

1 ZORIK MOORADIAN, Bar No. 136636
2 HAIK HACOPIAN, Bar No. 282361
3 MOORADIAN LAW, APC
4 24007 Ventura Blvd., Suite 210
5 Calabasas, CA 91302
6 Telephone: (818) 487-1998
7 Facsimile: (888) 783-1030

8 Attorneys for Plaintiff Edgar Hernandez, individually and on behalf
9 of other persons similarly situated and similarly aggrieved employees

10 FARZAD RASTEGAR (State Bar No. 155555)
11 RASTEGAR LAW GROUP, APC
12 22760 Hawthorne Blvd., Suite 200
13 Torrance, California 90501
14 Telephone: (310) 961-9600
15 Facsimile: (310) 961-9094

16 Attorneys for Plaintiff Ernesto Nunez, individually and on behalf of
17 other persons similarly situated and similarly aggrieved employees

18 MARK KOBATA, SB# 74654
19 Barlow & Kobata
20 1180 S. Beverly Drive, Suite 302
21 Los Angeles, CA 90035
22 Phone: (310) 277-7556
23 Fax: (310) 277-2982

24 Attorneys for Defendants

25 SUPERIOR COURT OF CALIFORNIA

26 FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

27 EDGAR HERNANDEZ, ERNESTO
28 NUNEZ, individually and on behalf of
other persons similarly situated and
similarly aggrieved employees,

Plaintiffs,

v.

TOWNSHIP RETAIL SERVICES, INC.,
TOWNSHIP BUILDING SERVICES,
INC., TOWNSHIP RETAIL SERVICES,
LLC; and DOES 1 through 10,

Defendants.

Case No.: 18STCV06709

CLASS AND REPRESENTATIVE ACTION

*[Assigned to Hon. David S. Cunningham in Dept.
SS-11]*

**STIPULATED SETTLEMENT
AGREEMENT**

1 IT IS HEREBY STIPULATED AND AGREED, by and among the undersigned parties,
2 subject to the approval of the Court pursuant to Section 382 of the California Code of Civil Procedure
3 and Rule 3.769 of the California Rules of Court, that the settlement of this captioned action shall be
4 effectuated upon and subject to the following terms and conditions. Capitalized terms used herein shall
5 have the meanings set forth in Section I or elsewhere in this Agreement.

6
7 **I.**

8 **DEFINITIONS**

9 Unless otherwise defined herein, the following terms used in this Agreement shall have
10 the meanings ascribed to them as set forth below:

11 1.1 “Action” means and includes the lawsuit entitled *Edgar Hernandez, Ernesto*
12 *Nunez, individually and on behalf of other persons similarly situated and similarly aggrieved*
13 *employees v. Township Retail Services, Inc., et al.*, Los Angeles County Superior Court Case No.
14 18STCV06709 and *Ernesto Nunez v. Township Retail Services, Inc., et al.*, Superior Court of the State
15 of California in and for the County of San Diego, Case No. 37-2017-00046831-CU-OE-CTL
16 (“Action”)

17 1.2 “Agreement” or “Settlement Agreement” or “Settlement” means this Stipulated
18 Settlement Agreement, including any Exhibit(s) attached hereto.

19 1.3 “Aggrieved Employees” means: [a]ll hourly non-exempt employees who are or
20 previously were employed by Defendants in California during the period of August 14, 2016 until July
21 20, 2022.

22 1.4 “Class List and Data Report” means a list of the names, most current mailing
23 address and Social Security number of each Settlement Class Member, number of Workweeks Worked
24 by each Settlement Class Member during the applicable Class Period and employment status of each
25 Settlement Class Member as of July 20, 2022.

26 1.5 “Class Period” means that period from and including December 4, 2013 through
27 July 20, 2022.

28 1.6 “Class Notice” or “Notice of Class Action Settlement” means the notice

1 approved by the Court in the Order of Preliminary Approval in the form substantially similar to Exhibit
2 1, attached hereto. The Class Notice attached as Exhibit 1 shall be provided to Settlement Class
3 Members. The Class Notice to Settlement Class Members will contain the respective Settlement Class
4 Member's individual information, such as name, address, number of Workweeks Worked during the
5 Class Period, and the estimate amount each may receive in the Settlement. Whether or not attached
6 hereto, the Class Notice to be sent to Settlement Class Members will include a Spanish translation.

7 1.7 "Complaint" or "Complaints" mean each and every Complaint or Amended
8 Complaint filed at any time in the Action.

9 1.8 "Court" means the Superior Court for the County of Los Angeles.

10 1.9 "Defendants" or "Township" means Defendant Township Retail Services, Inc.,
11 Defendant Township Building Services, Inc., and Defendant Township Retail Services, LLC.

12 1.10 "Defense Counsel" means: Mark Kobata of Barlow & Kobata, 1180 S. Beverly
13 Drive, Suite 302, Los Angeles, CA 90035.

14 1.11 "Effective Date" means and refers to the date when all of the following events
15 have occurred: (1) this Settlement Agreement has been executed by all Parties; (2) the Court has given
16 preliminary approval to this Settlement Agreement; (3) the Class Notice has been sent to Settlement
17 Class Members, providing them with an opportunity to object to the terms of this Settlement
18 Agreement or to opt out of the Settlement; (4) the Court has held a formal fairness hearing and entered
19 a final Order and Judgment certifying the Settlement Class, and approving this Settlement Agreement;
20 (5) ten (10) calendar days have passed since the Court has entered a Final Approval Order and
21 Judgment certifying the Settlement Class, and approving the Stipulation of Settlement and (6) in the
22 event there are written objections filed prior to the final fairness hearing which are not later withdrawn
23 or denied, the later of the following events: five (5) business days after the period for filing any appeal,
24 writ or other appellate proceeding opposing the Court's final Order approving the Settlement has
25 elapsed without any appeal, writ or other appellate proceeding having been filed; or, if any appeal,
26 writ or other appellate proceeding opposing the Court's final Order approving the Settlement has been
27 filed, five (5) business days after any appeal, writ or other appellate proceedings opposing the
28 Settlement has been finally and conclusively dismissed with no right to pursue further remedies or

1 relief.

2 “Net Settlement Amount” means the portion of the Settlement Amount available for
3 distribution to Participating Settlement Class Members under this Agreement after payment of (1) the
4 attorneys’ fees and costs award to be paid to Settlement Class Counsel; (2) the service payments to
5 Plaintiffs; (3) all payments to or withholdings for governmental authorities for the employee portion
6 of any payroll taxes or other required taxes or withholdings; (4) all payments to the Aggrieved
7 Employees and the California Labor Workforce Development Agency (“LWDA”) for PAGA
8 penalties; and (5) all costs and fees incurred by and awarded to the Settlement Administrator. One
9 hundred percent (100%) of the Net Settlement Amount, less tax withholdings on the portion
10 characterized as wages, shall be distributed to Participating Settlement Class Members with no
11 reversion to Defendants.

12 1.13 “PAGA Period” means that period from and including August 14, 2016 through
13 July 20, 2022.

14 1.14 “Participating Settlement Class Member” means a Settlement Class Member
15 who has not timely opted-out of the Settlement.

16 1.15 “Parties” means Defendants and Plaintiffs.

17 1.16 “Plaintiffs” means named Plaintiff Edgar Hernandez and named Plaintiff
18 Ernesto Nunez.

19 1.17 “Released Claims” means: all class claims alleged in the Action which
20 occurred during the Class Period, and expressly excluding all other claims, including claims for vested
21 benefits, wrongful termination, unemployment insurance, disability, social security, workers’
22 compensation, and class claims outside of the Class Period.

23 1.18 “Released PAGA Claims” means all PAGA claims alleged in the Action and in
24 Plaintiffs’ PAGA notices to the LWDA which occurred during the PAGA Period, and expressly
25 excluding all other claims, including claims for vested benefits, wrongful termination, unemployment
26 insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA
27 Period.

28 1.19 “Released Parties” means Defendants, including each of Defendants’ respective

1 past, present, and/or future, direct and/or indirect, officers, directors, members, managers, employees,
2 agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent
3 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

4 1.20 "Settlement Administrator" means Phoenix Administrators

5 1.21 "Settlement Amount" means and refers to the maximum amount of money
6 Defendants will be required to pay pursuant to this Agreement. The Settlement Amount is Eight
7 Hundred Fifty Thousand Dollars and No Cents (\$850,000.00). The Settlement Amount shall be
8 inclusive of: (1) all payments to Participating Settlement Class Members; (2) the attorneys' fees and
9 costs award to be paid to Settlement Class Counsel; (3) the service awards to Plaintiffs; (4) all
10 payments to or withholdings for governmental authorities for the employee portion of any payroll
11 taxes or other required taxes or withholdings; (5) all payments to the LWDA for PAGA penalties; and
12 (6) all costs and fees incurred by and awarded to the Settlement Administrator. In addition to the
13 Settlement Amount, Defendants shall also be responsible for employer taxes, including the employer
14 FICA, FUTA and SDI contribution, on the wage portion of the Settlement paid to Participating
15 Settlement Class Members. Defendants have represented that the Settlement Class consisted of
16 approximately 843 individuals as of July 20, 2022. If the number of Settlement Class Members is
17 ultimately greater than 110% of the estimate provided for herein, or greater than 927 individuals, the
18 Settlement Amount shall be increased on a pro rata basis for each additional Settlement Class Member.
19 Except as so provided, the parties agree, covenant and represent that Defendants shall be required to
20 pay no more than the Settlement Amount of \$850,000.00 plus employer taxes as described above.

21 1.22 "Settlement Class" and "Settlement Class Members" means shall refer to the
22 following: All non-exempt employees who are or previously were employed by Defendants in
23 California during the period of December 4, 2013 through July 20, 2022.

24 1.23 "Settlement Class Counsel" means the following:

25 Zorik Mooradian
26 Haik Hacopian
27 Mooradian Law, APC
28 24007 Ventura Blvd., Suite 210
Calabasas, California 91302
Telephone: (818) 487-1998

1 Facsimile: (888) 783-1030

2 Farzad Rastegar
3 Rastegar Law Group, APC
4 22760 Hawthorne Blvd., Suite 200
5 Torrance, California 90501
6 Telephone: (310) 961-9600
7 Facsimile: (310) 961-9094

8 1.24 “Individual PAGA Settlement Payment” means the proportional share of the
9 25% portion of the PAGA Payment (as defined in Paragraph 3.9) allocated and paid to the Aggrieved
10 Employees, as calculated by the Settlement Administrator according to the terms of this Agreement.

