

1 DAVID G. SPIVAK (SBN 179684)  
2 david@spivaklaw.com  
3 CAROLINE TAHMASSIAN (SBN 285680)  
4 caroline@spivaklaw.com  
5 THE SPIVAK LAW FIRM  
6 16530 Ventura Blvd., Ste 203  
7 Encino, CA 91436  
8 Telephone (818) 582-3086  
9 Facsimile (818) 582-2561

10 Attorneys for Plaintiff,  
11 ERIC SCHAFER, and all others similarly situated  
12  
13 (Additional Counsel on Following Page)

14 **IN THE SUPERIOR COURT OF CALIFORNIA**  
15 **FOR THE COUNTY OF LOS ANGELES**  
16 **SPRING STREET COURTHOUSE**

17 ERIC SCHAFER, on behalf of himself, and  
18 all others similarly situated,

19 *Plaintiff(s),*

20 vs.

21 LA REINA, INC., a California corporation;  
22 OLD PUEBLO RANCH INC., a California  
23 corporation; and DOES 1 through 50, inclusive,

24 *Defendant(s).*

Case No.: BC667533

**FIRST AMENDED JOINT STIPULATION  
OF CLASS ACTION SETTLEMENT AND  
RELEASE OF CLAIMS**

Judge: John Shepard Wiley

Dept. 9



SPIVAK LAW

**ATTORNEYS FOR DEFENDANTS**

MARIE D. DiSANTE (SBN 138267)

mdisante@cflaborlaw.com

DAPHNE P. BISHOP (SBN 217519)

dbishop@cflaborlaw.com

CAROTHERS DiSANTE & FREUDENBERGER LLP

707 Wilshire Boulevard, Suite 5150

Los Angeles, California 90017

Telephone: (213) 612-6300

Facsimile: (213) 612-6301

Attorneys for Defendants,

LA REINA, INC. and OLD PUEBLO RANCH INC.



**SPIVAK LAW**

Employee Rights Attorneys  
16530 Ventura Bl. Ste 203  
Encino CA 91436  
(818) 582-3086 Tel  
(818) 582-2561 Fax  
SpivakLaw.com

1 This Joint Stipulation of Class Action Settlement and Release of Claims (“Settlement  
2 Agreement” or “Agreement”) is made and entered into by and between Plaintiff Eric Schafler  
3 (“Plaintiff” or “Class Representative”), individually and on behalf of all putative class members,  
4 on the one hand, and Defendants La Reina, Inc. and Old Pueblo Ranch Inc. (collectively the  
5 “Defendant”). Plaintiff and Defendant are collectively referred to herein as the “Parties.”

6 **I. DEFINITIONS.**

7 The following definitions are applicable to this Settlement Agreement, in addition to other  
8 terms defined elsewhere in the Agreement:

9 **A. “Action”** shall mean the civil action commenced on July 3, 2017, by Plaintiff  
10 against Defendant in the Superior Court of California, County of Los Angeles, Case No.  
11 BC667533, entitled: “Eric Schafler, on behalf of himself, and all others similarly situated, and as  
12 an “aggrieved employee” on behalf of other “aggrieved employees” under the Labor Code  
13 Private Attorneys General Act of 2004, *Plaintiff(s)*, vs. La Reina, Inc., a California corporation,  
14 and Old Pueblo Ranch Inc., a California corporation; and DOES 1 through 50, inclusive,  
15 *Defendant(s)*.”

16 **B. “Class,” “Class Members,” or “Settlement Class”** shall mean all of  
17 Defendant’s current and former nonexempt hourly employees (collectively “Hourly  
18 Employees”), who worked anytime during the Class Period.

19 **C. “Class Counsel”** shall mean the attorneys representing Plaintiff in the Action:  
20 David G. Spivak and Caroline Tahmassian of The Spivak Law Firm.

21 **D. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses**  
22 **Payment”** shall mean the amounts awarded to Class Counsel by the Court to compensate them  
23 for, respectively, their fees and expenses in connection with the Action, including their pre-filing  
24 investigation, their filing of the Action and all related litigation activities, this Settlement, and all  
25 post-Settlement compliance procedures.

26 **E. “Class Notice”** shall mean the Notice of Proposed Settlement attached as **Exhibit**  
27 **A** and incorporated by reference into this Agreement.

28 **F. “Class Period”** shall mean the period of time from July 3, 2013, through  
December 5, 2018.

**G. “Class Representative Payment”** shall mean the special payment made to  
Plaintiff in his capacity as Class Representative to compensate him for initiating the Action,



performing work in support of the Action, and undertaking the risk of liability for attorneys' fees and expenses in the event he was unsuccessful in the prosecution of the Action.

**H. "Court"** shall mean the Superior Court for the County of Los Angeles, Spring Street Courthouse, located at 312 N. Spring Street, Los Angeles, CA, 90012.

**I. "Defense Counsel"** shall mean the attorneys representing Defendant in the Action: Marie D. DiSante and Daphne Pierre Bishop of Carothers DiSante & Freudenberger LLP.

**J. "Effective Date"** shall mean the date by which this Agreement is approved by the Court by entry of the Judgment and the Judgment becomes Final. The Judgment becomes "Final" when the later of the following events occurs: (1) the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (2) any appeal, writ, or other appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right by any appellant or objector to pursue further remedies or relief; or (3) any appeal, writ, or other appellate proceeding has upheld the Judgment with no right by any appellant or objector to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's Judgment granting final approval of the Settlement is completely final, and no further recourse exists by an appellant or objector who seeks to contest the Settlement. The occurrence of the Effective Date is a prerequisite to any obligation of Defendant to pay any funds into the Settlement Account.

**K. "Final Approval Hearing"** shall mean the hearing to be conducted by the Court to determine whether to approve finally and implement the terms of this Agreement.

**L. "Gross Settlement Amount"** shall mean the maximum settlement amount of Seven Hundred and Fifty Thousand Dollars and No Cents (\$750,000.00) payable by Defendant as provided by this Agreement, plus Defendant's employer-side payroll taxes.

**M. "Judgment"** shall mean the Order of Final Judgment entered by the Court that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in this Action.

**N. "Net Settlement Amount"** shall mean \$750,000.00 payable by Defendant pursuant to this Settlement, less:

1. the Class Representative Payment approved by the Court;
2. the Class Counsel Fees Payment (one-third or 33 and 1/3% of Gross



Settlement Amount) and the Class Counsel Litigation Expenses Payment (of not more than \$15,000.00) approved by the Court;

3. the Settlement Administrator's reasonable fees and expenses approved by the Court (not to exceed \$15,000.00); and

4. the amount of \$7,500 paid to the Labor Workforce Development Agency of California for the PAGA claim.

O. "Participating Class" or "Participating Class Members" shall mean all Settlement Class members who do not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement.

P. "Preliminary Approval of the Settlement" shall mean the Court's preliminary approval of the Settlement.

Q. "Settlement" shall mean the disposition of the Action and all related claims effectuated by this Agreement.

R. "Settlement Administrator" shall mean the administrator proposed by the Parties and appointed by the Court to administer the Settlement.

S. "Settlement Share" shall mean each Class Member's allocated share of the Net Settlement Amount as provided by this Agreement.

## II. RECITALS

A. On or about June 20, 2017, Plaintiff, through his attorneys, sent a letter to the Labor Workforce Development Agency ("LWDA") alleging the following: (1) failure to pay wages, (2) failure to provide meal periods, (3) failure to authorize and permit rest periods, (4) resulting wage statement violations, (5) resulting failure to pay wages due at separation, (6) resulting failure to timely pay wages, (7) retaliatory termination, and (8) a claim for penalties under the Private Attorneys General Act (the "PAGA letter"). Plaintiff asserted these representative claims on behalf of all current and former hourly California Hourly Employees who are or were employed during the applicable statutory period.

B. On July 3, 2017, Plaintiff filed a class action complaint in the Los Angeles Superior Court, alleging the same wage and hour claims, as set forth in the earlier PAGA letter. On February 27, 2015, Plaintiff filed a first amended class action complaint in the Los Angeles Superior Court, adding a cause of action under PAGA.

C. On April 17, 2015, Defendant answered Plaintiff's first amended class action



1 complaint and denied, and continues to deny, all of Plaintiff's material allegations. Specifically,  
2 Defendant denies that Plaintiff and putative class members are entitled to additional wages and  
3 overtime pay. Defendant contends it paid the putative class members for all hours worked as  
4 required by law. Defendant denies its Hourly Employees were deprived of meal and rest periods,  
5 alleges that they had meal and rest break policies and procedures in place to ensure compliance  
6 with California law, and alleges that employees were allowed to take their rest and meal periods.  
7 Defendant further alleges that the unpaid wage, improper wage statement, and rest and meal  
8 period claims are not amenable to class treatment because common issues do not predominate.  
9 Defendant asserts that the waiting time penalties claim will fail as to former Hourly Employees  
10 who cannot prevail on the claims described above. Defendant denies terminating Plaintiff  
unlawfully.

11 **D.** The Parties thereafter engaged in informal, voluntary discovery in the context of  
12 privileged settlement discussions to facilitate an early mediation. Defendant produced Plaintiff's  
13 entire personnel file (including policies and agreements he signed and acknowledged), copies of  
14 its relevant company written policies, time-keeping records, and paycheck data and records for  
15 the putative class, and more detailed time and payroll data for a random sample of putative class  
members specifically selected by Plaintiff's counsel.

16 **E.** On October 1, 2018, following the foregoing informal discovery, the Parties  
17 participated in a mediation presided over by Mediator Steven Rottman, an experienced mediator.  
18 During the mediation, the Parties had a full day of productive negotiations and reached agreement  
19 on a class-wide settlement during that session. During the mediation, each side, represented by  
20 its respective counsel, recognized the risk of an adverse result in the Action and agreed to settle  
21 the Action and all other matters covered by this Agreement pursuant to the terms and conditions  
22 of this Agreement.

23 **F.** Based on their own thorough, independent investigation and evaluation of this  
24 case, Class Counsel are of the opinion that the settlement with Defendant for the consideration  
25 and on the terms set forth in this Agreement is fair, reasonable, adequate, and in the best interest  
26 of the Settlement Class in light of all known facts and circumstances, including the risk of  
27 significant costs and delay, the risk of non-certification of the Class, the defenses asserted by  
28 Defendant, the risks of adverse determinations on the merits, and numerous potential appellate  
issues. Although Defendant contends it has no liability in this case, Defendant's counsel shares



1 Class Counsel's belief that the Agreement represents a fair and adequate settlement given the  
2 respective risks associated with the case.

3 **G.** This Agreement represents a compromise and settlement of highly disputed  
4 claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant  
5 that Plaintiff's claims in the Action have merit or that it has any liability to Plaintiff or the Class  
6 on those claims or to the State, or as an admission by Plaintiff that Defendant's defenses raised  
7 in the Action have merit. This Agreement is intended to fully, finally, and forever compromise,  
8 release, resolve, discharge, and settle the released claims subject to the terms and conditions set  
9 forth in this Agreement.

10 Based on the foregoing Recitals, the Parties agree as follows:

11 **III. SETTLEMENT TERMS AND CONDITIONS**

12 **A. Certification for Settlement Purposes.** Solely for the purposes of effectuating  
13 this Settlement, and subject to Court approval, the Parties hereby stipulate to the conditional  
14 certification of the Settlement Class. The Parties agree that if for any reason the Settlement is not  
15 preliminarily and finally approved, the conditional certification of the Settlement Class will be  
16 of no force or effect, does not constitute an admission by Defendant that class certification is  
17 proper, and will not be deemed admissible in this or any other proceeding, and that the Parties  
18 will litigate the issue of class certification.

19 **B. Gross Settlement Amount.** Subject to the terms and conditions of this  
20 Agreement, the Gross Settlement Amount of Seven Hundred and Fifty Thousand Dollars and No  
21 Cents (\$750,000.00), plus Defendant's employer share of payroll taxes, is the maximum amount  
22 payable by Defendant. In no event will Defendant be required to pay more than the Gross  
23 Settlement Amount for distribution to the Plaintiff, Class Counsel, Class Members, LWDA, and  
24 Settlement Administrator.

25 **C. Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and  
26 conditions of this Agreement, the Settlement Administrator will make the following payments  
27 out of the Gross Settlement Amount as follows:

28 **1. To Plaintiff.** In addition to his Settlement Share, Plaintiff will apply to the  
Court for an award of not more than Fifteen Thousand Dollars and No Cents (\$15,000.00) as him  
Class Representative Payment. Defendant will not oppose a Class Representative Payment of not  
more than \$15,000.00. The Settlement Administrator will pay the Class Representative Payment



1 approved by the Court out of the Gross Settlement Amount. Payroll taxes, withholdings, and  
2 deductions will not be taken from the Class Representative Payment, and instead a Form 1099  
3 will be issued to Plaintiff with respect to that payment. Plaintiff agrees to assume all  
4 responsibility and liability for the payment of taxes due on the Class Representative Payment.  
5 Any portion of the Class Representative Payment not awarded to Plaintiff will not revert to  
6 Defendant, but instead shall be returned to the Net Settlement Amount.

7 **2. To Class Counsel.** Class Counsel will apply to the Court for an award of  
8 not more than Two Hundred and Fifty Thousand Dollars and Sixty-Six Cents (\$250,000.00)  
9 (which is 33 and 1/3% of the Gross Settlement Amount) as their Class Counsel Fees Payment  
10 and an amount not more than Fifteen Thousand Dollars and No Cents (\$15,000.00) as their Class  
11 Counsel Litigation Expenses Payment, and Defendant will not oppose this request. The  
12 Settlement Administrator will pay the amount approved by the Court (but not more than  
13 \$250,000.00 in fees and not more than \$15,000.00 in expenses) out of the Gross Settlement  
14 Amount. Withholding and deductions will not be taken from the Class Counsel Fees and  
15 Litigation Expenses Payment and one or more Forms 1099 will be issued to Class Counsel with  
16 respect to those payments.

