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7 herself and all others similarly situated

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11 Attorneys for Defendant,  
12 LIEF ORGANICS, LLC, a California  
limited liability company

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

15  
16 MARIA GONZALEZ, on behalf of herself and  
17 all other similarly situated;

18 Plaintiff,

19 vs.

20 LIEF ORGANICS, LLC, a California limited  
liability company; and DOES 1 through 20,  
21 inclusive;

22 *Defendant(s).*

CASE NO.: 20STCV19371

**JOINT STIPULATION OF CLASS ACTION  
AND REPRESENTATIVE ACTION  
PURSUANT TO LABOR CODE § 2699(f)  
SETTLEMENT AND RELEASE BETWEEN  
PLAINTIFF, ON BEHALF OF HERSELF  
AND ALL OTHERS SIMILARLY  
SITUATED AND AGGRIEVED, AND  
DEFENDANT**

Complaint Filed: March 19, 2020



1 226.7, 512; IWC Wage Order No. 1); (5) Failure to Provide Complete and Accurate Wage  
2 Statements (Labor Code §§226(A)); (6) Waiting Time Penalties (Labor Code § 201-203); (7)  
3 Failure to Pay Timely Wages (Labor Code §§ 204, 210); (8) UCL Violations; and (9) PAGA  
4 Penalties (Labor Code § 2699 *et seq.*).

5 2. Defendants deny all material allegations set forth in the Complaint and have  
6 asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further  
7 litigation, the Parties desire to fully and finally settle all actual or potential claims by the Class  
8 Members.

9 3. On April 14, 2021, the Parties participated in mediation before the Hon. Carl J.  
10 West (Ret.), a respected mediator of wage and hour class actions.

11 4. On December 22, 2021, the Parties participated in a second mediation before Lou  
12 Marlin, a respected mediator of wage and hour class actions.

13 5. The settlement discussions during and after mediation were conducted at arm's  
14 length and the settlement is the result of an informed and detailed analysis of Defendants' alleged  
15 potential liability in relation to the costs and risks associated with continued litigation.

16 6. On April 6, 2020, Plaintiff exhausted her administrative remedies pursuant to  
17 California Labor Code § 2699, *et seq.* by providing notice to the Labor and Workforce  
18 Development Agency ("LWDA"). Plaintiff did not receive a response from the LWDA.

19 7. Based on the data and documents produced pursuant to informal discovery, as well  
20 as Class Counsel's own independent investigation and evaluation, and the Mediator's efforts,  
21 Class Counsel believe that the settlement with Defendants for the consideration and on the terms  
22 set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest  
23 of the Class Members in light of all known facts and circumstances, including the risk of  
24 significant delay and uncertainty associated with litigation, various defenses asserted by  
25 Defendants, the sharply contested legal and factual issues involved, and numerous appellate  
26 issues.

27 8. This Settlement Agreement is made and entered into by and between Plaintiff,  
28 individually and on behalf of all others similarly situated and aggrieved, and Defendants, and is

1 subject to the terms and conditions hereof, and to the Court’s approval. The Parties expressly  
2 acknowledge that this Agreement is entered into solely for the purpose of compromising  
3 significantly disputed claims and that nothing herein is an admission of any liability or  
4 wrongdoing by Defendants. If, for any reason the Settlement Agreement is not approved, it will  
5 be of no force or effect, and the Parties shall be returned to their original respective positions.

#### 6 DEFINITIONS

7 The following definitions are applicable to this Settlement Agreement. Definitions  
8 contained elsewhere in this Settlement Agreement will also be effective:

9 9. “Action” means *Maria Gonzalez, on behalf of herself and all others similarly*  
10 *situated; Plaintiff. v. Lief Organics, LLC, a California limited liability company; and DOES 1*  
11 *through 20, inclusive; Defendants, Los Angeles Superior Court, Case No.: 20STCV19371.*

12 10. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and  
13 approved by the Court for Class Counsel’s litigation and resolution of this Action, and all costs  
14 incurred and to be incurred by Class Counsel in the Action, including, but not limited to, costs  
15 associated with documenting the Settlement, securing the Court’s approval of the Settlement,  
16 responding to any objections to the settlement and appeals arising therefrom, administering the  
17 Settlement, obtaining entry of a Judgment terminating this Action, and expenses for any experts.  
18 Class Counsel will request attorneys’ fees not to exceed one-third of the Gross Settlement  
19 Amount, or up to \$191,666.66 and actual litigation costs incurred in the Action (not to exceed  
20 FIFTEEN THOUSAND DOLLARS AND ZERO CENTS \$15,000.00). Defendants have agreed  
21 not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

22 11. “Settlement Administrator” means any third-party class action settlement  
23 administrator agreed to by the Parties and approved by the Court for purposes of administering  
24 this settlement. The Parties each represent that they do not have any financial interest in the  
25 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that  
26 could create a conflict of interest.

27 12. “Settlement Administration Costs” means the costs payable from the Gross  
28 Settlement Amount to the Settlement Administrator for administering this Settlement, including,

1 but not limited to, printing, distributing, and tracking documents for this Settlement, calculating  
2 estimated amounts per Class Member, tax reporting, distributing the appropriate settlement  
3 amounts, and providing necessary reports and declarations, and other duties and responsibilities  
4 set forth herein to process this Settlement, and as requested by the Parties. The Settlement  
5 Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,  
6 any such costs in excess of the amount represented by the Settlement Administrator as being the  
7 maximum costs necessary to administer the settlement. The Settlement Administration Costs are  
8 currently estimated to be TEN THOUSAND DOLLARS AND ZERO CENTS (\$10,000.00). To  
9 the extent actual Settlement Administrations Costs are greater than TEN THOUSAND  
10 DOLLARS AND ZERO CENTS (\$10,000.00), such excess amount will be deducted from the  
11 Gross Settlement Amount.

12 13. "Class Counsel" means MELMED LAW GROUP P.C., which will seek to be  
13 appointed counsel for the Settlement Class.

14 14. "Class List" means a complete list of all Class Members that Defendants will  
15 diligently and in good faith compile from its records and provide to the Settlement Administrator  
16 within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List  
17 will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class  
18 Members' names, last-known addresses, last-known telephone numbers, social security numbers,  
19 and Workweek data during the Class Period.

20 15. "Class Member(s)" or "Settlement Class" means all individuals who are or were  
21 employed as non-exempt employees of Defendant Lief Organics, LLC from May 19, 2016  
22 through April 14, 2021. The Settlement Class does not include any person who previously settled  
23 or released any of the claims covered by this Settlement, or any other person who previously was  
24 paid or received awards through civil or administrative actions for the claims covered by this  
25 Settlement. Defendants represent that there are approximately 137 individuals that comprise the  
26 Settlement Class.

27 16. "Class Period" means the period from May 19, 2016 through April 14, 2021.

28 17. "Class Representative" means Plaintiff Maria Gonzalez, who will seek to be

1 appointed as the representative for the Settlement Class.

2 18. "Class Representative Enhancement Payment" means the amount to be paid to  
3 Plaintiff in recognition of Plaintiff's effort and work in prosecuting the Action on behalf of Class  
4 Members and negotiating the Settlement. Defendants agree not to dispute that the Class  
5 Representative will be paid, subject to Court approval, up to SEVEN THOUSAND, FIVE  
6 HUNDRED DOLLARS AND ZERO CENTS (\$7,500.00) from the Gross Settlement Amount for  
7 Plaintiff's services on behalf of the class, subject to the Court granting final approval of this  
8 Settlement Agreement and subject to the exhaustion of any and all appeals. Should the Court  
9 reduce the Class Representative Enhancement Payment, any such reduction shall revert to the  
10 Net Settlement distributed to Participating Class Members.

11 19. "Court" means the Superior Court of California, County of Los Angeles or any  
12 other court taking jurisdiction of the Action.

13 20. "Defendants" means Lief Organics, LLC and its present and former agents,  
14 officers, employees, directors, trustees, fiduciaries, subsidiaries, affiliated divisions and  
15 companies, parent companies, predecessors, successors and assigns.

16 21. "Effective Date" means the date which the settlement embodied in this Settlement  
17 Agreement shall become effective after all of the following events have occurred: (i) this  
18 Settlement Agreement has been executed by all parties and by counsel for the Settlement Class  
19 and Defendants; (ii) the Court has given preliminary approval to the Settlement; (iii) notice has  
20 been given to the putative members of the Settlement Class, providing them with an opportunity  
21 to object to the terms of the Settlement or to opt-out of the Settlement; (iv) the Court has held a  
22 formal fairness hearing and, having heard no objections to the Settlement, entered a final order  
23 and judgment certifying the Class and approving this Settlement Agreement; (v) sixty-five (65)  
24 calendar day have passed following the Court's entry of a final order and judgment certifying the  
25 Settlement Class and approving the settlement; (vi) in the event there are written objections filed  
26 prior to the formal fairness hearing which are not later withdrawn or denied, the later of the  
27 following events: (a) five (5) business days after the period for filing any appeal, writ or other  
28 appellate proceeding opposing the Court's final order approving the Settlement has elapsed

1 without any appeal, writ or other appellate proceeding having been filed; or (b) five (5) business  
2 days after any appeal, writ or other appellate proceeding opposing the Settlement has been  
3 dismissed finally and conclusively with no right to pursue further remedies or relief, and (vii)  
4 Defendant has funded the Gross Settlement Amount and the employer-side payroll taxes on the  
5 individual settlement amounts allocated to wages.

6 22. "Gross Settlement Amount" means the amount used to satisfy all of Defendants'  
7 liability arising from the settlement other than employer-side taxes on the amounts allocated to  
8 wages. Here, the Gross Settlement Amount is FIVE HUNDRED AND SEVENTY FIVE  
9 THOUSAND DOLLARS AND ZERO CENTS (\$575,000.00). The Gross Settlement Amount  
10 shall be an "all in" settlement including payment of employee-side taxes, interest, plaintiff's  
11 attorneys' fees and costs, administrative fees, the enhancement payment for the Plaintiff, the  
12 payment to the LWDA, and payments to all members of the Settlement Class. Defendants will  
13 not pay more than the Gross Settlement Amount plus employer-side taxes on the amounts  
14 allocated to wages. Defendants estimate that there are 137 Class Members and 10,547 workweeks  
15 in the Class Period. In the event that the total number of weeks worked in the Class Period is  
16 greater than 10,547, then the Gross Settlement Amount shall be increased proportionately for  
17 each additional week worked above 10,547.

18 23. "Individual Settlement Payment" means each Participating Class Member's share  
19 of the Net Settlement Amount, to be distributed to the Class Members who do not submit a valid  
20 Request for Exclusion.

21 24. "Labor and Workforce Development Agency Payment" means the amount that the  
22 Parties have agreed to pay to the Labor and Workforce Development Agency ("LWDA") in  
23 connection with the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,  
24 *et seq.*, "PAGA"). The Parties have agreed that TWENTY THOUSAND DOLLARS AND ZERO  
25 CENTS (\$20,000.00) of the Gross Settlement Amount will be allocated to the resolution of any  
26 Class Members' claims arising under PAGA. Pursuant to PAGA, 75%, or FIFTEEN  
27 THOUSAND DOLLARS AND ZERO CENTS (\$15,000.00), of the PAGA Settlement Amount  
28 will be paid to the California Labor and Workforce Development Agency ("LWDA Payment"),

1 and 25%, or FIVE THOUSAND DOLLARS AND ZERO CENTS (\$5,000.00) (“Aggrieved  
2 Employee Payment”), of the PAGA Settlement Amount will be part of the Net Settlement  
3 Amount. Those non-exempt employees who worked for Defendants in the year prior to the filing  
4 of the Complaint shall comprise the PAGA sub-class and they will receive a pro-rata portion of  
5 the Aggrieved Employee Payment based on their relative percentage of pay periods during the  
6 PAGA period. No aggrieved employee shall have the right to opt out of the PAGA settlement.

7 25. “Net Settlement Amount” means the portion of the Gross Settlement Amount  
8 remaining after deduction of the approved Class Representative Enhancement Payment,  
9 Settlement Administration Costs, Labor and Workforce Development Agency Payment, and  
10 Attorneys’ Fees and Costs. The Net Settlement Amount will be distributed to Participating Class  
11 Members.

12 26. “Notice of Objection” means a Class Member’s valid and timely written objection  
13 to the Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the  
14 objector’s full name, signature, address, telephone number, and the last four digits of the  
15 objector’s social security number, (b) the dates the objector was employed by Defendants in  
16 California, (c) a written statement of all grounds for the objection accompanied by any legal  
17 support for such objection, and (d) copies of any papers, briefs, or other documents upon which  
18 the objection is based.

19 27. “Notice Packet” or “Notice” means the Notice of Class Action Settlement,  
20 substantially in the form attached as Exhibit A.

21 28. “Parties” means Plaintiff and Defendants collectively.

22 29. “Participating Class Members” means all Class Members who do not submit valid  
23 Requests for Exclusion.

24 30. “Plaintiff” means Maria Gonzalez.

25 31. “Preliminary Approval” means the Court order granting preliminary approval of  
26 the Settlement Agreement.

27 32. “Released Claims” means all claims, demands, and liabilities against the Released  
28 Parties, or any of them, for any type of relief and penalties that came into existence at any time

1 during the class period as a result of Class Members employment by Defendants that were or  
2 could have been plead based on the facts alleged in the operative complaint, including to but not  
3 limited to the following claims: (1) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1194.2,  
4 1197; IWC Wage Order No. 1); (2) Failure to Pay Overtime Wages (Labor Code §§ 510, 1198;  
5 IWC Wage Order No. 1); (3) Failure to Provide Compliant Rest Periods and/or Pay Missed Rest  
6 Break Premiums (Labor Code § 226.7; Wage Order No. 1); (4) Failure to Provide Compliant  
7 Meal Periods and/or Pay Missed Meal Period Premiums (Labor Code §§ 226.7, 512; IWC Wage  
8 Order No. 1); (5) Failure to Provide Complete and Accurate Wage Statements (Labor Code  
9 §§226(A)); (6) Waiting Time Penalties (Labor Code § 201-203); (7) Failure to Pay Timely Wages  
10 (Labor Code §§ 204, 210); (8) UCL Violations; and (9) PAGA Penalties (Labor Code § 2699 *et*  
11 *seq.*).

12 33. “Released Claims Period” means the period from May 19, 2016 through April 14,  
13 2021.

14 34. “Released Parties” means: (i) Defendants; (ii) each of Defendants’ respective past,  
15 present and future parents, subsidiaries, and affiliates including, without limitation, any  
16 corporation, limited liability company, partnership, trust, foundation, and non-profit entity which  
17 controls, is controlled by, or is under common control with Defendants; (iii) the past, present and  
18 future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners,  
19 managers, contractors, agents, consultants, representatives, administrators, payroll service  
20 providers, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of  
21 the foregoing; and (iv) any individual or entity which could be jointly liable with any of the  
22 foregoing.

23 35. “Request for Exclusion” means a timely letter submitted by a Class Member  
24 indicating a request to be excluded from the settlement. The Request for Exclusion must: (a) be  
25 signed by the Class Member; (b) contain the name, address, telephone number, and the last four  
26 digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state  
27 that the Class Member received the Notice, does not wish to participate in the settlement, and  
28 wants to be excluded from the settlement; (d) be returned by first class mail or equivalent to the

1 Settlement Administrator at the specified address; and, (e) be postmarked on or before the  
2 Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive  
3 means to determine whether a Request for Exclusion has been timely submitted. A Class Member  
4 who does not request exclusion from the settlement will be deemed a Class Member and will be  
5 bound by all terms of the settlement, if the settlement is granted final approval by the Court.

6 36. "Response Deadline" means the deadline by which Class Members must postmark  
7 to the Settlement Administrator valid Requests for Exclusion or file and serve objections to the  
8 settlement. The Response Deadline will be forty-five (45) calendar days from the initial mailing  
9 of the Notice Packet by the Settlement Administrator, unless the 45th day falls on a Sunday or  
10 federal holiday, in which case the Response Deadline will be extended to the next day on which  
11 the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion will be  
12 extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice Packet by  
13 the Settlement Administrator, unless the 15<sup>th</sup> day falls on a Sunday or federal holiday, in which  
14 case the Response Deadline will be extended to the next day on which the U.S. Postal Service is  
15 open. The Response Deadline may also be extended by express agreement between Class  
16 Counsel and Defendants. Under no circumstances, however, will the Settlement Administrator  
17 have the authority to extend the deadline for Class Members to submit Request for Exclusion or  
18 objection to the settlement.

19 37. "Workweeks" means the number of weeks of employment for each Class Member  
20 as a non-exempt employee during the Class Period. Workweeks are determined by calculating  
21 the number of days each Class Member was employed during the Class Period, dividing by seven  
22 (7), and rounding up to the nearest whole number.

### 23 CLASS CERTIFICATION

24 38. Solely for the purpose of settling all claims alleged in Plaintiff's Complaint and  
25 not for any other purpose in the event this settlement is not granted final approval, the Parties  
26 stipulate and agree that the requisites for establishing class certification with respect to the  
27 Settlement Class have been met and are met. More specifically, the Parties stipulate and agree  
28 for purposes of this settlement only that:

- 1 a. The Settlement Class is ascertainable and so numerous as to make it  
2 impracticable to join all Class Members;
- 3 b. There are common questions of law and fact including;
- 4 c. The Class Representative's claims are typical of the claims of the members of  
5 the Settlement Class; should this Settlement not be approved or be terminated, this stipulation  
6 shall be null and void and shall not be admissible, in this or any other action, for any purpose  
7 whatsoever.
- 8 d. The Class Representative and Class Counsel will fairly and adequately protect the  
9 interests of the Settlement Class; should this Settlement not be approved or be terminated, this  
10 stipulation shall be null and void and shall not be admissible, in this or any other action, for any  
11 purpose whatsoever.
- 12 e. The prosecution of separate actions by individual members of the Settlement Class  
13 would create the risk of inconsistent or varying adjudications, which would establish  
14 incompatible standards of conduct; should this Settlement not be approved or be terminated, this  
15 stipulation shall be null and void and shall not be admissible, in this or any other action, for any  
16 purpose whatsoever.
- 17 f. With respect to the Settlement Class, the Class Representative believes that questions  
18 of law and fact common to the members of the Settlement Class predominate over any questions  
19 affecting any individual member in such Class, and a class action is superior to other available  
20 means for the fair and efficient adjudication of the controversy; should this Settlement not be  
21 approved or be terminated, this stipulation shall be null and void and shall not be admissible, in  
22 this or any other action, for any purpose whatsoever.

23 **TERMS OF AGREEMENT**

24 NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements  
25 set forth herein, the Parties agree, subject to the Court's approval, as follows:

26 39. **Funding of the Gross Settlement Amount.** Within 65 calendar days after the Court  
27 enters final approval and judgment thereon, the Settlement Administrator will provide the Parties  
28 with an accounting of the amounts to be paid by Defendants pursuant to the terms of the

1 Settlement. Within 65 calendar days after the Court enters final approval and judgment thereon,  
2 Defendants will make a one-time deposit for payment of all Court approved and claimed amounts  
3 from the Gross Settlement Amount into a Qualified Settlement Account to be established by the  
4 Settlement Administrator. Within fourteen (14) business days of the funding of the Settlement,  
5 the Settlement Administrator will issue payments to (a) Participating Class Members; (b) the  
6 Labor and Workforce Development Agency; (c) Plaintiff; and (d) Class Counsel. The Settlement  
7 Administrator will also issue a payment to itself for Court-approved services performed in  
8 connection with the settlement.

9 40. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any  
10 application or motion by Class Counsel for Attorneys' Fees up to 191,666.66, associated with  
11 Class Counsel's litigation and settlement of the Action and costs up to FIFTEEN THOUSAND  
12 DOLLARS AND ZERO CENTS (\$15,000.00) per Class Counsel's billing statements, both of  
13 which will be paid from the Gross Settlement Amount.

14 41. Class Representative Enhancement Payment. In exchange for a release of the class  
15 claims, and in recognition of their effort and work in prosecuting the Action on behalf of Class  
16 Members and negotiating the Settlement, Defendants agree not to oppose or impede any  
17 application or motion for Class Representative Enhancement Payment of up to SEVEN  
18 THOUSAND, FIVE HUNDRED DOLLARS AND ZERO CENTS (\$7,500.00) to the Class  
19 Representative, subject to the Court's approval. The Class Representative Enhancement  
20 Payment, which will be paid from the Gross Settlement Amount, will be in addition to Plaintiff's  
21 Individual Settlement Payment paid pursuant to the Settlement. The Class Representative agrees  
22 to execute a release of all class claims, against Defendants and all agents, employees, officers,  
23 directors and related parties, past and present, for this payment. The Settlement Administrator  
24 will issue an IRS Form 1099 for the enhancement payment to the Class Representative, and the  
25 Class Representative shall be solely and legally responsible for correctly characterizing this  
26 compensation for tax purposes and for paying any taxes on the amount received. The Class  
27 Representatives agree to indemnify and hold Defendants harmless from any claim or liability for  
28 taxes, penalties, or interest arising as a result of the Class Representative Enhancement Payment.

1 Should the Court reduce the Class Representative Enhancement Payment, any such reduction  
2 shall revert to the Net Settlement distributed to Participating Class Members.

3 42. Settlement Administration Costs. The Settlement Administrator will be paid for  
4 the reasonable costs of administration of the Settlement and distribution of payments from the  
5 Gross Settlement Amount, which is currently estimated to be TEN THOUSAND DOLLARS  
6 AND ZERO CENTS (\$10,000.00). These costs, which will be paid from the Gross Settlement  
7 Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement  
8 Payments, the issuing of 1099 IRS Forms, distributing the Notice Packet, calculating and  
9 distributing the Gross Settlement Amount and Attorneys' Fees and Costs, and providing  
10 necessary reports and declarations.

11 43. Labor and Workforce Development Agency Payment. Subject to Court approval,  
12 the Parties agree that the amount of TWENTY THOUSAND DOLLARS AND ZERO CENTS  
13 (\$20,000.00) of the Gross Settlement Amount will be designated for satisfaction of Plaintiff's  
14 and Class Members' PAGA claims. Pursuant to PAGA, 75%, or FIFTEEN THOUSAND  
15 DOLLARS AND ZERO CENTS (\$15,000.00), of the PAGA Settlement Amount will be paid to  
16 the LWDA, and 25%, or FIVE THOUSAND DOLLARS AND ZERO CENTS (\$5,000.00), will  
17 be distributed to Participating Class Members as part of the Net Settlement Amount.

18 44. Net Settlement Amount. The Net Settlement Amount will be used to satisfy  
19 Individual Settlement Payments to Participating Class Members from the Settlement Class in  
20 accordance with the terms of this Agreement.

21 45. Acknowledgement of Potential Administration Cost Increases. The Parties hereby  
22 acknowledge that Settlement Administration Costs may increase above the current estimate of  
23 \$10,000.00 and that any such additional Settlement Administration Costs will be taken out of the  
24 Gross Settlement Amount. Any portion of the estimated or designated Class Administration  
25 Costs which are not in fact required to fulfill the total Class Administration Costs will become  
26 part of the Net Settlement Amount.

27 46. Individual Settlement Payment Calculations. Individual Settlement Payments will  
28 be calculated and apportioned from the Net Settlement Amount based on the Workweeks a

1 Participating Class Member worked during the Class Period. Such payments will be distributed  
2 pro rata to Participating Class Members on a workweek basis. Specific calculations of Individual  
3 Settlement Payments will be made as follows:

4 a. The Settlement Administrator will calculate the number of Workweeks per  
5 Participating Class Member during the Class Period based on records in Defendants' possession,  
6 custody or control. Defendants' Workweek data will be presumed to be correct, unless a  
7 particular Class Member proves otherwise to the Settlement Administrator by credible written  
8 evidence. All Workweek disputes will be resolved and decided by the Settlement Administrator  
9 in consultation with Class Counsel and counsel for Defendants. The Settlement Administrator's  
10 decision on all Workweek disputes will be final and non-appealable.

11 b. The Settlement Administrator will calculate the total number of  
12 Workweeks for each individual Class Member ("Individual Workweeks"). The Settlement  
13 Administrator will calculate the total number of Workweeks for all Class Members during the  
14 Class Period ("Class Workweeks").

15 c. To determine each Class Member's "Individual Settlement Payment" the  
16 Settlement Administrator will use the following formula: Individual Settlement Payment = (Net  
17 Settlement Amount ÷ Participating Class Workweeks) x Individual Workweeks for each  
18 individual Participating Class Member.

19 d. If the number of Workweeks worked by the Class Members during the  
20 Class Period is greater than 10,547, then the Gross Settlement Amount shall be increased  
21 proportionately for each additional week worked above 10,547.

22 47. Settlement Awards Do Not Trigger Additional Benefits. All settlement awards to  
23 Class Members shall be deemed to be paid to such Class Members solely in the year in which  
24 such payments actually are received by the Class Members. It is expressly understood and agreed  
25 that the receipt of such individual settlement awards will not entitle any Class Member to  
26 additional compensation or benefits under any company bonus, commission or other  
27 compensation or benefit plan or agreement in place during the period covered by the Settlement,  
28 nor will it entitle any Class Member to any increased retirement, 401K benefits or matching

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

7 48. Settlement Administration Process. The Parties agree to cooperate in the  
8 administration of the settlement and to make all reasonable efforts to control and minimize the  
9 costs and expenses incurred in administration of the Settlement.

10 49. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary  
11 Approval, Defendants will provide the Class List to the Settlement Administrator.

12 50. Notice by First-Class U.S. Mail. Within thirty (30) calendar days of Preliminary  
13 Approval, the Settlement Administrator will mail a Notice Packet to all Class Members via  
14 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the  
15 Class List.

16 51. Confirmation of Contact Information in the Class Lists. Prior to mailing, the  
17 Settlement Administrator will perform a search based on the National Change of Address  
18 Database for information to update and correct for any known or identifiable address changes.  
19 Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the  
20 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding  
21 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing  
22 on the Notice Packet. If no forwarding address is provided, the Settlement Administrator will  
23 promptly attempt to determine the correct address using a skip-trace, or other search using the  
24 name, address and/or Social Security number of the Class Member involved, and will then  
25 perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet,  
26 whether by skip-trace or by request, will have between the later of (a) an additional fifteen (15)  
27 calendar days or (b) the Response Deadline to fax or postmark a Request for Exclusion, or file  
28 and serve an objection to the Settlement.

1           52.    Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice  
2 Packet will provide: (a) information regarding the nature of the Action; (b) a summary of the  
3 Settlement’s principal terms; (c) the Settlement Class definition; (d) each Class Member’s  
4 estimated Individual Settlement Payment and the formula for calculating Individual Settlement  
5 Payments; (e) the dates which comprise the Class Period; (f) instructions on how to submit valid  
6 Requests for Exclusion or objections; (g) the deadlines by which the Class Member must fax or  
7 postmark Requests for Exclusions or file and serve objections to the Settlement; (h) the claims to  
8 be released, as set forth herein; and (i) the date for the Final Approval Hearing.

9           53.    Disputed Information on Notice Packets. Class Members will have an opportunity  
10 to dispute the information provided in their Notice Packets. To the extent Class Members dispute  
11 the number of weeks he/she worked during the Class Period, or the amount of their Individual  
12 Settlement Payment, Class Members may produce evidence to the Settlement Administrator  
13 showing that such information is inaccurate. Absent evidence rebutting Defendants’ records,  
14 Defendants’ records will be presumed determinative. However, if a Class Member produces  
15 evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by  
16 the Class Member in consultation with Class Counsel and counsel for Defendants and will make  
17 the final decision as to the Individual Settlement Payment to which the Class Member may be  
18 entitled.

19           54.    Request for Exclusion Procedures. Any Class Member wishing to opt-out from  
20 the Settlement Agreement must sign and postmark a written Request for Exclusion to the  
21 Settlement Administrator within the Response Deadline. The date of the postmark on the return  
22 mailing envelope will be the exclusive means to determine whether a Request for Exclusion has  
23 been timely submitted. All Requests for Exclusion will be submitted to the Settlement  
24 Administrator, who will certify jointly to Class Counsel and Defendants’ Counsel the Requests  
25 for Exclusion that were timely submitted. Any Class Member who submits a Request for  
26 Exclusion shall be prohibited from objecting to the Settlement Agreement.

27           55.    Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class  
28 Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely

1 and valid Request for Exclusion will be bound by all of its terms, including those pertaining to  
2 the Released Claims, as well as any Judgment that may be entered by the Court if it grants final  
3 approval to the Settlement.

4 56. Objection Procedures. To object to the Settlement Agreement, a Class Member  
5 must sign and postmark a written Notice of Objection to the Settlement Administrator before the  
6 Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive  
7 means for determining whether the Notice of Objection has been timely submitted. Alternatively,  
8 a Class Member may appear and object at the Final Approval Hearing. At no time will any of  
9 the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the  
10 Settlement Agreement or appeal from the Order and Judgment. Class Counsel will not represent  
11 any Class Members with respect to any such objections to this Settlement.

12 57. Certification Reports Regarding Individual Settlement Payment Calculations. The  
13 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report  
14 which certifies: (a) the number of Class Members who have submitted valid Requests for  
15 Exclusion; and (b) whether any Class Member has submitted a challenge to any information  
16 contained in their Claim Form or Notice Packet. Additionally, the Settlement Administrator will  
17 provide to counsel for both Parties any updated reports regarding the administration of the  
18 Settlement Agreement as needed or requested.

19 58. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator  
20 to Participating Class Members will expire 180 calendar days from the date the check was issued.  
21 Uncashed settlement award checks will not be re-issued, except for good cause and as mutually  
22 agreed upon by the Parties in writing. All uncashed checks will not be reissued and will be sent  
23 to the State of California Unclaimed Property Fund in the name of the employee pursuant to  
24 California Code of Civil Procedure Section 384. The Settlement Administrator shall reverse any  
25 tax documents issued to Class Members who did not cash his or her check and refund the  
26 Defendants' share of employer's taxes.

27 59. Certification of Completion. Upon completion of administration of the Settlement,  
28 the Settlement Administrator will provide a written declaration under oath to certify such

1 completion to the Court and counsel for all Parties.

2 60. Administration Costs if Settlement Fails. If the Settlement is voided or rejected  
3 by the Court, any costs incurred by the Settlement Administrator will be paid equally by the  
4 Parties (half by Defendants and half by Class Counsel), unless otherwise specified in this  
5 Agreement.

6 61. Treatment of Individual Settlement Payments. All Individual Settlement  
7 Payments will be allocated as follows: of each Individual Settlement Payment 15% will be  
8 allocated as alleged unpaid wages, and 85% will be allocated as alleged unpaid interest, alleged  
9 business expense reimbursement, alleged unpaid meal break premiums, and alleged statutory and  
10 civil penalties, including PAGA penalties. The 15% of each Individual Settlement Payment  
11 allocated as wages will be reported on an IRS Form W2 by the Settlement Administrator. The  
12 remaining 85% of each Individual Settlement Payment allocated as interest, business expense  
13 reimbursement, meal break premiums, and penalties will be reported on an IRS Form-1099 by  
14 the Settlement Administrator.

15 62. Administration of Taxes by the Settlement Administrator. The Settlement  
16 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, and Class  
17 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid  
18 pursuant to this Agreement. Within ten (10) business days after the Effective Date, the Settlement  
19 Administrator will provide the Parties with an accounting of the amounts to be paid by  
20 Defendants pursuant to the terms of the Settlement, including the amount of the employer  
21 contribution for payroll taxes to be paid in addition to the Gross Settlement Amount. The  
22 Settlement Administrator will also be responsible for timely forwarding all payroll taxes and  
23 penalties to the appropriate government authorities.

24 63. Tax Liability. Defendants make no representation as to the tax treatment or legal  
25 effect of the payments called for hereunder, and Plaintiff, Participating Class Members, and Class  
26 Counsel are not relying on any statement, representation, or calculation by Defendants or by the  
27 Settlement Administrator in this regard. Plaintiff, Participating Class Members, and Class  
28 Counsel understand and agree that they will be solely responsible for the payment of any taxes

1 and penalties assessed on the payments described herein and will defend, indemnify, and hold  
2 Defendants free and harmless from and against any claims resulting from treatment of such  
3 payments as non-taxable damages.

4 64. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR  
5 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY  
6 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER  
7 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS  
8 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR  
9 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS  
10 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE  
11 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN  
12 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230  
13 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED  
14 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX  
15 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS  
16 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE  
17 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO  
18 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY  
19 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY  
20 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE  
21 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER  
22 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY  
23 OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF  
24 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE  
25 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY  
26 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS  
27 AGREEMENT.

28 65. No Prior Assignments. The Parties and their counsel represent, covenant, and

1 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported  
2 to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,  
3 action, cause of action or right herein released and discharged.

4 66. Release of Claims by Class Members. Upon the date on which Defendant fully  
5 funds the Gross Settlement Amount, Plaintiff and all Participating Class Members will be deemed  
6 to have fully, finally and forever released, settled, compromised, relinquished, and discharged  
7 with respect to all of the Released Parties and any and all Released Claims. The Settlement Class  
8 and each member of the Class who has not submitted a valid Request for Exclusion, fully releases  
9 and discharges the Released Parties for the Released Claims for any period during the Released  
10 Claims Period.

11 67. Release of Claims by Plaintiff on Individual Basis Only. Plaintiff, on behalf of  
12 herself and her dependents, heirs and assigns, beneficiaries, devisees, legatees, executors,  
13 administrators, agents, trustees, conservators, guardians, personal representatives, and  
14 successors-in-interest, whether individual, class, representative, legal, equitable, direct or  
15 indirect, or any other type or in any other capacity, shall and does hereby forever release,  
16 discharge and agree to hold harmless the Released Parties from any and all charges, complaints,  
17 claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of  
18 action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees and  
19 costs), known or unknown, at law or in equity, which he may now have or may have after the  
20 signing of this Settlement Agreement, arising out of or in any way connected with her  
21 employment with Defendant including, the Released Claims, claims that were asserted or could  
22 have been asserted in the Complaint, and any and all transactions, occurrences, or matters  
23 between the Parties occurring prior to the date this Settlement Agreement is fully executed.  
24 Without limiting the generality of the foregoing, this release shall include, but not be limited to,  
25 any and all claims under: **(a)** the Americans with Disabilities Act; **(b)** Title VII of the Civil Rights  
26 Act of 1964; **(c)** the Civil Rights Act of 1991; **(d)** 42 U.S.C. § 1981; **(e)** the Age Discrimination  
27 in Employment Act; **(f)** the Fair Labor Standards Act; **(g)** the Equal Pay Act; **(h)** the Employee  
28 Retirement Income Security Act, as amended; **(i)** the Consolidated Omnibus Budget

1 Reconciliation Act; **(j)** the Rehabilitation Act of 1973; **(k)** the Family and Medical Leave Act;  
2 **(l)** the Civil Rights Act of 1966; **(m)** the California Fair Employment and Housing Act; **(n)** the  
3 California Constitution; **(o)** the California Labor Code; **(p)** the California Government Code;  
4 **(q)** the California Civil Code; and **(r)** any and all other federal, state, and local statutes,  
5 ordinances, regulations, rules, and other laws, and any and all claims based on constitutional,  
6 statutory, common law, or regulatory grounds as well as any other claims based on theories of  
7 wrongful or constructive discharge, breach of contract or implied contract, fraud,  
8 misrepresentation, promissory estoppel, or intentional infliction of emotional distress, negligent  
9 infliction of emotional distress, or damages under any other federal, state, or local statutes,  
10 ordinances, regulations, rules, or laws. This release is for any and all relief, no matter how  
11 denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses,  
12 compensatory damages, tortious damages, liquidated damages, punitive damages, damages for  
13 pain and suffering, and attorney fees and costs, and Plaintiff hereby forever releases, discharges  
14 and agrees to hold harmless Defendant and the Released Parties from any and all claims for  
15 attorney fees and costs arising out of the matters released in this Settlement Agreement.

16 Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of  
17 California Civil Code section 1542, which provides as follows:

18 “A general release does not extend to claims that the creditor or releasing party does  
19 not know or suspect to exist in his or her favor at the time of executing the release  
20 and that, if known by him or her, would have materially affected his or her  
21 settlement with the debtor or released party.”

22  
23 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and  
24 relinquishes all rights and benefits she may have under section 1542 as well as any other statutes  
25 or common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to  
26 or different from those which she now knows or believes to be true with respect to the subject  
27 matter of all the claims referenced herein, but agrees that, upon the Effective Date, Plaintiff shall  
28 and hereby does fully, finally, and forever settle and release any and all claims against the

1 Released Parties, known or unknown, suspected or unsuspected, contingent or non-contingent,  
2 that were asserted or could have been asserted upon any theory of law or equity without regard  
3 to the subsequent discovery of existence of such different or additional facts.

4 68. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit  
5 this Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval  
6 and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon  
7 execution of this Settlement Agreement, the Parties shall apply to the Court for the entry of an  
8 order:

9 a. Scheduling a fairness hearing on the question of whether the proposed  
10 settlement, including but not limited to, payment of attorneys' fees and costs, and the Class  
11 Representative's Enhancement Payment, should be finally approved as fair, reasonable and  
12 adequate as to the members of the Settlement Class;

13 b. Certifying the Settlement Class;

14 c. Approving, as to form and content, the proposed Notice;

15 d. Approving the manner and method for Class Members to request exclusion  
16 from the Settlement as contained herein and within the Notice;

17 e. Directing the mailing of the Notice, by first class mail to the Class Members;

18 f. Preliminarily approving the Settlement subject only to the objections of  
19 Class Members and final review by the Court; and

20 g. Enjoining Plaintiff and all Class Members from filing or prosecuting any  
21 claims, suits or administrative proceedings (including filing claims with the California Division of  
22 Labor Standards Enforcement and the Labor and Workforce Development Agency) regarding the  
23 Released Claims unless and until such Class Members have filed valid Requests for Exclusion with  
24 the Settlement Administrator.

25 69. Duties of the Parties Following Final Court Approval. Following final approval  
26 by the Court of the Settlement provided for in this Settlement Agreement, Lead Counsel for the  
27 Class will submit a proposed final order of approval and judgment:  
28

1           a.       Approving the Settlement, adjudging the terms thereof to be fair, reasonable  
2 and adequate, and directing consummation of its terms and provisions;

3           b.       Approving Class Counsel’s application for an award of attorneys’ fees and  
4 costs;

5           c.       Approving the Class Representative Enhancement Payment to the Class  
6 Representative; and

7           70.     Rescission of Settlement Agreement (by Defendant). If 10 or more of the Class  
8 Members opt-out of the Settlement by submitting Request for Exclusion forms, Defendants may,  
9 at their option, rescind and void the Settlement and all actions taken in furtherance of it will  
10 thereby be null and void. Defendants must exercise this right of rescission, in writing, to Class  
11 Counsel within ten (10) calendar days after the Settlement Administrator notifies the Parties of  
12 the total number of Requests for Exclusion received by the Response Deadline. If the option to  
13 rescind is exercised, Defendants shall be solely responsible for all costs of the Settlement  
14 Administrator accrued to that point.

15           71.     Nullification of Settlement Agreement. In the event that: (a) the Court does not  
16 finally approve the Settlement as provided herein; or (b) the Settlement does not become final for  
17 any other reason, then this Settlement Agreement, and any documents generated to bring it into  
18 effect, will be null and void. Any order or judgment entered by the Court in furtherance of this  
19 Settlement Agreement will likewise be treated as void from the beginning.

20           72.     Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to  
21 request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary  
22 Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes  
23 only, (b) Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for  
24 a Final Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for  
25 the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the  
26 Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth  
27 the terms of this Settlement, and will include the proposed Notice Packet; i.e., the proposed  
28 Notice of Class Action Settlement document, attached as Exhibit A. Class Counsel will be

1 responsible for drafting all documents necessary to obtain preliminary approval. Defendants  
2 agree not to oppose the Motion for Preliminary Approval.

3 73. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of  
4 the deadlines to Requests for Exclusion, or objections to the Settlement Agreement, and with the  
5 Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to determine  
6 the Final Approval of the Settlement Agreement along with the amounts properly payable for (a)  
7 Individual Settlement Payments; (b) the Labor and Workforce Development Agency Payment;  
8 (c) the Attorneys' Fees and Costs; (d) the Class Representative Enhancement Payment; (e) all  
9 Settlement Administration Costs; and (f) the employer's share of payroll taxes for wages paid in  
10 connection with the Individual Settlement Payments. The Final Approval/Settlement Fairness  
11 Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Class  
12 Counsel will be responsible for drafting all documents necessary to obtain final approval,  
13 including responding to any objections and appeals arising therefrom. Class Counsel will also  
14 be responsible for drafting the attorneys' fees and costs application to be heard at the final  
15 approval hearing.

16 74. Termination of Settlement. Subject to the obligation(s) of Cooperation, either  
17 Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order,  
18 the Final Approval Order or final judgment in substantially the form submitted by the Parties, or  
19 the Settlement Agreement as agreed does not become final because of appellate court action. The  
20 Terminating Party shall give to the other Party (through its counsel) written notice of its decision  
21 to terminate no later than ten (10) business days after receiving notice that one of the enumerated  
22 events has occurred. Termination shall have the following effects:

23 a. The Settlement Agreement shall be terminated and shall have no force or  
24 effect, and no Party shall be bound by any of its terms;

25 b. In the event the Settlement is terminated, Defendants shall have no  
26 obligation to make any payments to any Party, Class Member or Class Counsel, except that the  
27 Terminating Party shall pay the Settlement Administrator for services rendered up to the date the  
28 Settlement Administrator is notified that the settlement has been terminated;

1 c. The Preliminary Approval Order, Final Approval Order and Judgment,  
2 including any order of class certification, shall be vacated;

3 d. The Settlement Agreement and all negotiations, statements and proceedings  
4 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be  
5 restored to their respective positions in the Action prior to the settlement;

6 e. Neither this Stipulated Settlement, nor any ancillary documents, actions,  
7 statements or filings in furtherance of settlement (including all matters associated with the  
8 mediation) shall be admissible or offered into evidence in the Action or any other action for any  
9 purpose whatsoever.

10 75. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by  
11 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the  
12 Judgment pursuant to California Code of Civil Procedure section 664.6 to the Court for its  
13 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for  
14 purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b)  
15 Settlement administration matters, and (c) such post-Judgment matters as may be appropriate  
16 under court rules or as set forth in this Agreement.

17 76. Exhibits Incorporated by Reference. The terms of this Agreement include the  
18 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully  
19 set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

20 77. Confidentiality. The Parties and their counsel agree that they will not issue any  
21 media or press releases, initiate any contact with the media or press, respond to any media or  
22 press inquiry, or have any communication with the media or press about the fact, amount, or  
23 terms of the Settlement, including through social media. Class counsel will take all steps  
24 necessary to ensure the Class Representative is aware of, and will instruct the Class  
25 Representative to adhere to, the restriction against any media or press comment on the Settlement  
26 and its terms. In addition, the Parties and their counsel agree that they will not engage in any  
27 advertising or distribute any marketing materials relating to the Settlement of this case. Any  
28 communication about the Settlement to Class Members prior to the Court-approved mailing will

1 be limited to a statement that a settlement has been reached and the details will be communicated  
2 in a forthcoming Court-approved notice. Nothing set forth herein, however, shall prohibit the  
3 parties from providing this Agreement to the Court in connection with the Parties' efforts to seek  
4 the Court's approval of this Settlement. Neither Plaintiff nor Class Counsel shall hold a press  
5 conference or otherwise seek to affirmatively contact the media about the Settlement. Plaintiff  
6 and Class Counsel agree not to disparage or otherwise take any action which could reasonably be  
7 expected to adversely affect the personal or professional reputation of Defendants or the  
8 Settlement.

9 78. Other Lawsuits. To the fullest extent permissible under applicable law, and solely  
10 for the purposes of this Settlement Agreement and not for any other purpose, counsel for Plaintiff  
11 represent and warrant on behalf of themselves and all others acting on their behalf, that they: (i)  
12 have not been retained by any other individuals with claims against Defendants (other than those  
13 of which Defendants and/or its counsel have been advised); (ii) are not aware of, and have not  
14 been informed of, any other plaintiff, class member, or attorney who intends to bring a claim  
15 against Defendants including, but not limited to, any claim based on the subject matter of the  
16 Action; and (iii) do not currently intend to bring any other claim against Defendants. Nothing in  
17 the foregoing is intended to limit or restrict Plaintiff's counsel's ability to practice law, or to  
18 otherwise violate California Rules of Professional Conduct, Rule 1-500. To the extent any  
19 portion of this paragraph is found to violate Rule 1-500, or any other Rule of Professional  
20 Conduct, such offending language will be deemed stricken and will be treated as if it is of no force  
21 and effect.

22 79. Entire Agreement. This Settlement Agreement, the separate general release of all  
23 claims by the Class Representatives, and any attached Exhibits constitute the entirety of the  
24 Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be  
25 deemed binding on the Parties. The Parties expressly recognize California Civil Code section  
26 1625 and California Code of Civil Procedure section 1856(a), which provide that a written  
27 agreement is to be construed according to its terms and may not be varied or contradicted by  
28 extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or

1 terms will modify, vary or contradict the terms of this Agreement.

2 80. Amendment or Modification. This Settlement Agreement may be amended or  
3 modified only by a written instrument signed by the named Parties and counsel for all Parties or  
4 their successors-in-interest.

5 81. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant  
6 and represent they are expressly authorized by the Parties whom they represent to negotiate this  
7 Settlement Agreement and to take all appropriate action required or permitted to be taken by such  
8 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other  
9 documents required to effectuate the terms of this Settlement Agreement. The Parties and their  
10 counsel will cooperate with each other and use their best efforts to effect the implementation of  
11 the Settlement. If the Parties are unable to reach agreement on the form or content of any  
12 document needed to implement the Settlement, or on any supplemental provisions that may  
13 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance  
14 of the Court to resolve such disagreement.

15 82. Signatories. It is agreed that because the members of the Class are so numerous,  
16 it is impossible or impractical to have each member of the Class execute this Settlement  
17 Agreement. The Notice, attached hereto as Exhibit "A," will advise all Class Members of the  
18 binding nature of the release, and the release shall have the same force and effect as if this  
19 Settlement Agreement were executed by each member of the Class.

20 83. Binding on Successors and Assigns. This Settlement Agreement will be binding  
21 upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously  
22 defined.

23 84. California Law Governs. All terms of this Settlement Agreement and Exhibits  
24 hereto will be governed by and interpreted according to the laws of the State of California.

25 85. Execution and Counterparts. This Settlement Agreement is subject only to the  
26 execution of all Parties. However, the Agreement may be executed in one or more counterparts.  
27 All executed counterparts and each of them, including facsimile and scanned copies of the  
28 signature page, will be deemed to be one and the same instrument provided that counsel for the

1 Parties will exchange among themselves original signed counterparts.

2 86. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe  
3 this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have  
4 arrived at this Settlement after arm's-length negotiations and in the context of adversarial  
5 litigation, taking into account all relevant factors, present and potential. The Parties further  
6 acknowledge that they are each represented by competent counsel and that they have had an  
7 opportunity to consult with their counsel regarding the fairness and reasonableness of this  
8 Agreement.

9 87. Invalidity of Any Provision. Before declaring any provision of this Settlement  
10 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest  
11 extent possible consistent with applicable precedents so as to define all provisions of this  
12 Settlement Agreement valid and enforceable.

13 88. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign  
14 this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the  
15 terms herein. For good and valuable consideration, Plaintiff further agrees that she will not  
16 request to be excluded from the Settlement Agreement, nor object to any terms herein. Any such  
17 request for exclusion or objection by Plaintiff will be void and of no force or effect. Any efforts  
18 by Plaintiff to circumvent the terms of this paragraph will be void and of no force or effect.

19 89. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to  
20 class certification for purposes of this Settlement only; except, however, that Plaintiff or Class  
21 Counsel may appeal any reduction in the Attorneys' Fees and Costs below the amount requested  
22 from the Court, and either Party may terminate this Settlement or appeal any Court order which  
23 is not in substantially the form submitted by the Parties.

24 90. Non-Admission of Liability. The Parties enter into this Agreement to resolve the  
25 dispute that has arisen between them and to avoid the burden, expense and risk of continued  
26 litigation. In entering into this Agreement, Defendants do not admit, and specifically denies, it  
27 has violated any federal, state, or local law; violated any regulations or guidelines promulgated  
28 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached

1 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or  
2 engaged in any other unlawful conduct with respect to its employees. Neither this Agreement,  
3 nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed  
4 as an admission or concession by Defendants of any such violations or failures to comply with  
5 any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement,  
6 this Agreement and its terms and provisions shall not be offered or received as evidence in any  
7 action or proceeding to establish any liability or admission on the part of Defendants or to  
8 establish the existence of any condition constituting a violation of, or a non-compliance with,  
9 federal, state, local or other applicable law.

10 91. Captions. The captions and section numbers in this Agreement are inserted for the  
11 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the  
12 provisions of this Agreement.

13 92. Waiver. No waiver of any condition or covenant contained in this Agreement or  
14 failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or  
15 constitute a further waiver by such party of the same or any other condition, covenant, right or  
16 remedy.

17 93. Enforcement Actions. In the event that one or more of the Parties institute any  
18 legal action or other proceeding against any other Party or Parties to enforce the provisions of  
19 this Settlement or to declare rights and/or obligations under this Settlement, the successful Party  
20 or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'  
21 fees and costs, including expert witness fees incurred in connection with any enforcement actions.

22 94. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms  
23 and conditions of this Agreement. Accordingly, this Agreement will not be construed more  
24 strictly against one party than another merely by virtue of the fact that it may have been prepared  
25 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations  
26 between the Parties, all Parties have contributed to the preparation of this Agreement.

27 95. Representation By Counsel. The Parties acknowledge that they have been  
28 represented by counsel throughout all negotiations that preceded the execution of this Agreement,

1 and that this Agreement has been executed with the consent and advice of counsel, and reviewed  
2 in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the  
3 Settlement Agreement.

4 96. All Terms Subject to Final Court Approval. All amounts and procedures described  
5 in this Settlement Agreement herein will be subject to final Court approval.

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

10 To Plaintiff and the Settlement Class:

11 MELMED LAW GROUP P.C.  
Jonathan Melmed, CA Bar No. 290128  
12 [jm@melmedlaw.com](mailto:jm@melmedlaw.com)  
Laura M. Supanich, CA Bar No. 314805  
13 [lms@melmedlaw.com](mailto:lms@melmedlaw.com)  
1801 Century Park East, Suite 850  
14 Los Angeles, California 90067  
15 Tel: (310) 824-3828  
16 Fax: (310) 862-6851

17 To Defendant:

18 **JACKSON LEWIS P.C.**  
Joel P. Kelly (SBN 100716)  
19 Eve Tilley-Coulson (SBN 320886)  
725 South Figueroa Street, Suite 2500  
20 Los Angeles, California 90017  
Tel: (213) 689-0404; Fax: (213) 689-0430

21  
22 98. Cooperation and Execution of Necessary Documents. All Parties will cooperate  
23 in good faith and execute all documents to the extent reasonably necessary to effectuate the terms  
24 of this Settlement Agreement.

25 99. Integration Clause. This Settlement Agreement contains the entire agreement  
26 between the Parties relating to the settlement and transaction contemplated hereby, and all prior  
27 or contemporaneous agreements, understandings, representations, and statements, whether oral  
28 or written and whether by a party or such party's legal counsel, are merged herein. No rights

1 hereunder may be waived except in writing.

2 100. Binding Agreement. The Parties warrant that they understand and have full  
3 authority to enter into this Agreement, and further intend that this Agreement will be fully  
4 enforceable and binding on all parties, and agree that it will be admissible and subject to  
5 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality  
6 provisions that otherwise might apply under federal or state law.

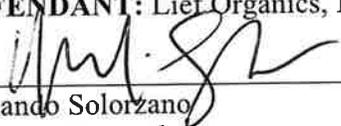
7 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint  
8 Stipulation of Settlement and Release Between Plaintiff and Defendants as of the date(s) set forth  
9 below:

10 **SIGNATURES**  
11 **READ CAREFULLY BEFORE SIGNING**

12 Dated: 3/30/2022

12 **PLAINTIFF:** DocuSigned by: Maria Gonzalez  
  
4D637A86E69A4D9...  
13 Maria Gonzalez

14 Dated: 3/30/22

15 **DEFENDANT:** Lief Organics, LLC  
  
16 Armando Solorzano  
17 In-House Counsel

18 **APPROVED AS TO FORM:**

19 **MELMED LAW GROUP P.C.**

20 Dated: 3/30/22

21 

22 Attorneys for Plaintiff Maria Gonzalez and the  
23 Settlement Class

24 Dated: 3/30/2022

25 **JACKSON LEWIS P.C.**  


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Joel P. Kelly  
Eve Tilley-Coulson

Attorneys for Defendant Lief Organics, LLC

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

MARIA GONZALEZ, on behalf of herself and all other similarly situated;

Plaintiff,

vs.

LIEF ORGANICS, LLC, a California limited liability company; and DOES 1 through 20, inclusive;

Defendants.

**CASE NO. 20STCV19371**

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

*To all individuals who are or were employed as non-exempt employees of Defendant Lief Organics, LLC from May 19, 2016 through April 14, 2021 (“Class Members”).*

**YOU ARE ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT. PLEASE READ  
THIS NOTICE CAREFULLY.**

The settlement involves disputed claims against Defendant Lief Organics, LLC (“Defendant”) alleging Defendant’s: **(1)** failure to pay minimum wage; **(2)** failure to pay overtime wages; **(3)** failure to provide off-duty rest breaks and pay missed rest break premiums; **(4)** failure to provide compliant meal periods and pay missed meal period premiums; **(5)** failure to provide complete/accurate wage statements; **(6)** waiting time penalties; **(7)** failure to timely pay all wages owed; **(8)** unfair business practices based on the foregoing; and **(9)** PAGA penalties based on the foregoing.

**NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT:** If you are a Class Member (as defined above) and received this Notice, you are automatically included in the Settlement and do not need to take any further action to receive a payment. If you accept your settlement amount, you will release the claims described in Section V below.

**I. INTRODUCTION**

This “NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND HEARING DATE FOR COURT APPROVAL” (“NOTICE”) is to inform you that Defendant has agreed to settle a class action lawsuit on behalf of all Class Members which claimed, among other things, that Defendant violated various wage and hour laws by failing to pay minimum and overtime wages, failing to

provide its employees with off-duty rest breaks and or pay rest break premiums, failing to provide meal periods or to pay meal break premiums, failing to pay timely wages, failing to pay its former employees all wages due at separation from employment, its failure to issue accurate itemized wage statements, violating California Labor Code provisions forming the basis for a PAGA claim and a class action claim, and violating California Business & Professions Code Section 17200 with respect to its employees at any time during the period from May 19, 2016 through April 14, 2021 (the “Class Period”). Defendant denies any and all liability, and has settled this action in an effort to avoid protracted litigation.

The Court has granted preliminary approval of the Settlement and the Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

## II. DESCRIPTION OF THE LAWSUIT

On **March 19, 2020**, Plaintiff Maria Gonzalez filed her Complaint (“Complaint”) against Defendant on behalf of the Class Members, in the matter of *Maria Gonzalez v. Lief Organics, LLC, et al.*, Case No. **20STCV19371** in the Superior Court of California for the County of Los Angeles. As described above, Plaintiff claimed that Defendant **(1)** failed to pay minimum wage; **(2)** failed to pay overtime wages; **(3)** failed to provide off-duty rest breaks and pay missed rest break premiums; **(4)** failed to provide compliant meal periods and pay missed meal period premiums; **(5)** failed to provide complete/accurate wage statements; **(6)** failed to timely pay wages at termination of employment; **(7)** failed to timely pay all wages owed; **(8)** unfair business practices based on the foregoing; and **(9)** PAGA penalties based on the foregoing.

**Defendant has denied liability, denied the allegations in the Complaint, and has raised various defenses to these claims.** Defendant contends, among other things, that it fully complied with California wage and hour laws, provided timely off-duty meal and rest breaks, properly and timely compensated their employees, and provided accurate itemized wage statements. Defendant also denies that Plaintiff’s claims are suitable for class certification. Defendant wishes to settle this case to avoid costly, disruptive, and time-consuming litigation and do not admit to any wrongdoing or liability.

The Court has not ruled on the merits of Plaintiff’s claims. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial or whether the claims are suitable for class certification. However, to avoid additional expense, inconvenience, and risks of continued litigation, Defendant and Plaintiff have concluded that it is in their respective best interests and the interests of the Class Members to settle the Action on the terms summarized in this Notice. After Defendant provided extensive information and documents to counsel for the Class Members, the Settlement was reached after arms-length non-collusive negotiations between the parties, including mediation with a very experienced and well-respected mediator in California. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Settlement was a fair, reasonable and adequate way to resolve the disputed claims.

Plaintiff and Class Counsel support this Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

Under this settlement, the following settlement class will be certified under California law: *all individuals who are or were employed as non-exempt employees of Defendant Lief Organics, LLC from May 19, 2016 through April 14, 2021.*

Plaintiff and his counsel, Jonathan Melmed, Esq. (“Class Counsel”), believe that the settlement described below is fair, adequate, reasonable and in the best interests of Plaintiff and the Class.

On [insert date of preliminary approval], the Court preliminarily approved the settlement and conditionally certified the settlement class. This Notice is being sent to you because Defendant’s records indicate that you were employed by Defendant during the Class Period and that you are a Class Member.

**IF YOU ARE STILL EMPLOYED BY DEFENDANT, THIS SETTLEMENT WILL NOT AFFECT YOUR EMPLOYMENT.**

**California law strictly prohibits retaliation. