.4. The payment of Individual Class Payments and Individual PAGA Payments shall
7 not obligate Defendant to confer any additional benefits or make any additional
8 payments to Class Members (such as 401(k) contributions or bonuses) beyond
9 those specified in this Agreement.

10
11 **5. RELEASES OF CLAIMS.**

12 Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all
13 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class
14 Members, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as
15 follows:

16 5.1. Plaintiff's Release.

17 5.1.1. Scope of Plaintiff's Release. Plaintiff and his respective former and present
18 spouses, representatives, agents, attorneys, heirs, administrators, successors, and
19 assigns generally, release and discharge Released Parties from all claims,
20 transactions, or occurrences, known or unknown, including, but not limited to: (a)
21 all claims that were, or reasonably could have been, alleged, based on the facts
22 contained, in the Operative Complaint, including, but not limited to, any and all
23 claims, actions, and causes of action for: Failure to Pay Minimum Wages [Cal.
24 Lab. Code §§ 204, 1194, 1194.2, and 1197]; Failure to Pay Overtime
25 Compensation [Cal. Lab. Code §§ 1194 and 1198]; Failure to Provide Meal
26 Periods [Cal. Lab. Code §§ 226.7, 512]; Failure to Authorize and Permit Rest
27 Breaks [Cal. Lab. Code §§ 226.7]; Failure to Indemnify Necessary Business
28 Expenses [Cal. Lab. Code § 2802]; Failure to Timely Pay Final Wages at

1 Termination [Cal. Lab. Code §§ 201-203]; Failure to Provide Accurate Itemized
2 Wage Statements [Cal. Lab. Code § 226]; and Unfair Business Practices [Cal. Bus.
3 & Prof. Code §§ 17200, et seq.]; (b) all PAGA claims that were, or reasonably
4 could have been, alleged based on facts contained in Plaintiff's PAGA Notice; the
5 Operative Complaint' or the PAGA Complaint; and (c) all claims arising from
6 Plaintiff's employment with Defendant, separation of employment from
7 Defendant, whether known or unknown, arising under any federal or local law, or
8 statute, including, inter alia, those arising under the California Labor Code, Fair
9 Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights
10 Act of 1964, Employee Retirement Income Security Act, National Labor Relations
11 Act, California Corporations Code, California Business and Professions Code,
12 California Fair Employment and Housing Act, California Constitution (all as
13 amended), and law of contract and tort, as well as for termination, lost wages,
14 benefits, other employment compensation, emotional distress, medical expenses,
15 other economic and non-economic damages, attorney fees, and costs, arising on or
16 before the date on which the Settlement is executed. ("Plaintiff's Release.")
17 Plaintiff's Release does not extend to any claims or actions to enforce this
18 Agreement, or to any claims for vested benefits, unemployment benefits, disability
19 benefits, social security benefits, workers' compensation benefits that arose at any
20 time, or based on occurrences outside the Class Period. Plaintiff acknowledges that
21 Plaintiff may discover facts or law different from, or in addition to, the facts or law
22 that Plaintiff now knows or believes to be true but agrees, nonetheless, that
23 Plaintiff's Release shall be and remain effective in all respects, notwithstanding
24 such different or additional facts or Plaintiff's discovery of them.

25 5.1.2. Plaintiff's Waiver of Rights Under California Civil Code § 1542. For purposes of
26 Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions,
27 rights, and benefits, if any, of Section 1542 of the California Civil Code, which
28 reads:

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: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, causes of action, and factual or legal theories that were alleged on behalf of Settlement Class Members in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Operative Complaint, including, but not limited to, any and all claims, actions, and causes of action, arising during the Class Period, for: Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]; Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

5.3. PAGA Release: The State of California; anyone purporting to act on its behalf, including Plaintiff Jorge M. Arrellano Ramirez; and all Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release and do release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for civil penalties and PAGA penalties that were alleged, or reasonably could

1 have been alleged, in the Operative Complaint, , or the PAGA Notice, or which were
 2 ascertained in the course of the Litigation based on the Operative Complaint for violations
 3 of California Labor Code, including, but not limited to, Failure to Pay Minimum Wages
 4 [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; Failure to Pay Overtime Compensation
 5 [Cal. Lab. Code §§ 1194 and 1198]; Failure to Provide Meal Periods [Cal. Lab. Code §§
 6 226.7, 512]; Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; .
 7 Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; Failure to
 8 Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; and Failure to
 9 Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and Unfair Business
 10 Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.].
 11

12 **6. MOTION FOR PRELIMINARY APPROVAL.**

13 Plaintiff shall file a motion for preliminary approval (“Motion for Preliminary Approval”) subject to the
 14 review by Defendant, as follows:

15 6.1. Defendant’s Declaration in Support of Preliminary Approval. Within twenty (20) calendar
 16 days of the full execution of this Agreement, Defendant will prepare and deliver to Class
 17 Counsel a signed declaration from Defendant and/or Defense Counsel disclosing all facts
 18 relevant to any actual or potential conflicts of interest with the Administrator, *if any such*
 19 *actual or potential conflicts exist*. Similarly, if any other pending matter or action asserting
 20 claims will be extinguished or adversely affected by the Settlement, Defendant shall
 21 prepare and deliver to Class Counsel a signed declaration from Defendant and/or Defense
 22 Counsel identifying any other pending matter or action asserting claims that will be
 23 extinguished or adversely affected by the Settlement. Alternatively, if such other actions
 24 are filed between the execution of this Agreement and the filing of the Motion for
 25 Preliminary Approval and become known to Defendant and/or Defense Counsel, Defense
 26 Counsel will advise Class Counsel. If there are no actual or potential conflicts of interest
 27 with the Administrator to disclose, or any pending matters to disclose, no declaration from
 28 Defendant and/or Defense Counsel is required.

1 6.2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel
2 documents necessary for obtaining a Preliminary Approval Order, including: (i) a draft of
3 the notice, and memorandum in support, of the Motion for Preliminary Approval that
4 includes an analysis of the Settlement under governing case law and a request for approval
5 of the PAGA Settlement under Labor Code § 2699(f)(2)); (ii) a draft Preliminary Approval
6 Order; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator
7 attaching its "not to exceed" bid for administering the Settlement and attesting to its
8 willingness to serve; competency; operative procedures for protecting the security of Class
9 Data; amounts of insurance coverage for any data breach, defalcation of funds or other
10 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class
11 Members; and the nature and extent of any financial relationship with Plaintiff, Class
12 Counsel, Defendant, or Defense Counsel; (v) a signed declaration from Plaintiff
13 confirming willingness and competency to serve and disclosing all facts relevant to any
14 actual or potential conflicts of interest with Class Members, or the Administrator; and, (vi)
15 a signed declaration from each Class Counsel firm attesting to its competency to represent
16 the Class Members; its timely transmission to the LWDA of all necessary PAGA
17 documents; and, all facts relevant to any actual or potential conflict of interest with Class
18 Members, or the Administrator. Class Counsel shall aver that they are not aware of any
19 other pending matter or action asserting claims that will be extinguished or adversely
20 affected by the Settlement or disclose the existence of any such pending matters.

21 Alternatively, if such other actions are filed between the execution of this Agreement and
22 the filing of the Motion for Preliminary Approval and become known to Class Counsel,
23 Class Counsel will advise Defense Counsel.

24 6.3. Responsibilities of Counsel. Class Counsel are responsible for expeditiously finalizing and
25 filing the Motion for Preliminary Approval no later than thirty (30) days after the full
26 execution of this Agreement (extended in the event that any court processes delay the
27 ability to file the Motion); obtaining a prompt hearing date for the Motion for Preliminary
28 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary

1 Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval
 2 Order to the Administrator.

3 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
 4 Preliminary Approval and/or the supporting declarations and documents, Class Counsel
 5 and Defense Counsel will expeditiously work together on behalf of the Parties by meeting
 6 in person or by telephone, and in good faith, to resolve the disagreement. If the Court does
 7 not enter a Preliminary Approval Order or conditions a Preliminary Approval Order on any
 8 material change to this Agreement, Class Counsel and Defense Counsel will expeditiously
 9 work together on behalf of the Parties by meeting in person or by telephone, and in good
 10 faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

11
 12 **7. SETTLEMENT ADMINISTRATION.**

13 7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action
 14 Administration to serve as the Administrator and verified that, as a condition of
 15 appointment, Apex Class Action Administration agrees to be bound by this Agreement
 16 and to perform, as a fiduciary, all duties specified in this Agreement in exchange for
 17 payment of Administration Expenses. The Parties and their Counsel represent that they
 18 have no interest or relationship, financial or otherwise, with the Administrator other than a
 19 professional relationship arising out of prior experiences administering settlements.

20 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
 21 Identification Number for purposes of calculating payroll tax withholdings and providing
 22 reports state and federal tax authorities.

23 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
 24 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation §
 25 468B-1.

26 7.4. Class Data. Not later than fifteen (15) calendar days after the Court enters a Preliminary
 27 Approval Order, Defendant will deliver the Class Data to the Administrator, in the form of
 28 a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the

1 Administrator must maintain the Class Data in confidence, use the Class Data only for
2 purposes of this Settlement and for no other purpose, and restrict access to the Class Data
3 to Administrator employees who need access to the Class Data to effect and perform under
4 this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it
5 discovers that the Class Data omitted class member identifying information and to provide
6 corrected or updated Class Data as soon as reasonably feasible. Without any extension of
7 the deadline by which Defendant must send the Class Data to the Administrator, the
8 Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or
9 otherwise resolve any issues related to missing or omitted Class Data.

10 **7.5. Notice to Class Members.**

11 7.5.1. No later than three (3) business days after receipt of the Class Data, the
12 Administrator shall notify Class Counsel that the list has been received and state
13 the number of Class Members, Aggrieved Employees, Workweeks, and Pay
14 Periods in the Class Data.

15 7.5.2. Using best efforts to perform as soon as possible, and in no event later than
16 fourteen (14) calendar days after receiving the Class Data, the Administrator will
17 send to all Class Members identified in the Class Data, via first-class USPS mail,
18 the Class Notice substantially in the form attached to this Agreement as Exhibit A.
19 The first page of the Class Notice shall prominently estimate the dollar amounts of
20 each Individual Class Payment and/or Individual PAGA Payment payable to the
21 Class Member and/or Aggrieved Employee, and the number of Workweeks and
22 PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing
23 Class Notices, the Administrator shall update Class Member addresses using the
24 NCOA database.

25 7.5.3. Not later than three (3) business days after the Administrator's receipt of any Class
26 Notice returned by the USPS as undelivered, the Administrator shall re-mail the
27 Class Notice using any forwarding address provided by the USPS. If the USPS
28 does not provide a forwarding address, the Administrator shall conduct a Class

1 Member Address Search, and re-mail the Class Notice to the most current address
2 obtained. The Administrator has no obligation to make further attempts to locate
3 or send Class Notice to Class Members whose Class Notice is returned by the
4 USPS a second time.

5 7.5.4. The deadlines for Class Members' written objections, challenges to Workweeks
6 and/or pay periods, and Requests for Exclusion will be extended an additional
7 fourteen (14) calendar days beyond the sixty (60) calendar days otherwise provided
8 in the Class Notice for all Class Members whose notices are re-mailed. The
9 Administrator will inform the Class Member of the extended deadline with the re-
10 mailed Class Notice.

11 7.5.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise
12 discovers any persons who believe they should have been included in the Class
13 Data and should have received Class Notice, the Parties will expeditiously meet
14 and confer in person or by telephone, and in good faith, in an effort to agree on
15 whether to include them as Class Members. If the Parties agree, such persons will
16 be Class Members entitled to the same rights as other Class Members, and the
17 Administrator will send, via email or overnight delivery, a Class Notice requiring
18 them to exercise options under this Agreement not later than fourteen (14) calendar
19 days after receipt of Class Notice, or the deadline dates in the Class Notice, which
20 ever are later.

21 7.6. Requests for Exclusion (Opt-Outs).

22 7.6.1. Class Members who wish to exclude themselves (opt-out of) the Class portion of
23 the Settlement must send the Administrator, by fax, email, or mail, a signed written
24 Request for Exclusion not later than sixty (60) calendar days after the
25 Administrator mails the Class Notice (plus an additional fourteen (14) calendar
26 days for Class Members whose Class Notice is re-mailed). A Request for
27 Exclusion is a letter from a Class Member or his/her representative that reasonably
28 communicates the Class Member's election to be excluded from the Class portion

1 of the Settlement and includes the Class Member’s name, address and email
 2 address or telephone number. To be valid, a Request for Exclusion must be timely
 3 faxed, emailed, or postmarked by the Response Deadline.

4 7.6.2. The Administrator may not reject a Request for Exclusion as invalid because it
 5 fails to contain all the information specified in the Class Notice. The Administrator
 6 shall accept any Request for Exclusion as valid if the Administrator can reasonably
 7 ascertain the identity of the person as a Class Member and the Class Member’s
 8 desire to be excluded. The Administrator’s determination shall be final and not
 9 appealable or otherwise susceptible to challenge. If the Administrator has reason to
 10 question the authenticity of a Request for Exclusion, the Administrator may
 11 demand additional proof of the Class Member’s identity. The Administrator’s
 12 determination of authenticity shall be final as to the Parties, but a Class Member
 13 whose Request for Exclusion is rejected by the Administrator may present a
 14 challenge to that determination to the Court.

15 7.6.3. Every Class Member who does not submit a timely and valid Request for
 16 Exclusion is deemed to be a Participating Class Member under this Agreement,
 17 entitled to all benefits and bound by all terms and conditions of the Settlement,
 18 including the Participating Class Members’ Release under Paragraph 5.2 of this
 19 Agreement, regardless whether the Participating Class Member actually receives
 20 the Class Notice or objects to the Settlement.

21 7.6.4. Every Class Member who submits a valid and timely Request for Exclusion is a
 22 Non-Participating Class Member and shall not receive an Individual Class
 23 Payment or have the right to object to the class action components of the
 24 Settlement. Because PAGA claims are subject to claim preclusion upon entry of
 25 the Judgment, Non-Participating Class Members who are Aggrieved Employees
 26 will still receive an Individual PAGA Payment and will be subject to a claim
 27 preclusion defense if they attempt to assert any of the Released PAGA Claims.

