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Food Castle, Inc.

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

FLOR DE MARIA MARROQUIN, an
individual, on her own behalf and on behalf of
all others similarly situated

Plaintiff,

v.

FOOD CASTLE, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendant.

CASE NO. 21STCV22582

Assigned to Judge Yvette M. Palazuelos
Dept. 9

**JOINT STIPULATION OF
SETTLEMENT AND RELEASE**

Filed Date: 06/15/2021

1 This Joint Stipulation of Settlement and Release (the “Joint Stipulation of Settlement”) is
2 made and entered into by and among: (a) Plaintiff FLOR DE MARIA MARROQUIN
3 (“Plaintiff”), on behalf of herself and each member of the “Settlement Class” (as defined below);
4 and (b) Defendant FOOD CASTLE, INC. (“Defendant”).

5 **1. BACKGROUND; DENIALS OF LIABILITY**

6 On June 15, 2021, Plaintiff filed a class action against Defendant Food Castle Inc. for
7 alleged violations of the California Labor Code in the Los Angeles County Superior Court Case
8 No. 21STCV22582 (“Action”).

9 On August 19, 2021, Plaintiff filed a First Amended Complaint (“FAC”) adding a cause of
10 action for civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor
11 Code section 2698, *et seq.*

12 On November 11, 2021, Plaintiff and Defendant participated in a formal mediation session
13 with well-respected wage and hour mediator Nikki Tolt, Esq. where the parties reached the
14 settlement herein.

15 In the Action, Plaintiff alleges, among other things, claims on behalf of non-exempt
16 workers who worked in a food packing plant for Defendant. More particularly, Plaintiff alleges,
17 among other things, that Defendant had, with respect to her individually and/or other members of
18 the public similar situated, among other things, failed to pay employees for all hours worked at the
19 minimum wage and/or applicable overtime rates of pay; failed to provide legally complaint rest
20 periods and/or pay rest period premium wages; statutory penalties for failure to provide accurate
21 wage statements; waiting time penalties for failure to timely pay employees all earned and unpaid
22 wages due upon separation of employment; applicable civil penalties; and civil penalties pursuant
23 to the Private Attorneys General Act of 2004 (“PAGA”). In the Action, Plaintiff seeks on behalf of
24 the class declaratory relief and monetary relief (including damages, restitution, and penalties) and
25 other relief.

26 The Parties participated in a full-day mediation before Nikki Tolt, Esq. Following the
27 mediation, the Parties reached a settlement in principle of the Action. This Joint Stipulation of
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1 Settlement, among other things, resolves and settles on behalf of the Settlement Class and PAGA
2 employees all claims asserted in the FAC. Defendant denies, on behalf of itself and each of the
3 “Released Parties” as defined below, each and all such claims whether asserted or to be asserted
4 by Plaintiff individually or on behalf of any putative class or represented group. Also, Defendant,
5 on behalf of itself and each of the Released Parties: denies that any Released Party is liable in any
6 way to Plaintiff or any putative member of any class or any represented group; denies that Plaintiff
7 or any putative member of any class or any represented group is entitled to any monetary
8 compensation or payment of any kind (or any other form of relief) under California, federal, or
9 any other law; and denies that Plaintiff or any putative member of any class or any represented
10 group are, were, or could have been harmed by any conduct, acts, or omissions by Defendant or
11 any Released Party. Defendant also denies that any of the settled claims could ever properly be
12 certified as a class in any contested certification proceedings or could proceed as a representative
13 action. However, Defendant has concluded that further litigation would be uncertain, protracted,
14 and expensive, and therefore desires to settle all the claims being released in order to limit further
15 cost, inconvenience, uncertainty, and distraction.

16 **2. DEFINITIONS**

17 As used in this Joint Stipulation of Settlement, the following terms have the meanings
18 specified below. Terms or phrases defined elsewhere in this Joint Stipulation of Settlement are
19 incorporated into this Definitions section by reference:

20 1. “Agreement or Settlement Agreement” means this Joint Stipulation of Settlement
21 and Release.

22 2. “Class Counsel” refers to Kevin A. Lipeles and Thomas H. Schelly of LIPELES
23 LAW GROUP, APC, 880 Apollo Street, Suite 336, El Segundo, CA 90245.

24 3. “Class Data” means the information regarding Settlement Class Members that
25 Defendant will in good faith compile from its records and provide to the Settlement Administrator.
26 It shall be formatted in a Microsoft Excel spreadsheet and shall include each Settlement Class
27 Member’s: (1) full name; (2) employee number; (3) last known address; (4) last known telephone
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1 number; (5) social security number; (6) start dates and end dates of employment with Defendant
2 during the Class Period and PAGA Period as defined herein; and (7) number of workweeks
3 worked in the Class Period and PAGA Period, along with any other information needed to
4 calculate Individual Settlement Payments and Individual PAGA Payments.

5 4. "Class Notice" means the notice of this Settlement, substantially in the form of
6 **Exhibit A**, to be sent to Settlement Class Members to notify them of this Settlement and their
7 right to Opt Out. The Class Notice will be in both English and Spanish.

8 5. "Class Period" means the time period from and including June 15, 2017 through
9 the date of Preliminary Approval.

10 6. "Defendant" means Food Castle, Inc.

11 7. "Effective Date" means the date on which the Superior Court's judgment approving
12 this Joint Stipulation of Settlement becomes "Final."

13 8. "Final" means the following with respect to the Superior Court's Final Class
14 Judgment approving this Joint Stipulation of Settlement:

15 A. The 65th calendar day after notice of entry of the Final Class Judgment,
16 plus any extension of the time to appeal resulting from the filing of a motion that extends the
17 deadline to appeal (assuming no appeal, writ or other request for appellate review is filed within
18 the foregoing time period).

19 B. If any appeal, writ, or other request for appellate review is filed within the
20 foregoing time period, the date when that appeal, writ, or request for appellate review is finally
21 ruled upon, denied, or dismissed, and no other appeal, writ or appellate review is possible.

22 9. "Final Class Judgment" means the judgment to be entered by the Superior Court
23 approving this Joint Stipulation of Settlement without material change, confirming the releases of
24 claims by Participating Class Members, and finally resolving the Action.

25 10. "Individual PAGA Payment" means a PAGA Employee's share of the PAGA
26 Employees Portion; \$6,250.00 of the PAGA Settlement Amount.

11. "Individual Settlement Payment" means the amount to be allocated under this Settlement to individual Settlement Class Members as calculated below.

12. "Maximum Settlement Amount" means the maximum amount to be paid under this Settlement is Five Hundred Seventy-Five Thousand and Zero Cents (\$575,000.00) which includes settlement payments to Participating Class Members, Attorneys' Fees and Costs, Enhancement Payment, allocation to penalties pursuant to PAGA, and Settlement Administration Costs. The Maximum Settlement Amount does not include the employers share of taxes which Defendant has agreed to pay separately and in addition to the Maximum Settlement Amount.

13. "Net Settlement Amount" means the Maximum Settlement Amount less the following amounts: (1) Attorneys' Fees and Costs to Class Counsel; (2) Enhancement Payment to Plaintiff; (3) Settlement Administration Costs to the Settlement Administrator; and (4) PAGA Settlement Amount.

14. "Opt Out(s)" means any Settlement Class Member who submits a complete and timely request to be excluded from this Settlement, by submitting a Request for Exclusion under the procedures set forth below.

15. "PAGA Employees" means all non-exempt employees who were food packers and warehouse shippers who were employed by Defendant in the State of California during the PAGA Period.

16. "PAGA Period" means June 15, 2020 through the date of Preliminary Approval.

17. "PAGA Settlement Amount" means the amount of \$25,000.00 allocated to the resolution of PAGA Employees' claims arising under PAGA during the PAGA Period.

18. "Participating Class Member" means any Settlement Class Member who does not submit a timely Request for Exclusion under the procedures set forth below.

19. "Parties" means Defendant, Plaintiff, and the Settlement Class.

20. "Plaintiff" means Plaintiff Flor De Maria Marroquin.

21. "Released Parties" means: (a) Food Castle, Inc., and each and all past or present partners, parents, subsidiaries, or affiliates (regardless whether such partners, parents, subsidiaries,

1 or affiliates are individuals, corporations, partnerships, limited partnerships, limited liability
2 companies, or other forms of entity) of Defendant; (b) each and all of the predecessor or successor
3 entities of any of those entities identified in subparagraph (a); (c) any other individuals or entities
4 of any kind, including but not limited to any payroll companies, which have been or could be
5 alleged to be in any manner responsible (whether on an alter ego, joint employer, integrated
6 enterprise, or any other theory) for any violations described in the releases below and occurring as
7 a result of employment; and (d) all past and present directors, officers, owners, representatives,
8 insurers, agents, shareholders, partners, members, lawyers, and employees of any of the
9 individuals or entities identified in subparagraphs (a), (b), or (c).

10 22. "Request for Exclusion" means a Settlement Class Member's request, in writing,
11 for exclusion from the Settlement.

12 23. "Response Deadline" means the last date for Settlement Class Members to
13 postmark, for return to the Settlement Administrator, Requests for Exclusion or Objections. The
14 Response Deadline shall be forty-five (45) days after the Settlement Administrator has postmarked
15 the Class Notice for mailing to Settlement Class Members, subject to adjustment in the case of re-
16 mailings, as specified in Section 16 below.

17 24. "Settlement" means the settlement reflected in and to be effectuated through this
18 Joint Stipulation of Settlement.

19 25. "Settlement Class" or "Settlement Class Members" means all non-exempt persons
20 employed by Defendant in the State of California at any time during the Class Period or PAGA
21 Period.

22 26. "Settlement Administrator" refers to Phoenix Class Action Administration
23 Solutions ("Phoenix"), an independent third party agreed to by the Parties and paid out of the
24 Maximum Settlement Amount, as described below, to perform the notice, settlement
25 administration, and distribution functions further described in this Joint Stipulation of Settlement.

26 27. "Superior Court" means the Los Angeles County Superior Court.

27 **3. THE SETTLEMENT CLASS**

1 For purposes of this Joint Stipulation of Settlement only, the Parties agree to seek, under
2 the procedures described below, the Superior Court's approval of certification of the following
3 "Settlement Class": any and all current and former hourly non-exempt employees of Defendant in
4 California during Class Period. The Settlement Class shall include any heirs, successors, or
5 assigns or purported assigns of the above-described persons.

6 **4. MAXIMUM SETTLEMENT AMOUNT**

7 The maximum amount to be paid under this Settlement is Five Hundred Seventy Five
8 Thousand Dollars and No Cents (\$575,000.00) (i.e., Maximum Settlement Amount). This
9 Settlement is based on 180 Settlement Class Members during the Class Period. Should the number
10 of such Settlement Class Members or the number of shifts as of the end of the Class Period exceed
11 such stated number by more than 10% Plaintiff will have the right to abrogate this agreement, and
12 the parties shall return to status quo ante. The Maximum Settlement Amount shall be used to pay
13 all of Class Counsel's attorneys' fees and costs, all costs of settlement administration,
14 Enhancement Payment paid to Plaintiff, all payments to the California Labor Workforce and
15 Development Agency, all settlement payments to Participating Class Members, and the
16 employee's share of all "Wage Withholdings" (as defined below) on such payments. No Released
17 Party shall be required to pay anything above or beyond the Maximum Settlement Amount, under
18 any circumstance, as a result of this Settlement, except Defendant's obligation to pay the
19 employer's share of taxes with respect to Participating Class Members' Individual Settlement
20 Payments. The Parties agree that this a non-reversionary Settlement and that no portion of the
21 Maximum Settlement Amount shall revert to Defendant under any circumstances.

22 **5. PAYMENT TO PLAINTIFF OF ENHANCEMENT PAYMENT AND TO**
23 **PLAINTIFF FOR A GENERAL RELEASE**

24 (a) Plaintiff will apply to the Superior Court for approval of an Enhancement Payment
25 in the amount of no more than Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00)
26 ("Enhancement Payment"). Defendant will not oppose Class Counsel's request of Enhancement
27 Payment up to this specific amount, and the Settlement Administrator will pay Plaintiff (from the
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1 Maximum Settlement Amount) the Enhancement Payment awarded by the Superior Court.
2 Plaintiff understands and agrees that the Superior Court may in its discretion award a lesser
3 amount as an enhancement fee, and Plaintiff agrees that she will accept whatever amount, if any,
4 the Superior Court may in its discretion award as Enhancement Payment. If Plaintiff receives an
5 enhancement fee in less than the specified amount, any such reduction shall constitute part of the
6 amount to be distributed pursuant to Section 9 as described below.

7 (b) Plaintiff agrees that the Enhancement Payment awarded to Plaintiff is not a wage
8 payment. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for her
9 Enhancement Payment. Plaintiff shall be solely and legally responsible to pay any and all
10 applicable taxes on her Enhancement Payment. Plaintiff agrees to indemnify the Released Parties
11 for any tax obligations arising out of payments to them of her Enhancement Payment. The
12 Enhancement Payment is in addition to the Individual Settlement Payment to be paid to Plaintiff.
13 The enhancement fee represent payment for the time incurred and services rendered by Plaintiff on
14 behalf of the Settlement Class in obtaining this Settlement.