11 1.25 “Individual Settlement Payment” means the proportional share of the Net
12 Settlement Amount to be paid to a Participating Class Member, as calculated by the Settlement
13 Administrator according to the terms of this Agreement.

14 1.26 “Workweek Worked” means any calendar week during the applicable Class
15 Period in which a Settlement Class Member performed any work, as reflected in Defendants’ time and
16 payroll records.

17 II.

18 RECITALS

19 2.1 On December 4, 2017, Plaintiff Ernesto Nunez filed a class and representative
20 action complaint against Defendants, individually, and on behalf of all other similarly situated current
21 and former employees of Defendants, described as: “[a]ll persons employed by Defendants to work in
22 any hourly paid job position in California at any time during the period beginning four years before
23 the filing of the initial complaint in this action up to and including the date the Court certifies class.”
24 That lawsuit is *Ernesto Nunez v. Township Retail Services, Inc., et al.*, Superior Court of the State of
25 California in and for the County of San Diego, Case No. 37-2017-00046831-CU-OE-CTL (“Nunez
26 Action”). The class action complaint asserted the following causes of action: (1) Failure to provide
27 rest breaks; (2) Failure to pay minimum and straight time wages; (3) Failure to pay overtime
28 compensation; (4) Failure to timely pay wages upon termination of employment; (5) Failure to provide

1 accurate statements and maintain required records; (6) Unfair Business Practices Act [Cal. Bus. &
2 Prof. Code §§ 17200, et seq.], and (7) Civil Penalties pursuant to the Private Attorneys' General Act
3 ("Cal. Lab. Code §§2698-2699.5"). On August 14, 2017, prior to the filing of the above described
4 action, Plaintiff Nunez communicated a notice letter pursuant to the Private Attorneys General Act
5 ("PAGA") to Defendants and to the Labor and Workforce Development Agency ("LWDA"). Plaintiff
6 Nunez's PAGA claim was assigned case no. LWDA-CM-821871-17 upon submission to the LWDA.

7 2.2 On November 30, 2018, Plaintiff Edgar Hernandez filed a class action
8 complaint against Defendant Township Retail Services, Inc., individually and on behalf of other
9 persons similarly situated described as "[a]ll of Township's current and former non-exempt employees
10 who worked for Township in California, during the four years before the filing of the Complaint
11 through the the time of class certification." That lawsuit is *Edgar Hernandez v. Township Retail*
12 *Services, Inc.*, Superior Court of the State of California in and for the County of Los Angeles, Case
13 No. 18STCV06709 ("Action"). The class action complaint asserted the following causes of action: (1)
14 Failure to Provide Meal Periods; (2) Failure to Provide Paid Rest Periods; (3) Failure to Pay Wages;
15 (4) Failure to Provide Accurate Wage Statements; (5) Failure to Reimburse Business Expenses; and
16 (6) Violation of Unfair Business Practices Act. On January 25, 2019, Plaintiff Hernandez
17 communicated a notice letter pursuant to the Private Attorneys General Act ("PAGA") to Defendant
18 Township Retail Services, Inc. and to the Labor and Workforce Development Agency ("LWDA").
19 Plaintiff Hernandez's PAGA claim was assigned case no. LWDA-CM-659485-19 upon electronic
20 submission to the LWDA.

21 2.3 On March 17, 2021, pursuant to a tolling agreement entered into between the
22 Parties, the operative First Amended Complaint was filed in the Action which: (1) extended the
23 limitations period for the section 17200 claim back to December 4, 2013 to coincide with the
24 limitations period in the Nunez Action, (2) extended the limitations period for the PAGA claim back
25 to August 14, 2016 to coincide with the Nunez Action, (3) extended the limitations period for all other
26 claims back to December 4, 2014 to coincide with the Nunez Action; (4) added Plaintiff Nunez as a
27 named Plaintiff in the Action, (5) added Township Building Services, Inc., and Township Retail
28 Services, LLC as named Defendants in the Action; and (6) added a representative PAGA cause of

1 action as asserted in the Nunez Action and as covered by the PAGA notice communicated by Plaintiff
2 Hernandez. The Nunez Action was thereafter dismissed without prejudice. On April 21, 2021,
3 Defendants filed their Answer to the First Amended Complaint.

4 2.4 On July 20, 2022, Plaintiff Edgar Hernandez, Plaintiff Ernesto Nunez, and
5 Defendants participated in a full-day mediation before Mr. Jeffrey Krivis. After extensive negotiations,
6 the Parties were able to reach a settlement, the terms of which are incorporated herein.

7 2.5 Proceedings. This Action has been vigorously litigated between the Parties,
8 including formal and informal discovery and production of documents and electronic records for
9 Plaintiffs and the putative class. The Parties specifically and mutually intend to settle the claims for
10 all theories of liability alleged in the Action with respect to the Settlement Class herein. No class has
11 been certified.

12 2.6 Reasons for Settlement. Plaintiffs and Settlement Class Counsel have
13 concluded, after taking into account disputed factual and legal issues involved in the Action, the risks
14 attending further prosecution, and the benefits received and to be received pursuant to the compromise
15 and settlement of the Action, that settlement on the terms hereinafter set forth is in the best interest of
16 Plaintiffs and the Settlement Class. Defendants and Defense Counsel have concluded, after taking into
17 account the disputed factual and legal issues involved in the Action, the risks attending further defense
18 and litigation, the substantial expense and burden of protracted litigation, and their desire to put the
19 controversy to rest, that settlement on the terms hereinafter set forth is in the best interest of
20 Defendants.

21 2.7 Defendants' Denial of Wrongdoing. Defendants have denied and continue to
22 deny each of the claims and contentions alleged by Plaintiffs in the Action. Defendants have repeatedly
23 asserted and continue to assert defenses thereto, and have expressly denied and continue to deny any
24 wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Action. Neither
25 this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry
26 out this Agreement, is, may be construed as, or may be used as an admission, concession or indication
27 by or against Defendants of any fault, wrongdoing or liability whatsoever. The Settling Parties
28 understand and agree that this Settlement Agreement is the result of a good faith compromise

1 the definitions and recitals set forth hereinabove which by this reference become an integral part of
2 this Agreement and subject to the following terms and conditions:

3 3.2 Full Investigation. Plaintiffs Hernandez and Nunez have fully investigated the
4 factual and legal bases for the causes of action asserted in the Action and the claims being released by
5 this Settlement.

6 3.3 Conditional Certification of the Settlement Class. No class has been certified
7 in the Action. The Parties hereby consent and agree, solely for purposes of the Settlement set forth in
8 this Agreement, to the conditional certification of the Settlement Class, to the conditional appointment
9 of Settlement Class Counsel, and to the conditional approval of the Representative Plaintiffs Edgar
10 Hernandez and Ernesto Nunez.

11 3.4 Contingent Nature of the Settlement. The agreement to conditionally certify the
12 Settlement Class is contingent upon final approval of this Agreement by the Court and is made for
13 settlement purposes only. If the Settlement fails to be approved or otherwise fails to be consummated
14 for any reason whatsoever, including but not limited to the Judgment not becoming final, then the
15 Parties retain all rights previously available to them, and any provisional certification of any class, or
16 the adoption of any procedure herein, shall be undone and the Parties restored to their pre-settlement
17 status as if no settlement had been reached and no decisions were made pursuant to it, except as
18 otherwise expressly provided herein. In that event, no evidence presented or statement made as part
19 of this Settlement, including the Class Notice, shall be admissible in subsequent proceedings to support
20 or oppose class certification by either side.

21 3.5 Settlement Amount. Subject to entry of a Final Approval order by the Court and
22 the additional conditions specified in this Agreement, and in consideration of the mutual covenants
23 and promises set forth herein, Defendants agree to make a payment under this Agreement totaling
24 Eight Hundred Fifty Thousand Dollars and No Cents (\$850,000.00) (the "Settlement Amount") in full
25 and final settlement of this matter and the Released Claims. Defendants shall also pay employer taxes
26 on the wage portion of the Individual Settlement Payments made to Participating Class Members. In
27 no event shall Defendants be required to pay any amount above the Settlement Amount and employer
28 taxes except as otherwise set forth herein.

1 3.6 Attorneys' Fees and Cost Award. Defendants agree not to oppose or impede
2 any application or motion by Settlement Class Counsel for attorneys' fees not in excess of Two
3 Hundred Ninety Seven Thousand Five Hundred Dollars (\$297,500), or thirty five percent (35%) of
4 the Settlement Amount. Defendants further agree not to oppose any application or motion by
5 Settlement Class Counsel for the reimbursement of any costs associated with Settlement Class
6 Counsel's prosecution of this Action not in excess of Twenty Five Thousand Dollars (\$25,000). Any
7 amount awarded for costs to Settlement Class Counsel less than \$25,000.00 will result in the non-
8 awarded amount of costs being distributed to Participating Settlement Class Members in this matter
9 in a proportionate basis to the amount of their Individual Settlement Payment. Any amount awarded
10 for attorneys' fees to Settlement Class Counsel of less than \$297,500 will result in the non-awarded
11 amounts of attorneys' fees being distributed to Participating Settlement Class Members in this matter
12 in a proportionate basis to the amount of their Individual Settlement Payment unless Settlement Class
13 Counsel appeals the attorneys' fee award. The attorneys' fees can be appealed by Settlement Class
14 Counsel without affecting the remainder of this Agreement. If an appeal on a reduced attorney fee
15 award is taken and is unsuccessful or only partially successful, each Participating Settlement Class
16 member shall be entitled to receive a second distribution of the difference between the amount
17 requested and the amount awarded, which second distribution shall be distributed on a proportionate
18 basis to the amount of each Participating Settlement Class Member's Individual Settlement Payment
19 within thirty (30) days of a final ruling on the appeal. Settlement Class Counsel will be responsible
20 for any second distribution, if necessary. Settlement Class Counsel shall be solely and legally
21 responsible to pay all applicable taxes on the payment(s) made pursuant to this Paragraph. Forms 1099
22 – MISC, Box 14 shall be provided to Settlement Class Counsel for the payments made pursuant to this
23 Paragraph. Class Counsel's award for attorneys' fees will be divided between Class Counsel as
24 follows: 50% to Mooradian Law, APC and 50% to Rastegar Law Group, APC. By signing this
25 Agreement, Plaintiffs expressly consent to this fee division.

26 3.7 Settlement Administrator. The Settlement Administrator shall be paid for the
27 costs of administration of the settlement from the Settlement Amount. The estimate of such costs of
28 administration is Fifteen Thousand Dollars (\$15,000.00) and which is based on 843 Settlement Class

1 Members. Any amount awarded for costs of administration to the Settlement Administrator less than
2 \$15,000.00 will result in the non-awarded amount to be awarded to Participating Settlement Class
3 Members in this matter on a proportionate basis to the amount of their Individual Settlement Payment.
4 This estimate includes the required tax reporting on the settlement amounts, including but not limited
5 to the issuing of W2 and 1099 forms (if any), as well as calculation of employee withholding taxes
6 and the employer payroll taxes for Defendants to be remitted to the tax authorities by the Settlement
7 Administrator. A Form 1099 – MISC, Box 7 shall be issued to the Settlement Administrator.

8 3.8 Service Awards. Subject to Court approval, in exchange for the release of all
9 Released Claims, a General Release of all claims, and for their time and effort in bringing and
10 prosecuting this matter, Plaintiff Hernandez and Plaintiff Nunez shall be paid up to a total of Ten
11 Thousand Dollars (\$10,000) each, or such other distribution or lower amount as the Court may order.
12 The Parties agree that a decision by the Court to award Plaintiff Hernandez or Plaintiff Nunez an
13 amount less than the amount stated above shall not be a basis for Plaintiff Hernandez, Plaintiff Nunez,
14 or Settlement Class Counsel to void this Agreement. The Settlement Administrator shall issue a
15 Form 1099 – MISC, Box 3 for the service awards. Any amount awarded for the service award to
16 Plaintiff Hernandez less than \$10,000.00 and any amount awarded for the service award to Plaintiff
17 Nunez less than \$10,000.00 will result in the non-awarded funds to be awarded to Participating
18 Settlement Class Members in this matter in a proportionate basis to the amount of their Individual
19 Settlement Payment. Plaintiff Hernandez and Plaintiff Nunez shall be solely and legally responsible
20 to pay any and all applicable taxes on their payments and shall hold harmless Defendants from any
21 claim or liability for taxes, penalties, or interest arising as a result of the payments. These service
22 awards shall be in addition to Plaintiff Hernandez’s and Plaintiff Nunez’s shares of the Settlement
23 Amount as Settlement Class Members.

24 3.9 PAGA Payment. The total amount of the Settlement Amount allocated to
25 PAGA claims being settled by this Agreement shall be Twenty Thousand Dollars (\$20,000). Of this
26 amount, seventy five percent (75%), or Fifteen Thousand Dollars (\$15,000.00), shall be paid to the
27 LWDA as part of this Settlement. This PAGA Payment is made pursuant to PAGA’s penalty
28 provisions. The balance of Five Thousand Dollars (\$5,000.00), or twenty five percent (25%) shall be

1 Administrator the Class List and Data Report within fourteen (14) calendar days of
2 Preliminary Approval of the Settlement. The report shall be provided to the
3 Settlement Administrator in a computer-readable format.

4 c. Within fourteen (14) calendar days of receipt of the Class List and Data Report, the
5 Settlement Administrator shall determine the approximate amount of each
6 Settlement Class Member's Individual Settlement Amount and will prepare and
7 mail the appropriate Class Notice to each Settlement Class Member.

8 d. All Settlement Class Members who do not timely opt-out of the Settlement will
9 receive Individual Settlement Payments as Participating Settlement Class Members
10 without having to submit any claim.

11 e. Ten (10) business days following the expiration of the period to opt-out or submit
12 objections, the Settlement Administrator shall provide Defendants and Settlement
13 Class Counsel a report and declaration indicating: (i) the names and number of
14 Settlement Class Members who have objected to the Settlement, if any; (ii) the
15 names of the Settlement Class Members who have opted out of the Settlement, if
16 any;; and (iii) the total amount of employer-side taxes on the Wage Component of
17 the Participating Settlement Class Members' Individual Settlement Payments.

18 f. The Parties agree to cooperate in the settlement administration process and to make
19 all reasonable efforts to control and minimize the costs and expenses incurred in
20 administration of the Settlement.

21 g. The Settlement Administrator shall be responsible for: calculating the approximate
22 amount of the Individual Settlement Amount for each Settlement Class Member;
23 printing and mailing the Class Notice to Settlement Class Members; resolving
24 Settlement Class Member disputes regarding the number of Workweeks Worked
25 by the Settlement Class Member during the applicable Class Period; receiving and
26 reporting the objections and Requests for Exclusion submitted by Settlement Class
27 Members; notifying Defendants of the total amount to be paid to fully fund the
28 Settlement; calculating, preparing and mailing Individual Settlement Payments to

1 Participating Settlement Class Members; distributing the Attorney's Fees and Costs
2 Award, PAGA Payment and service awards to Plaintiffs Hernandez and Nunez;
3 creating all required tax and reporting forms and remitting appropriate monies to
4 the taxing authorities; and otherwise performing all tasks required to properly
5 administer the Settlement. The Settlement Administrator shall keep Defendants'
6 Counsel and Settlement Class Counsel timely apprised of the performance of all
7 Settlement Administrator responsibilities.

8 h. The Settlement Administrator, on Defendants' behalf, shall have the authority and
9 obligation to make payments, credits and disbursements, including payments and
10 credits in the manner set forth herein, to Participating Settlement Class Members
11 and taxing authorities calculated in accordance with the methodology set out in this
12 Agreement and orders of the Court.

13 i. Any tax return filing required in conjunction with the payments to be made pursuant
14 to this Agreement shall be made by the Settlement Administrator. Any expenses
15 incurred in connection with such filing shall be a cost of administration of the
16 Settlement.

17 j. No person shall have any claim against Defendants or Defendants' Counsel,
18 Plaintiff Hernandez, Plaintiff Nunez, Settlement Class Members, the Settlement
19 Class, Settlement Class Counsel or the Settlement Administrator based on
20 distributions and payments made in accordance with this Agreement.

21 4.3 Calculation of Individual Settlement Amounts. To determine the Individual
22 Settlement Amount to be included in the Class Notice sent to Settlement Class Members, the
23 Settlement Administrator will:

24 a. Determine the total number of Workweeks Worked by the Settlement Class during
25 the Class Period as provided in the Class List and Data Report, including the
26 additional Workweeks Worked generated by subsection (c) below.

27 b. Divide the Net Settlement Amount, (which does not include the Five Thousand
28

1 Dollars (\$5,000) to be distributed to Aggrieved Employees), by the total number
2 of Workweeks Worked by the Settlement Class and the additional Workweeks
3 Worked generated by subsection (c) below to determine the Per Workweek
4 Settlement Amount. The Per Workweek Settlement Amount shall then be
5 multiplied by the number of Workweeks Worked by each Settlement Class
6 Member during the applicable Class Period to determine each Settlement Class
7 Member's Individual Settlement Amount. All Settlement Class Members will be
8 entitled to payment for at least one (1) workweek.

- 9 c. Settlement Class Members whose employment has ended during the Class Period
10 will be allocated an additional 0.25 Workweeks Worked for each Workweek
11 Worked, up to a maximum of 6 additional Workweeks Worked credit to
12 compensate them for their waiting time claim. These credited Workweeks Worked
13 shall not increase or decrease the determined total number of Workweeks Worked
14 by the Settlement Class.

15 4.4 Notice to Settlement Class Members. Notice of the Settlement shall be
16 provided to all Settlement Class Members using the following procedures:

- 17 a. Notice By First-Class Mail. Within fourteen (14) calendar days after receipt of
18 the Class List and Data Report, the Settlement Administrator shall mail the
19 Class Notice to the Settlement Class Members via first-class regular U.S. mail.
20 Class Notice to Settlement Class Members shall substantially be in the form
21 attached hereto as Exhibit 1. Prior to mailing, the Settlement Administrator
22 will perform a search based on the National Change of Address Database
23 information to update and correct for any known or identifiable address
24 changes. If a new address is obtained by way of a returned Notice, then the
25 Settlement Administrator shall promptly forward the original Class Notice and
26 to the updated address via first-class regular U.S. mail indicating on the original
27 Class Notice packet the date of such re-mailing.

- 28 b. Opt Out/Objection Deadline Date. Settlement Class Members will have Sixty

1 (60) days from the mailing of the Class Notice to submit a Request for
2 Exclusion or object to the Settlement.

3 c. Disputes Regarding Individual Settlement Amounts. The Parties agree that if
4 any Class Member disputes the number of Workweeks Worked attributed to
5 him or her during the applicable Class Period, absent clear evidence submitted
6 by the Settlement Class Member establishing otherwise, Defendants' records
7 shall presumptively control. The Parties further agree that any dispute shall be
8 resolved by the Settlement Administrator with the assistance of Settlement
9 Class Counsel and Defense Counsel. Class Members shall have Sixty (60) days
10 from the mailing of the Class Notice to submit their dispute under this
11 paragraph, inclusive of all documentation that they wish to have considered. To
12 the extent the Settlement Administrator is unable to resolve the dispute to the
13 satisfaction of the Settlement Class Member, the Parties will submit the dispute
14 with all supporting evidence to the Court for final adjudication at the Final
15 Approval Hearing.

16 d. Procedure for Undeliverable Notices. Any Notice returned to the Settlement
17 Administrator as non-delivered on or before the expiration of the Opt Out and
18 Objection Deadline Date shall be sent to the forwarding address affixed thereto
19 within five (5) business days. If no forwarding address is provided, then the
20 Settlement Administrator shall promptly attempt to determine a correct address
21 using a single skip-trace, computer or other search using the name, address
22 and/or Social Security number of the individual involved, and shall then
23 perform a single re-mailing within five (5) business days. Those Settlement
24 Class Members that receive a re-mailed Class Notice shall have their deadline
25 for submitting an opt-out, objection, or disputes regarding Individual
26 Settlement Amounts to the Settlement extended by seven (7) calendar days
27 from the post mark date of re-mailing. In the event the procedures in this
28 Paragraph are followed and the intended recipient of a Class Notice still does

1 not receive the Notice, the Settlement Class Member shall be bound by all terms
2 of the Settlement and any final order entered by the Court if the Settlement is
3 approved by the Court.

4 4.5 Procedure for Requesting Exclusion (“Opt Out”) from the Class Action
5 Settlement. The Class Notice shall inform all Settlement Class Members that they may exclude
6 themselves from the Settlement, but that they may not exclude themselves from the settlement of the
7 PAGA claims.

8 a. Requesting Exclusion. If a Settlement Class Member elects to exclude
9 herself/himself from the Settlement (“opt out”), the Settlement Class Member
10 must submit a written Request for Exclusion requesting exclusion from the
11 Action on or before the expiration of the Opt Out Period (60 days after the date
12 that the Class Notice is mailed). Such Request for Exclusion must contain the
13 name, address, telephone number, and the last four digits of the Social Security
14 number of the person requesting exclusion. The Request for Exclusion must be
15 returned to the Settlement Administrator as instructed in the Class Notice and
16 must be postmarked on or before the date specified in the Class Notice. The
17 date of the postmark on the return mailing envelope shall be the exclusive
18 means used to determine whether a Request for Exclusion has been timely
19 submitted.

20 b. No Solicitation of Opt-Outs. At no time shall any of the Parties or their counsel
21 seek to solicit or otherwise encourage Settlement Class Members to opt out of
22 the Settlement.

23 c. Effect of Exclusion. Any Settlement Class Member who requests exclusion
24 from the Settlement by timely submitting a valid Request for Exclusion will not
25 be entitled to an Individual Settlement Payment (but will be entitled to an
26 Individual PAGA Settlement Payment if he or she is an Aggrieved Employee),
27 will no longer be a Settlement Class Member and will not be bound by the
28 Agreement or have any right to object, appeal or comment thereon, except that

1 he or she will still be bound by the release of the PAGA Released Claims if he
2 or she is an Aggrieved Employee. Settlement Class Members who fail to submit
3 a valid and timely Request for Exclusion on or before the expiration of the Opt
4 Out Period shall be bound by all terms of the Agreement and the Final Approval
5 Order and/or Order and Final Judgment.

6 4.6 Procedure for Objecting to the Class Action Settlement. Any Settlement Class
7 Member wishing to object to the Settlement must submit an objection to the Settlement using the
8 following procedures:

- 9 a. Procedure for Objecting. The Class Notice shall provide that those Settlement
10 Class Members who wish to object to the Settlement may mail a written
11 statement of objection (“Notice of Objection”) to the Settlement Administrator
12 no later than the deadline to opt out or object. Settlement Class Members who
13 timely opt out of the Settlement cannot submit an objection to the Settlement.
14 The postmark date of the mailing shall be deemed the exclusive means for
15 determining that a Notice of Objection is timely. Only Settlement Class
16 Members who do not opt out of the Settlement may object to the Settlement.
17 The written objection must include the Settlement Class Member’s name,
18 address and phone number and the name of this case. Settlement Class Members
19 who do not opt out of the Settlement and who submit a timely Notice of
20 Objection may, at their option, include with their objection any legal briefs,
21 papers or memoranda the objecting Settlement Class Member wishes to submit
22 to the Court, or file such legal briefs, papers or memoranda directly with the
23 Court no later than fifteen (15) days prior to the Final Approval Hearing. The
24 Settlement Administrator shall send all objections by .pdf to counsel for
25 Defendants and Class Counsel, and also include the objections in its declaration
26 which is to be submitted to the Court in support of final approval of the
27 Settlement. Settlement Class Members who fail to submit a timely Notice of
28 Objection to the Settlement Administrator will not be barred from making an

1 appearance at the Final Approval Hearing to orally present their objection for
2 consideration by the Court.

3 b. Copies of Objections to the Parties. No later than ten (10) business days after
4 the deadline to opt out or object, the Settlement Administrator shall provide
5 electronically to counsel for the Parties with complete copies of each Notice of
6 Objection received, including the postmark dates for each Notice, and any legal
7 briefs, papers or memoranda in support of objections received by the Settlement
8 Administrator.

9 c. No Solicitation of Objections. The Parties agree to use their best efforts to carry
10 out the terms of this Settlement. At no time shall any of the Parties or their
11 counsel seek to solicit or otherwise encourage Settlement Class Members to
12 submit written objections to the Settlement or appeal from the final order and/or
13 judgment.

14 d. Settlement Class Members who object to the Settlement shall be conclusively
15 bound by the Release contained in this Agreement.

16 4.7 Failure to Respond to the Notice. Any Settlement Class Member who does not
17 request to be excluded from the Settlement shall continue to be a Settlement Class Member and be
18 conclusively bound by the Release contained in this Agreement and shall be entitled to his or her
19 Individual Settlement Payment.

20 4.8 Procedure for Payment of Individual Settlement Payments: All Settlement
21 Class Members who do not timely opt out of the Settlement will receive an Individual Settlement
22 Payment, to be distributed through the Settlement Administrator pursuant to Section 4.13 below.
23 Individual Settlement Payments for Participating Settlement Class Members shall be paid pursuant to
24 the settlement formula set forth herein. Should any question arise regarding the determination of
25 eligibility for, or the amounts of, any Individual Settlement Payment under the terms of this
26 Agreement, Settlement Class Counsel and Defendants' Counsel shall meet and confer, with the
27 assistance of the Settlement Administrator, in an attempt to reach agreement. If they cannot agree, the
28 Court shall make the final determination, and that determination shall be conclusive, final and binding

1 on all Parties, including all Settlement Class Members.

2 4.9 Calculation of Individual Settlement Payments and Individual PAGA
3 Settlement Payments. The Individual Settlement Payment to each Participating Class Member and
4 Individual PAGA Settlement Payment to each Aggrieved Employee shall be determined by the
5 Settlement Administrator as follows:

- 6 a. Only Participating Settlement Class Members shall be entitled to payment
7 under the Settlement. Participating Settlement Class Members shall be entitled
8 to the payment of the Individual Settlement Amount calculated as set forth
9 above in Paragraph 4.3. Any portion of the Net Settlement Amount not payable
10 to Settlement Class Members shall be distributed to Participating Settlement
11 Class Members on a proportional basis determined by the number of
12 Workweeks Worked by each Participating Settlement Class Member, including
13 Workweeks Worked enhancements. The total payout to each Participating
14 Settlement Class Member shall be known as the Individual Settlement Payment.
- 15 b. Twenty Percent (20%) of each Participating Settlement Class Member's
16 Individual Settlement Payment shall be apportioned to wages ("Wage
17 Component"). The Wage Component shall be reduced by any required legal
18 deductions for each Participating Settlement Class Member. Standard employee
19 payroll deductions shall be made for state and federal withholding taxes and
20 any other applicable payroll deductions owed by the Participating Settlement
21 Class Members as a result of the Wage Component. The Settlement
22 Administrator will issue a check and W-2 Form to each Participating Settlement
23 Class Member for the Net Wage Component.
- 24 c. Eighty Percent (80%) of each Participating Settlement Class Member's
25 Individual Settlement Payment shall be apportioned to interest and penalties.
26 No withholding shall be made on the interest and penalty portion of the
27 Individual Settlement Payment. The Settlement Administrator will issue a
28 second check and IRS Form 1099 for the interest and penalty component paid

1 to each Participating Settlement Class Member.

- 2 d. All Aggrieved Employees shall be entitled to a PAGA payment. One Hundred
3 Percent (100%) of each Aggrieved Employee's PAGA payment shall be
4 apportioned to penalties with an IRS Form 1099 to be issued accordingly.
- 5 e. The Settlement Administrator shall be responsible for issuing the payments and
6 calculating and withholding all required state and federal taxes.
- 7 f. Defendants will be responsible for paying all employer tax liabilities on the
8 Wage Component separate and apart from the Settlement Amount which shall
9 be conclusively determined upon final approval once the final number of
10 Participating Class Members and Individual Settlement Payment Amounts are
11 known.
- 12 g. Defendants make no representation as to the tax treatment or legal effect of the
13 payments called for hereunder, and the Class Representatives and Class
14 Members are not relying on any statement, representation, or calculation by
15 Defendants or by the Settlement Administrator in this regard. The Class
16 Representatives and Class Members understand and agree that except for
17 Defendants' payment of the employer's portion of any employment and payroll
18 taxes and contributions, they will be solely responsible for the payment of any
19 taxes and penalties assessed on the payments described herein and will defend,
20 indemnify, and hold Defendants free and harmless from and against any claims
21 resulting from treatment of such payments as non-taxable damages.
- 22 h. Participating Settlement Class Members shall be conclusively bound by the
23 Release contained in this Agreement.

24 4.10 Nullification of Settlement Agreement. In the event: (i) the Court does not enter
25 the Preliminary Approval Order specified herein; (ii) the Court does not finally approve the Settlement
26 as provided herein; (iii) the Court does not enter a Final Judgment as provided herein, which becomes
27 final as a result of the occurrence of the Effective Date; (iv) the Settlement or Final Judgment is
28

1 reversed on appeal; (v) the Effective Date does not occur; or (vi) the Settlement does not become final
2 for any other reason, this Settlement Agreement shall be null and void, any order or judgment entered
3 by the Court in furtherance of this Settlement shall be treated as void from the beginning, and the
4 stipulations and recitals contained herein shall be of no force or effect, and shall not be treated as an
5 admission by any parties or their Counsel. In such a case, the Parties shall be returned to their
6 respective statuses as of the date and time immediately prior to the execution of this Agreement, and
7 the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except
8 that any fees already incurred by the Settlement Administrator shall be paid by Defendants.

9 4.11 Final Approval Hearing and Entry of Final Judgment. At least thirty (30)
10 business days after expiration of the Opt-Out/Objection Period, the Final Approval Hearing shall be
11 conducted to determine final approval of the Settlement along with the amount properly payable for
12 (i) the attorney's fees and costs award, (ii) any service awards for Plaintiff Hernandez and Plaintiff
13 Nunez, and (iii) settlement administration costs. In advance of said hearing, Settlement Class Counsel
14 shall timely file and serve their motion seeking final approval of the Settlement, an award of attorneys'
15 fees and costs consistent with the terms of this Agreement, and service awards for Plaintiff Hernandez
16 and Plaintiff Nunez. Upon final approval of the Settlement by the Court the Parties shall present a final
17 judgment to the Court for its approval. After entry of the final judgment, the Court shall have
18 continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the
19 terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Final Judgment
20 matters as may be appropriate under court rules or as set forth in this Agreement.

21 4.12 Creation of the Qualified Settlement Fund and Administration of the
22 Settlement. Within fourteen (14) days after the Effective Date, Defendant shall deliver the Settlement
23 Amount to the Settlement Administrator who shall deposit said funds into a Qualified Settlement Fund
24 created by the Settlement Administrator pursuant to Internal Revenue Code Section 1.468B-1
25 ("QSF"). If an appeal is filed, the Settlement shall not be funded until fifteen (15) days after either (1)
26 the appeal is dismissed, or (2) the judgment is affirmed on appeal and is otherwise final and no longer
27 subject to appeal. All payments that Defendants are required to make pursuant to the Settlement
28 Agreement shall be made from this Fund. Payments from the Qualified Settlement Fund shall be made

1 for (1) any service awards to Plaintiff Hernandez and Plaintiff Nunez, as specified in this Agreement
2 and approved by the Court; (2) the attorneys' fees and costs award paid to Settlement Class Counsel,
3 as specified in this Agreement and approved by the Court; (3) the Settlement Administration Costs, as
4 specified in this Agreement and approved by the Court; (4) the amount allocated to the LWDA for its
5 portion of the PAGA Payment; (5) all payments to Participating Settlement Class Members; and (6)
6 payment of both the employee and employer portions of tax withholdings on the portions of the Net
7 Settlement Amount characterized as wages.

8 4.13 Distributions by the Settlement Administrator. The Settlement Administrator
9 shall make the distribution from the Qualified Settlement Fund not later than fourteen (14) days after
10 receiving the Settlement Amount from Defendants. Prior to the distribution, the Settlement
11 Administrator will perform a search based on the National Change of Address Database information
12 to update and correct for any known or identifiable address changes. If a new address is obtained by
13 way of a returned distribution payment, then the Settlement Administrator shall promptly forward the
14 distribution payment to the updated address via first-class regular U.S. mail indicating on the original
15 mailing the date of such re-mailing. With the distribution, the Settlement Administrator is to make
16 distributions to the appropriate parties for payments due under this Agreement as follows:

- 17 a. Settlement Class Counsel's attorneys' fees and costs awarded by the Court
18 under Paragraph 3.7 herein.
- 19 b. The service awards to Plaintiff Hernandez and Plaintiff Nunez as awarded by
20 the Court under Paragraph 3.9 herein.
- 21 c. The PAGA payments to the LWDA and Aggrieved Employees as set forth in
22 Paragraph 3.10 herein.
- 23 d. Payment to the Settlement Administrator for the costs of settlement
24 administration as set forth in Paragraph 3.8 herein and approved by the Court.
- 25 e. Individual Settlement Payments to Participating Class Members as set forth in
26 Paragraph 4.3 and 4.9 herein.

27 4.14 Undeliverable Individual Settlement Payments. Should any Individual
28 Settlement Payment checks be returned as undeliverable to the Settlement Administrator, the

1 Settlement Administrator shall use reasonable efforts to identify a correct address for the Participating
2 Class Member, and cause the Individual Settlement Payment check to be delivered to the correct
3 address.

4 4.15 Uncashed Individual Settlement Payment Checks. All checks for Individual
5 Settlement Payments shall remain valid and negotiable for 180 days from the date of their issuance.
6 Any checks not cashed during the 180 day period after distribution shall be void, and the Participating
7 Settlement Class Member's release set forth herein shall remain valid. After the 180 day period, all
8 uncashed Individual Settlement Payments shall escheat to the Unclaimed Property Fund of the
9 Controller's office for the State of California.

10 4.16 Certification By Settlement Administrator. Upon completion of administration
11 upon the distribution set forth in Section 4.15 above, the Settlement Administrator shall provide
12 written certification of such completion, including any administration summary, to the Court and
13 counsel for all Parties.

14
15 **V.**

16 **RELEASES**

17 5.1 Release As To All Participating Class Members. Upon the Effective Date and
18 funding in full of the Settlement Amount by Defendants, all Settlement Class Members who do not
19 timely opt out of the Settlement ("Participating Class Members"), including their heirs, assigns, estates
20 and representatives, shall be deemed to fully forever, irrevocably and unconditionally release and
21 discharge the Released Parties from the Released Claims. The Settlement Agreement shall be in full
22 settlement, compromise, release and discharge of the Released Claims and each of them, and the
23 Released Claims by the Class Representatives, and the Released Parties shall have no further or other
24 liability or obligation to any Class Member and/or the Class Representative with respect to the
25 Released Claims and Class Representatives' Released Claims, except as expressly provided herein.

26 Release As To All Aggrieved Employees. Upon the Effective Date and funding in full
27 of the Settlement Amount by Defendant, Plaintiffs and the State of California shall be deemed to fully
28 forever, irrevocably and unconditionally release and discharge the Released Parties from the Released

1 PAGA Claims.

2 5.2 General Release By Named Plaintiffs Only. In addition to the release made by
3 the Participating Class Members as set forth in Paragraph 5.1 hereof, Plaintiff Hernandez and Plaintiff
4 Nunez, in their individual capacity and with respect to their individual claims only, agree to release
5 the Released Parties from all claims, demands, rights, liabilities and causes of action of every nature
6 and description whatsoever, known or unknown, asserted or that might have been asserted, whether in
7 tort, contract, or for violation of any state or federal statute, rule or regulation arising out of, relating
8 to, or in connection with any act or omission by or on the part of any of the Released Parties committed
9 or omitted prior to the execution hereof including a waiver of Civil Code §1542.

10 5.2.1. The General Release includes any unknown claims that Plaintiff Hernandez and
11 Plaintiff Nunez do not know or suspect to exist in their favor at the time of the General Release,
12 which, if known by them, might have affected their settlement with, and release of, the
13 Released Parties or might have affected their decision not to object to this Settlement or the
14 General Release.

15 5.2.2. The Class Representatives hereby fully and finally release and discharge the
16 Released Parties from any and all of the Released Claims and from any and all claims, charges,
17 complaints, liens, demands, causes of action, obligations, damages and liabilities, known or unknown,
18 suspected or unsuspected, that the Class Representatives had, now have, or may hereafter claim to
19 have against the Released Parties arising out of, or relating in any way to, the Class Representatives'
20 hiring by, employment with, separation of employment with the Released Parties ("Class
21 Representative's Released Claims"), arising or accruing from the beginning of time up through the
22 date the Court preliminarily approves this Settlement. The Class Representatives' Released Claims
23 include, but are not limited to, claims arising from or dependent on the California Labor Code; the
24 Wage Orders of the California Industrial Welfare Commission; California Business and Professions
25 Code section 17200 *et seq.*; the California Fair Employment and Housing Act, Cal. Gov't Code §
26 12900 *et seq.*; the California common law of contract and tort; Title VII of the Civil Rights Act of
27 1964; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement
28 Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; the Fair Labor Standards Act, 29 U.S.C. § 201

1 *et seq.* and the Portal to Portal Act, 29 U.S.C. § 251 *et seq.* This release expressly excludes any
2 Worker's Compensation claims the Class Representatives may currently have pending against
3 Defendants.

4 The Class Representatives shall further warrant that they understand that Section 1542 gives
5 them the right not to release existing claims of which they are not now aware, unless they voluntarily
6 choose to waive this right. Having been so apprised, the Class Representatives shall nevertheless
7 voluntarily waive the rights described in Section 1542 only as related to the Released Claims and Class
8 Representatives' Released Claims, and elect to assume all risks as to the Released Claims set forth
9 herein that now exist in their favor, known or unknown. Plaintiffs agree that due to irreconcilable
10 differences they will not knowingly seek or maintain employment, independent contractor status, or
11 any other business relationship in the future with Defendants in any position or capacity whatsoever
12 and that Defendants are entitled to reject (and will be deemed to have rejected) with or without cause,
13 any application for employment or agreement for independent contractor status or any other business
14 relationship with Defendants made by Plaintiffs. Plaintiffs further agree that any rejection of any
15 application or offer made by Defendants to Plaintiffs is not for retaliatory, discriminatory or any other
16 illegal purpose and Plaintiffs will not seek any redress, legally or otherwise, for such a rejection.

17 5.2.3. Plaintiff Hernandez and Plaintiff Nunez may hereafter discover facts in addition
18 to or different from those they now know or believe to be true with respect to the subject matter
19 of the General Release, but they shall be deemed to have, and by operation of the Final
20 Judgment shall have, fully, finally, and forever settled and released any and all of the claims
21 released pursuant to the General Release whether known or unknown, suspected or
22 unsuspected, contingent or non-contingent, which now exist, or heretofore have existed upon
23 any theory of law or equity now existing or coming into existence in the future, including, but
24 not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any
25 duty, law or rule, without regard to the subsequent discovery or existence of such different or
26 additional facts.

27 **VI.**

MISCELLANEOUS

1
2 6.1 No Public Comment. All Parties and Class Counsel agree they will not make
3 any public disclosure of the Settlement or the previously-signed Memorandum of Understanding until
4 after this Stipulation of Settlement filed with the Court. Class Counsel will take all steps necessary to
5 ensure all Parties are aware of, and will encourage them to adhere to, the restriction against any public
6 disclosure of this Stipulation of Settlement or the previously-signed Memorandum of Understanding
7 until after this Stipulation of Settlement is filed with the Court. Following of the filing of this
8 Stipulation of Settlement, all Parties and Class Counsel agree they will not have any communications
9 with the media, other than to direct the media to the public records of the Action on file with the Court.
10 Class Counsel will take all steps necessary to ensure all Parties are aware of, and will adhere to, the
11 restriction against any media comment on this Stipulation of Settlement and its terms.
12

13
14 6.2 No Additional Benefits. All Individual Settlement Payments paid to
15 Participating Settlement Class Members shall be deemed to be paid to such Participating Settlement
16 Class Members solely in the year in which such payments actually are received by Participating
17 Settlement Class Members. It is expressly understood and agreed that the receipt of such payments
18 will not entitle any Participating Settlement Class Member to any additional compensation or benefits
19 under any bonus, contest or other compensation or benefit plan or agreement or any collective
20 bargaining agreement currently in place and/or that was in place during the applicable Class Period or
21 thereafter, nor will receipt of such payments entitle any Participating Settlement Class Member to any
22 increased retirement, 401k benefits or matching benefits, deferred compensation benefits or any other
23 type of benefit. It is the Intent of this Settlement that the Individual Settlement Payments provided for
24 in this Agreement are the sole payments to be made by Defendants to the Participating Settlement
25 Class Members, and that the Participating Settlement Class Members are not entitled to any new or
26 additional compensation or benefits as a result of having received the payments, notwithstanding any
27 contrary language or agreement in any benefit or compensation plan document or collective bargaining
28 agreement currently in place and/or that was in place during the applicable Class Period or thereafter.

1 6.3 Dispute Resolution. Except as otherwise set forth herein, all disputes
2 concerning the interpretation, calculation or payment of settlement claims, or other disputes regarding
3 compliance with this Agreement shall be resolved as follows:

- 4 a. If Plaintiff Hernandez, Plaintiff Nunez, or Settlement Class Counsel, on behalf
5 of Plaintiff Hernandez, Plaintiff Nunez, or any Settlement Class Member, or
6 Defendants at any time believe that the other Party has breached or acted
7 contrary to the Agreement, that Party shall notify the other Party in writing of
8 the alleged violation.
- 9 b. Upon receiving notice of the alleged violation or dispute, the responding Party
10 shall have ten (10) business days to correct the alleged violation and/or respond
11 to the initiating Party with the reasons why the party disputes all or part of the
12 allegation.
- 13 c. If the response does not address the alleged violation to the initiating Party's
14 satisfaction, the Parties shall negotiate in good faith for up to ten (10) business
15 days to resolve their differences.
- 16 d. If the Parties are unable to resolve their differences after twenty (20) business
17 days, either Party may file an appropriate motion for enforcement with the
18 Court. The briefing of such motion should be in letter brief form and shall not
19 exceed five (5) single-spaced pages (excluding exhibits).
- 20 e. Reasonable attorney's fees and costs for work done in resolving a dispute under
21 this Section may be recovered by any party that prevails under the standards set
22 forth within the meaning of applicable law.

23 6.4 Exhibits and Headings. The terms of this Agreement, including the terms set
24 forth in the attached Notice, which is incorporated by this reference as though fully set forth herein,
25 shall be the only terms of this Agreement. The descriptive headings of any paragraphs or sections of
26 this Agreement are inserted for convenience of reference only and do not constitute a part of this
27 Agreement.

28 6.5 Interim Stay of Proceedings. The Parties agree to the Court staying and holding

1 all proceedings in the Action, except such proceedings necessary to implement and complete the
2 Settlement, in abeyance pending the Final Settlement Hearing to be conducted by the Court.

3 6.6 Amendment or Modification. This Agreement may be amended or modified
4 only by a written instrument signed by counsel for all Parties or their successors-in-interest and subject
5 to the Court's approval.

6 6.7 Entire Agreement. This Agreement and any attached exhibits constitute the
7 entire agreement among these Parties, and no oral or written representations, warranties or
8 inducements have been made to any Party concerning this Agreement or its exhibits other than the
9 representations, warranties and covenants contained and memorialized in such documents.

10 6.8 Extensions of Time. Without further order of the Court, the Settling Parties
11 hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the
12 Settlement.

13 6.9 Waivers. The waiver by any party of any breach of this Settlement Agreement
14 shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or
15 contemporaneous, of this Settlement Agreement.

16 6.10 Authorization to Enter Into Settlement Agreement. Counsel for all Parties
17 warrant and represent they are expressly authorized by the Parties whom they represent to negotiate
18 this Agreement and to take all appropriate action required or permitted to be taken by such Parties
19 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
20 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
21 and use their best efforts to effect the implementation of the Settlement. In the event the Parties are
22 unable to reach agreement on the form or content of any document needed to implement the
23 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of
24 this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The
25 person signing this Agreement on behalf of Defendants represents and warrants that he/she is
26 authorized to sign this Agreement on behalf of Defendants.

27 6.11 Binding on Successors and Assigns. This Agreement shall be binding upon, and
28 inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

1 6.12 California Law Governs. All terms of this Agreement and the exhibits hereto
2 shall be governed by and interpreted according to the laws of the State of California.

3 6.13 Counterparts. This Agreement may be executed in one or more counterparts. A
4 facsimile or scanned signature shall have the same effect as an original signature and shall not affect
5 the enforceability of this Agreement. All executed counterparts and each of them shall be deemed to
6 be one and the same instrument provided that Counsel for the Parties to this Agreement shall exchange
7 among themselves signed counterparts.

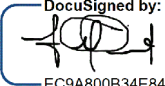
8 6.14 Jurisdiction of the Court. Pursuant to California Rules of Court, rule 3.769(h)
9 and California Code of Civil Procedure Sec. 664.6, the Court shall retain jurisdiction with respect to
10 the interpretation, implementation and enforcement of the terms of this Agreement and all orders and
11 judgments entered in connection therewith, and the Parties and their counsel hereto submit to the
12 jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement
13 embodied in this Agreement and all orders and judgments entered in connection therewith.

14 6.15 Cooperation and Drafting. Each of the Parties has cooperated in the drafting
15 and preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall
16 not be construed against any of the Parties.

17 6.16 Invalidity of Any Provision. Before declaring any provision of this Agreement
18 invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible
19 consistent with applicable precedents so as to define all provisions of this Agreement valid and
20 enforceable.

21 **PLAINTIFF**

22 Dated: 10/25/2022 _____

DocuSigned by:

EC9A800B34E841C...
Edgar Hernandez

24 Represented By:
25 MOORADIAN LAW, APC

26
27 Dated: 10/26/2022 _____

By: /s/Haik Hacobian
Zorik Mooradian, Haik Hacobian

Attorneys for Plaintiff Hernandez and Settlement Class

PLAINTIFF



Dated: Oct 26, 2022

Ernesto Nunez

Represented By:

RASTERGAR LAW GROUP, APC

By: 

Farzad Rastegar

Dated: October 26, 2022

Attorneys for Plaintiff Nunez and Settlement Class

DEFENDANT TOWNSHIP RETAIL SERVICES, INC.

Dated: _____

By: _____

Its: _____

DEFENDANT TOWNSHIP BUILDING SERVICES, INC.

Dated: _____

By: _____

Its: _____

DEFENDANT TOWNSHIP RETAIL SERVICES, LLC

Dated: _____

By: _____

Its: _____

Represented By:

Barlow & Kobata

By: _____
Mark Kobata

Dated: _____

Attorney for Defendants

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Attorneys for Plaintiff Hernandez and Settlement Class

PLAINTIFF

Dated: _____
Ernesto Nunez

Represented By:
RASTERGAR LAW GROUP, APC

Dated: _____
By: _____
Farzad Rastegar

Attorneys for Plaintiff Nunez and Settlement Class

DEFENDANT TOWNSHIP RETAIL SERVICES, INC.

Dated: October 24, 2022
By: J. Gill
Its: Travis Gill President & CEO

DEFENDANT TOWNSHIP BUILDING SERVICES, INC.

Dated: October 24, 2022
By: J. Gill
Its: Travis Gill President & CEO

DEFENDANT TOWNSHIP RETAIL SERVICES, LLC

Dated: October 24, 2022
By: J. Gill
Its: Travis Gill President & CEO

Represented By:
Barlow & Kobata
By: Mark Kobata
Mark Kobata

Dated: 10/25/2022
Attorney for Defendants

Edgar Hernandez, et al. v. Township Retail Services, Inc., et al.
Los Angeles County Superior Court Case No. 18STCV06709

As a current or former non-exempt employee of Township Retail Services, Inc. (“Township”) in California at any time from December 4, 2013 through July 20, 2022, you may be entitled to receive money from a proposed class action settlement.

The California Superior Court, County of Los Angeles authorized this Class Notice. This is not a solicitation from a lawyer. This is not a lawsuit against you. You have not been sued.

**PLEASE READ THIS CLASS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED BY IT.**

- A proposed class action settlement of \$850,000 has been reached between Plaintiff Edgar Hernandez, Plaintiff Ernesto Nunez, and Defendants Township Retail Services, Inc., Township Building Services, Inc., and Township Retail Services, LLC (hereinafter collectively “**Township**”) on behalf of Settlement Class Members.
- The settlement resolves the class and representative action lawsuit entitled *Edgar Hernandez, Ernesto Nunez, individually and on behalf of other persons similarly situated and similarly aggrieved employees, v. Township Retail Services, Inc., et al.*, Los Angeles County Superior Court Case No. 18STCV06709 (“**Lawsuit**”), wherein Plaintiffs allege various wage and hour violations. The Settlement also avoids the costs and risks from continuing the Lawsuit, pays money to persons like you, and releases Township from alleged liability.
- The Court has not made a determination of the validity of the claims in the Lawsuit. Township denies any and all liability arising from any of the claims and contends that at all relevant times it complied with applicable laws.
- This Settlement will be used to settle claims of all Settlement Class Members. The amount of Settlement Class Members’ individual settlements will be determined by the number of weeks they worked for Township (“**workweeks**”) plus additional workweeks for employees whose employment ended.
- Lawyers for the Settlement Class Members will be asking the Court to award up to \$297,500 to be paid out of the settlement (35%) as attorneys’ fees for investigating the facts, litigating the case, and negotiating the settlement, as well as litigation costs and expenses, not to exceed \$25,000, incurred during the case. They also will ask the Court to approve: (1) a \$10,000 incentive award to Plaintiff Edgar Hernandez and a \$10,000 incentive award to Plaintiff Ernesto Nunez (“**Plaintiffs**” or “**Representative Plaintiffs**”) who assisted in litigating this case for the benefit of all Settlement Class Members; (2) a \$15,000 payment to the California Labor and Workforce Development Agency (“**LWDA**”); and (3) up to a maximum of \$15,000 to the Settlement Administrator for costs incurred in administering this Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will automatically receive payment from the Settlement and you will give up any right you may have

	<p>to sue for alleged violations and related claims released by the Settlement. You get a payment and release your claims. (See Sections 10, 11 and 19, below).</p> <p>If you do not agree with the number of workweeks presented to you in this Class Notice, you will have until [INSERT DATE] to submit any dispute regarding your individual workweek calculations. (See Section 10, below).</p>
OPT OUT OR EXCLUDE YOURSELF	<p>If you do not want to participate in the settlement you can opt-out. To opt-out, you must submit a written request for exclusion to the Settlement Administrator stating your intent to not be part of the settlement and sign and date the statement. The written statement must be postmarked on or before [INSERT DATE]. If you opt-out, you will not release any claims against Township and you will receive no benefit from this settlement, except your share of PAGA civil penalties to the extent you are entitled to them. (See Sections 10 and 13, below).</p>
OBJECT	<p>If you do not think the settlement is fair and do not opt out, then you may write to the Settlement Administrator about why you do not like the settlement and they will forward your concerns to the attorneys who will then provide it to the court. Your objection must be postmarked on or before [INSERT DATE]. (See Section 16, below).</p> <p>You may not object if you have opted out.</p>

BASIC INFORMATION

1. Why did I get this Class Notice package?

The records of Township indicate that you were employed by Township in California as a non-exempt employee at any time from December 4, 2013 through July 20, 2022 (“**Settlement Class**”) (See Section 6, below).

You were sent this Class Notice because you have a right to know about a proposed settlement involving this lawsuit and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and after any objections and appeals are resolved, a “**Settlement Administrator**” appointed by the Court will make the payments that the settlement allows. This package explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of this case is the California Superior Court for the County of Los Angeles. The persons who sued are called Plaintiffs, and the organization they sued is called the Defendant.

2. What is this Lawsuit about?

On December 4, 2017, Plaintiff Ernesto Nunez filed a class and representative action complaint in the San Diego County Superior Court (37-2017-00046831-CU-OE-CTL) against Township, on his own behalf and on behalf of other persons (“Nunez Lawsuit”).

On November 30, 2018, Plaintiff Edgar Hernandez filed a class action complaint in the Los Angeles County Superior Court (18STCV06709) against Township, on his own behalf and on behalf of other persons (“Lawsuit”).

On March 17, 2021, the claims in the Nunez Lawsuit were added to the Lawsuit through the filing of a First Amended Complaint which asserts the following class causes of action: (1) Failure to Provide Meal Periods; (2) Failure to Provide Rest Periods; (3) Failure to Pay Wages; (4) Failure to Provide Accurate Wage Statements; (5) Failure to Reimburse Business Expenses; and (6) Violation of Unfair Business Practices Act – Bus. & Prof. Code §§ 17200, et seq. The First Amended Complaint also includes a representative cause of action for civil penalties under the Private Attorneys’ General Act (“PAGA”) in accordance with the required notices communicated by Plaintiffs to the LWDA and Township.

Township has vigorously denied and defended against the allegations in the Lawsuit, asserting that it has paid its employees properly and has no liability for any of the alleged claims under any statute, wage order, common law, or equitable theory.

3. Why is this a class action?

In a class action, one or more people called Class Representatives or Representative Plaintiffs sue on behalf of people who have similar claims. All these people comprise a Class and are referred to as Class Members, except those who decide to exclude themselves from the Class. One court resolves the issues for all Class Members.

4. Why is there a settlement?

Since the Nunez Lawsuit and Lawsuit were filed, there has been an ongoing investigation, and information exchanged. The parties have participated in mediation with a highly respected neutral mediator. As a result, the parties reached this Settlement to avoid the cost and risk of further litigation.

The Superior Court of California, County of Los Angeles, has not made a ruling on the merits of Plaintiffs’ claims or Township’s defenses. However, the Court has preliminarily approved the proposed Settlement. The Court will decide whether to give final approval to the Settlement at the Final Approval hearing scheduled for [INSERT DATE] at [REDACTED]. The Court is located at 312 North Spring Street, Los Angeles, CA, 90012, Department SS-11.

The settlement does not mean that any law was broken. The proposed Settlement is a compromise of disputed claims and does not mean that Township violated any legal wage requirements or is liable for any of the charges made by Plaintiffs. Township denies all of the legal claims in the case, and also asserts that a class action is improper for any purpose other than this settlement. Plaintiffs and Class Counsel believe that this settlement is fair and reasonable and is in the best interest of all Settlement Class Members.

5. What is a class action settlement?

The Court must approve the terms of the settlement described below as fair and reasonable to the class. Once approved, the settlement will affect all Settlement Class Members except those who have opted out (*i.e.* excluded themselves). This Class Notice explains your legal rights, the terms of the settlement, what you must do to participate, and the amount of money you may get. Please read this entire Class Notice carefully.

WHO IS IN THE SETTLEMENT?

To see if you will get money from this settlement, you first have to decide if you are a Settlement Class Member.

6. How do I know if I am a Settlement Class Member?

The parties have agreed, subject to Court approval, that the Settlement Class is made up of the following group:

The **Settlement Class** is defined as:

All non-exempt employees who are or previously were employed by Township in California during the period of December 4, 2013 through July 20, 2022 (“**Class Period**”).

If you received this Class Notice, you are considered to be a Settlement Class Member.

7. Are there exceptions to being included?

You can elect to be excluded from this settlement by opting out of this settlement and you will not be a Settlement Class Member.

8. I’m still not sure if I am a Settlement Class Member. What should I do?

You are receiving this Class Notice because Township’s records indicate that you are a Settlement Class Member. If you believe you have received this Class Notice in error, please notify the Settlement Administrator immediately.

If this Class Notice was sent to a different address from where you now reside, you need to contact the Settlement Administrator and provide updated information so that any future correspondence or the settlement payment itself reach you.

In order to receive payment under this Settlement, you do not have to take any action.

THE SETTLEMENT BENEFITS—WHAT YOU GET

9. What does the settlement provide?

The Settlement Agreement provides that Township will pay Eight Hundred Fifty Thousand Dollars (\$850,000) (the “**Settlement Amount**”) to fully resolve the claims being settled and released in the Lawsuit. After payment of the sums awarded by the Court (1) to the Settlement Administrator for its costs, up to a maximum of Fifteen Thousand Dollars (\$15,000); (2) to Settlement Class Counsel for their legal fees in the Action, including any work they do in the future, up to a maximum of Two Hundred Ninety Seven Thousand Five Hundred Dollars (\$297,500), which is thirty five percent (35%) of the Settlement Amount; (3) to Settlement Class Counsel for their litigation costs and expenses, up to a maximum of Twenty Five Thousand Dollars (\$25,000); (4) to Representative Plaintiffs Edgar Hernandez and Ernesto Nunez as service awards for services they provided on behalf of the Settlement Class, risk of payment of costs in the event there had been an unfavorable outcome, and stigma, up to a maximum of Ten Thousand Dollars (\$10,000) each; (5) to the California Labor and Workforce Development Agency (“LWDA”), the sum of Fifteen Thousand Dollars (\$15,000) as its share of PAGA penalties; the remaining sum, estimated at no less than Four Hundred Seventy Two Thousand Five Hundred Dollars (\$472,500) (the “**Net Settlement Amount**”) will be distributed entirely to Settlement Class Members who qualify to receive payment.

The actual and complete terms of the Settlement are set forth in the Stipulated Settlement Agreement (“Settlement Agreement”) filed with the Court. You can obtain a complete copy of the Settlement Agreement by calling Settlement Class Counsel, whose contact information is provided in Section 20, below.

10. How much will my payment be? How do I receive payment?

As a Settlement Class Member, you will automatically receive payment if you do not exclude yourself.

Based on Township’s records, your total number of Workweeks during your applicable time period is: **[NUMBER]**, which includes the following number of Workweeks due to your employment having ended during the Class Period: **[NUMBER]**.

Your estimated settlement payment based on the number of Workweeks indicated above is: **[AMOUNT]**, less taxes.

Your estimated settlement payment is calculated pursuant to the method set forth below:

A Settlement Class Member’s estimated share of the Net Settlement Amount shall be determined based on each Settlement Class Member’s number of Workweeks Worked during the applicable Class Period. Settlement Class Members whose employment has ended during the Class Period will be allocated an additional 0.25 Workweeks Worked for each Workweek Worked, up to a maximum of 6 additional Workweeks Worked credit to compensate them for their waiting time penalty claim. Each Settlement Class Member’s share of the Net Settlement Amount shall be determined by dividing the Net Settlement Amount by the total number of Workweeks Worked by all Settlement Class Members during the applicable Class Period, including the enhancements described above, to determine the Per Workweek Settlement Amount. Each Settlement Class Member’s Individual Settlement Amount is then determined by multiplying the Per Workweek Settlement Amount by the number of Workweeks Worked by that Settlement Class Member. In the event that any Settlement Class Members opt out of the Settlement, any portion of the Net Settlement Amount that is not claimed shall be paid to Participating Settlement Class Members on a proportional basis determined by the number of Workweeks Worked by each Participating Settlement Class Member. The amount actually paid to each Participating Settlement Class Member shall be known as the Individual Settlement Payment.

Taxation of your Individual Settlement Payment will be as follows:

Twenty Percent (20%) of each Participating Settlement Class Member’s Individual Settlement Payment shall be apportioned to wages. Standard payroll deductions shall be taken from the wage portion. The Settlement Administrator will issue a check and W-2 Form to each Participating Settlement Class Member for the Wage Component.

Eighty Percent (80%) of each Participating Settlement Class Member’s Individual Settlement Payment shall be apportioned to penalties and interest. No withholding shall be made on the interest and penalty portion. The Settlement Administrator will issue a second check and IRS Form 1099 for the interest and penalty component. Any taxes due on the portion of the Individual Settlement Payment reported on a Form 1099 shall be the responsibility of the individual Participating Settlement Class Member.

The Settlement Administrator shall be responsible for issuing the payments and calculating and withholding all required state and federal taxes.

Township will be responsible for paying all employer tax liabilities separate and apart from the Settlement Amount.

What if I believe My Workweeks are Wrong? If you wish to challenge the number of Workweeks shown above, you must provide a written statement stating what you believe to be the correct number of Workweeks you worked during

the Class Period. You must also include information and/or documents that support your claim that you worked a different number of Workweeks. Township's records will control unless you submit documentation that establishes otherwise. If there is a dispute about which information is accurate, the Settlement Administrator will resolve the challenge with the assistance of Class Counsel and Defense Counsel. If the dispute remains unresolved, it will be submitted to the Court for final resolution.

Your share of PAGA civil penalties: Please note that if you were employed at anytime from August 14, 2016 to July 20, 2022 ("PAGA Period"), you will additionally be entitled to a proportionate share of the \$5,000 allocated to PAGA civil penalties payable to employees. Your share will be reflected by the proportionate number of pay periods worked by you during the PAGA Period relative to the total number of pay periods worked by Settlement Class Members during the PAGA Period. Settlement Class Members who are entitled to a PAGA share and who exclude themselves from the Settlement will still be paid their PAGA share under this paragraph, and be bound by the Release as to All Aggrieved Employees, as set forth in Section 12 below.

Your estimated PAGA share based on the [NUMBER] pay periods you were employed during the PAGA Period indicated above is: [AMOUNT]. **You will receive a payment for this sum, even if you exclude yourself from this Settlement.**

11. When would I get my payment?

The Court will hold a hearing on [INSERT DATE], to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the settlement, call the Settlement Administrator at 1-800-[PHONE NUMBER] or Class Counsel, whose contact information is set forth in Section 20 below. *Please be patient.*

Uncashed Checks: All checks for Individual Settlement Payments shall remain valid and negotiable for 180 days from the date of their issuance. Any checks not cashed during the 180 day period after distribution shall be void, and the Participating Settlement Class Member's release set forth herein shall remain valid. Uncashed Individual Settlement Payments shall escheat to the Unclaimed Property Fund of the Controller's office for the State of California. (sco.ca.gov).

Your payment is expected to be mailed to the address where you received this Class Notice. **If your mailing address changes for any reason, you must promptly notify the Settlement Administrator to ensure that your payment is mailed to the correct address.**

12. What am I releasing?

Release As To All Participating Class Members: Upon the Effective Date and funding in full of the Settlement Amount by Defendant, all Settlement Class Members who do not timely opt out of the Settlement ("**Participating Class Members**"), including their heirs, assigns, estates and representatives, shall be deemed to fully forever, irrevocably and unconditionally release and discharge the Released Parties from the Released Claims. The Settlement Agreement shall be in full settlement, compromise, release and discharge of the Released Claims and each of them, and the Released Claims by the Class Representative, and the Released Parties shall have no further or other liability or obligation to any Class Member and/or the Class Representative with respect to the Released Claims and Class Representative's Released Claims, except as expressly provided herein.

Release As To All Aggrieved Employees: Upon the Effective Date and funding in full of the Settlement Amount by Defendant, Plaintiffs and the State of California shall be deemed to fully forever, irrevocably and unconditionally release and discharge the Released Parties from the Released PAGA Claims.

“Released Claims” means: all class claims alleged in the Action which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside of the Class Period.

“Released PAGA Claims” means: all PAGA claims alleged in the Action and Plaintiffs’ PAGA notices to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.

“Released Parties” means: Defendants, including each of Defendants’ respective past, present, and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers..

HOW YOU OPT OUT

13. How can I opt out of this settlement?

If you do not want to remain a member of the Settlement Class, you may opt out of the class action Settlement by mailing a written request for exclusion to the Settlement Administrator, Phoenix Administrators, postmarked no later than **[INSERT DATE]**. The request for exclusion must be submitted in writing in any form you choose but must be signed by you and must include your name, address, telephone number, last four digits of your Social Security number and a statement that you wish to be excluded from the Settlement. If you timely opt out of the Settlement, you will no longer be a member of the Settlement Class and you will be barred from participating in this Settlement. You will not receive any settlement payment if you opt out of this Settlement, except for your share of PAGA civil penalties described in Section 10 above, to the extent you are entitled to them. By timely opting out of the Settlement, you will retain whatever rights or claims you may have, if any, against Township, and you will be free to hire your own attorney to pursue those claims on an individual basis, or you may represent yourself, if you choose to do so.

If you do not opt out, you will be bound by all the terms of the Settlement Agreement, including the release of claims set forth above, meaning that you cannot separately sue Township, their employees, or any other related persons or entities for the matters being settled in this case. You will also be releasing your ability to file or prosecute any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement) regarding claims released by the Settlement.

THE LAWYERS REPRESENTING YOU

14. Do I have a lawyer in this case?

To represent you and other Class Members in this action, the Court has appointed Zorik Mooradian and Haik Hacopian of Mooradian Law, APC and Farzad Rategar of Rategar Law Group, APC. These lawyers are called Class Counsel. They will be compensated from the Settlement Amount as discussed in this Class Notice. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment of up to \$297,500 to them for attorneys’ fees, or thirty five percent (35%) of the Settlement Amount. The fees will pay Class Counsel for investigating the facts, litigating the case and

negotiating and finalizing the settlement. Class Counsel will also ask the Court to award litigation costs and expenses, not to exceed \$25,000. Township has agreed not to oppose Class Counsel's application for these fees and costs. The Court may choose to award less than the amount requested by Class Counsel.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

16. How do I tell the Court that I do not like the settlement?

You may appear at the Final Approval Hearing to present any objection you may have to the settlement, regardless of whether you submit a written objection in advance. You may object to the Settlement either personally or through an attorney. To the extent you wish to submit a written objection, you are strongly encouraged to do so by timely mailing a written notice that you are objecting to the Settlement Administrator (Phoenix Administrators) postmarked no later than [INSERT DATE]. If you submit a written objection by the deadline and in compliance with this paragraph, you are not required to appear in person at the Final Approval Hearing for your objection to be considered by the Court. In order for your objection (written or otherwise) to be considered, you must not have opted out. The Final Approval Hearing is presently set for [date] at [time]. If you have not opted out, you may appear, personally or through an attorney, at the Final Approval Hearing to present your objection directly to the Court. If you wish to file any legal briefs, papers or memoranda in support of your objection, you may provide them to the Settlement Administrator with your written notice that you are objecting or you may file them directly with the Court no later than fifteen (15) days prior to the Final Approval Hearing.

All written objections must be signed and must contain the following information:

- Your name;
- Your address;
- Your telephone number;
- The name of the case (*Township Class Action*); and
- A description of your objections.

If you object to the Settlement and if the Court approves the Settlement, you will be bound by the terms of the Settlement Agreement in the same way as a Settlement Class member who does not object. You will also receive a settlement payment.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to. If you have submitted a written objection by the deadline and in compliance with this paragraph, you are not required to appear in person at the Final Approval Hearing for your objection to be considered by the Court.

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at [] on [], 2023, at the Los Angeles County Superior Court, Dept. SS-11, 312 North Spring Street, Los Angeles, CA 90012. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Judge will listen to people who have asked to speak at the hearing. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take.

The date of the Fairness Hearing may change without formal notice to you and any change will be posted on the Settlement Administrator’s general website at **[INSERT WEBSITE]**, which you should check periodically.

18. Do I have to come to the hearing?

No. Class Counsel will represent the Participating Class Members at the hearing. But, you are welcome to come at your own expense. If you sent an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

Should you choose to appear at the Fairness Hearing, you may appear remotely. To do so, you must arrange an appearance at <https://my.lacourt.org/laccwelcome> through the “Civil” tab not sooner than thirty (30) days before the hearing. You will be asked to create a login, choose whether you will be making an audio or video appearance, and pass technical validations for your hardware. You must enter the lead case number (18STCV06709) when prompted and select the hearing date for the Final Fairness Hearing.

IF YOU DO NOTHING

19. What happens if I do nothing at all?

If you do nothing, you will receive your settlement payment. You will remain a member of the Settlement Class and will be bound by all the terms of the Settlement Agreement, including the release of claims set forth in Section 12 above, meaning that you cannot separately sue Township, their employees, or any other related persons or entities for the matters being settled under this Settlement. You will also be releasing your ability to file or prosecute any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement) regarding claims released by the Settlement.

GETTING MORE INFORMATION

20. Are there more details about the settlement?

This Class Notice summarizes the proposed settlement. You may call or contact Class Counsel or the Settlement Administrator if you would like more information about the case. If you would like a complete copy of the Settlement Agreement, please contact Settlement Class Counsel. You may also go to the Court’s website at <http://www.lacourt.org/casesummary/ui/> and enter the case number (18STCV06709) to electronically access all publicly filed documents in the Lawsuit. Please note that fees may be charged by the Court for retrieval of any documents. You may also access important case documents, including the Final Judgment if the Court grants final approval, on the Settlement Administrator’s website at **[INSERT WEBSITE]**.

THE SETTLEMENT ADMINISTRATOR FOR THE SETTLEMENT IS:	SETTLEMENT CLASS COUNSEL	ATTORNEYS FOR TOWNSHIP (“DEFENSE COUNSEL”)
Phoenix Administrators [INSERT ADDRESS] [INSERT WEBSITE]	Zorik Mooradian zorik@mooradianlaw.com Haik Hacopian haik@mooradianlaw.com Mooradian Law, APC 24007 Ventura Blvd., Suite 210 Calabasas, California 91302 Telephone: (818) 487-1998	Mark Kobata mkobata@bkd-law.com Barlow & Kobata 1180 S. Beverly Drive, Suite 302 Los Angeles, CA 90035 Phone: (310) 277-7556 Fax: (310) 277-2982

	Facsimile: (888) 783-1030	
--	---------------------------	--

	Farzad Rastegar farzad@rastegarlawgroup.com Rastegar Law Group, APC 22760 Hawthorne Blvd., Suite 200 Torrance, California 90501 Telephone: (310) 961-9600 Facsimile: (310) 961-9094	
--	---	--

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR TOWNSHIP WITH INQUIRIES.

The statements in this document are not findings by a court of law. These statements are not an expression of opinion or approval by a judge. This notice is based only on statements by the Parties to this Lawsuit. You received this notice to help you decide what steps, if any, to take about this Lawsuit.