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13  
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
15 FOR THE COUNTY OF LOS ANGELES  
16

17 ERIC GALVEZ, individually, and on behalf of  
all others similarly situated,

18 Plaintiff,

19 vs.

20  
21 YAMATO VALENCIA, INC., a California  
22 corporation; YAMATO ENCINO  
CORPORATION, a California corporation;  
23 and DOES 1 through 10, inclusive,

24 Defendants.  
25  
26  
27  
28

Case No.: 20STCV22760

CLASS ACTION

[Hon. Daniel J. Buckley, Dept. 1]

**FIRST AMENDED JOINT STIPULATION  
OF CLASS ACTION AND PAGA  
SETTLEMENT**

Complaint filed: June 12, 2020  
Trial date: Not set

1 **FIRST AMENDED JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This First Amended Joint Stipulation of Class Action and PAGA Settlement (“Joint Stipulation of  
3 Settlement,” “Settlement,” or “Agreement”) is made and entered into by and between Plaintiff ERIC  
4 GALVEZ, (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly  
5 situated, and Defendant YAMATO VALENCIA, INC. (“Defendant”). Plaintiff and Defendant  
6 (individually, “Party,” or collectively “the Parties”) stipulate and agree to the following:

7 **DEFINITIONS**

- 8 1. For purposes of this Settlement, “Class Counsel” means MOON & YANG, APC.  
9 2. For purposes of this Settlement, “Defendant’s Counsel” means LANDEGGER VERANO  
10 & DAVIS, ALC.  
11 3. For purposes of this Settlement, “Action” means the action entitled *Galvez v. Yamato*  
12 *Valencia, Inc.*, et al., Case No. 20STCV22760.  
13 4. For purposes of this Settlement, “Complaint” means the first amended complaint filed in  
14 the Action on December 17, 2020.  
15 5. For purposes of this Settlement, “Class” or “Class Members” means any and all hourly,  
16 non-exempt employees who worked for Defendant in California during the Class Period. The Parties  
17 estimate that the Class includes approximately 439 Class Members as of November 22, 2021.  
18 6. For purposes of this Settlement, “Class Period” means the period from June 12, 2016, to  
19 December 31, 2021.  
20 7. For purposes of this Settlement, “Settlement Class” or “Settlement Class Members” means  
21 Class Members who do not submit timely and compliant exclusion requests to the Settlement  
22 Administrator.  
23 8. For purposes of this Settlement, “Covered Workweeks” means the number of weeks a  
24 Class Member worked at Defendant’s locations in California during the Class Period.  
25 9. For purposes of this Settlement, “Settlement Class Payment” means the portion of the  
26 Gross Settlement Amount that will be allocated to the settlement of the Released Class Claims.  
27 10. For purposes of this Settlement, “Released Class Claims” means any and all claims, rights,  
28 demands, liabilities, penalties, costs, expenses, attorneys’ fees, damages, and causes of action that are

1 alleged, or reasonably could have been alleged based on the facts and claims asserted in the operative  
2 complaint in this action, including the following claims: failure to pay minimum and straight time wages,  
3 failure to pay overtime compensation, failure to provide compliant meal periods, failure to authorize and  
4 permit compliant rest periods, failure to indemnify necessary business expenses, failure to timely pay final  
5 wages upon separation from employment, failure to provide and maintain accurate itemized wage  
6 statements, Unfair Practices under the Unfair Competition Act (“UCL”), during the Class Period,  
7 including violation of the following sections of the California Labor Code sections 201, 202, 203, 204,  
8 218.5 218.6, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1194, 1194.2, 1197, 1198, 2802, derivative claims  
9 under California Business & Professions Code § 17200, violation of the California Code of Regulations,  
10 Title 8 section 11040, violation of the California Industrial Wage Orders, and violation of California’s  
11 unfair business practices and unfair competition laws, as well as any potential penalties, interest, or  
12 attorneys’ fees associated with these causes of action under California or federal law (“Released Claims”).  
13 As to any participating Settlement Class Member who cashes and/or negotiates the check representing  
14 their individual Settlement Payment, the signing and negotiation of that check shall serve as the Settlement  
15 Class Member’s consent to join the action for purposes of releasing the Released Claims arising under the  
16 Fair Labor Standards Act (“FLSA”).

17 11. For purposes of this Settlement, “PAGA” means the Labor Code Private Attorneys  
18 General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

19 12. For purposes of this Settlement, “PAGA Representative” means Plaintiff.

20 13. For purposes of this Settlement, “PAGA Employees” or “PAGA Settlement Employees”  
21 means all hourly, non-exempt employees who worked for Defendant in California who worked during the  
22 PAGA Period. The Parties stipulate that, for purposes of this Settlement, and as defined pursuant to the  
23 PAGA, all PAGA Employees are “Aggrieved Employees.”

24 14. For purposes of this Settlement, “PAGA Period” means the period from June 4, 2019, to  
25 December 31, 2021.

26 15. For purposes of this Settlement, “Released PAGA Claims” means any and all claims,  
27 causes of action, damages, expenses, benefits, interest, penalties, attorneys’ fees, costs, and any other form  
28 of relief or remedy in law, equity, or whatever kind or nature that were asserted or could have been

1 asserted with respect to the Private Attorneys General Act (“PAGA”) claims asserted in the Action and in  
2 Plaintiff’s LWDA Notice(s) submitted to the LWDA in this Action on June 4, 2020.

3 16. For purposes of this Settlement, “PAGA Payment” means the portion of the Gross  
4 Settlement Amount that will be allocated to the settlement of the Released PAGA Claims, with 75% paid  
5 to the Labor and Workforce Development Agency (“LWDA”) and 25% paid to the PAGA Settlement  
6 Employees on a pro-rata basis, based on the total number of workweeks of each class member according  
7 to Defendant’s records during the PAGA Period. The Parties have agreed that the PAGA Payment will be  
8 \$30,000.00 from the Gross Settlement Amount. Pursuant to the PAGA, 75% of the PAGA Payment, or  
9 \$22,500.00, will be paid to the LWDA, and 25% of the PAGA Payment, or \$7,500.00, will be paid to the  
10 PAGA Employees.

11 17. For purposes of this Settlement, “Settlement Payment” means all of the Settlement Class  
12 Payments together with all of the PAGA Payments.

13 18. For purposes of this Settlement, “Response Deadline” means the date sixty (60) days after  
14 the Settlement Administrator initially mails the Notice of Settlement (“Notice”) to the Class Members and  
15 the last date on which Settlement Class Members may submit a request for exclusion or written objection  
16 to the non-PAGA portion of this Settlement. In the case of a re-mailed Notice, the Response Deadline will  
17 be the later of sixty (60) calendar days after initial mailing or fourteen (14) calendar days from re-mailing.  
18 The Response Deadline may be extended only as expressly described herein.