17 **3. To the Settlement Administrator.** The Settlement Administrator will be  
18 paid from the Gross Settlement Amount its reasonable fees and expenses as approved by the  
19 Court in an amount currently estimated to not exceed Fifteen Thousand Dollars and No Cents  
20 (\$15,000.00).

21 **4. To the LWDA.** The Parties will jointly apply to the Court for approval of  
22 a settlement of claims under the Private Attorneys General Act ("PAGA"), California Labor Code  
23 section 2698, *et seq.*, for Ten Thousand Dollars and No Cents (\$10,000.00), of which, payment  
24 from the Gross Settlement Amount to the LWDA will be made in the amount of Seven Thousand  
25 Five Hundred Dollars and No Cents (\$7,500.00), which is 75% of the PAGA settlement. Two  
26 Thousand Five Hundred Dollars and No Cents (\$2,500.00), 25% of the PAGA settlement, will  
27 remain in the Net Settlement Amount for distribution to Participating Class Members.

28 **D. Allocation of Net Settlement Amount and Calculation of Settlement Shares.**  
Subject to the terms and conditions of this Agreement, the Settlement Administrator will  
distribute a payment from the Net Settlement Amount to each Participating Class Member. The  
Settlement Share for each Participating Class Member will be calculated as follows,





1 understanding that the formulas below do not constitute an admission by either party, and are  
2 intended only to provide a practical means to simplify and administer the claims process:

3 (a) **Participating Class Members' Settlement Shares.** The  
4 settlement shares are allocated 30% each to wages (for which employment taxes will be deducted  
5 and W-2s issued) and 35% to interest and 35% to penalties (for which 1099s will be issued).

6 (b) **Settlement Ratio Calculation.** The Settlement Administrator  
7 shall assign to each Class Member a "Settlement Ratio," which shall be a fractional number  
8 comprised of (a) that Class Member's Individual Work Weeks as the numerator, and (b) the  
9 aggregate total of all Class Members' Individual Work Weeks as the denominator. The  
10 Settlement Administrator shall assign to each Class Member the "Settlement Share" which shall  
11 be calculated by multiplying that Class Member's Settlement Ratio by amount allocated to Class  
12 Members from the Net Settlement Amount.

13 **2. Settlement Share Worksheet.** Upon calculation of the Class Members'  
14 Settlement Share, the Settlement Administrator shall furnish to Class Counsel and Defense  
15 counsel a worksheet containing a list unique identifying numbers for each of the Class Members  
16 with their corresponding Individual Work Weeks and Settlement Shares.

17 **E. Taxes and Withholdings.** Each Settlement Share is intended, in part, to settle the  
18 Class Members' claims for unpaid wages. Each Class Member shall be individually responsible  
19 for the employee's share of applicable payroll tax withholdings and deductions. Accordingly,  
20 each Settlement Share allocated to wages will be reduced by applicable employee-side payroll  
21 tax withholdings and deductions, and the Settlement Administrator will issue a Form W-2 to each  
22 Participating Class Member. Defendant will be responsible for the normal employer's share of  
23 any payroll tax attributable to the wage portion of the Settlement Share payments. Defendant's  
24 payment of the normal employer's share of payroll taxes attributable to the wage portion of the  
25 Settlement Share payments will be in addition to the Gross Settlement Amount or Net Settlement  
26 Amount.

27 **F. Appointment of Settlement Administrator.** The Parties will ask the Court to  
28 appoint Phoenix Class Action Administration Solutions, a qualified administrator, to serve as the  
Settlement Administrator, which, as a condition of appointment, will agree to be bound by this  
Agreement with respect to the performance of its duties and its compensation. The Settlement  
Administrator's duties will include translating the Class Notice into Spanish, as well as



1 preparing, printing, and mailing the Class Notice to all Class Members; and using reasonable  
2 measures to contact all Class Members, including conducting a National Change of Address  
3 search on all Class Members before mailing the Class Notice to each Class Member's address.  
4 The Settlement Administrator's duties will also include re-mailing the Class Notice to the Class  
5 Member's new address for those Class Members whose address has changed; providing the  
6 Parties with weekly status reports about the delivery of Class Notice; calculating Settlement  
7 Shares; issuing and distributing checks to effectuate the payments due under the Settlement;  
8 reporting to the Court as required; and otherwise administering the Settlement pursuant to this  
9 Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost of  
10 translating, printing, and mailing the Class Notice, will be paid out of the Gross Settlement  
11 Amount, as set forth herein, subject to Court approval. Any portion of the of the Settlement  
12 Administrator's fees and expenses that are not used or which are not awarded by the Court will  
13 not revert to Defendant, but instead will be part of the Net Settlement Amount for distribution to  
14 Participating Class Members. If the Settlement Administrator's fees and expenses exceed  
15 \$15,000.00, such cost will be deducted from the Net Settlement Amount.

#### 16 **IV. PROCEDURES FOR APPROVING SETTLEMENT**

17 **A. Motion for Preliminary Approval of Settlement by the Court.** Class Counsel  
18 will move the Court for an order granting Preliminary Approval of the Settlement (the "Motion  
19 for Preliminary Approval"), setting a date for the Final Approval Hearing, and approving the  
20 Class Notice (attached as **Exhibit A** to this Agreement). Any disagreement among the Parties  
21 concerning the Class Notice or other documents necessary to implement the Settlement will be  
22 referred to the Court.

23 **1.** At the hearing on the Motion for Preliminary Approval, the Parties  
24 anticipate that they will appear and support the granting of the motion, and that Class Counsel  
25 will submit an Order Granting Preliminary Approval of Settlement, Approval of Notice to Class  
26 and Setting Hearing for Final Approval of Settlement.

27 **2.** Should the Court decline to approve the Settlement, the Settlement will be  
28 null and void and the Parties will have no further obligations under it.

**B. Notice to Class Members.** After the Court enters its order granting Preliminary  
Approval of the Settlement, every Class Member will be provided with a "Class Notice" in  
English and Spanish. Additionally, to effectuate the release of claims under the Fair Labor



Standards Act, the back of the settlement check will contain the following language below the endorsement/signature line: “By signing, endorsing, depositing, cashing, and/or negotiating this check, I hereby “opt in” to the Settlement and release all claims pursuant to the Fair Labor Standards Act, 29 U.S.C. § 216(b) *et seq.*”

**1. List of Class Members.** Within thirty (30) days after the Court grants Preliminary Approval of the Settlement, Defendant shall provide to the Settlement Administrator:

(a) An electronic database of all Class Members, last known mailing address, Social Security number, and Defendants’ employee identification number (“Class Members’ Data”).

(b) Corresponding to each Class Member’s name, Defendant shall provide a figure indicating the total number of Work Weeks during the Class Period in which that Class Member was employed by Defendant as an Hourly Employee. That number of Work Weeks shall be referred to as that Class Member’s “Individual Work Weeks.”

(c) If any of the Class Members’ Data are unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon the Class Members’ Data prior to when it must be submitted to the Settlement Administrator. Class Members’ Data will otherwise remain confidential and will not be disclosed to anyone, except as necessary to applicable taxing authorities, or pursuant to Defendants’ express written authorization or by order of the Court.

**2. Mailing of Class Notice.** Within fourteen (14) days after receiving the Class Members’ Data, or as soon thereafter as it can do so, the Settlement Administrator will mail the Class Notice (in English and Spanish) to all identified Class Members via first-class U.S. mail using the mailing address information provided by Defendant, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement.

**3. Returned Class Notice.** If a Class Notice is returned because of an incorrect address, the Settlement Administrator will promptly, and not later than ten (10) days from receipt of the returned Class Notice, search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the Class Members’ Data and otherwise work with Defendant’s Counsel and Class Counsel to find



1 a more current address. The Settlement Administrator will be responsible for taking reasonable  
2 steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing  
3 address of any Class Member for whom a Class Notice is returned as undeliverable by the U.S.  
4 Postal Service. These reasonable steps shall include the tracking of all undelivered mail;  
5 performing address searches for all mail returned without a forwarding address by conducting a  
6 National Change of Address search as required for undeliverable notices, followed by a  
7 computer/SSN and “skip trace” search to obtain an updated address; and promptly re-mailing to  
8 Class Members for whom new addresses are found. If the Class Notice is re-mailed, the  
9 Settlement Administrator will note for its own records and notify Class Counsel and Defendants’  
10 Counsel of the date and address of each such re-mailing as part of a weekly status report provided  
11 to the Parties.

12 **4. Declaration of Settlement Administrator.** Not later than twenty-one  
13 (21) court days prior to the Final Approval Hearing, the Settlement Administrator will provide  
14 the Parties for filing with the Court a declaration of due diligence setting forth its compliance  
15 with its obligations under this Agreement. Prior to the Final Approval Hearing, the Settlement  
16 Administrator will supplement its declaration of due diligence if any material changes occur from  
17 the date of the filing of its prior declaration.

18 **C. Disputed Class Member Settlement Shares.** If a Class Member disputes his/her  
19 estimated Settlement Share, the Class Member may produce evidence to the Settlement  
20 Administrator for the Class Period. In order for the dispute to be considered, he/she must follow  
21 the directions on the Class Notice. To be valid and timely, all disputes and supporting documents  
22 must be postmarked by the date specified in the Class Notice (no less than sixty (60) days from  
23 the initial mailing of the Class Notice by the Settlement Administrator).

24 **D. Requests for Exclusion from Settlement; and Objections to Settlement.** Class  
25 Members may submit requests to be excluded from the effect of the Settlement, or objections to  
26 the Settlement, pursuant to the following procedures:

27 **1. Request for Exclusion from Settlement.** A Class Member may request  
28 to be excluded from the effect of this Agreement, and any payment of amounts under this  
Agreement, by timely mailing a letter to the Settlement Administrator stating that the Class  
Member wants to be excluded from this Action. This letter must include the Class Member’s  
name, address, telephone number, and signature. To be valid and timely, the request to be



1 excluded must be postmarked by the date specified in the Class Notice (no less than sixty (60)  
2 days from the initial mailing of the Class Notice by the Settlement Administrator). A Class  
3 Member who properly submits a valid and timely request to be excluded from the Action shall  
4 not receive any payment of any kind in connection with this Agreement or this Action, shall not  
5 be bound by or receive any benefit of this Agreement, and shall have no standing to object to the  
6 Settlement. A request for exclusion must be mailed to the Settlement Administrator at the address  
7 provided on the Class Notice. The Settlement Administrator shall transmit the request for  
8 exclusion to counsel for the Parties as follows:

9 *To Class Counsel:*

10 David G. Spivak, Esq.  
11 Caroline Tahmassian, Esq.  
12 The Spivak Law Firm  
13 16530 Ventura Blvd, Ste. 203  
14 Encino, CA 91436

*To Defense Counsel:*

Marie D. DiSante, Esq.  
Daphne P. Bishop, Esq.  
Carothers DiSante & Freudenberger LLP  
707 Wilshire Boulevard, Suite 5150  
Los Angeles, California 90017

15 **2. Objections to Settlement.** The Class Notice will provide that any Class  
16 Member who does not request exclusion from the Action and who wishes to object to the  
17 Settlement should submit an objection in writing to the Settlement Administrator not later than  
18 sixty (60) days after the Settlement Administrator mails the Class Notice, a written objection to  
19 the Settlement which sets forth the grounds for the objection and the other information required  
20 by this paragraph. The objection should be mailed to the Settlement Administrator at the address  
21 provided on the Class Notice. The Settlement Administrator shall transmit the objections to  
22 counsel for the Parties as follows:

23 *To Class Counsel:*

24 David G. Spivak, Esq.  
25 Caroline Tahmassian, Esq.  
26 The Spivak Law Firm  
27 16530 Ventura Blvd, Ste. 203  
28 Encino, CA 91436

*To Defense Counsel:*

Marie D. DiSante, Esq.  
Daphne P. Bishop, Esq.  
Carothers DiSante & Freudenberger LLP  
707 Wilshire Boulevard, Suite 5150  
Los Angeles, California 90017

The written objection must state the objecting Class Member's full name, address, and  
the approximate dates of his or her employment with Defendant. The written objection must state  
the basis for each specific objection and any legal support in clear and concise terms. The written



1 objection also should state whether the Class Member intends to formally intervene and become  
2 a party of record in the action, and upon formally intervening, appear and argue at the Final  
3 Approval Hearing.

4 However, objectors will be provided with the opportunity to speak at the final approval  
5 hearing regardless of whether they have filed an appearance or submitted a written opposition  
6 beforehand. If the objecting Class Member does not formally intervene in the action and/or the  
7 Court rejects the Class Member's objection, the Class Member will still be bound by the terms  
8 of this Agreement.

9 **E. Report.** Not later than fourteen (14) days after the deadline for submission of  
10 requests for exclusion, the Settlement Administrator will provide the Parties with a complete and  
11 accurate list of all Class Members who sent timely requests to be excluded from the Action and  
12 all Class Members who objected to the settlement.

13 **F. No Solicitation of Objection; Right to Void.** Neither the Parties, nor their  
14 respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member  
15 to seek exclusion from the Settlement, object to the Settlement, or to appeal from the Judgment.  
16 If five percent (5%) or more of the Class Members submit a valid request to be excluded from  
17 the Settlement, then Defendant shall have the unilateral right to void this Settlement. Defendant  
18 may do so by giving notice to Class Counsel and the Court of its election to void the Settlement  
19 not later than seven (7) days before the Final Approval Hearing. No sums shall be payable by  
20 Defendant if this Agreement is voided as provided for herein with one exception: Defendant  
21 agrees to pay any fees owing to the Settlement Administrator for services rendered in the event  
22 Defendant exercises its right to void the Settlement.

23 **G. Additional Briefing and Final Approval.** Plaintiff will file with the Court a  
24 motion for final approval of the Settlement and payment of the Settlement Administrator's  
25 reasonable fees and expenses and a memorandum in support of their motion; and Plaintiff and  
26 Class Counsel will serve on Defendant and file with the Court a motion for awards of the Class  
27 Representative Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation  
28 Expenses Payment pursuant to this Settlement, and memoranda in support of their motions.

Before the Final Approval Hearing, the Parties shall be entitled to file and serve a  
response to any Class Member's objection to the Settlement and/or reply in support of their  
motion for final approval of the Settlement, and payment of the Settlement Administrator's





1 reasonable fees and expenses to the extent that any opposition to the motion is filed; and Plaintiff  
2 and Class Counsel may file replies in support of their motions for the Class Representative  
3 Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment.

4 If the Court ultimately does not grant final approval of the Settlement or grants final  
5 approval conditioned on any material change to the Settlement, then either Party will have the  
6 unilateral right to void the Settlement in its entirety; if that occurs, the Parties will have no further  
7 obligations under the Settlement, including any obligation by Defendant to pay the Gross  
8 Settlement Amount or any amounts that otherwise would have been payable under this  
9 Agreement, except that Defendant and Plaintiff will jointly and equally pay the Settlement  
10 Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the  
11 right to void the Settlement under this Paragraph. However, an award by the Court of a lesser  
12 amount than that sought by Plaintiff and Class Counsel for the Class Representative Payment,  
13 the Class Counsel Fees Payment, or the Class Counsel Litigation Expenses Payment, will not  
14 constitute a material modification to the Settlement within the meaning of this Paragraph and  
15 shall not render the Settlement voidable. Plaintiff and Class Counsel shall retain the right to  
16 appeal awards of attorneys' fees and costs less than requested.

17 Upon final approval of the Settlement by the Court at or after the Final Approval Hearing,  
18 the Parties will present for the Court's approval and entry a Proposed Final Order and Judgment.  
19 The Final Order and Judgment shall permanently bar all Participating Class Members from  
20 prosecuting against Defendant any claims within the scope of the Releases contained in this  
21 Agreement.

22 After entry of the Judgment, the Court will have continuing jurisdiction over the Action  
23 and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement  
24 administration matters, and (iii) addressing such post-Judgment matters as may be appropriate  
25 under court rules or applicable law.

26 **H. Waiver of Right to Appeal.** Provided that the Judgment is consistent with the  
27 terms and conditions of this Agreement, Plaintiff, Class Members who did not timely object to  
28 the Settlement and (a) also formally intervene into the action as now required under the California  
Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 4th 260, 228 Cal. Rptr.  
3d 106 (2018) or (b) file a motion pursuant to Civil Procedure Code section 663, Defendant, and  
their respective counsel hereby may waive, except as provided for in this Agreement or



1 prohibited by law, any and all rights to appeal from the Judgment, including all rights to any  
2 post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a  
3 motion for new trial, any extraordinary writ, and any appeal, and the Judgment therefore will  
4 become non-appealable at the time it is entered. The waiver of appeal does not include any waiver  
5 of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings. If an  
6 appeal is taken from the Judgment, the time for consummation of the Settlement (including  
7 making any payments under the Settlement) will be suspended until the appeal is fully and finally  
8 resolved and the Judgment, consistent with the terms of this Agreement, becomes Final.

9 **I. Vacating, Reversal, or Material Modification of Judgment on Appeal or**  
10 **Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other  
11 motion, petition, writ, application, or appeal, the reviewing court vacates, reverses, or modifies  
12 the Judgment such that there is a material modification to the Settlement, and that court's decision  
13 is not completely reversed and the Judgment is not fully affirmed on review by a higher court,  
14 then either Plaintiff or Defendant will have the unilateral right to void the Settlement, which the  
15 Party must do by giving written notice to the other Parties, the reviewing court, and the Court,  
16 not later than fourteen (14) days after the reviewing court's decision vacating, reversing, or  
17 materially modifying the Judgment becomes final. The Party exercising its right to unilaterally  
18 void the Settlement pursuant to this provision agrees to pay any fees owing to the Settlement  
19 Administrator for services rendered. An order vacating, reversing or modifying the Court's award  
20 of the Class Representative Payment or the Class Counsel Fees Payment and/or Class Counsel  
21 Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of  
22 the Judgment within the meaning of this paragraph, and shall not render the Settlement voidable.

23 **J. Establishment of Settlement Account.** The Settlement Administrator shall  
24 establish a Settlement Account for distributing Settlement Shares and Payments identified in this  
25 Agreement. Within ten (10) business days after the Judgment becomes Final, Defendant shall  
26 pay the Gross Settlement Amount into the Settlement Account.

27 **K. Payment of Settlement Shares.** The Settlement Administrator shall pay  
28 Settlement Shares, from the Settlement Account, to all Class Members (who do not submit valid  
requests to be excluded from the Action). The Settlement Administrator shall pay each Settlement  
Share by sending a check in the appropriate amount to the Class Member at the address indicated  
in the list of Class Member names and addresses provided by Defendant, or as subsequently





determined by the Settlement Administrator to be the correct address.

**L. Uncashed Settlement Share Checks.** Any check issued by the Settlement Administrator to Class Members who do not timely and validly opt out shall be negotiable for one hundred and eighty (180) calendar days. Within 10 calendar days of the expiration date, the Settlement Administrator shall provide the Parties with a report of uncashed checks. Within 10 calendar days of the receipt of the report, the Parties will file it with the Court. Thereafter, the Court shall amend the judgment to direct the Settlement Administrator to pay the sum of uncashed checks, plus any interest that has accrued on such funds, to Legal Aid at Work in accordance with Code of Civil Procedure § 384(b).

**M.** The Settlement Administrator will mail or wire all required payments no later than fourteen (14) calendar days after receipt of the funds representing the Gross Settlement Amount from Defendant. Proof of payment will be filed with the Court.

**N. Final Report by Settlement Administrator to Court.** Within ten (10) calendar days after final disbursement of all funds from the Settlement Account, the Settlement Administrator will serve on the Parties for filing with the Court a declaration providing a final summary report on the disbursements of all funds from the Settlement Account.

**V. RELEASE OF CLAIMS**

**A. Plaintiff and Class Members.** As of the date of the Judgment, Plaintiff and each Class Member who has not properly submitted a timely and valid request to be excluded from the Action, regardless of whether that Class Member objected to the Settlement, and without the need to manually sign a release document, in exchange for the consideration recited in this Agreement, on behalf of himself or herself and on behalf of his/her current, former, and future heirs, executors, administrators, attorneys, agents, and assigns, shall and does hereby fully and finally release La Reina, Inc., Old Pueblo Ranch, Inc., and each of their owners, parents, predecessors, successors, subsidiaries, affiliates, partners, and trusts, and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, other service providers, and assigns (collectively hereinafter the “Releasees”), from any and all claims, demands, rights, liabilities, and causes of action of any kind whatsoever, that have been, or could have been, asserted against the Releasees based on the facts alleged at any point in time in this Action during the Class Period (the “Released Claims”). The Released Claims expressly include, without limitation, all such claims for unpaid wages, including overtime wages, off-the-clock claims, minimum wage claims,



1 claims for failure to timely pay wages, both during employment and after termination of  
2 employment, claims for failure to keep accurate and complete payroll records, claims for failure  
3 to provide accurate and complete wage statements, claims for missed meal periods, rest breaks,  
4 wage premiums, penalties, and interest; related penalties, including, but not limited to,  
5 recordkeeping penalties, wage statement penalties, minimum-wage penalties, missed meal-  
6 period and rest-break penalties, waiting-time penalties, penalties under the Private Attorneys  
7 General Act; premiums or costs and attorneys' fees and expenses, and any claim arising from the  
8 claims described above under applicable federal, state, local or territorial law.

9 **B. Class Counsel.** As of the date the Judgment becomes Final, and except as  
10 otherwise provided by this Agreement, Class Counsel and any counsel associated with Class  
11 Counsel (The Spivak Law Firm), including without limitation David G. Spivak, Esq. and  
12 Caroline Tahmassian, Esq., waive any claim to costs and attorneys' fees and expenses against  
13 Defendant or the Releasees arising from or related to the Action, except those incurred to enforce  
14 this Agreement and collect the Judgment, including but not limited to claims based on the  
15 California Labor Code, the California Civil Code, the California Code of Civil Procedure, the  
16 Fair Labor and Standards Act, or any other statute or law (the "Class Counsel Released Claims").

## 17 **VI. NON-PUBLICITY PROVISION**

18 The Parties and their counsel agree that they will not issue any press releases, initiate any  
19 contact with the press, respond to any press inquiry, or have any communication with the press  
20 about the fact, amount, or terms of the Settlement. In addition, the Parties and their counsel agree  
21 that they will not engage in any advertising or distribute any marketing materials relating to the  
22 Settlement of this case in any manner that identifies the Defendant, including but not limited to  
23 any postings on any websites maintained by Class Counsel. Neither Plaintiff nor Class Counsel  
24 will discuss the terms or the fact of the Settlement with third parties other than (1) their immediate  
25 family members, (2) their respective accountants or lawyers as necessary for tax purposes; or (3)  
26 other Class Members. Plaintiff and Class Counsel agree not to publish any of the terms or  
27 conditions of this Settlement in any manner that identifies the Defendant. However, Class  
28 Counsel may identify this Settlement in other matters to demonstrate their adequacy as counsel  
in such other matters.

## 29 **VII. MISCELLANEOUS TERMS**

30 **A. No Effect on Other Benefits.** The Settlement Shares will not result in any



1 additional employee benefit payments (such as pension, ERISA, 401(k), vacation, or bonus) and  
2 shall not have any effect on the eligibility for, or calculation of, any employee benefit. Plaintiff  
3 and Class Members will be deemed to have waived all such claims, whether known or unknown  
4 by them, as part of their release of claims under this Agreement.

5 **B. No Admission of Liability.** Defendant denies that it has engaged in any unlawful  
6 activity, has failed to comply with the law in any respect, or has any liability to anyone under the  
7 claims asserted in the Action. This Agreement is entered into solely for the purpose of  
8 compromising highly disputed claims. Nothing in this Agreement is intended or will be construed  
9 as an admission of liability or wrongdoing by Defendant, or an admission by Plaintiff that any of  
10 him claims was non-meritorious or any defense asserted by Defendant was meritorious. This  
11 Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have  
12 no bearing on, and will not be admissible in connection with, any litigation (other than solely in  
13 connection with the Settlement).

14 **C.** Whether or not the Judgment becomes Final, neither the Settlement, this  
15 Agreement, any document, statement, proceeding or conduct related to the Settlement or the  
16 Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or  
17 admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to  
18 Defendant or any other Releasees, including, but not limited to, evidence of a presumption,  
19 concession, indication or admission by any of the Releasees of any liability, fault, wrongdoing,  
20 omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any  
21 of the Releasees, in any further proceeding in the Action, or any other civil, criminal or  
22 administrative action or proceeding except for purposes of effectuating the Settlement pursuant  
23 to this Agreement.

24 **D. Integrated Agreement.** After this Agreement is signed and delivered by all  
25 Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement  
26 between the Parties relating to the Settlement, and it will then be deemed that no oral  
27 representations, warranties, covenants, or inducements have been made to any Party concerning  
28 this Agreement or its exhibits other than the representations, warranties, covenants, and  
inducements expressly stated in this Agreement and its exhibits.

**E. Attorney Authorization.** Class Counsel and Defense Counsel warrant and  
represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate



1 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate  
2 its terms, and to execute any other documents required to effectuate the terms of this Agreement.  
3 The Parties and their counsel will cooperate with each other and use their best efforts to  
4 implement the Settlement. In the event the Parties are unable to reach agreement on the form or  
5 content of any document needed to implement the Agreement, or on any supplemental provisions  
6 that may become necessary to effectuate the terms of this Agreement, the Parties will seek the  
7 assistance of the Court, and in all cases, all such documents, supplemental provisions and  
8 assistance of the court will be consistent with this Agreement.

9 **F. Modification of Agreement.** This Agreement, and all parts of it, may be  
10 amended, modified, changed, or waived only by an express written instrument signed by all  
11 Parties or their successors-in-interest.

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

14 **H. Applicable Law.** All terms and conditions of this Agreement and its exhibits will  
15 be governed by and interpreted according to the laws of the State of California, without giving  
16 effect to any conflict of law principles or choice of law principles.

17 **I. Cooperation in Drafting.** The Parties have cooperated in the drafting and  
18 preparation of this Agreement. This Agreement will not be construed against any Party on the  
19 basis that the Party was the drafter or participated in the drafting.

20 **J. Fair Settlement.** The Parties and their respective counsel believe and warrant that  
21 this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived  
22 at this Agreement through arms-length negotiations, considering all relevant factors, current and  
23 potential.

24 **K. Headings.** The descriptive heading of any section or paragraph of this Agreement  
25 is inserted for convenience of reference only and does not constitute a part of this Agreement.

26 **L. Notice.** All notices, demands or other communications given under this  
27 Agreement will be in writing and deemed to have been duly given as of the third business day  
28 after mailing by United States mail, addressed as follows:

*To Class Counsel:*

David G. Spivak, Esq.  
Caroline Tahmassian, Esq.  
The Spivak Law Firm

*To Defense Counsel:*

Marie D. DiSante, Esq.  
Daphne P. Bishop, Esq.  
Carothers DiSante & Freudenberger LLP



16530 Ventura Blvd, Ste. 312  
Encino, CA 91436

707 Wilshire Boulevard, Suite 5150  
Los Angeles, California 90017

**M. Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be presumptive evidence of execution of the original, which shall be produced on reasonable request. Any executed counterpart will be admissible to prove the existence and contents of this Agreement.

Dated: May 23, 2019

THE SPIVAK LAW FIRM

By: 

DAVID SPIVAK  
CAROLINE TAHMASSIAN  
Attorneys for Plaintiff,  
ERIC SCHAFLE

Dated: May 17, 2019

CAROTHERS DiSANTE & FREUDENBERGER  
LLP

By: 

MARIE D. DiSANTE  
DAPHNE P. BISHOP  
Attorneys for Defendants,  
LA REINA, INC. and OLD PUEBLO  
RANCH INC.



SPIVAK LAW



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DATED: 5-21-2019

ERIC SCHAFLE

By: *Eric Schafle*

DATED: May 17, 2019

ON BEHALF OF DEFENDANTS

By: *Ricardo Alvarez*

Ricardo Alvarez  
Its: President

With the authorization of Defendants  
LA REINA, INC. and OLD PUEBLO RANCH,  
INC.



IVAK LAW

By: Rights Attorneys  
O'Venure B. Ste 203  
Emery CA 91436  
(310) 543-9086 Tel  
(310) 543-2561 Fax  
SchafleLaw.com

*Schafle v. La Reina, Inc.*

1 DATED: \_\_\_\_\_, 2019

ERIC SCHAFLER

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

3  
4  
5 DATED: May 17, 2019

ON BEHALF OF DEFENDANTS

6  
7  
8 By: 

9 Ricardo Alvarez  
10 Its: President

11 With the authorization of Defendants  
12 LA REINA, INC. and OLD PUEBLO RANCH,  
13 INC.  
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SPIVAK LAW

Employee Rights Attorneys  
16530 Ventura Bl, Ste 203  
Encino CA 91436  
(818) 582-3086 Tel  
(818) 582-2561 Fax  
SpivakLaw.com

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# EXHIBIT A



**SPIVAK LAW**

Employee Rights Attorneys  
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Encino CA 91436  
(818) 582-3086 Tel  
(818) 582-2561 Fax  
SpivakLaw.com



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**IN THE SUPERIOR COURT OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES  
SPRING STREET COURTHOUSE**

ERIC SCHAFER,

*Plaintiff(s),*

vs.

LA REINA, INC.

*Defendant.*

Case No. BC667533

Hon. John Shepard Wiley

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT**

**I. WHY DID I GET THIS NOTICE?**

The records of La Reina, Inc. ("La Reina") indicate that you were employed by La Reina at some time between July 3, 2013, and December 5, 2018 (the "Class Period") as a current or former nonexempt Hourly Employee. This Notice explains that for settlement purposes only, the Court has granted preliminary approval of this class action settlement that may affect you. You have legal rights and options that you may exercise at this time.

**II. WHAT IS THIS CLASS ACTION LAWSUIT ABOUT?**

Plaintiff, a former employee who worked for La Reina, filed a class action lawsuit on behalf of himself and similar employees alleging the following claims against La Reina: (1) failure to provide meal periods or compensation in lieu thereof; (2) failure to provide rest breaks or compensation in lieu thereof; (3) failure to pay all wages for all hours worked, including minimum, regular, and overtime wages; (4) failure to timely pay wages owed upon termination of employment; (5) failure to provide accurate and itemized wage statements; (6) unfair competition; and (7) failure to pay civil penalties for violating California labor laws.

Plaintiff also alleged the following individual claims on behalf of himself: (1) retaliation in violation of California Labor Code 98.6; (2) retaliation in violation of California Labor Code 1102.5; and (3) wrongful termination in violation of the public policy. On or about January 8, 2019, Plaintiff entered into an individual settlement agreement with La Reina to settle his retaliation and wrongful termination claims.

La Reina denies any wrongdoing, denies Plaintiff's allegations, and contends it was in full compliance with all California labor laws.

The Court has not ruled on whether Plaintiff's allegations have any merit. However, for the purpose of avoiding the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, Plaintiff and La Reina have negotiated a settlement whereby La Reina has agreed to pay Seven Hundred and Fifty Thousand Dollars and Zero Cents (\$750,000.00) to resolve all of the class claims listed above. The Settlement is not an admission by La Reina of any liability.

**III. WHO IS INCLUDED IN THIS CLASS ACTION?**

The Class consists of all persons who have previously been employed by La Reina as an Hourly Employee in California ("Eligible Position") during the Class Period.



**SPIVAK LAW**

Employee Rights Attorneys  
16530 Ventura Bl. Ste 312  
Encino CA 91436  
(818) 582-3086 Tel  
(818) 582-2561 Fax  
SpivakLaw.com

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**IV. WHAT DOES THE PROPOSED SETTLEMENT OFFER?**

A. La Reina will pay \$750,000.00 to settle the claims. A Settlement Administrator has been appointed to administer the settlement. The Settlement Administrator will pay from the \$750,000: (1) costs of administering the claims up to \$15,000.00; (2) attorneys' fees up to \$250,000.00 plus documented costs up to \$15,000; (3) a payment to Plaintiff in the amount of \$15,000 for his service as the class representative; and (4) \$7,500 to the California Labor Workforce Development Agency ("LWDA"). The remainder of the settlement amount will be distributed to class members who do not opt out of the settlement.

B. Your individual share will be based on the number of workweeks you worked for La Reina during the Class Period in an Eligible Position. The amount of money you receive will be based on the size of your share in comparison to the size of all class members' shares combined.

C. If you do not exclude yourself from the settlement (according to the procedures explained below), you will release La Reina and its owners, parents, future parents, predecessors, successors (including but not limited to La Reina, Inc., and Old Pueblo Ranch, Inc.), subsidiaries, affiliates, partners, assigns, and trusts, and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, other service providers, and assigns ("Releasees") as follows:

from any and all claims, demands, rights, liabilities, and causes of action of any kind whatsoever, that have been, or could have been, asserted against the Releasees based on the facts alleged at any point in time in this Action during the Class Period (the "Released Claims"). The Released Claims expressly include, without limitation, all such claims for unpaid wages, including overtime wages, off-the-clock claims, minimum wage claims, claims for failure to timely pay wages, both during employment and after termination of employment, claims for failure to keep accurate and complete payroll records, claims for failure to provide accurate and complete wage statements, claims for missed meal periods, rest breaks, wage premiums, penalties, and interest; related penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, missed meal-period and rest-break penalties, waiting-time penalties, penalties under the Private Attorneys General Act; premiums or costs and attorneys' fees and expenses, and any claim arising from the claims described above under applicable federal, state, local or territorial law.

**V. WHAT ARE MY OPTIONS?**

A. **You may accept your share of the \$750,000 settlement.** You will be deemed to have accepted your share of the \$750,000 settlement if you do not submit a timely and valid request to be excluded from the settlement as described in this Notice. In accepting your settlement share, you will waive all "Released Claims" as described above. However, if you do not endorse your settlement share check as outlined below, you will not release your claims under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.* ("FLSA").

B. **You may accept your share of the \$750,000.00 settlement but dispute the number of your workweeks.** If you do not agree with the number of workweeks stated on the attached Information Sheet, you should provide the corrected information and fully fill out the attached Information Sheet. Write down all dates that you worked or the number of workweeks you worked in an Eligible Position during the Class Period. Return the Information Sheet and any documents to support your position by mail to the Settlement Administrator, Phoenix Class Action Administration Solutions, at the following address: \_\_\_\_\_, or by calling \_\_\_\_\_. The Settlement Administrator will read the documents both you and La Reina provide and make the final determination of the amount of your settlement award. Your Information Sheet and any supporting documentation must be postmarked by <<date>> to be valid. Once the dispute is resolved by the Settlement Administrator, and if the Settlement is finally approved by the Court, you will be sent a check for your Settlement Share and you will have released all "Released Claims" as described above.

C. **You may exclude yourself from the class action settlement.** If you exclude yourself from the class action settlement, you will no longer be a member of the Class so you will not receive any class action settlement money and you will not be bound by the class settlement Release. To be excluded from the class action



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Employee Rights Attorneys  
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1 settlement, you must send by mail, postmarked by <<date>>, a written letter requesting that you be excluded from  
2 the class action with your name, address, telephone number, and signature to the Settlement Administrator, Phoenix  
3 Class Action Administration Solutions, at the following address: \_\_\_\_\_, or by calling \_\_\_\_\_.

4 D. **You may object to the settlement.** If you want to object to the settlement because you find it  
5 unfair, unreasonable, or inadequate, you may do so according to the procedures set forth below in paragraph IX  
6 below. By objecting, you are not excluding yourself from the settlement. To do so, you should follow the procedures  
7 below. If the Court approves the settlement despite your objection, and you do not submit a timely request to be  
8 excluded from the settlement, you will be sent a check for your settlement share and you will be bound by the  
9 Release described above. The Court will consider the merits of all timely objections, whether or not the objector  
10 appears at the final fairness hearing.

11 **VI. WHAT ARE THE PROCEDURES FOR PAYMENT?**

12 A. The Settlement Administrator will calculate your share of the \$750,000 settlement and issue you  
13 a check for your settlement share.

14 B. The settlement shares are allocated 30% each to wages (for which employment taxes will be  
15 deducted and W-2s issued) and 35% to interest and 35% to penalties (for which 1099s will be issued).

16 C. You will have one hundred and eighty (180) calendar days from the date of the check's issuance  
17 to cash your settlement check. After the expiration of the 180-day period, any amounts from settlement checks that  
18 remain uncashed and otherwise unclaimed will be paid to the Legal Aid at Work in accordance with Code of Civil  
19 Procedure §384.

20 D. It is important for the parties to have your current address in order to be able to send you other  
21 mailings regarding this case. You should contact the Settlement Administrator to report any change of your address  
22 after you receive this Notice. Failure to report a change of address may result in you not receiving money from the  
23 settlement.

24 **VII. HEARING ON PROPOSED SETTLEMENT**

25 A final fairness hearing will be held by the Court at [time] on [date], in the Superior Court for the County  
26 of Los Angeles, Spring Street Courthouse, 312 N. Spring Street, Los Angeles, CA, 90012, Dept. 9 (Judge John  
27 Shepard Wiley), to decide whether or not the proposed settlement is fair, reasonable and adequate. You do not have  
28 to attend the hearing. Class Counsel will answer any questions the Judge may have. But, you are welcome to come  
at your own expense.

**VIII. PROCEDURES FOR EXCLUSION FROM SETTLEMENT**

If you wish to exclude yourself settlement, and any payment of amounts under the Agreement, as described  
above, you must mail a letter to the Settlement Administrator stating that you want to be excluded from the  
Settlement. This letter must include your name, address, telephone number, and signature on or before 60 days from  
the mailing of this Notice. The request for exclusion must be mailed to the Settlement Administrator as follows:

*To Settlement Administrator:*

*Schafler v. La Reina*  
Settlement Administrator  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



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Employee Rights Attorneys  
16530 Ventura Bl. Ste 312  
Encino CA 91436  
(818) 582-3086 Tel  
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SpivakLaw.com

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**IX. PROCEDURES FOR OBJECTING TO SETTLEMENT**

If you wish to object to the settlement as described above, you are strongly encouraged to do two things: (1) submit an objection in writing to the Settlement Administrator stating why you object to the settlement on or before 60 days from the mailing of this Notice; and (2) formally intervene into the court action as an aggrieved party by filing separate paperwork with the Court through your own independent legal counsel or as a *pro per*.

The written objection should be mailed to the Settlement Administrator as follows:

*To Settlement Administrator*

*Schafler v. La Reina*  
Settlement Administrator  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The written objection must state your full name, address, and the dates of your employment with La Reina. The written objection must state the basis for each specific objection and any legal support in clear and concise terms. The written objection also should state whether you or your lawyer plan to formally intervene in the action and intend to appear and object at the Final Approval Hearing. Class Counsel will file any objections received with the Court within 5 business days of receipt. Objectors will be provided with the opportunity to speak at the final approval hearing regardless of whether they have filed an appearance or submitted a written opposition beforehand.

**If you do not timely object to the settlement and also formally intervene into the court action as set forth above, you may waive your right and standing to appeal the class settlement judgment that ultimately is entered by the Court.** If you send an objection and formally intervene in the action, you may come to Court and be heard, but you do not have to come to Court to talk about it. You may also appear in Court without filing a written objection, and, so long as you appear in Court before the conclusion of the Final Fairness Hearing on \_\_\_\_\_ [date], the Court will consider your objection, though you may lose your right to appeal the Court's decision. As long as you mail your written objection on time, the Court will consider it. You may also pay your own lawyer to attend the Final Approval Hearing. The Court will also provide objectors the opportunity to speak at the final approval hearing regardless of whether they have filed an appearance or submitted a written opposition beforehand.

**X. EXAMINATION OF COURT PAPERS AND INQUIRIES**

This Notice summarizes the class action settlement. To obtain additional information regarding the settlement you may: (1) call the Settlement Administrator at (800) 523-5773; (2) inspect the complete court file at maintained by the Clerk of the Superior Court for the County of Los Angeles, Spring Street Courthouse, 312 N. Spring Street, Los Angeles, CA, 90012, Department 9 (Judge John Shepard Wiley); (3) or access the court file via the Los Angeles Superior Court's web site (information about filed civil cases can be found on the Court's general website at <https://www.lacourt.org/>).

If you have any questions or comments regarding this Notice, the claims asserted in this class action and/or your rights regarding the settlement, you may contact any of the attorneys for the Class listed below. You will not be charged for speaking with these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense. The attorneys approved by the Court to represent the class of employees are:

David G. Spivak, Esq.  
Caroline Tahmassian, Esq.  
The Spivak Law Firm  
16530 Ventura Blvd., Suite 312  
Encino, CA 91436  
Toll Free: (877) 203-9010



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16530 Ventura Bl. Ste 312  
Encino CA 91436  
(818) 582-3086 Tel  
(818) 582-2561 Fax  
[SpivakLaw.com](http://SpivakLaw.com)

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Fax: (818) 582-2561  
David@MyWorkMyWages.com

The Settlement Agreement and, ultimately, the order giving final approval to the Settlement will be posted on the Settlement Administrator's website at [www.\\_\\_\\_\\_\\_.com/](http://www._____.com/)



**SPIVAK LAW**

Employee Rights Attorneys  
16530 Ventura Bl. Ste 312  
Encino CA 91436  
(818) 582-3086 Tel  
(818) 582-2561 Fax  
[SpivakLaw.com](http://SpivakLaw.com)