

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

Hanson v. Zapata Nuccio, Inc., et al.

Superior Court of California for the County of Los Angeles, Case No. 20STCV28951

As a non-exempt, hourly paid employee currently or formerly employed by Zapata Nuccio, Inc. in California during the period of July 31, 2016 through December 22, 2020, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement Fund.

You have received this Notice of Class Action Settlement because the records of Zapata Nuccio, Inc. (collectively, show you are a “Class Member,” and therefore entitled to a payment from this class action Settlement. Class Members are all persons currently or formerly employed by Zapata Nuccio, Inc. as a non-exempt, hourly-paid employee in the State of California any time from July 31, 2016 through December 22, 2020.

- The settlement resolves a class-action lawsuit, *Olivia Beverly Hanson v. Zapata Nuccio, Inc., et al.* (the “Lawsuit”), which alleges that Zapata Nuccio, Inc., Ken Todd, Lisa Vanderpump, Guillermo Zapata, and Nathalie Pouille-Zapata (collectively, “Defendants”): (1) failed to pay Class Members overtime wages, (2) failed to pay Class Members minimum wages, (3) failed to provide Class Members legally-compliant meal breaks under California law, (4) failed to provide Class Members legally-compliant rest breaks under California law, (5) failed to provide Class Members with legally complaint wage statements, (5) failed to timely pay wages upon separation of employment, (6) failed to indemnify Class Members for costs incurred in furtherance of their work duties, (7) failed to permit inspection of wage statements upon request; (8) failed to permit inspection of personnel records upon request; (9) failed to pay all tips earned; and (10) engaged in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiffs also seek penalties under the California Labor Code Private Attorney Generals Act (“PAGA”) pursuant to Labor Code sections 226.3, 558, 1197.1, and 2699.
- On August 5, 2021, the Los Angeles County Superior Court granted preliminary approval of this class action Settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously denies the claims in the Lawsuit and contend that they fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment, and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, Phoenix Settlement Administrators, about why you object to the settlement and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. If you timely object, you or your attorney may also address the Court during the Final Approval Hearing scheduled for December 2, 2021 in Department 6 of the Spring Street Courthouse of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, California, 90012.

Questions? Contact the Settlement Claims Administrator toll free at 800-523-5773.

The Final Fairness and Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at 9 a.m. on December 2, 2021, in Department 6 of the Spring Street Courthouse of Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, California, 90012. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants' records show that you currently work, or previously worked, for Defendants as a non-exempt hourly, hourly paid employee in the State of California from July 31, 2016 at some point through December 22, 2020. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a "Settlement Administrator" appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Olivia Beverly Hanson was an hourly paid, non-exempt employee of Defendants in California. She is the "Plaintiff" in this case and is suing on behalf of herself and Class Members for Defendants' alleged failure to pay overtime wages, failure to pay minimum wages, failure to provide legally-compliant meal and rest breaks under California law, failure to provide compliant wage statements, failure to timely pay wages upon separation, failure to indemnify employees for costs incurred in furtherance of their work duties, failure to permit inspection of employment records, failure to pay all tips owed, and engagement in unfair business practices. Based on these and other alleged Labor Code violations, Plaintiffs also seek to recover penalties under PAGA pursuant to Labor Code sections 226.3, 558, 1197.1, and 2699.

Defendants deny all of the allegations made by Plaintiffs and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this Class Action Settlement. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing.

Summary of the Settlement Terms

Plaintiff and Defendants have agreed to settle this case on behalf of themselves and the Class Members for the Gross Settlement Amount of \$700,000.00. The Gross Settlement includes: (1) Administration Costs up to \$6,750; (2) a service payment of up to \$5,000.00 to Plaintiff Olivia Beverly Hanson for her time and effort in pursuing this case and in exchange for a broader release of claims against Defendant; (3) up to \$233,333.33 in attorneys' fees and actual litigation costs up to \$20,000 to Class Counsel; and (4) payment allocated to PAGA penalties in the amount of \$10,000.00, \$7,500 of which will be payable to the Labor and Workforce Development Agency ("LWDA") and \$2,500 which will be payable to Class Members. After deducting these sums, a total of approximately \$359,916.67 will be available for distribution to Class Members ("Net Settlement Amount"). In addition to the Gross Settlement, Defendants will separately pay all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of this Settlement.

Distribution to Class Members

Class Members who do not opt out will receive a pro-rata payment based on the number of weeks worked by Class Members for Defendants during the Class Period as non-exempt employees ("Eligible Workweeks"). Specifically, Class Members' payments will be calculated by dividing the number of Eligible Workweeks attributed to the Class Member by all Eligible Workweeks attributed to members of the Settlement Class, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (individual Class Member's Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) x Net Settlement Amount.

Defendants' records indicate that you worked [Eligible Workweeks] as a non-exempt employee in California between July 31, 2016 and December 22, 2020. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you

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must mail a dispute to the Settlement Administrator no later than November 2, 2021. Please include any documentation you have that you contend supports your dispute.

Tax Reporting

33% of each Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and 67% will be allocated as penalties and interest reported on an IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Settlement Check because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the settlement and receive a settlement payment. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.**

Class Members who do not submit a valid and timely opt out (pursuant to Section 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had upon final approval of this Settlement, entry of judgment, and payment by Defendants to the Settlement Administrator.

“Released Claims” refers to all claims asserted in the First Amended Complaint filed in this Action, or any and all claims that may be asserted against the Released Parties based on the factual allegations in the First Amended Complaint filed in this action, as follows: For the duration of July 31, 2016 through December 22, 2020, the release includes: (a) all claims for failure to pay overtime wages; (b) all claims for failure to pay minimum wages; (c) all claims for failure to provide compliant meal and rest periods and associated premium pay; (d) all claims for the failure to timely pay wages upon termination; (e) all claims for non-compliant wage statements; and (f) all claims asserted through California Business & Professions Code § 17200 *et seq.* arising out of the Labor Code violations referenced in the First Amended Complaint. For individuals employed during the period from July 30, 2019 through December 22, 2020, the release includes, for the duration of the that period, all claims released during the Class Period, as well as all asserted PAGA claims for penalties arising out of Labor Code Sections 210, 226.3, 558, 1197.1 and 2699 based on the factual allegations and Labor Code sections alleged to have been violated in the PAGA Notice filed by Plaintiff against Defendants and the First Amended Complaint filed in this Action.

“Released Parties” means Defendants and each of their past, present, and future respective subsidiaries, dba’s, affiliates, parents, insurers and reinsurers, and company-sponsored employee benefit plans of any nature and their successors and predecessors in interest, including all of their officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, and agents.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your name, Social Security Number, and signature. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail or facsimile to the address below.

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c/o Phoenix Class Action Administration
P.O. Box 7208
Orange, CA 92863

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The written request to be excluded from the Settlement must be postmarked or received by the Administrator not later than November 2, 2021. If you exclude yourself from the Settlement then you will get no payment, and retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit.

Option 3 – *File an Objection to the Settlement*

If you wish to object to the Settlement you may file a written objection stating why you object to the Settlement. Your written objection must provide your full name, address, your reasons why you think the Court should not approve the Settlement, along with any legal authority, if any, you assert supports your objection, and your signature. Your written objection must be mailed to the Administrator no later than November 2, 2021. Please note that you cannot both object to the Settlement and exclude yourself. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Final Fairness Hearing

You may, if you wish, also appear at the Final Fairness and Approval Hearing set for December 2, 2021 at 9 a.m. in Department 6 of the Spring Street Courthouse of Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, California, 90012, and raise or discuss your objections with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the Hearing at your own expense.

Due to the COVID-19 pandemic, hearings are currently being conducted remotely through LACourtConnect. Class Members who wish to appear at the final fairness hearing should contact Class Counsel to arrange a telephonic appearance through LACourtConnect, at least three days before the hearing if possible. Any CourtCall fees for an appearance by an objecting class member will be paid by class counsel.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may visit <http://www.phoenixclassaction.com/>, call the Settlement Administrator at 800-523-5773 or Class Counsel:

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You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Office of the Clerk of the Los Angeles Superior Court, located at 312 N. Spring Street, Los Angeles, California, 90012, during regular business hours of each court day.

Due to the novel Coronavirus, the Court has enacted social distancing protocols, which include the following:

- Do not enter the courthouse if:
 - You have tested positive for COVID-19 within the last 10 days AND have not been fever free for 24 hours.
 - You have been ordered to quarantine or been in contact (within 6 feet and more than 15 minutes) with a person known to be or suspected of being COVID-19 positive within the last 14 days.
 - You are experiencing COVID-19 symptoms.
- Individuals entering the courthouse must wear facial coverings over the mouth and nose while in the courthouse. Paper, disposable masks will be provided to persons who do not have one and who request to enter the courthouse. ADA exceptions may apply.

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- To help court users observe social distancing, the Court has posted signs throughout its facilities - including elevator landings, benches, and other areas where lines are likely to form - reminding court users and employees to remain at least six feet apart.
- Sheriff security and court staff enforce social distancing of court users outside and within the courthouse.
- Hand sanitizer dispensers are available for use throughout the courthouse.
- The court has increased cleaning and sanitization of high-touch surfaces and restrooms in this facility using U.S. Environmental Protection Agency- approved disinfectant products.
- The court has provided employees and judicial officers with public health-compliant facial coverings to use while working in courthouses.
- The court will maintain and keep all public restrooms open to facilitate frequent hand-washing.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANT, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES.**