19 **STIPULATED BACKGROUND**

20 19. Plaintiff filed a putative class action on June 12, 2020, alleging the following causes of  
21 action: (1) Failure to Pay Minimum Wage and Straight Time Wages [Cal. Lab. Code §§ 204, 1194,  
22 1194.2, 1197, and the Industrial Welfare Commission Wage Orders]; (2) Failure to Pay Overtime  
23 Compensation [Cal. Lab. Code §§ 1194, 1198, and the Industrial Welfare Commission Wage Orders]; (3)  
24 Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512, and the Industrial Welfare Commission  
25 Wage Orders]; (4) Failure to Authorize and Permit Rest Breaks [Cal. Lab. Code § 226.7, and the Industrial  
26 Welfare Commission Wage Orders]; (5) Failure to Indemnify Necessary Business Expenses [Cal. Lab.  
27 Code § 2802, and the Industrial Welfare Commission Wage Orders]; (6) Failure to Timely Pay Final  
28 Wages at Termination [Cal. Lab. Code §§ 201-203, and the Industrial Welfare Commission Wage

1 Orders]; (7) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code § 226, and the  
2 Industrial Welfare Commission Wage Orders]; and (8) Unfair Business Practices [Cal. Bus. & Prof. Code  
3 §§ 17200, *et seq.*]. In his initial complaint, Plaintiff sought to represent all persons that worked for  
4 Defendant in California as an hourly-paid, non-exempt employee at any time during the period beginning  
5 four years before the filing of the initial complaint and ending when Notice to the Class is sent.

6 20. Plaintiff filed a claim for Civil Penalties under the PAGA when it sent a Notice of Labor  
7 Code Violations and PAGA Penalties to the LWDA on June 4, 2020. In doing so, Plaintiff satisfied the  
8 administrative exhaustion requirement for filing such a claim with the LWDA.

9 21. Plaintiff filed a first amended complaint on December 16, 2020, which alleged one  
10 additional cause of action for Civil Penalties under the PAGA [Cal. Lab. Code §§ 2698, *et seq.*].

11 22. Defendant denies any and all liability and wrongdoing associated with the claims alleged  
12 in the Complaint. In particular, Defendant denies that Defendant failed to pay proper wages; provide meal  
13 periods or make meal periods available as required; permit and authorize rest breaks or make rest breaks  
14 available as required; indemnify employees for necessary business expenses; timely pay wages upon  
15 termination of employment; and provide accurate itemized wage statements.

16 23. Defendant contends that it has complied with the California Labor Code and the applicable  
17 Wage Orders of the Industrial Welfare Commission at all times. Furthermore, Defendant contends that it  
18 has complied with the California Business and Professions Code at all times.

19 24. Defendant denies the Action is appropriate for class or representative treatment for any  
20 purpose other than settling this lawsuit.

21 25. The Parties, for settlement purposes only, stipulate and agree that in the event this  
22 Settlement does not become effective, the fact that the Parties were willing to stipulate to class certification  
23 as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue  
24 of whether the Class Members and/or the Class Claims should be certified in a non-Settlement context, in  
25 this Action or in any other lawsuit. Defendant expressly reserves its right to oppose claim or class  
26 certification in this or any other action.

27 26. The Parties, for settlement purposes only, stipulate and agree that the requirements for  
28 class certification have been met and are met with respect to the Class Members. In particular, the Parties

1 stipulate and agree that:

- 2 (a) The Class is ascertainable.
- 3 (b) The Class is so numerous as to make it impracticable to join all Class Members.
- 4 (c) The claims of the Class Representative are typical of the claims of the Class
- 5 Members.
- 6 (d) The Action is comprised of common questions of law and fact including, but not
- 7 limited to:
- 8 1) Whether or not Defendant paid proper wages to the Class;
- 9 2) Whether or not Defendant provided meal periods to the Class;
- 10 3) Whether or not Defendant authorized and permitted rest breaks to the
- 11 Class;
- 12 4) Whether or not Defendant indemnified Class Members for necessary
- 13 business expenses throughout their employment;
- 14 5) Whether or not Defendant timely paid compensation to former Class
- 15 Members upon termination of employment;
- 16 6) Whether or not Defendant provided accurate itemized wage statements to
- 17 the Class;
- 18 7) Whether or not Defendant engaged in unlawful or unfair business practices
- 19 affecting the Class in violation of California Business and Professions
- 20 Code §§ 17200-17208; and
- 21 8) Whether or not Civil Penalties are available to Class Members for
- 22 Defendant's violation of the California Labor Code.
- 23 (e) The Class Representative and Class Counsel will fairly and adequately protect the
- 24 interests of the Class.
- 25 (f) The Action eliminates the risk of inconsistent or varying adjudications, and thus
- 26 prevents incompatible standards of conduct by avoiding separate adjudications.
- 27 (g) The Action is comprised of questions of law and fact common to the members of
- 28 the Class which predominate over any questions affecting any individual member

1 in the Class, and thus, a Class Action is superior to other available means for the  
2 fair and efficient adjudication of the controversy.

3 27. The Parties seek to fully, finally, and forever settle, compromise, and discharge all disputes  
4 and claims arising from or related to the Complaint.

5 28. The Parties agree to cooperate and take all steps necessary and appropriate to obtain  
6 preliminary and final approval of this Settlement.

7 29. The Parties agree to stay all proceedings in the Action, except such proceedings necessary  
8 to implement and complete this Settlement, pending the Final Approval Hearing to be conducted by the  
9 Court.

10 30. The Parties agree that the terms set forth in this Joint Stipulation of Settlement are fair,  
11 reasonable, and adequate, and in the best interest of the Class. This Agreement is based on Class Counsel's  
12 thorough investigation into the facts of the Action, including an extensive review of relevant documents,  
13 and into the claims asserted by Plaintiff. In addition, this Agreement is based on all known facts and  
14 circumstances, including the risk of significant delay if a Settlement were not reached, the risk the Class  
15 will not be certified by the Court, defenses asserted by Defendant, the challenges presented by class  
16 certification, and numerous potential appellate issues. It is on these bases that the Parties agree as to the  
17 fairness and reasonableness of the Agreement.

18 **PRIMARY TERMS OF SETTLEMENT**

19 31. NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements  
20 set forth herein, the Parties agree to the following, subject to Court approval:

21 (a) The Action and any claims, damages, or causes of action arising out of the disputes  
22 which are the subject of the Action, shall be settled and compromised between the  
23 Class and Defendant, subject to the terms and conditions set forth in this Settlement  
24 and the approval of the Court.

25 (b) Effective Date: The Effective Date of the Settlement will be the later of the  
26 following: (a) if no timely objections are filed or if all objections are withdrawn,  
27 the date upon which the Court enters Final Approval; (b) if an objection is filed and  
28 not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) if

1 any timely appeal is filed or other judicial review is taken, the date of the resolution  
2 or withdrawal of any such appeal in a way that does not alter the terms of the  
3 Settlement.

4 (c) Gross Settlement Amount: The Gross Settlement Amount is the amount  
5 Defendants will be obligated to pay under this Settlement. The Gross Settlement  
6 Amount is \$300,000.00, inclusive of: attorneys' fees; costs and expenses directly  
7 related to the lawsuit, including all such fees and costs incurred to date; the  
8 Settlement Administrator's costs; the settlement payments to the Settlement Class  
9 Members; the PAGA Payment to the PAGA Employees and the LWDA; and the  
10 representative payment to the Class Representative.

11 i. Escalator Clause: Defendant estimates that the total workweeks worked by  
12 putative Class Members during the Class Period is 15,398. In the event that  
13 the number of workweeks in the Class Period is determined to be more  
14 than 10% higher than 15,398 (i.e., more than 1,539), the Gross Settlement  
15 Amount will increase pro rata based on the number of workweeks over  
16 15,398.

17 ii. Non-reversionary: No portion of the Gross Settlement Amount will revert  
18 to Defendant.

19 (d) Net Settlement Amount: The Net Settlement Amount is the amount from which  
20 Class Members, except those who submit a timely request for exclusion, and  
21 PAGA Employees will be paid. The Net Settlement Amount is calculated by  
22 deducting from the Gross Settlement Amount, which is \$300,000.00, the following  
23 payments, subject to court approval: attorney's fees, which are not to exceed 33  
24 1/3% of the Gross Settlement Amount, or \$100,000.00; costs and expenses directly  
25 related to the lawsuit, which are not to exceed \$15,000.00; the Settlement  
26 Administrator's costs, which are not to exceed \$15,000.00; the PAGA Payment  
27 allocated to the LWDA, which is 75% of the total PAGA Payment of \$30,000.00,  
28 or \$22,500.00; and the representative payment to the Class Representative, which



1 is not to exceed \$7,500.00.

2 (e) Attorneys' Fees and Costs and Expenses: Defendant will not oppose Plaintiff's  
3 application to the Court for attorneys' fees in an amount of up to 33 1/3% to be  
4 paid out of the Gross Settlement Amount, or \$100,000.00. In addition, Defendants  
5 will not oppose Plaintiff's application to the Court for costs and expenses directly  
6 related to the lawsuit in an amount of up to \$15,000.00 to be paid out of the Gross  
7 Settlement Amount. The attorneys' fees and costs are subject to court approval.  
8 Should the Court approve a Class Counsel attorneys' fees and costs in an amount  
9 less than that set forth above, the difference between the lesser amount(s) approved  
10 by the Court and the attorneys' fees and costs amount(s) set forth above shall be  
11 added to the Net Settlement Amount

12 (f) Representative Payment: Defendant will not oppose Plaintiff's application to the  
13 Court for a representative payment of up to \$7,500.00 to be paid out of the Gross  
14 Settlement Amount. The representative payment is subject to court approval.  
15 Further, the representative payment is in addition to whatever monetary settlement  
16 Plaintiff is entitled to recover from the Net Settlement Amount as a Class Member.  
17 Should the Court approve a Representative Payment in an amount less than that set  
18 forth above, the difference between the lesser amount(s) approved by the Court and  
19 the Service Payment amount(s) set forth above shall be added to the Net Settlement  
20 Amount. Plaintiff agrees not to opt out or object to the Representative Payment.  
21 IRS Form 1099 will be issued by the Settlement Administrator to Plaintiff for the  
22 Representative Payment amount.

23 (g) Settlement Administrator's Costs: Settlement Administrator's Costs are estimated  
24 not to exceed \$15,000.00. The Settlement Administrator's Costs are subject to  
25 court approval. The costs for work done, not to exceed \$15,000.00, shall be paid  
26 regardless of the outcome of the Settlement. In result, if the Settlement does not  
27 become final and effective, the cost of the Settlement Administrator will be shared  
28 equally by Plaintiff and Defendant. The settlement administrator will be Phoenix

1 Settlement Administrators, or such Settlement Administrator as may be mutually  
2 agreeable to the Parties and approved by the Court.

3 (h) Settlement Class Payments: Settlement Class Payments, which do not include  
4 PAGA Payments, will be paid out of the Net Settlement Amount. Each Settlement  
5 Class Member will be paid a pro-rata share of the Net Settlement Amount less  
6 \$7,500.00 (or the Court approved amount from the PAGA Payment allocated to  
7 PAGA Employees) as calculated by the Settlement Administrator. Settlement  
8 Class Payments in the appropriate amounts will be distributed by the Settlement  
9 Administrator by mail to the Settlement Class Members. Uncashed, unclaimed, or  
10 abandoned checks, shall be transmitted by the Settlement Administrator to the  
11 California Controller's Office, as set forth below.

12 i. Each Class Members' pro-rata share will be determined by comparing the  
13 individual Settlement Class Member's Covered Workweeks employed  
14 during the Class Period in California to the total Covered Workweeks of all  
15 the Settlement Class Members during the Class Period as follows:  
16 [Workweeks worked by a Settlement Class Member] ÷ [Sum of all  
17 Covered Workweeks worked by all Settlement Class Members] × [Net  
18 Settlement Amount less \$7,500.00 (or the Court approved amount from the  
19 PAGA Payment allocated to PAGA Employees)] = individual Settlement  
20 Payment for a Settlement Class Member.

21 (i) PAGA Payments: PAGA Settlement Payments will be paid out of the PAGA  
22 Payment Amount, after the LWDA allocation (75 percent of the PAGA Payment)  
23 has been deducted from the PAGA Payment. Each PAGA Employee will be paid a  
24 pro-rata share of the PAGA Settlement Payment amount of \$7,500.00 (or 25% the  
25 Court approved PAGA Payment), as calculated by the Settlement Administrator.  
26 Class Members who are PAGA Employees will not be permitted to exclude  
27 themselves from this portion of the Settlement. PAGA Settlement Payments to  
28 PAGA Employees in the appropriate amounts will be distributed by the Settlement

1 Administrator by mail to the PAGA Employees at the same time Settlement Class  
2 Payments issue to the Settlement Class. Uncashed, unclaimed or abandoned  
3 checks, shall be transmitted by the Settlement Administrator to the California  
4 Controller's Office, as set forth below. The Settlement Administrator will send the  
5 PAGA Penalty Payment (\$22,500 or 75% the Court approved PAGA Payment) to  
6 the LWDA at the same time the Settlement Administrator sends Settlement  
7 Payments to the Settlement Class and PAGA Settlement Payments to the PAGA  
8 Employees.

9 i. Each PAGA Employee's pro-rata share will be determined by comparing  
10 the individual PAGA Employees' PAGA Workweeks during the PAGA  
11 Period to the total PAGA Workweeks of all the PAGA Employees during  
12 the PAGA Period as follows: [PAGA Workweeks worked by a PAGA  
13 Employee] ÷ [Sum of all PAGA Workweeks worked by all PAGA  
14 Employees] × [PAGA Settlement Payment (\$7,500.00 or 25% the Court  
15 approved PAGA Payment)] = individual PAGA Employee's portion of the  
16 PAGA Settlement Payment.

17 (j) Settlement Payments Do Not Give Rise to Additional Benefits: Settlement  
18 Payments, including payments to Settlement Class Members and PAGA  
19 Employees, shall be deemed to be paid to Settlement Class Members or PAGA  
20 Employees solely in the year in which such payments are actually received by the  
21 Settlement Class Members or PAGA Employees. It is expressly understood and  
22 agreed that the receipt of Settlement Payments will not entitle any Settlement Class  
23 Member or PAGA Employee to additional compensation or benefits under any  
24 company bonus, contest, or other compensation, benefit plan, or agreement in place  
25 during the period covered by the Settlement up to and including the date the  
26 Settlement becomes effective, nor will it entitle any Settlement Class Member or  
27 PAGA Employee to any increased retirement, 401(k) benefits or matching  
28 benefits, or deferred compensation benefits. It is the intent of all Parties that the

1 Settlement Payments provided for in this Settlement are the sole payments to be  
2 made by Defendant to the Settlement Class Members and PAGA Employees, and  
3 that the Settlement Class Members and PAGA Employees are not entitled to any  
4 new or additional compensation or benefits as a result of having received the  
5 Settlement Payments (notwithstanding any contrary language or agreement in any  
6 benefit or compensation plan document that might have been in effect during the  
7 period covered by this Settlement).

8 (k) Allocation of Settlement Payments: The Settlement Class Payments will be  
9 allocated to Class Members as follows: (1) 20% wages and (2) 80% interest. The  
10 PAGA Payments will be allocated to PAGA Settlement Employees 100% as  
11 penalties. Defendants will be responsible for the Employer's portion of the payroll  
12 tax.

13 (l) Funding of Settlement Payments: Defendant shall fund the Gross Settlement  
14 Amount in two installments as follows: (a) \$150,000.00 within thirty (30) days of  
15 the Effective Date of the Settlement; and (b) \$150,000.00 within nine (9) months of  
16 the Effective Date of the Settlement. Payment of the employer share of payroll  
17 taxes applicable to the portion of the Net Settlement Amount allocated as wages,  
18 shall be paid by Defendant in addition to the Gross Settlement Amount with the  
19 second installment.

20 (m) Mailing of Settlement Payments: The Settlement Administrator shall cause the  
21 Settlement Payments to be mailed to the Class Members within 14 calendar days of  
22 the receipt of Defendant's second installment payment of the Gross Settlement  
23 Amount (i.e., full funding).

24 (n) Payroll Taxes and Required Withholdings for Settlement Payments: To the extent  
25 that any portion of the Settlement Class Payments constitute wages, Defendant will  
26 be separately responsible for any employer payroll taxes required by law, including  
27 the employer FICA, FUTA, and SDI contributions. Except for any employer share  
28 of payroll taxes, it is understood and agreed that Defendant's maximum total

1 liability under this Settlement shall not exceed the Gross Settlement Amount. The  
2 Settlement Administrator will calculate and submit the Defendant's employer share  
3 of payroll taxes after advising Defendant of the total amount owed, in aggregate, as  
4 employer-side payroll taxes and receiving a lump sum payment from Defendant in  
5 that amount when the Gross Settlement Amount is delivered to the Settlement  
6 Administrator. Appropriate federal, state, and local withholding taxes will be taken  
7 out of the wage allocations, and each Settlement Class Member will receive an IRS  
8 Form W-2 with respect to this portion of the Settlement Class Payment. The  
9 Settlement Class Member's share of payroll taxes and other required withholdings  
10 will be remitted by the Settlement Administrator to the appropriate taxing  
11 authorities as set forth above, along with Defendant's employer portion of FICA  
12 and FUTA contributions, based on the payment of claims to the Settlement Class  
13 Members. IRS Forms 1099 will be issued by the Settlement Administrator to each  
14 Settlement Class Member and/or PAGA Employee reflecting the payments for  
15 penalties and interest. Settlement Class Members and PAGA Employees are  
16 responsible to pay appropriate taxes due on the Settlement Class Payments and  
17 PAGA Settlement Payments they receive. To the extent required by law, IRS  
18 Forms 1099 and W-2 will be issued to each Settlement Class Member and PAGA  
19 Employee with respect to such payments.

- 20 (o) Circular 230 Disclaimer. Each party to this Agreement (for purposes of this  
21 section, the "Acknowledging Party"; and each party to this Agreement other than  
22 the Acknowledging Party, an "Other Party") acknowledges and agrees that (1) no  
23 provision of this Agreement, and no written communication or disclosure between  
24 or among the parties or their attorneys and other advisers, is or was intended to be,  
25 nor shall any such communication or disclosure constitute or be construed or be  
26 relied upon as, tax advice within the meaning of United States Treasury  
27 Department Circular 230 (31 CFR Part 10, as amended); (2) the Acknowledging  
28 Party (a) has relied exclusively upon his, her, or its own, independent legal and tax

1 advisers for advice (including tax advice) in connection with this Agreement, (b)  
2 has not entered into this Agreement based upon the recommendation of any other  
3 party or any attorney or advisor to any other party, and (c) is not entitled to rely  
4 upon any communication or disclosure by any attorney or adviser to any other  
5 party to avoid any tax penalty that may be imposed on the Acknowledging Party;  
6 and (3) no attorney or adviser to any other party has imposed any limitation that  
7 protects the confidentiality of any such attorney's or adviser's tax strategies  
8 (regardless of whether such limitation is legally binding) upon disclosure by the  
9 Acknowledging Party of the tax treatment or tax structure of any transaction,  
10 including any transaction contemplated by this Agreement.

11 (p) Right of Class Member to Request Exclusion from the Settlement: Any Class  
12 Member may request to be excluded from the Settlement Class. To be excluded,  
13 the Class Member must mail a "Request for Exclusion" from the Settlement within  
14 the Response Deadline. Any Request for Exclusion must include the name,  
15 address, telephone number, last four digits of the Class Member's social security  
16 number, and the signature of the Class Member requesting exclusion. Any such  
17 request must be made in accordance with the terms of the Notice, and the Notice  
18 will advise Class Members of these requirements. Any Class Member who timely  
19 requests exclusion in compliance with these requirements (i) shall not have any  
20 rights under this Settlement other than a right to receive a pro-rata share of the  
21 PAGA Settlement Payment if the Class Member is also a PAGA Employee; (ii)  
22 shall not be entitled to receive any Settlement Payment under this Settlement other  
23 than as stated herein; and (iii) shall not be bound by this Settlement or the Court's  
24 Order and Final Judgment other than as it applies to the PAGA Claim.

25 (q) Right of Class Member to Object to the Settlement: Any Class Member may object  
26 to the Settlement. To object, the Class Member may (1) appear at the Final  
27 Approval Hearing, remotely or in person, to explain any objection, (2) have an  
28 attorney object on behalf of the Class Member, or (3) submit a simple written brief

1 or statement of objection to the Settlement Administrator. If any Settlement Class  
2 Member chooses to submit a written objection, the written objection should contain  
3 sufficient information to confirm the identity of the objector and the basis of the  
4 objection, including (1) the full name of the Class Member; (2) the signature of the  
5 Class Member; and (3) the grounds for the objection; and should be postmarked  
6 within the Response Deadline to permit adequate time for processing and review  
7 by the Parties of the written statement or objection. Class Counsel shall ensure that  
8 any written objections are transmitted to the Court for the Court's review (either by  
9 Class Counsel or as an attachment to a declaration from the Settlement  
10 Administrator). Regardless of the form, an objection alone will not satisfy the  
11 requirement that a Class Member must either make a timely complaint in  
12 intervention before final judgment or by filing a motion to set aside and vacate the  
13 class judgment under Code of Civil Procedure section 663, to have standing to  
14 appeal entry of judgment approving this Settlement, as is required under the  
15 California Supreme Court decision in *Hernandez v. Restoration Hardware*, 4 Cal.  
16 5th 260 (2018).

17 i. Waiver: A Class Member who does not object prior to or at the Final  
18 Approval Hearing, will be deemed to have waived any objections and will  
19 be foreclosed from making any objections (whether at the Final Approval  
20 Hearing, by appeal, or otherwise) to the Settlement. If the objecting  
21 Settlement Class Member does not formally intervene in the action or  
22 move to set aside any judgment and/or the Court rejects the Class  
23 Member's objection, the Class Member will still be bound by the terms of  
24 this Agreement and the Settlement. Class Counsel and Defendant's  
25 Counsel may, at least five (5) calendar days (or some other number of days  
26 as the Court shall specify) before the final approval hearing, file responses  
27 to any written objections submitted to the Court.

28 (r) Notice of Settlement: A Notice of Settlement ("Notice") shall be mailed to the

1 California Labor and Workforce Development Agency at or before the time  
2 Plaintiff files the motion for preliminary approval. A Notice shall also be mailed to  
3 each Class Member following preliminary approval of this Settlement by the  
4 Court, as set forth in this Agreement. The Notice shall set forth the material terms  
5 of this Settlement, along with instructions about how to object or request exclusion  
6 from this Settlement. There will be pre-printed information on the mailed Notice,  
7 based on Defendant's records, which states the recipient Class Member's Covered  
8 Workweeks during the Class Period, PAGA Workweeks during the PAGA Period,  
9 and the Class Members' estimated total Settlement Payment under the Settlement,  
10 including the Settlement Class Payment and the PAGA Settlement Payment. The  
11 Notice will be issued in English and Spanish, though the English version will  
12 control if there is any ambiguity between the English and Spanish versions.

13 (s) Workweek Dispute Process: The pre-printed information based on Defendant's  
14 records shall be presumed to be correct. However, a Class Member may dispute the  
15 pre-printed information on the Notice as to his or her Covered Workweeks during  
16 the Class Period or PAGA Workweeks during the PAGA Period. Class Members  
17 must submit any dispute regarding the information on the Notice as to his or her  
18 Covered Workweeks or PAGA Workweeks within the Response Deadline. Unless  
19 a disputing Class Member submits documentary evidence in support of his or her  
20 dispute, the records of the Defendant will be determinative.

21 (t) Workweek Dispute Resolution: If a Class Member disputes the accuracy of  
22 Defendant's records used to calculate Covered Workweeks or PAGA Workweeks,  
23 and the Parties' counsel cannot resolve the dispute informally, the matter will be  
24 referred to the Settlement Administrator. The Settlement Administrator will review  
25 Defendant's records and any information or documents submitted by the Class  
26 Member and issue a non-appealable decision regarding the dispute. The Class  
27 Member must submit information or documents supporting his or her position to  
28 the Settlement Administrator prior to the expiration of the Response Deadline.



1 Information or documents submitted after the expiration of the Response Deadline  
2 will not be considered by the Settlement Administrator, unless otherwise agreed to  
3 by the Parties.

4 **THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES**

5 32. The Parties have agreed to the appointment of Phoenix Settlement Administrators to  
6 perform the customary duties of Settlement Administrator. This appointment is subject to the Court's  
7 approval and to reconsideration by the Parties after a competitive bidding process.

8 33. The Settlement Administrator will mail the Notice, both in English and Spanish, to the  
9 Class Members.

10 34. The Settlement Administrator will independently review the Covered Workweeks and  
11 PAGA Workweeks attributed to each Class Member and PAGA Employee and will calculate the  
12 estimated amounts due to each Class Member and the actual amounts due to each Settlement Class  
13 Member and PAGA Employee in accordance with this Settlement. The Settlement Administrator will then  
14 report, in summary or narrative form, the substance of its findings. The Settlement Administrator shall be  
15 granted reasonable access to Defendant's records in order to perform its duties.

16 35. In accordance with the terms of this Settlement, and within fourteen (14) calendar days of  
17 receipt of the second installment payment of the Gross Settlement Amount from Defendant, the Settlement  
18 Administrator will issue and send out the Settlement Payment checks to the Settlement Class Members  
19 and the PAGA Settlement Payments to the PAGA Employees. Tax treatment of the Class Settlement  
20 Payments and PAGA Settlement Payments will be as set forth herein, and in accordance with state and  
21 federal tax laws. In addition, within fourteen (14) calendar days of receipt of the second installment  
22 payment of the Gross Settlement Amount from Defendant, the Settlement Administrator shall cause to be  
23 paid the court approved amount for the Settlement Administrator's costs, Class Counsel attorneys' fees  
24 and costs, the representative payment to the Class Representative, and the PAGA Payment portion  
25 allocated to the LWDA. All disputes relating to the Settlement Administrator's performance of its duties  
26 shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and  
27 conditions of this Settlement until all payments and obligations contemplated by this Settlement have been  
28 fully carried out.



1 (a) Within fourteen (14) calendar days from the date of preliminary approval of this  
2 Settlement by the Court, Defendant shall provide to the Settlement Administrator a  
3 class database containing the following information for each Class Member: (1)  
4 name; (2) last known address; (3) social security number; and (4) dates of  
5 employment at Defendant's locations in California. This database shall be based on  
6 Defendant's payroll and other business records and shall be provided in a  
7 reasonable format to the Settlement Administrator. Defendant agrees to consult  
8 with the Settlement Administrator prior to the production date to ensure that the  
9 format will be acceptable to the Settlement Administrator. The Settlement  
10 Administrator will run a check of the Class Members' addresses against those on  
11 file with the U.S. Postal Service's National Change of Address List; this check will  
12 be performed only once per Class Member by the Settlement Administrator.  
13 Absent mutual written agreement of counsel for the Parties or Court order, the  
14 Settlement Administrator will keep this database confidential and secure from third  
15 parties and use it only for the purposes described herein and will return this  
16 database to Defendant upon final approval of the settlement or destroy electronic  
17 records containing the database after the Settlement is final and all payments are  
18 distributed as required under this Agreement.

19 (b) Within fourteen (14) calendar days after the Class database is provided to the  
20 Settlement Administrator, the Settlement Administrator will mail the Notices to the  
21 Class Members by First Class United States mail.

22 (c) Notices returned to the Settlement Administrator as non-deliverable on or before  
23 the initial Response Deadline shall be resent to the forwarding address, if any, on  
24 the returned envelope. A returned Notice will be forwarded by the Settlement  
25 Administrator any time that a forwarding address is provided with the returned  
26 mail. If there is no forwarding address, the Settlement Administrator will do a  
27 computer search for a new address using the Class Member's social security  
28 number or other information. In any instance where a Notice will be re-mailed, the

1 Settlement Administrator shall do so within 5 days of receipt of the returned  
2 Notice. In any instance where a Notice is re-mailed, that Class Member will have  
3 until the extended Response Deadline as described above to submit objections or  
4 request exclusion. A letter prepared by the Settlement Administrator will be  
5 included in the re-mailed Notice in that instance, stating the extended Response  
6 Deadline. Upon completion of these steps by the Settlement Administrator,  
7 Defendant and the Settlement Administrator shall be deemed to have satisfied their  
8 obligations to provide the Notice to the affected Class Member. The affected Class  
9 Member shall remain a member of the Settlement Class and shall be bound by all  
10 the terms of the Settlement and the Court's Final Order and Judgment.

11 (d) No later than seven (7) calendar days from the Response Deadline, the Settlement  
12 Administrator shall provide counsel for the Parties with a declaration attesting to  
13 the completion of the notice process, including the number of attempts to obtain  
14 valid mailing addresses for and re-sending of any returned Class Notices, as well as  
15 the identities, number of, and copies of all Requests for Exclusion and  
16 objections/comments received by the Settlement Administrator.

17 (e) Class Counsel shall provide to the Court, at least five (5) calendar days prior to the  
18 final approval hearing, or such other date as set by the Court, a declaration by the  
19 Settlement Administrator of due diligence and confirming mailing of the Notices.

20 **DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS**

21 42. Class Members will not be required to submit a claim to receive their Settlement Payment.

22 43. As set forth above, each Settlement Class Member will have until the expiration of the  
23 applicable Response Deadline to submit any challenge or dispute to the Settlement Class Member's  
24 Covered Workweek information on the Notice to the Settlement Administrator. No disputes will be  
25 honored if they are submitted after the Response Deadline unless the Parties mutually agree to accept the  
26 untimely dispute. Each Settlement Class Member is responsible to maintain a copy of any documents sent  
27 to the Settlement Administrator and a record of proof of mailing.

28 44. The Settlement Administrator shall cause the Settlement Payments to be mailed to the

1 Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and  
2 PAGA Settlement Payments may be combined into one check. Settlement Payment checks shall remain  
3 valid and negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will  
4 automatically be cancelled by the Settlement Administrator if they are not cashed by the Settlement Class  
5 Member within that time, and the Settlement Class Member's relevant claims will remain released by the  
6 Settlement. Settlement Payment checks which have expired will not be reissued.

7 45. Funds from uncashed or abandoned Settlement Class Payment checks or PAGA  
8 Settlement Checks, based on a 180-day void date, shall be transmitted by the Settlement Administrator to  
9 the California State Controller's Office for Unclaimed Property in the name of each Settlement Class  
10 Member and/or PAGA Employee who failed to cash their Settlement Payment check prior to the void date.

11 46. Upon completion of its calculation of Settlement Class Payments and PAGA Settlement  
12 Payments, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a  
13 report listing the amounts of all payments to be made to Class Members (to be identified anonymously by  
14 employee number or other identifier). A Declaration attesting to completion of all payment obligations  
15 will be provided to Class Counsel and Defendant's Counsel and filed with the Court by Class Counsel.

16 **RELEASE BY CLASS AND PAGA EMPLOYEES AND PLAINTIFF**

17 47. Release by Class and PAGA Employees. Upon final approval by the Court of this  
18 Settlement and Defendant's payment of all sums due pursuant to this Settlement, and except as to such  
19 rights or claims as may be created by this Settlement, the Class Representative, the Class, and each Class  
20 Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA  
21 claim, and each PAGA Employee, regardless of whether they have requested exclusion from the  
22 Settlement of Class claims, will release claims as follows:

- 23 (a) **Identity of Released Parties.** The released parties are Defendant, and each of  
24 its/their past, present and/or future, direct and/or indirect, officers, directors,  
25 members, managers, employees, agents, representatives, attorneys, insurers,  
26 partners, investors, shareholders, administrators, parent companies, subsidiaries,  
27 affiliates, DBAs, divisions, predecessors, successors, assigns, and joint venturers  
28 (collectively "Released Parties" or "Releasees").

1 (b) **Date Release Becomes Active.** The Released Class and PAGA Claims will be  
2 released upon the later of (1) the Settlement’s Effective Date, or (2) the satisfaction  
3 of Defendant’s obligation to provide to the Settlement Administrator a sum in the  
4 amount required to satisfy all required payments and distributions pursuant to this  
5 Settlement and the Order and Judgment of final approval. Class Members will not  
6 release the Released Claims or Released PAGA Claims until both the Effective  
7 Date of the Settlement has occurred, **and** Defendant has paid all amounts owing  
8 under the Settlement.

9 (c) **Claims Released by Settlement Class Members.** The Class, including each and  
10 every Class Member, on behalf of himself or herself, and his or her heirs and  
11 assigns, unless he or she has submitted a timely and valid Request for Exclusion  
12 (which will not effectuate an opt-out from the release of Released PAGA Claims),  
13 hereby release Releasees from the following claims for the entire Class Period:

- 14 1) any and all claims, rights, demands, liabilities, penalties, costs, expenses,  
15 attorneys’ fees, damages, and causes of action that are alleged, or  
16 reasonably could have been alleged based on the facts and claims asserted  
17 in the operative complaint in this action, including the following claims:  
18 failure to pay minimum and straight time wages, failure to pay overtime  
19 compensation, failure to provide compliant meal periods, failure to  
20 authorize and permit compliant rest periods, failure to indemnify necessary  
21 business expenses, failure to timely pay final wages upon separation from  
22 employment, failure to provide and maintain accurate itemized wage  
23 statements, Unfair Practices under the Unfair Competition Act (“UCL”),  
24 during the Class Period, including violation of the following sections of the  
25 California Labor Code sections 201, 202, 203, 204, 218.5 218.6, 226,  
26 226.3, 226.7, 510, 512, 558, 558.1, 1194, 1194.2, 1197, 1198, 2802,  
27 derivative claims under California Business & Professions Code § 17200,  
28 violation of the California Code of Regulations, Title 8 section 11040,

1 violation of the California Industrial Wage Orders, and violation of  
2 California's unfair business practices and unfair competition laws, as well  
3 as any potential penalties, interest, or attorneys' fees associated with these  
4 causes of action under California or federal law ("Released Claims"). As to  
5 any participating Settlement Class Member who cashes and/or negotiates  
6 the check representing their individual Settlement Payment, the signing and  
7 negotiation of that check shall serve as the Settlement Class Member's  
8 consent to join the action for purposes of releasing the Released Claims  
9 arising under the Fair Labor Standards Act ("FLSA").

10 (d) **Claims Released by the Class, Including PAGA Employees.** The PAGA  
11 Settlement Employees, including Plaintiff, regardless of whether they have  
12 requested exclusion from the Settlement as to Class claims, hereby release  
13 Releasees from the following claims for the entire PAGA Period:

- 14 1) any and all claims, causes of action, damages, expenses, benefits, interest,  
15 penalties, attorneys' fees, costs, and any other form of relief or remedy in  
16 law, equity, or whatever kind or nature that were asserted or could have  
17 been asserted with respect to the Private Attorneys General Act ("PAGA")  
18 claims asserted in the Action and in Plaintiff's LWDA Notice(s) submitted  
19 to the LWDA in this Action on June 4, 2020. ("Released PAGA Claims").

20 48. Release by Plaintiff. Upon the final approval by the Court of this Settlement and Defendant's  
21 payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be  
22 created by this Settlement, the Plaintiff will release claims as follows:

- 23 (a) Plaintiff hereby fully and finally releases and discharges the Releasees (defined in  
24 Section 47(a), above) from any and all of the released claims (defined in Section  
25 47(d) and (e), above) and from any and all other claims, charges, complaints, liens,  
26 demands, agreements, contracts, covenants, actions, suits, causes of action,  
27 penalties, wages, obligations, debts, expenses, damages, attorneys' fees, costs,  
28 judgments, orders, and liabilities of whatever kind or nature in law, equity, or

1 otherwise, known or unknown, suspected or unsuspected, that the Plaintiff and  
2 Class Representative had, now has, or may hereafter claim to have against the  
3 Released Parties arising out of, or relating in any way to, the Plaintiff and Class  
4 Representative's hiring by, employment with, separation of employment with, or  
5 any other transactions, occurrences, acts or omissions or any loss, damage or injury  
6 whatsoever, known or unknown, suspected or unsuspected, resulting from any act  
7 or omission by or on the part of any Released Party (the "Class Representative's  
8 Released Claims"), arising or accruing from the beginning of time up through the  
9 Final Approval Date Order Date ("Class Representatives' Released Period"). The  
10 Class Representatives' Released Claims include, but are not limited to, claims  
11 arising from or dependent on the California Labor Code; the Wage Orders of the  
12 California Industrial Welfare Commission; California Business and Professions  
13 Code §§ 17200, *et seq.*; the California Fair Employment and Housing Act, Cal.  
14 Gov't Code §§ 12900, *et seq.*; the California Healthy Workplaces, Healthy  
15 Families Act, Cal. Labor Code §§ 245, *et seq.*, the California common law of  
16 contract and tort; Title VII of the Civil Rights Act of 1964; the Americans with  
17 Disabilities Act, 42 U.S.C. §§ 12101, *et seq.*; the Employee Retirement Income  
18 Security Act of 1974, 29 U.S.C. §§ 1001, *et seq.*; the Fair Labor Standards Act, 29  
19 U.S.C. §§ 201, *et seq.*, the Portal to Portal Act, 29 U.S.C. §§ 251, *et seq.*, and the  
20 Families First Coronavirus Response Act.

21 (b) Plaintiff also acknowledges that he has read Section 1542 of the Civil Code of the  
22 State of California, which provides as follows:

23 **A general release does not extend to claims which the creditor or**  
24 **releasing party does not know or suspect to exist in his or her favor at**  
25 **the time of executing the release and that, which if known by him or**  
26 **her, would have materially affected his or her settlement with the**  
27 **debtor or released party.**

28 Plaintiff further warrants that he understands Section 1542 gives him the right not  
to release existing claims of which he is not now aware unless he voluntarily



1 waives this right. Having been so apprised, Plaintiff voluntarily waives this right  
2 and elects to assume all risks, thereby releasing the claims set forth in Section  
3 48(a), above, that now exist in his favor, whether known or unknown.

4 **EMPLOYMENT BY DEFENDANT**

5 49. The employment of Plaintiff by Defendant is not consideration for, or a condition of, this  
6 Settlement.

7 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

8 50. The Parties shall submit this Joint Stipulation of Class Action Settlement to the Court in  
9 support of Plaintiff's unopposed motion for preliminary approval for determination by the Court as to its  
10 fairness, adequacy, and reasonableness. Plaintiff shall dismiss Defendant Yamato Encino Corporation  
11 from the Action. Upon execution of this Joint Stipulation of Class Action and PAGA Settlement, the  
12 Parties shall apply to the Court for the entry of an order:

- 13 (a) Scheduling a final approval and fairness hearing on the question of whether the  
14 proposed Settlement, including payment of attorney's fees and costs, and the Class  
15 Representatives' service payment, should be finally approved as fair, reasonable,  
16 and adequate as to the members of the Class;
- 17 (b) Conditionally certifying a Class for settlement purposes only;
- 18 (c) Approving as to form and content the proposed Notice;
- 19 (d) Directing the mailing of the Notice by the Settlement Administrator;
- 20 (e) Preliminarily approving the Settlement subject only to the objections of Class  
21 Members and final review by the Court;
- 22 (f) Conditionally appointing Plaintiff and Class Counsel as representatives of the  
23 proposed Class Members; and,
- 24 (g) Appointing Phoenix Settlement Administrators as the Settlement Administrator.

25 **DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL**

26 51. In conjunction with the hearing of a motion for final approval by the Court of the  
27 Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to Defendant's  
28 Counsel for review and approval and then submit to the Court a proposed final order and judgment

1 containing provisions sufficient to accomplish the following:

- 2 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and  
3 adequate, and directing consummation of its terms and provisions;
- 4 (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- 5 (c) Approving the Service Payment to the Class Representatives;
- 6 (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting  
7 duties under the Settlement;
- 8 (e) Adjudging Plaintiff and Class Counsel may represent the Final Settlement Class  
9 for the purpose of entering into and implementing the Agreement;
- 10 (f) Entering a final judgment in the action;
- 11 (g) Adjudging that, notwithstanding the submission of a timely request for exclusion,  
12 Class Members are still bound by the Settlement and release of the Released  
13 PAGA Claims or remedies under the Judgment pursuant to *Arias v. Superior*  
14 *Court*, 46 Cal. 4th 969 (2009), as requests to be excluded from the Settlement do  
15 not apply to the Released PAGA Claims, and further affirming that the State's  
16 claims for civil penalties pursuant to PAGA are also extinguished;
- 17 (h) Directing the posting of the final judgment on a website maintained by the  
18 Settlement Administrator for a period of not less than ninety (90) calendar days  
19 after entry of final judgment.

20 Any revised final judgments will also be provided to Defendant's Counsel for review and approval before  
21 they are submitted to the Court.

## 22 **NULLIFICATION AND TERMINATION**

23 52. This Settlement will be null and void if any of the following occur: (a) the Court should for  
24 any reason fail to certify the Class for settlement purposes; (b) the Court should for any reason fail to  
25 preliminarily or finally approve this Settlement in the form agreed to by the Parties, other than adjustments  
26 made to the attorneys' fees and costs or granting of the Service Payment; (c) the Court should for any  
27 reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or rendered  
28 void; or (e) the Settlement does not become final for any other reason.



1 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to  
2 any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein  
3 released and discharged except as set forth herein, and that they are not on notice of any liens as to the  
4 Gross Settlement Amount or any right to attorneys' fees or costs.

5 **NO ADMISSION OF LIABILITY**

6 59. Nothing contained herein, nor the consummation of this Settlement, is to be construed or  
7 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.  
8 Defendant denies all the claims and contentions alleged by the Plaintiff in this case. Defendant has entered  
9 into this Settlement solely with the intention to avoid further disputes and litigation with the attendant  
10 inconvenience and expenses.

11 **ENFORCEMENT ACTIONS**

12 60. In the event one or more of the Parties to this Settlement institutes any legal action or other  
13 proceeding against any other party or parties to enforce the provisions of this Settlement or to declare  
14 rights and/or obligations under this Settlement, the successful Party or Parties shall be entitled to recover  
15 from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees  
16 incurred in connection with any enforcement actions.

17 **NOTICES**

18 61. Unless otherwise specifically provided herein, all notices, demands, or other  
19 communications given hereunder shall be in writing and shall be deemed to have been duly given as of the  
20 third business day after mailing by United States registered or certified mail, return receipt requested,  
21 addressed as follows:

22 Class Counsel:

23 Kane Moon  
24 Allen Feghali  
25 Edwin Kamarzarian  
26 **MOON & YANG, APC**  
27 1055 West Seventh Street, Suite 1880  
28 Los Angeles, California 90017  
Telephone: (213) 232-3128  
Facsimile: (213) 232-3125

Counsel for Defendant:

Alfred J. Landegger  
Marie D. Davis  
Evelyn E. Zarraga  
**LANDEGGER VERANO & DAVIS, ALC**  
15760 Ventura Boulevard, Suite 1200  
Encino, California 91436  
Telephone: (818) 986-7561  
Facsimile: (818) 986-5147

1 **CONSTRUCTION**

2 62. The Parties hereto agree that the terms and conditions of this Settlement are the result of  
3 lengthy, intensive, arms-length negotiations between the Parties, including, but not limited to, an all-day  
4 mediation with Jeff Krivis, Esq., and this Settlement shall not be construed in favor of or against any Party  
5 by reason of the extent to which any Party or his, her or its counsel participated in the drafting of this  
6 Settlement.

7 **CAPTIONS AND INTERPRETATIONS**

8 63. Paragraph titles or captions contained herein are inserted as a matter of convenience and  
9 for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision  
10 hereof. Each term of this Settlement is contractual and not merely a recital.

11 **MODIFICATION**

12 64. This Settlement may not be changed, altered, or modified, except in writing and signed by  
13 the Parties hereto, and approved by the Court. This Settlement may not be discharged except by  
14 performance in accordance with its terms or by a writing signed by the Parties hereto.

15 **INTEGRATION CLAUSE**

16 65. This Settlement contains the entire agreement between the Parties relating to the  
17 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,  
18 understandings, representations, and statements, whether oral or written and whether by a Party or such  
19 Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

20 **CLASS CERTIFICATION**

21 66. The Parties agree that the motion for preliminary approval seeking certification of the  
22 Class and Class Claims are for purposes of the Settlement only, and if, for any reason, the Settlement is not  
23 approved, the certification will have no force or effect and will be immediately revoked. The Parties  
24 further agree that class certification, for purposes of the Settlement, is in no way an admission that class  
25 certification is proper under the more stringent standards applied for litigation purposes and that this  
26 Settlement will not be admissible in this or any proceeding as evidence that (i) any class should be certified  
27 as Plaintiff proposed or (ii) Defendants are liable to Plaintiff or the Class as Plaintiff alleged.  
28

1 **BINDING ON ASSIGNS**

2 67. This Settlement shall be binding upon and inure to the benefit of the Parties hereto and  
3 their respective heirs, trustees, executors, administrators, successors, and assigns.

4 **WAIVER OF APPEALS**

5 68. The Parties agree to waive appeals with the exception that Class Counsel retains the right  
6 to appeal the amount awarded as attorneys’ fees in the event that the Court awards less than twenty-five  
7 (25) percent of the Gross Settlement Amount as attorneys’ fees.

8 **CONFIDENTIALITY**

9 69. The Parties and their counsel agree to keep the terms of this Settlement confidential until  
10 the filing of Plaintiff’s motion for preliminary approval. The Parties and their counsel agree that they will  
11 not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any  
12 communication with the press about this case and/or the fact, amount, or terms of the Settlement.

13 **CLASS COUNSEL SIGNATORIES**

14 70. It is agreed that because the members of the Class are so numerous, it is impossible or  
15 impractical to have each member of the Class execute this Settlement. The Notice will advise all Class  
16 Members of the binding nature of the Released Claims and Released PAGA Claims, and the release shall  
17 have the same force and effect as if this Settlement were executed by each member of the Class.

18 **COUNTERPARTS**

19 71. This Settlement may be executed in counterparts and by electronic or facsimile signatures,  
20 and when each Party has signed and delivered at least one such counterpart, each counterpart shall be  
21 deemed an original, and, when taken together with other signed counterparts, shall constitute one  
22 Settlement, which shall be binding upon and effective as to all Parties.

23 **FINAL JUDGMENT**

24 72. The Parties agree that, upon final approval of this Settlement, final judgment of this Action  
25 will be made and entered in its entirety at or following the Final Approval Hearing. The final judgment  
26 may be included in the Order granting Final Approval of the Settlement.

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IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiff and Defendant as set forth below:

IT IS SO STIPULATED.


**Plaintiff & Class Representative: ERIC GALVEZ**

Dated: \_\_\_\_\_  
By: \_\_\_\_\_  
Eric Galvez


**Plaintiff's Counsel: MOON & YANG, APC**

Dated: \_\_\_\_\_  
By: \_\_\_\_\_  
Kane Moon  
Allen Feghali  
Edwin Kamarzarian  
  
Attorneys for Plaintiff ERIC GALVEZ

**Defendant: YAMATO VALENCIA, INC.**

Dated: May 2, 2022  
By:  \_\_\_\_\_  
Yamato Valencia, Inc.  
Title: President

**Defendant's Counsel: LANDEGGER VERANO & DAVIS, ALC**

Dated: May 2, 2022  
By:  \_\_\_\_\_  
Marie D. Davis  
Evelyn Zarraga  
  
Attorneys for Defendant YAMATO VALENCIA, INC.