28 7.7. Challenges to Calculation of Workweeks. Each Class Member shall have sixty (60)

1 calendar days after the Administrator mails the Class Notice (plus an additional fourteen
2 (14) calendar days for Class Members whose Class Notice is re-mailed) to challenge the
3 number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class
4 Member in the Class Notice. The Class Member may challenge the allocation by
5 communicating with the Administrator via fax, email or mail. The Administrator must
6 instruct the challenging Class Member to submit supporting documentation. In the absence
7 of any contrary documentation, the Administrator is entitled to presume that the
8 Workweeks contained in the Class Notice are correct so long as they are consistent with
9 the Class Data. The Administrator's determination of each Class Member's allocation of
10 Workweeks and/or PAGA Pay Periods shall be final as to the Parties (although Defendant
11 shall retain the right to correct erroneous Class Data if subsequently discovered), but a
12 Class Member whose Workweek and/or Pay Period challenge is rejected by the
13 Administrator may present the same evidence supporting the Workweek and/or Pay Period
14 challenge to the Court for review. The Administrator shall promptly provide copies of any
15 challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel
16 and Class Counsel, along with the Administrator's determinations regarding any
17 challenges.

18 **7.8. Objections to Settlement.**

19 7.8.1. Only Participating Class Members may object to the class action components of
20 the Settlement and/or this Agreement, including contesting the fairness of the
21 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
22 Counsel Litigation Expenses Payment and/or Class Representative Service
23 Payment.

24 7.8.2. Participating Class Members may send written objections to the Administrator, by
25 fax, email, or mail. In the alternative, Participating Class Members may appear in
26 Court (or hire an attorney to appear in Court) to present verbal objections at the
27 Final Approval Hearing. A Participating Class Member who elects to send a
28 written objection to the Administrator must do so not later than sixty (60) calendar

1 days after the Administrator’s mailing of the Class Notice (plus an additional
2 fourteen (14) calendar days for Class Members whose Class Notice was re-
3 mailed).

4 7.8.3. Non-Participating Class Members have no right to object to any of the class action
5 components of the Settlement.

6 7.9. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
7 performed or observed by the Administrator contained in this Agreement or otherwise.

8 7.9.1. Website, Email Address and Toll-Free Number. The Administrator will establish
9 and maintain and use an internet website to post information of interest to Class
10 Members including the date, time and location for the Final Approval Hearing and
11 copies of the Settlement Agreement, Motion for Preliminary Approval, the
12 Preliminary Approval Order, the Class Notice, the motion for final approval, the
13 Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses
14 Payment and Class Representative Service Payment, the Final Approval Order and
15 the Judgment. The Administrator will also maintain and monitor an email address
16 and a toll-free telephone number to receive Class Member calls, faxes and emails.

17 7.9.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
18 promptly review on a rolling basis Requests for Exclusion to ascertain their
19 validity. Not later than five (5) calendar days after the expiration of the deadline
20 for submitting Requests for Exclusion, the Administrator shall email a list to Class
21 Counsel and Defense Counsel containing (a) the names and other identifying
22 information of Class Members who have timely submitted valid Requests for
23 Exclusion (“Exclusion List”); (b) the names and other identifying information of
24 Class Members who have submitted invalid Requests for Exclusion; (c) copies of
25 all Requests for Exclusion from Settlement submitted (whether valid or invalid).

26 7.9.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
27 reports to Class Counsel and Defense Counsel that, among other things, tally the
28 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,

1 Requests for Exclusion (whether valid or invalid) received, objections received,
2 and challenges to Workweeks and/or PAGA Pay Periods received and/or resolved
3 (“Weekly Report”). The Weekly Reports must include provide the Administrator’s
4 assessment of the validity of Requests for Exclusion and attach copies of all
5 Requests for Exclusion and objections received. In addition to the Weekly Reports,
6 the Administrator shall report to the Parties when it has completed the initial
7 distribution of the Individual Class Payments and Individual PAGA Payments to
8 all individuals with valid addresses.

9 7.9.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
10 address and make decisions consistent with the terms of this Agreement on all
11 Class Member challenges over the calculation of Workweeks and/or PAGA Pay
12 Periods. The Administrator’s determination of each Class Member’s allocation of
13 Workweeks and/or PAGA Pay Periods shall be final as to the Parties (although
14 Defendant shall retain the right to correct erroneous Class Data if subsequently
15 discovered), but a Class Member whose Workweek and/or Pay Period challenge is
16 rejected by the Administrator may present the same evidence supporting the
17 Workweek and/or Pay Period challenge to the Court for review.

18 7.9.5. Administrator’s Declaration. Not later than fourteen (14) calendar days before the
19 date by which Plaintiff is required to file the Motion for Final Approval of the
20 Settlement, the Administrator will provide to Class Counsel and Defense Counsel,
21 a signed declaration suitable for filing in Court attesting to its due diligence and
22 compliance with all of its obligations under this Agreement, including, but not
23 limited to, its mailing of Class Notice, the Class Notices returned as undelivered,
24 the re-mailing of Class Notices, attempts to locate Class Members, the total
25 number of Requests for Exclusion from Settlement it received (both valid or
26 invalid), the number of written objections and attach the Exclusion List. The
27 Administrator will supplement its declaration as needed or requested by the Parties
28 and/or the Court. Class Counsel is responsible for filing the Administrator’s

1 declaration(s) in Court.

2 7.9.6. Final Report by Settlement Administrator. Within ten (10) calendar days after the
 3 Administrator disburses all funds in the Gross Settlement Amount, the
 4 Administrator will provide Class Counsel and Defense Counsel with a final report
 5 detailing its disbursements by employee identification number only of all payments
 6 made under this Agreement. At least fifteen (15) calendar days before any
 7 deadline set by the Court, the Administrator will prepare, and submit to Class
 8 Counsel and Defense Counsel, a signed declaration suitable for filing in Court
 9 attesting to its disbursement of all payments required under this Agreement. Class
 10 Counsel is responsible for filing the Administrator's declaration in Court.

11
 12 **8. CLASS SIZE ESTIMATES**

13 Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 69
 14 Class Members and 7,029 Total Workweeks during the Class Period and (2) there were 37 Aggrieved
 15 Employees who worked 634 Pay Periods during the PAGA Period. If the number of actual Workweeks at
 16 the close of the Class Period is more than ten percent (10%) higher than the estimated number of Class
 17 Members (i.e., exceeds 69 Class Members), Gross Settlement Amount will be increased by one percent
 18 (1%) for each one percent that the true class size exceeds ten percent (10%) of the estimated class size of
 19 69 Class Members.

20
 21 **9. DEFENDANT’S RIGHT TO WITHDRAW.**

22 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all
 23 Class Members, Defendant may, but is not obligated to, withdraw from the Settlement. The Parties agree
 24 that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and
 25 that neither Party will have any further obligation to perform under this Agreement; provided, however,
 26 Defendant will remain responsible for paying all Settlement administration expenses incurred to that point.
 27 Defendant must notify Class Counsel and the Court of its election to withdraw not later than ten (10)
 28 calendar days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will

1 have no effect.

2
3 **10. MOTION FOR FINAL APPROVAL.**

4 Plaintiff will timely file in Court a motion for final approval of the Settlement that includes a request for
5 approval of the PAGA settlement under Labor Code § 2699(I), a Proposed final approval order and a
6 proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these
7 documents to Defense Counsel not later than seven (7) calendar days prior to filing the Motion for Final
8 Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by
9 telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by
11 a Participating Class Member, including the right to file responsive documents in Court no
12 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered
13 or accepted by the Court.

14 10.2. Duty to Cooperate. If the Court does not issue a Final Approval Order or conditions the
15 Final Approval Order on any material change to the Settlement (including, but not limited
16 to, the scope of release to be granted by Class Members), the Parties will expeditiously
17 work together in good faith to address the Court’s concerns by revising the Agreement as
18 necessary to obtain Final Approval. The Court’s decision to award less than the amounts
19 requested for the Class Representative Service Payment, Class Counsel Fees Payment,
20 Class Counsel Litigation Expenses Payment and/or Administration Expenses Payment
21 shall not constitute a material modification to the Agreement within the meaning of this
22 paragraph.

23 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
24 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
25 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
26 administration matters, and (iii) addressing such post-Judgment matters as are permitted by
27 law.

28 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and

1 conditions of this Agreement, specifically including the Class Counsel Fees Payment and
2 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the
3 Parties, their respective counsel, and all Participating Class Members who did not object to
4 the Settlement as provided in this Agreement, waive all rights to appeal from the
5 Judgment, including all rights to post-judgment and appellate proceedings, the right to file
6 motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The
7 waiver of appeal does not include any waiver of the right to oppose such motions, writs or
8 appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this
9 Agreement will be suspended until such time as the appeal is finally resolved and the
10 Judgment becomes final.

11 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
12 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
13 material modification of this Agreement (including, but not limited to, the scope of release
14 to be granted by Class Members), this Agreement shall be null and void. The Parties shall
15 nevertheless expeditiously work together in good faith to address the appellate court's
16 concerns and to obtain a Final Approval Order and entry of Judgment, sharing, on a 50-50
17 basis, any additional administration expenses reasonably incurred after remittitur. An
18 appellate decision to vacate, reverse, or modify the Court's award of the Class
19 Representative Service Payment or any payments to Class Counsel shall not constitute a
20 material modification of the Judgment within the meaning of this paragraph, as long as the
21 Gross Settlement Amount remains unchanged.

22
23 **11. AMENDED JUDGMENT.**

24 If any amended judgment is required under California Code of Civil Procedure § 384, the Parties will
25 work together in good faith to jointly submit and a proposed amended judgment.

26
27 **12. ADDITIONAL PROVISIONS.**

28 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other

1 Purposes. This Agreement represents a compromise and settlement of highly disputed
 2 claims. Nothing in this Agreement is intended or should be construed as an admission by
 3 Defendant that any of the allegations in the Operative Complaint have merit or that
 4 Defendant has any liability for any claims asserted; nor should it be intended or construed
 5 as an admission by Plaintiff that Defendant’s defenses in the Action have merit. The
 6 Parties agree that class certification and representative treatment is for purposes of this
 7 Settlement only. If, for any reason, the Court does not issue a Preliminary Approval Order,
 8 Final Approval Order, or enter Judgment, Defendant reserves the right to contest
 9 certification of any class for any reasons, and Defendant reserves all available defenses to
 10 the claims in the Action, and Plaintiff reserves the right to move for class certification on
 11 any grounds available and to contest Defendant’s defenses. The Settlement, this
 12 Agreement and Parties' willingness to settle the Action will have no bearing on, and will
 13 not be admissible in connection with, any litigation (except for proceedings to enforce or
 14 effectuate the Settlement and this Agreement).

15 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and
 16 Defense Counsel separately agree that, until the Motion for Preliminary Approval of
 17 Settlement is filed, they and each of them will not disclose, disseminate and/or publicize,
 18 or cause or permit another person to disclose, disseminate or publicize, any of the terms of
 19 the Agreement directly or indirectly, specifically or generally, to any person, corporation,
 20 association, government agency, or other entity except: (1) to the Parties’ attorneys,
 21 accountants, or spouses, all of whom will be instructed to keep this Agreement
 22 confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to
 23 appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in
 24 response to an inquiry or subpoena issued by a state or federal government agency. Each
 25 Party agrees to immediately notify each other Party of any judicial or agency order,
 26 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and
 27 Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or
 28 other communication, before the filing of the Motion for Preliminary Approval, with any

1 third party regarding this Agreement or the matters giving rise to this Agreement except to
 2 respond only that “the matter was resolved,” or words to that effect. This paragraph does
 3 not restrict Class Counsel’s communications with Class Members in accordance with Class
 4 Counsel’s ethical obligations owed to Class Members.

5 12.3. No Solicitation. The Parties separately agree that they and their respective counsel and
 6 employees will not solicit any Class Member to opt out of or object to the Settlement, or
 7 appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
 8 Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s
 9 ethical obligations owed to Class Members.

10 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
 11 together with its attached exhibits shall constitute the entire agreement between the Parties
 12 relating to the Settlement, superseding any and all oral representations, warranties,
 13 covenants, or inducements made to or by any Party.

14 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
 15 represent that they are authorized by Plaintiff and Defendant, respectively, to take all
 16 appropriate action required or permitted to be taken by such Parties pursuant to this
 17 Agreement to effectuate its terms, and to execute any other documents reasonably required
 18 to effectuate the terms of this Agreement including any amendments to this Agreement.

19 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
 20 best efforts, in good faith, to implement the Settlement by, among other things, modifying
 21 the Settlement Agreement, submitting supplemental evidence and supplementing points
 22 and authorities as requested by the Court. In the event the Parties are unable to agree upon
 23 the form or content of any document necessary to implement the Settlement, or on any
 24 modification of the Agreement that may become necessary to implement the Settlement,
 25 the Parties will seek the assistance of a mediator and/or the Court for resolution.

26 12.7. No Prior Assignments. The Parties separately represent and warrant that they have not
 27 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
 28 encumber to any person or entity any portion of any liability, claim, demand, action, cause

of action, or right released and discharged by the Party in this Settlement.

12.8. 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.

12.9. 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.

12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11. 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.

12.12. 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.

12.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code § 1152 or comparable laws, and all copies and summaries of the 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 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) calendar 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,

1 prior to the Court’s discharge of the Administrator’s obligation, Defendant makes a written
2 request to Class Counsel for the return, rather than the destruction, of Class Data in proper
3 form.

4 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
5 inserted for convenience of reference only and does not constitute a part of this
6 Agreement.

7 12.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be
8 to calendar days. In the event any date or deadline set forth in this Agreement falls on a
9 weekend or federal legal holiday, such date or deadline shall be on the first business day
10 thereafter.

11 12.17. Notice. All notices, demands or other communications between the Parties in connection
12 with this Agreement will be in writing and deemed to have been duly given as of the third
13 business day after mailing by United States mail, or the day sent by email or messenger,
14 addressed as follows:

15
16 To Plaintiff:

17 Kane Moon
18 H. Scott Leviant
19 Jaeyoung Lee
20 MOON LAW GROUP, P.C.
21 725 S. Figueroa St., 31st Floor
22 Los Angeles, CA 90017
23 Telephone: (213) 232-3128
24 Facsimile: (213) 232-3125

25 To Defendant:

26 The Green Firm, P.C.
27 assistant@gspattorneys.com
28 300 Spectrum Center Drive, Suite 1550
Irvine, CA 92618
Telephone: (949) 535-2124

12.18. 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

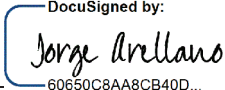
deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19. 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. In addition, upon the signing of this Agreement, the Parties agree pursuant to Code of Civil Procedure § 583.330, to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

Plaintiff & Class Representative:

PLAINTIFF, JORGE M. ARELLANO RAMIREZ

Dated: 11/14/2025

By: 
60650C8AA8CB40D...
Jorge M. Arellano Ramirez

Defendant:

DEFENDANT, SOL ACCEPTANCE, LLC

Dated: _____

By: _____
Print Name


Signature

Title

Plaintiff's Counsel:

MOON LAW GROUP, PC

Dated: November 14, 2025

By: 
Kane Moon
H. Scott Leviant
Jaeyoung Lee

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.

12.19. 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. In addition, upon the signing of this Agreement, the Parties agree pursuant to Code of Civil Procedure § 583.330, to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

Plaintiff & Class Representative: **PLAINTIFF, JORGE M. ARELLANO RAMIREZ**

Dated: _____

By: _____
Jorge M. Arellano Ramirez

Defendant: **DEFENDANT, SOL ACCEPTANCE, LLC**

Dated: 11/7/2025

By: Mark Howlett
Print Name

Mark Howlett

Signature

CEO

Title

Plaintiff's Counsel: **MOON LAW GROUP, PC**

Dated: _____

By: _____
Kane Moon
H. Scott Leviant
Jaeyoung Lee

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Attorneys for Plaintiff, Jorge M. Arellano Ramirez

Defendant's Counsel:

THE GREEN FIRM, P.C.

Dated: 11/07/2025

By: 

Noah Green

Attorneys for Defendant, SOL Acceptance, LLC

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

Ramirez v. SOL Acceptance, LLC. Case No. 30-2023-01360685-CU-00E-CXC
Orange County Superior Court

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against defendant SOL Acceptance, LLC. (“SOL Acceptance” or “Defendant”) for alleged wage and hour violations. The Action was filed by former SOL Acceptance employee Jorge M. Arellano Ramirez and seeks payment of (1) back wages and other relief for a class of hourly employees (“Class Members” or “Class Member”) who worked for SOL Acceptance during the “Class Period” (November 9, 2019 through earlier of October 24, 2025, or the date of preliminary approval, who did not sign a separation or release agreement with Defendant and, (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly employees who worked for Defendant during the “PAGA Period” (November 9, 2022 to the earlier of October 24, 2025, or the date of preliminary approval.) (“Aggrieved Employees” or “Aggrieved Employee”).

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

Based on Defendant’s records, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records, you are not eligible for such a payment under the Settlement because you didn’t work during the covered period commencing May 21, 2021.)

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

The court has 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, depending on whether you take action or do nothing in response to this Notice. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the final approval hearing, the court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and the LWDA to give up their rights to assert certain claims against Defendant. The final approval hearing is scheduled to be held on [REDACTED] at [REDACTED] in Department CX101 of the Orange County Superior Court, located at 751 West Santa Ana Blvd., Santa Ana, CA 92701.

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

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

SOL Acceptance 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>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>If you do nothing, you will be a participant in the Settlement, 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>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is [REDACTED]</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 portion of the proposed Settlement. Defendant must pay individual PAGA Settlement payments to all Aggrieved Employees, and the LWDA and Plaintiff give up their rights to pursue Released PAGA Claims (defined below).</p>
<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by [REDACTED]</p>	<p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p>
<p>You Can Participate in the [REDACTED] Final Approval Hearing</p>	<p>The court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the court's remote appearance options. Participating Class Members can verbally object to the Settlement at the final approval hearing. See Section 8 of this Notice.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by [REDACTED]</p>	<p>The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period, and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.</p>

1. WHAT IS THE ACTION ABOUT?

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

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

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

The court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant (the "Parties") in an effort to resolve the Action, have discussed, and worked out the claims and terms in order to 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 strongly 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 Aggrieved Employees. The court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine final approval.

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

1. Defendant will pay \$225,000.00 as the Gross Settlement Amount ("Gross Settlement"). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsels' attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the court grants final approval, Defendant will make the settlement payment to the Administrator in a single payment. Defendant will fund the Gross Settlement 14 days after the judgement entered by the court becomes final. The judgment will be final on the date the Court enters judgment, or a later date if Participating Class Members object to the proposed Settlement or the judgment is appealed.

2. Court approved deductions from Gross Settlement. At the final approval hearing, Plaintiff and/or Class Counsel will ask the court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the court at the final approval hearing:

A. Up to \$75,000.00 (One Third of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$15,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$7,500.00 for the class representative service award for filing the Action, working with Class Counsel and representing the Class. A class representative award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment, and any Individual PAGA Payment.

C. Up to an estimated \$ [REDACTED] to the Administrator for services administering the Settlement.

D. \$25,000.00 for PAGA penalties, allocated 75% to the LWDA and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period pay periods.

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

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

4. Taxes owed on payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 30% of each Individual Class Payment to taxable wages ("Wage Portion") and 70% to interest and 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 it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and 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 redirected to the California Controller's Unclaimed Property Fund.

6. Requests for exclusion from the Class Settlement ("Opt-Outs"). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to Opt-Out. The easiest way to notify the Administrator is to send in a Request for Exclusion by the [REDACTED] response deadline. The Request for Exclusion should be signed. Excluded Class Members (i.e., Non-

Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot Opt-Out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments in the Action but 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, [REDACTED] (the “Administrator”), to send this Notice, calculate and make payments, and process Class Members’ requests for exclusion. The Administrator will also decide Class Member challenges over workweeks and/or pay periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

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

The “Released Parties” are SOL Acceptance, and any predecessor, successor, subsidiary, parent, affiliated or related entity, and each of their owners, managers, managerial employees, agents, directors, and officers.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, causes of action, and factual or legal theories that were alleged on behalf of Settlement Class Members in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Operative Complaint, including, but not limited to, any and all claims, actions, and causes of action, arising during the Class Period, for: Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197]; Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.]; Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. The PAGA release. After the court’s judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), Plaintiff and the LWDA will release the PAGA claim for violations identified in Plaintiff’s PAGA Notice to the LWDA. The PAGA Notice may be accessed by going to <https://cadir.my.salesforce-sites.com/PagaSearch>. Plaintiff’s LWDA number is LWDA-CM-992315-23.

The PAGA Release is as follows:

The State of California; anyone purporting to act on its behalf, including Plaintiff Jorge M. Arrellano Ramirez; and all Aggrieved Employees, including Non-Participating Class Members who are Aggrieved Employees, are deemed to release and do release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for civil penalties and PAGA penalties that were alleged, or reasonably could have been alleged, in the Operative Complaint, PAGA Complaint, or the PAGA Notice, or which were ascertained in the course of the Litigation based on the Operative Complaint for violations of California Labor Code, including, but not limited to, Failure to Pay Minimum Wages [Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197];

Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and 1198]; Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; . Failure to Indemnify Necessary Business Expenses [Cal. Lab. Code § 2802]; Failure to Timely Pay Final Wages at Termination [Cal. Lab. Code §§ 201-203]; and Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226]; and Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, et seq.].

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 the individual PAGA amount by the total number of PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.
3. Workweek/pay period challenges. The number of Class Period workweeks you worked during the Class Period and the number of PAGA pay periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [REDACTED] 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 and/or pay periods 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 and/or pay period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Class Members) and Defendant's Counsel.

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 all Class Members who qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment, if any.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member who is eligible as an Aggrieved Employee).

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?

Send in a Request for Exclusion to the Administrator. 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 Class portion of the Settlement and includes the Class Member's name, address and email address or telephone number. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to identify the Action in a way that is clear (include the case name and case number). The Administrator must receive your request to be excluded by [REDACTED], or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

If you wish to opt-out of the Class Settlement, DO NOT send in a written objection.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the court to approve. At least 16 court days before the [REDACTED] 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 a request for awards of fees, litigation expenses and a service award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you.

A Participating Class Member who disagrees with any aspect of the Settlement, the motion for final approval and for awards of fees, litigation expenses and service award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is [REDACTED]. Be sure to tell the Administrator in your written objection what you object to, why you object, and any facts that support your objection. If you submit a written objection, make sure you identify the Action (by including the case name and case number) and print your name, address and email address or telephone number and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally hire 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 (below) for specifics regarding the final approval hearing.

If you wish to object in writing or in person, DO NOT send in a Request for Exclusion.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the final approval hearing on [REDACTED] at [REDACTED] in Department CX101 of the Orange County Superior Court, located at 751 West Santa Ana Blvd., Santa Ana, CA 92701. At the hearing, the court will decide whether to grant final approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The court will invite comment from objectors, Class Counsel and defense counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or by Zoom.

It's possible the court will reschedule the final approval hearing. You should contact Class Counsel to verify the date and time of the final approval hearing if you are planning to attend the hearing or have your own lawyer attend.

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 obtain and read the Agreement or any other Settlement document is to go to the Administrator's website at [REDACTED]. 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://www.occourts.org/online-services/case-access/civil-case-access>, selecting the case number search and entering the case number for the Action as instructed on the web form.

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

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Settlement Administrator:

Name of Company: Apex Class Action Administration
Email Address: claims@apexclassaction.com
Mailing Address: Apex Class Action, LLC
P.O. Box 54668
Irvine, CA 92619
Telephone: (800) 355-0700

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.

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.

12. WHAT IS A PAGA PENALTY?

The Net Settlement is money paid to settle claims for Participating Class Members. But the PAGA claim is different. PAGA penalties were originally penalties that only the State of California could collect through an enforcement action brought by the State against an employer. In 2004, the State enacted PAGA, a law that allows employees to try to recover those penalties for the State. Under PAGA, the State agrees to share 25% of its penalties with the affected employees (here, the Aggrieved Employees). The PAGA settlement proposed as part of this Settlement is a settlement of the State's PAGA claim.