15 **6. ATTORNEYS' FEES AND COSTS**

16 (a) Class Counsel will apply to the Superior Court for approval of reasonable
17 attorneys' fees incurred for representing Plaintiff and the Settlement Class in the Action in an
18 amount not to exceed 35% of the Maximum Settlement Amount, or a maximum total of
19 (\$201,250.00) ("Attorneys' Fees"). Class Counsel will also apply to the Superior Court for an
20 award of actual costs in an amount of not more than Eight Thousand Five Hundred Dollars
21 (\$8,500.00) (together, "Attorneys' Fees and Costs"). Defendant will not oppose Class Counsel's
22 request for an award of Attorneys' Fees and Costs up to the specified amounts, and the Settlement
23 Administrator will pay Class Counsel (from the Maximum Settlement Amount) the fees and costs
24 awarded by the Superior Court up to the specified amounts. In the event that the escalator clause
25 described in section 4 herein is triggered and the Maximum Settlement Amount is increased, Class
26 Counsel may, in its discretion, increase its Attorneys' Fees in order to remain 35% of the
27 Maximum Settlement Amount.

1 (b) Class Counsel and Plaintiff understand and agree that the Superior Court may in its
2 discretion award lesser amounts in Attorneys' Fees and Costs than requested by Class Counsel. If
3 Class Counsel receives Attorneys' Fees or Costs less than the specified amounts, any such
4 reduction shall not revert to Defendant but shall instead constitute part of the amount to be
5 distributed pursuant to Section 9 below.

6 (c) The amounts so awarded shall be for and in complete satisfaction of all attorneys'
7 fees and costs incurred to date by Plaintiff and/or Class Counsel on behalf of Plaintiff and the
8 Settlement Class, and of all such future fees and costs including, but not limited to, fees and costs
9 incurred in documenting this Settlement, securing Superior Court approval of this Settlement,
10 monitoring this Settlement, reviewing and participating in the settlement administration process,
11 and obtaining the Final Class Judgment.

12 (d) The Settlement Administrator will give Class Counsel an IRS Form 1099 for the
13 Attorneys' Fees and Costs awarded. Class Counsel understand and agree that they shall be solely
14 responsible for any and all taxes and/or penalties arising from payment of the costs and attorneys'
15 fees provided herein. Not later than the Effective Date, Class Counsel shall provide a fully and
16 properly executed IRS Form W-9 for purposes of the payments which the Settlement
17 Administrator will electronically wire to Class Counsel.

18 **7. SETTLEMENT ADMINISTRATION AND EXPENSES**

19 1. The Parties have agreed to use Phoenix to administer the settlement and have
20 allocated Seven Thousand Dollars (\$7,000.00) to reimbursement of costs for administration which
21 will be paid from the Maximum Settlement Amount ("Settlement Administration Costs"). If the
22 allocated Settlement Administration Costs exceed the actual costs sought by the Settlement
23 Administrator, the excess will remain part of the Net Settlement Amount. The Settlement
24 Administrator shall send the Class Notice to Settlement Class Members and prepare and issue the
25 checks to Participating Class Members for their Individual Settlement Payments and to PAGA
26 Employees for their Individual PAGA Payment, to Class Counsel for Attorneys' Fees and Costs,
27 to Plaintiff for her Enhancement Payment, and to the California Labor Workforce Development
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1 Agency ("LWDA") (all as specified above or below). The Settlement Administrator shall establish
2 a Qualified Settlement Fund, pursuant to Treasury Regulations section 1.468B for purposes of
3 distributing these amounts. The Settlement Administrator shall file all required tax returns for the
4 Qualified Settlement Fund, and shall calculate, and then remit to appropriate taxing and other
5 governmental authorities, all amounts to be deducted or paid on account of the Individual
6 Settlement Payments, including employee's share of "Wage Withholdings," as more specifically
7 described and defined below. The Settlement Administrator shall provide appropriate indemnities
8 against mistakes or inaccuracies in such tasks and against any misuse or breach of confidentiality
9 for Settlement Class Members' social security numbers, telephone numbers, addresses, or other
10 private information. The Settlement Administrator shall perform all other tasks necessary to
11 administer the Settlement. All disputes relating to the Settlement Administrator's performance of
12 its duties shall be referred to the Superior Court for a final and binding determination, not subject
13 to further review or appeal of any kind.

14 **8. PAYMENTS TO THE LABOR AND WORKFORCE DEVELOPMENT AGENCY**

15 (a) The Parties have agreed to pay a certain sum to the California Labor and Workforce
16 Development Agency ("LWDA") in connection with the Labor Code Private Attorneys General
17 Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, "PAGA"). The Parties have agreed that a total of
18 Twenty-Five Thousand Dollars and No Cents (\$25,000.00) of the Maximum Settlement Amount
19 will be allocated to the resolution of Settlement Class Members' claims arising under PAGA for
20 the PAGA Period ("PAGA Settlement Amount"). Pursuant to PAGA, Seventy-Five Percent
21 (75%), or Eighteen Thousand Seven Hundred Fifty Dollars and No Cents (\$18,750.00), of the
22 PAGA Settlement Amount will be paid to the LWDA ("LWDA Payment"), and Twenty-Five
23 Percent (25%), or Six Thousand Two Hundred Fifty Dollars and No Cents (\$6,250.00), of the
24 PAGA Settlement Amount shall be distributed to PAGA Employees as specified below. This
25 \$6,250.00 shall be referred to as the "PAGA Employees Portion." The Parties agree that if the
26 Court orders a PAGA allocation higher than the foregoing, such determination shall not increase
27 the amount of the Maximum Settlement Amount, and the amounts that constitute the Maximum
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1 Settlement amount shall be reallocated as necessary.

2 (b) The Settlement Administrator will pay to the LWDA, in accordance with California
3 Labor Code section 2699(i), the amount of Eighteen Thousand Seven Hundred Fifty Dollars and
4 No Cents (\$18,750.00). The Settlement Administrator will advise Class Counsel when this
5 payment is made.

6 **9. PAYMENTS TO PARTICIPATING CLASS MEMBERS**

7 1. After the Enhancement Payment, Attorneys' Fees and Costs, Settlement
8 Administration Costs, and PAGA Settlement Amount (as specified above) have been satisfied
9 from the Maximum Settlement Amount, the remainder (i.e., Net Settlement Amount) shall be
10 available to satisfy the employee's share of Wage Withholdings and to pay Settlement Class
11 Members who did not Opt Out (i.e., Participating Class Members) for their share of the Net
12 Settlement Amount (i.e., their Individual Settlement Payments). The PAGA Settlement Amount
13 will be distributed (as described above) 75% to the LWDA (i.e., LWDA Payment) and the
14 remaining 25% shall be distributed to PAGA Employees on a *pro rata* basis.

15 2. Under this Joint Stipulation of Settlement, each Settlement Class Member shall be
16 allocated an Individual Settlement Payment based on the number of workweeks each Settlement
17 Class Member worked for Defendant as a non-exempt employee in California during the Class
18 Period ("WW"). The Individual Settlement Payment for each Settlement Class Member who does
19 not Opt Out and is deemed a Participating Class Member shall be calculated as follows: (a) the
20 number of WW each Participating Class Member worked as a non-exempt employee for
21 Defendant in California during the Class Period; divided by (b) the aggregate number of WW for
22 all Participating Class Members as calculated under subparagraph (a); and then multiplied by (c)
23 the Net Settlement Amount. The Shifts worked shall be calculated using Defendant's payroll
24 records. Because PAGA Employees cannot opt out of the PAGA claims, each PAGA Employee,
25 whether or not a Participating Class Member, shall also receive his or her Individual PAGA
26 Payment calculated as follows: (a) the number of WW each PAGA Employee worked as a non-
27 exempt employee for Defendant in California during the PAGA Period; divided by (b) the
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1 aggregate number of WW worked by all PAGA Employees during the PAGA Period; and then
2 multiplied by (c) the PAGA Employees Portion.

3 3. The Parties agree that the Individual Settlement Payments shall constitute Twenty-
4 Five percent (25%) wages (“wage portion”) and Seventy-Five percent (75%) penalties and interest
5 (“non-wage portion”). Each Individual PAGA Payment shall be treated as 100% penalties. The
6 Settlement Administrator shall calculate and deduct from the wage portion of each Participating
7 Class Member’s Individual Settlement Payment the employee’s share of required state, federal,
8 and local tax, and other wage obligations or withholdings. These shall include, without limitation,
9 all federal, state, and local employment taxes (such as Social Security Taxes, Federal
10 Unemployment Taxes, and California Unemployment and Training Taxes) and all state and
11 federal income taxes (collectively, the “Wage Withholdings”). The Settlement Administrator shall
12 remit these amounts to the appropriate authorities.

13 4. The Settlement Administrator shall pay to each Participating Class Member his or
14 her share (after any Wage Withholdings) of the Individual Settlement Payment, in the manner and
15 on the schedule set forth below, and shall make remittances of Wage Withholdings to the required
16 authorities as and when required.

17 5. The Settlement Administrator shall issue to each Participating Class Member an
18 IRS Form W-2 to report the wage portion of his or her Individual Settlement Payment. The
19 Settlement Administrator shall issue to each Participating Class Member and PAGA Employee an
20 IRS Form 1099 for the non-wage portion of his or her Individual Settlement Payment and/or
21 Individual PAGA Payment (if applicable).

22 6. Defendant, Defense counsel, Plaintiff, and Class Counsel make no representation as
23 to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and
24 Settlement Class Members are not relying on any statement, representation, or calculation by
25 Defendant, Defense counsel, Plaintiff, Class Counsel, or the Settlement Administrator in this
26 regard. Plaintiff and Settlement Class Members understand and agree that they will be solely
27 responsible for the payment of any taxes and penalties assessed on the payments described herein.
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Each of the Participating Class Members and PAGA Employees agrees to indemnify the Released Parties for any tax obligations arising out of payments to him or her of any portion of an Individual Settlement Payment or Individual PAGA Payment.

7. Settlement Class Members shall not, on account of receiving any Individual Settlement Payment or Individual PAGA Payment, be entitled to any other or additional compensation, benefits, contributions, or matching employer funding of any kind under any agreement or plan governing benefits or compensation (such as but not limited to any agreements or plans for incentives, stock options, retirement, deferred compensation) regardless of any contrary language or provisions in any such agreement or plan. The Individual Settlement Payment and/or Individual PAGA Payment shall be the sole compensation and benefit to the Participating Class Members and PAGA Employees under this Settlement Agreement.

10. TIMING OF PAYMENT OBLIGATIONS

(a) Defendant shall electronically wire 1 payment and then 12 equal monthly installment payments thereafter. Defendant shall electronically wire fifty (50%) percent of the Maximum Settlement Amount (\$575,000.00), or \$287,500.00, and an amount sufficient to pay the employer's share of taxes on the wage portion of the Individual Settlement Payments to the Settlement Administrator within thirty (30) calendar days after the Court grants Preliminary Approval of the Settlement ("First Payment").

(b) Within thirty (30) calendar days after the First Payment Defendant shall begin electronically wiring the remaining fifty (50%) percent of the Maximum Settlement Amount, or \$287,500.00 ("Final Payment"). Defendant shall wire twelve equal monthly installments of \$23,958.33 into an escrow account (administered by the Settlement Administrator). The last monthly installment payment shall be due within one (1) year of the First Payment. Costs of opening, maintaining and closing the escrow account shall be part of the costs of Claims Administration, and shall be performed by the Claims Administrator. Should this Agreement be nullified during the funding period, any sums deposited shall return to Defendant, less any sums owed by Defendant for Claim Administration.

1 If the Court does not approve the foregoing payment plan, Defendant agrees to pay the full
2 Maximum Settlement Amount pursuant to the Court's ordering of an alternative/revised payment
3 plan (or no payment plan, if the Court so orders).

4 If Defendant misses any of the aforementioned payments, then the first time a payment
5 deadline is missed, Defendant shall have ten (10) business days to make the payment, i.e., the
6 payment must reach the Settlement Administrator within ten (10) business days. If Defendant fails
7 to do so, then Plaintiff may immediately file a stipulated judgment for any amount unpaid. The
8 executed Stipulated Judgment is attached hereto as **Exhibit B**.

9 If Defendant misses a payment deadline for a second time, Defendant shall have seven (7)
10 business days to make the payment, i.e., the payment must reach the Settlement Administrator
11 within seven (7) business days. If Defendant fails to do so, then Plaintiff may immediately file a
12 stipulated judgment for any amount unpaid.

13 If Defendant misses a payment deadline for a third time, Defendant shall have five (5)
14 business days to make the payment, i.e., the payment must reach the Settlement Administrator
15 within five (5) business days. If Defendant fails to do so, then Plaintiff may immediately file a
16 stipulated judgment for any amount unpaid.

17 If Defendant misses a payment for a fourth time, Defendant shall have three (3) business
18 days to make the payment, i.e., the payment must reach the Settlement Administrator within three
19 (3) business days. If Defendant fails to do so, then Plaintiff may immediately file a stipulated
20 judgment for any amount unpaid.

21 If Defendant misses a payment deadline for a fifth time, then Plaintiff may immediately
22 file a stipulated judgment for any amount of the Maximum Settlement Amount unpaid.

23 (c) The Settlement Administrator shall distribute Individual Settlement Payments to
24 Participating Class Members, Individual PAGA Payments to PAGA Employees, the Court-
25 approved Attorneys' Fees and Costs to Class Counsel, the Court-approved Enhancement Payment
26 to Plaintiff, the LWDA Payment to the LWDA, and the Court-approved Settlement
27 Administration Costs to itself within five (5) business days of receipt of the last monthly
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1 installment of the Final Payment.

2 (d) Participating Class Members and PAGA Employees will have one hundred eighty
3 (180) calendar days from the date of issuance of the check to cash or otherwise deposit their
4 check. For any check not cashed after 180 calendar days, the Settlement Administrator shall cancel
5 the check and remit the funds to the California State Controller's Office, Unclaimed Property
6 Division in the name of the Participating Class Member who failed to cash their check. The
7 Settlement Administrator shall inform the Parties regarding the status of any uncashed checks at
8 the conclusion of the 180-calendar day check cashing period, including the amount at issue.

9 (e) The Settlement Administrator shall place the funds in an interest-bearing account,
10 and any interest earned shall be paid to the Individual Settlement Payments for Participating Class
11 Members.

12 **11. NO OTHER PAYMENTS**

13 Except for the payments and obligations provided above, all of which shall be satisfied
14 from the Maximum Settlement Amount, no Released Party shall have any obligation to make any
15 payment to any Plaintiff, to the Settlement Class, or to any other person or entity as a result of the
16 Action or this Joint Stipulation of Settlement. Except as set forth above, the Parties shall bear all
17 their own costs and attorneys' fees in connection with this Joint Stipulation of Settlement and the
18 Action.

19 **12. RELEASES BY PARTICIPATING CLASS MEMBERS**

20 1. As of the Effective Date and full funding of the Maximum Settlement Amount by
21 Defendant to the Settlement Administrator, each Participating Class Member hereby fully, finally,
22 and forever releases and discharges each and every one of the Released Parties from any and all
23 claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs,
24 expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, whether
25 known or unknown, contingent or accrued, under any legal theory under state law for any alleged
26 failure to pay all wages due (including minimum wage and overtime wages), failure to pay for all
27 hours worked, failure to provide rest periods, failure to timely pay wages and final wages, failure
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1 to furnish accurate wage statements including claims derivative and/or related to these claims
2 during the class period (“Released Class Claims”). This Release shall include all claims and
3 theories arising under the California Labor Code, wage orders, and applicable regulations,
4 including Labor Code Sections 201, 202, 203, 226, 226.7, 512, 1194, 1197, and 1198, as well as
5 claims under Business and Professions Code section 17200 *et seq.*, and/or Labor Code Section
6 2698 *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the
7 Action. The release shall run through the date of Preliminary Approval.

8 2. As of the Effective Date and full funding of the Maximum Settlement Amount by
9 Defendant to the Settlement Administrator, each PAGA Employee and the State of California
10 hereby fully, finally, and forever releases and discharges each and every one of the Released
11 Parties from all claims, demands, rights, liabilities, and causes of action: (a) arising in whole or in
12 part, during the PAGA Period, for any of the following: any alleged or actual unfair business
13 practices or any alleged or actual violations of the Private Attorneys General Act, Labor Code
14 section 2699 *et seq.* (“PAGA”) which derive from the foregoing Released Class Claims; or (b) in
15 any manner arising out of any of the other facts or legal theories alleged or asserted in the Action,
16 whether formally raised in the operative complaint in this Action, the June 10, 2021 letter to the
17 LWDA, or otherwise (collectively, the “Released PAGA Claims”) (together the Released Class
18 Claims and Released PAGA Claims are the “Released Claims”).

19 **13. PLAINTIFF’S FURTHER RELEASE**

20 In partial consideration for the Enhancement Payment and other benefits under this Joint
21 Stipulation of Settlement, Plaintiff provides the following additional releases: as of the Effective
22 Date, Plaintiff shall fully, finally, and forever release and discharge each and every one of the
23 Released Parties from all claims, demands, rights, liabilities, and causes of action of every nature
24 and description whatsoever, whether known or unknown, whether sounding in tort, in contract, in
25 law, in equity or otherwise, and including but not limited to all claims for violation of any local,
26 state, or federal statute, rule, or regulation, which Plaintiff now has, owns, or holds, or claims to
27 have, own, or hold, or which she ever had, owned or held, whether known or unknown, suspected
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1 or unsuspected, at any time prior to the date she executes this Joint Stipulation of Settlement
2 (collectively "Plaintiff's Released Claims"). Plaintiff's Released Claims include, without
3 limitation, any claims under Title VII of the Civil Rights Act of 1964, any claims for fraud,
4 promises without the intent to perform, intentional or negligent misrepresentation, breach of
5 contract, breach of the implied covenant of good faith and fair dealing, wrongful termination in
6 violation of public policy, retaliatory discharge, violations of the California Labor Code, violations
7 of the Fair Labor Standards Act, accounting, intentional or negligent infliction of emotional
8 distress, violations of California Business and Professions Code section 17200 *et seq.*, or
9 violations of the California Fair Employment and Housing Act.

10 With respect to Plaintiff's Released Claims, Plaintiff stipulates and agrees that, upon the
11 Effective Date, she shall be deemed to have expressly waived and relinquished to the fullest extent
12 permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code
13 or any other similar provision under federal, state, or local law. Section 1542 provides:

14 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT**
15 **THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR**
16 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF**
17 **EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR**
18 **HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER**
19 **SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**
20

21 Plaintiff may hereafter discover facts in addition to or different from those which she now
22 knows or believes to be true with respect to the subject matter of Plaintiff's Released Claims, but
23 Plaintiff, upon the Effective Date, shall be deemed to have fully, finally, and forever settled and
24 released any and all of Plaintiff's Released Claims, known or unknown, suspected or unsuspected,
25 contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore
26 have existed, upon any theory of law or equity now existing or coming into existence in the future,
27 including, without limitation, conduct which is negligent, intentional, with or without malice, or a
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1 breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such
2 different or additional facts.

3 Plaintiff represents, covenants, and warrants that she is the owner of all of Plaintiff's
4 Released Claims, and that she has not directly or indirectly assigned, transferred, or encumbered,
5 or purported to assign, transfer or encumber to any person or entity, whether by operation of law
6 or otherwise, any portion of Plaintiff's Released Claims.

7 Plaintiff shall not be permitted to seek any further payment or any personal relief of any
8 kind, including any payment for damages, wages, fees, costs, penalties, or interest, other than the
9 consideration she is receiving under this Joint Stipulation of Settlement, on account of Plaintiff's
10 Released Claims. Exempted from this release shall be the amount Plaintiff is paid as an
11 enhancement fee and as an Individual Settlement Payment and Individual PAGA Payment, and
12 any claims that are currently subject to any workers' compensation claim; except, however, these
13 releases shall include and extend to claims under California Labor Code Section 132a.

14 **14. COVENANT NOT TO SUE OR SEEK RECOVERY**

15 Plaintiff hereby warrants and represents that she has not filed any complaint, lawsuit,
16 grievance, demand for arbitration, charge, and/or other claim against any of the Released Parties,
17 with any court, governmental or administrative agency or entity asserting any claim or claims
18 based on any of Plaintiff's Released Claims, other than the Action and the letters to the LWDA
19 concerning the allegations in the Action.

20 **15. PROCEDURE FOR OBTAINING PRELIMINARY APPROVAL OF JOINT**
21 **STIPULATION OF SETTLEMENT**

22 The Parties agree to work cooperatively in order to obtain preliminary and final approval
23 of the Settlement. The Parties shall cooperate in limiting the Superior Court proceedings to those
24 necessary for such preliminary and final approval. The Parties agree to take all steps reasonably
25 necessary to secure both preliminary and final approval of the Settlement. Defendant shall timely
26 file a Statement of Non-Opposition to the Motion for Preliminary Approval of the Settlement.

16. PROCEDURES FOR NOTICE, SUBMITTING REQUESTS FOR EXCLUSION, OBJECTIONS, AND FINAL SETTLEMENT APPROVAL

1. Class Notices and Requests for Exclusion

a. Within thirty (30) calendar days after entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the Class Data.

b. Within fifteen (15) calendar days of receipt of the Class Data from Defendant, the Settlement Administrator shall mail the Class Notice to all Settlement Class Members via first-class U.S. mail. Prior to mailing the Class Notice, the Settlement Administrator shall run a check of the addresses in the Class Data against the United States Postal Service National Change of Address Database (“NCOA”) to update for any reported address changes. If any Class Notice is returned as undeliverable without a forwarding address, the Settlement Administrator shall take appropriate steps to identify a current proper address for that Settlement Class Member, including conducting a “standard search,” also known as a “skip trace” or “credit header” search. The Settlement Administrator shall then re-mail the Class Notice to the updated address. If a Class Notice is returned to the Settlement Administrator as undeliverable with a forwarding address, the Settlement Administrator will promptly forward the Class Notice to the address. Settlement Class Members who receive a re-mailed Class Notice shall have their Response Deadline extended fifteen (15) calendar days from the original Response Deadline. Class Notices returned to the claims administrator as undeliverable will be re-mailed to Settlement Class Members throughout the entire 45-day response period.

c. Settlement Class Members are not required to submit a claim form to receive an Individual Settlement Payment.

d. The Class Notice shall provide that any Settlement Class Member may dispute the number of workweeks credited to them in their Class Notice. If any Settlement Class Member disputes their workweeks information used to calculate the Individual Settlement Payment or Individual PAGA Payment, the Settlement Class Member may state the basis of his or her disagreement and submit documentation supporting the Settlement Class Member’s position,

1 by mail or fax and postmarked or fax-stamped on or before the Response Deadline. The written
2 dispute must be referred to as a “Dispute” and must (a) state the Settlement Class Member’s name,
3 address, telephone number, and last four digits of his or her social security number; (b) be signed
4 by the Settlement Class Member; (c) state the information the Settlement Class Member is
5 challenging; (d) state his or her belief as to the correct date(s) of employment and/or workweeks;
6 (e) explain why Phoenix’s records are mistaken and attach any documents or evidence in support
7 of such a contention; (f) be postmarked, faxed, or e-mailed by the Response Deadline; and (g)
8 returned to the Settlement Administrator. The Settlement Administrator shall notify Class Counsel
9 and Defendant’s counsel of any dispute so raised. Defendant will then have thirty (30) calendar
10 days to investigate the dispute. The Settlement Administrator will review Defendant’s records and
11 consult Defendant’s counsel and Class Counsel in order to determine if there is a discrepancy. The
12 Settlement Administrator will decide the dispute using Defendant’s records and the decision of the
13 Settlement Administrator shall be final. Settlement Class Members who are re-mailed a Class
14 Notice apprising them of the Settlement Administrator’s decision concerning the dispute shall
15 have an additional fifteen (15) days to postmark a Request for Exclusion or Objection to the
16 Claims Administrator.

17 e. Along with the Class Notice, each Settlement Class Member shall also
18 receive instructions on what needs to be stated in the Request for Exclusion if the Settlement Class
19 Member wants to be excluded from this Settlement. If a Settlement Class Member wishes to Opt-
20 Out from this Settlement, and from the release of claims pursuant to this Settlement, he or she
21 shall submit an “Opt-Out Letter” or “Request for Exclusion” directly to the Settlement
22 Administrator that must be mailed or faxed and postmarked or fax-stamped on or before the
23 Response Deadline, or within fifteen (15) calendar days after the postmark of a Class Notice re-
24 mailed to a corrected address for that Settlement Class Member, whichever is later. The written
25 Request for Exclusion shall: (1) make the following statement or a similar statement: “I wish to
26 exclude myself from the settlement reached in the matter of *Marroquin v. Food Castle, Inc.* I
27 understand that, by excluding myself, I will not receive any money (other than the PAGA
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1 Settlement Amount) from the settlement reached in this matter”; (2) contain the name, address,
2 and the last four digits of the Social Security number of the person requesting exclusion; (3) be
3 signed by the Settlement Class Member; and (4) be postmarked or fax stamped by the Response
4 Deadline and returned to the Settlement Administrator at the specified address or fax telephone
5 number stated in the Class Notice. However, the Request for Exclusion will be valid unless it is
6 not timely submitted, is not signed by the Settlement Class Member, or does not contain the name
7 and address of the Settlement Class Member. The date of the postmark on the return mailing
8 envelope or fax stamp on the Request for Exclusion shall be the exclusive means used to
9 determine whether the Request for Exclusion was timely submitted. Any Settlement Class
10 Member who requests to be excluded from the Settlement Class will not be entitled to any
11 recovery under the Settlement, will not be bound by the terms of the Settlement, and will not have
12 any right to object, appeal, or comment thereon, except he or she shall receive his or her PAGA
13 share of the settlement if he or she is a PAGA Employee (since he or she cannot opt out of the
14 PAGA settlement). Settlement Class Members who fail to submit a valid and timely written
15 Request for Exclusion on or before the Response Deadline shall be bound by all the terms of the
16 Settlement and any Final Class Judgment.

17 f. The Settlement Administrator shall maintain a list of persons who have
18 excluded themselves and shall include the names of the Settlement Class Members who Opt-Out
19 in his/her declaration in support of final approval. The Settlement Administrator shall retain the
20 originals of all Requests for Exclusion letters (including the envelopes with the postmarks)
21 received, and shall make copies or the originals available to Defendant’s counsel or Class Counsel
22 upon request.

23 **2. Procedure for Obtaining Final Superior Court Approval of Settlement;**
24 **Objections**

25 a. The Class Notice shall provide that any Participating Class Member who
26 wishes to object to this Joint Stipulation of Settlement must mail to the Settlement Administrator
27 by first class mail a written statement objecting to this Joint Stipulation of Settlement setting forth
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1 the legal and factual grounds for any objections (“Objection”), or if no written objection is
2 submitted, the Participating Class Member may still appear at the final settlement hearing to
3 object. Such written objections should be mailed and postmarked or fax-stamped on or before the
4 Response Deadline, or within fifteen (15) calendar days after the postmark of a Class Notice re-
5 mailed to a corrected address for that Settlement Class Member, whichever is later. The written
6 Objection shall: (1) contain the name, address, and the last four digits of the Social Security
7 number of the person objecting; (2) be signed by the Participating Class Member; (3) state the
8 grounds on which the Participating Class Member is objecting as well as any documents or
9 evidence supporting his or her objection(s); and (4) be postmarked or fax stamped by the
10 Response Deadline and returned to the Settlement Administrator at the specified address or fax
11 telephone number stated in the Class Notice. Upon receipt of any Objections, the Settlement
12 Administrator will forward copies of said Objections to Class Counsel and Defense counsel. To
13 the extent that the Participating Class Member is represented by counsel, his/her attorney shall file
14 with the Superior Court a notice of appearance providing the attorney’s contact information.

15 b. Approximately thirty (30) calendar days after the Response Deadline or as
16 determined by the Superior Court, the Superior Court shall conduct a final settlement hearing to
17 determine whether to finally approve this Joint Stipulation of Settlement and to determine Class
18 Counsel’s request for Attorneys’ Fees and Costs, Enhancement Payment to Plaintiff, and the cost
19 for administering the Settlement to the Settlement Administrator. Within ten (10) calendar days
20 after the Response Deadline, the Settlement Administrator shall submit a declaration in support of
21 Plaintiff’s Motion for Final Approval detailing: (a) the number of Class Notices mailed and re-
22 mailed to Settlement Class Members; (b) the number of undeliverable Class Notices; (c) the
23 number of timely requests for exclusion; (d) the number of objections submitted; (e) the amount of
24 the highest and average Individual Settlement Payments; (f) the costs of Settlement
25 Administration; and (g) any other information as the Parties mutually agree or the Court orders the
26 Settlement Administrator to provide. Class Counsel shall prepare a memorandum of points and
27 authorities in support of this Settlement and request for Attorneys’ Fees and Costs, Enhancement
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1 Payment, and administration costs, and shall file them with the Superior Court, for purposes of the
2 final settlement hearing.

3 c. After entry of the Final Class Judgment, the Superior Court shall have
4 continuing jurisdiction over the Action solely for purposes of addressing: (i) settlement
5 administration matters; and (ii) such post-Final Class Judgment matters as may be appropriate.

6 **17. TERMINATION OF SETTLEMENT**

7 In the event: (i) the Superior Court does not enter the Preliminary Approval Order without
8 material change; (ii) the Superior Court does not finally approve this Joint Stipulation of
9 Settlement without material change; (iii) the Superior Court does not enter the Final Class
10 Judgment without material change; (iv) the Final Class Judgment is materially modified or
11 reversed upon review by a higher court; or (v) this Settlement does not become final for any other
12 reason (except as provided below), Plaintiff or Defendant may, in their sole and absolute
13 discretion, terminate this Joint Stipulation of Settlement. In the case of such a termination, this
14 Joint Stipulation of Settlement shall be null and void as if it had never been executed, the Parties
15 shall be returned to their respective statuses as of the date and time immediately prior to the
16 execution of this Joint Stipulation of Settlement, and Plaintiff and Defendant shall proceed with
17 the Action in all respects as if this Joint Stipulation of Settlement had not been executed. Prior to
18 either Party exercising an option to terminate the Settlement, the Parties agrees to meet and confer
19 in good faith in an effort to resolve the issue(s) and proceed in a manner most likely to result in
20 approval of the Settlement. As provided above, the Superior Court's failure to award the amount
21 of costs, attorneys' fees, or Enhancement Payment sought by Class Counsel or by Plaintiff shall
22 not be a material change or entitle Plaintiff or Class Counsel to terminate this Settlement.

23 **18. DEFENDANT'S OPTION TO TERMINATE JOINT STIPULATION OF**
24 **SETTLEMENT**

25 If ten percent (10%) or more of the Settlement Class Members submit complete and timely
26 Requests for Exclusion, either Party shall have, in their sole and absolute discretion, the option to
27 terminate this Joint Stipulation of Settlement. Plaintiff or Defendant shall be entitled to exercise
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1 these termination rights by providing written notice to Class Counsel at any time within fifteen
2 (15) calendar days of learning of the condition triggering termination. In the event that Defendant
3 exercises this option, Defendant shall solely be responsible for all costs of administration.

4 In the case of a termination under this Section, this Joint Stipulation of Settlement shall be
5 null and void as if it had never been executed, the Parties shall be returned to their respective
6 statuses as of the date and time immediately prior to the execution of this Joint Stipulation of
7 Settlement, and Plaintiff and Defendant shall proceed with the Action in all respects as if this Joint
8 Stipulation of Settlement had not been executed.

9 **19. MISCELLANEOUS**

10 1. The descriptive headings of any paragraphs or sections of this Joint Stipulation of
11 Settlement are inserted for convenience of reference only and do not constitute a part of this Joint
12 Stipulation of Settlement.

13 2. The Parties agree to hold in abeyance all proceedings in the Action, except such
14 proceedings necessary to implement and complete this Settlement, pending final approval of this
15 Joint Stipulation of Settlement. In the event an appeal is filed from the Final Class Judgment, or
16 any other appellate review is sought prior to the Effective Date, administration of this Joint
17 Stipulation of Settlement shall be stayed pending final resolution of the appeal or other appellate
18 review.

19 3. No waiver of any term or provision of this Joint Stipulation of Settlement shall be
20 binding unless in writing and signed by the Party waiving the applicable term or provision. This
21 Joint Stipulation of Settlement may be amended or modified only by a written instrument signed
22 by counsel for all Parties or their successors-in-interest.

23 4. This Joint Stipulation of Settlement constitutes the entire agreement among the
24 Parties with respect to the subject matter hereof, and fully supersedes all prior agreements and
25 understandings between the Parties with respect thereto. No oral representations, warranties, or
26 inducements have been made to any Party concerning this Joint Stipulation of Settlement other
27 than the representations, warranties, and covenants contained and memorialized in such
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1 documents.

2 5. In addition to the Parties, this Joint Stipulation of Settlement shall be binding upon,
3 and shall inure to the benefit of, the Parties' respective heirs, representatives, executors,
4 administrators, successors, and assigns.

5 6. This Joint Stipulation of Settlement is made and entered into in the State of
6 California and shall in all respects be interpreted, enforced, and governed under the laws of said
7 state as applied to transactions or events with contacts exclusively within California, and without
8 applying California's conflict of laws rules. The Parties agree that this Joint Stipulation may be
9 enforced under Civil Code section 664.6 and that any action arising out of or to enforce this Joint
10 Stipulation of Settlement shall be brought exclusively within Los Angeles County, California.

11 7. Counsel for all Parties warrant and represent that they are expressly authorized by
12 the Parties whom they represent to enter into this Joint Stipulation of Settlement, to take all
13 appropriate action required or permitted to be taken by such Parties pursuant to this Joint
14 Stipulation of Settlement to effectuate its terms, and to execute any other documents required to
15 effectuate the terms of this Joint Stipulation of Settlement. The Parties and their counsel will
16 cooperate with each other and use their best efforts to affect the implementation of this Joint
17 Stipulation of Settlement.

18 8. The Parties agree that neither they nor their counsel will solicit or otherwise
19 directly or indirectly encourage Settlement Class Members to request exclusion from the
20 Settlement Class, to object to this Joint Stipulation of Settlement, or to appeal from the Final Class
21 Judgment.

22 9. The Parties have cooperated in the drafting and preparation of this Joint Stipulation
23 of Settlement. This Joint Stipulation of Settlement shall not be construed against any Party on the
24 basis that such Party was the drafter.

25 10. Plaintiff and her counsel will not publicize or promote the fact, terms, or amount of
26 this Joint Stipulation of Settlement or the claims being settled through press release, press
27 conference, or postings on social media or websites until after final approval is granted. If asked
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1 for comment by the media or third parties, Plaintiff shall respond only with “no comment” or
2 statements agreed to by Defendant. Class Counsel may refer to the settlement in adequacy of
3 counsel declarations, and following Preliminary Approval, may state on their websites that they
4 settled a wage and hour class action in the Superior Court and generally describe the claims at
5 issue, provided that they describe Defendant only as a “Defendant Employer.” Further, the Parties
6 understand and agree that Class Counsel may disclose this Joint Stipulation of Settlement if
7 ordered to do so by the Court, *e.g.*, post any settlement documents/orders on their respective
8 websites and/or provide information to Settlement Class Members about this Joint Stipulation of
9 Settlement. This Joint Stipulation of Settlement may also be used for purposes of resolving related
10 or overlapping lawsuits or claims by showing the scope of releases and the res judicata bar.

11 11. To the fullest extent permitted by law, Plaintiff agrees to not disparage or publish
12 or disseminate information, whether oral or written, that is derogatory in any manner or which
13 may be harmful to any Released Party or their business or personal reputation, whether such
14 information was acquired before, during or after Plaintiff’s employment with Defendant.

15 12. This Joint Stipulation of Settlement may be executed in counterparts, and when
16 each Party has signed and delivered at least one such counterpart, each counterpart shall be
17 deemed an original, and, when taken together with other signed counterparts, shall constitute one
18 Joint Stipulation of Settlement, which shall be binding upon and effective as to all Parties. This
19 Joint Stipulation of Settlement may be signed through electronically exchanged documents (such
20 as PDFs) which shall be treated as original paper copy signatures.

21 13. The Parties believe that this is a fair, reasonable, and adequate Settlement and have
22 arrived at this Settlement through arms-length negotiations, taking into account all relevant
23 factors, present and potential.

24 14. Should any part, term or provision of this Joint Stipulation of Settlement, with the
25 exception of Sections 4, 9, 12, 13, 17 and 18, be declared or determined by any court or other
26 tribunal of appropriate jurisdiction to be invalid or unenforceable, any such invalid or
27 unenforceable part, term, or provision shall be deemed stricken and severed from this Joint
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1 Stipulation of Settlement and any and all of the other terms of the Joint Stipulation of Settlement
2 shall remain in full force and effect to the fullest extent permitted by law. The Sections specified
3 above in this paragraph are of the essence of this Joint Stipulation of Settlement, and, should any
4 term or provision of those Sections be deemed invalid or unenforceable, the court making such
5 determination shall have the power to limit the term or provision, to delete or rewrite specific
6 words or phrases in those terms or provisions, or to replace any invalid or unenforceable term or
7 provision to make the term or provision valid and enforceable; provided that any such
8 modification must come as close as possible to expressing the intention of the invalid or
9 unenforceable term or provision and provided further that such changes may not eliminate or
10 amend any Parties' termination rights under Sections 17 or 18.

11 15. Nothing in this Joint Stipulation of Settlement shall restrict: (i) any right to file,
12 testify, or otherwise cooperate in the investigation of an administrative charge or complaint with
13 the Equal Employment Opportunity Commission, the National Labor Relations Board or other
14 federal, state, or local administrative or law enforcement agency, although Plaintiff is waiving any
15 right to monetary recovery related to such a charge or complaint; (ii) any right to report allegedly
16 unlawful conduct pursuant to the "whistleblower" provisions of federal or state law or regulation,
17 including the right to receive awards pursuant to Section 21F of the Securities Exchange Act; (iii)
18 any right to communicate directly with, respond to an inquiry from, or provide testimony before,
19 the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority
20 (FINRA), any other self-regulatory organization or any other regulatory authority; or (iv) the
21 Parties and their counsel from complying with a valid subpoena, court order, or any other legal
22 process requesting or requiring production of this Joint Stipulation of Settlement, disclosure of the
23 terms of this Joint Stipulation of Settlement, or disclosure of anything else covered by the
24 confidentiality provisions of this Joint Stipulation of Settlement, provided that, upon receiving
25 such a subpoena, process, or court order, the receiving Party shall immediately give notice to the
26 other Party or the other Party's counsel, identify the subpoena, process, or court order, and state
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1 the time in which production or disclosure is required, so as to afford the other Party an
2 opportunity to obtain an order barring such production or disclosure.

3 16. In any proceeding to enforce or construe this Joint Stipulation of Settlement, the
4 prevailing Party shall be entitled to recover its costs and attorney's fees.

5
6 17. This Agreement may not be changed, altered, or modified, except in a writing
7 signed by the Parties, and approved by the Court. Notwithstanding the forgoing, the Parties agree
8 that any dates contained in this Agreement may be modified by agreement of the Parties without
9 Court approval if the Parties agree and cause exists for such modification. This Agreement cannot
10 be discharged except by performance in accordance with its terms or by a writing signed by the
11 Parties.

12 18. This Agreement and the Exhibits hereto contain the entire agreement between the
13 Parties relating to the resolution of the Action. No rights under this Settlement may be waived
14 except in writing and signed by the Party against whom such waiver is to be enforced.

15 19. This Agreement shall be binding upon, and inure to the benefit of, the Parties and
16 their respective heirs, trustees, executors, administrators, successors, and assigns.

17 20. This Settlement Agreement may be amended or modified only by a written
18 instrument signed by the named Parties and/or counsel for all Parties or their successors-in-
19 interest.

20
21 DATED: July 19, 2022

LIPELES LAW GROUP, APC

22
23 By:  

24 Kevin A. Lipeles
25 Thomas H. Schelly
26 *Attorneys for Plaintiffs*

27 Flor De Maria Marroquin and the Putative Class
28

1 DATED: July 19, 2022

MITCHELL SILBERBERG & KNUPP LLP

2
3 By: 

4 Jeremy Mittman
5 Valentine A. Shalamitski
6 *Attorneys for Defendant*
7 Food Castle, Inc.

8 DATED: July 19, 2022

FOOD CASTLE, INC.

9
10 By: 

11 Eliyahu Levy
12 President

13 DATED: July 21, 2022

FLOR DE MARIA MARROQUIN,

14
15 By: 

16 Flor de Maria Marroquin, July 21, 2022 14:58:11

17 Plaintiff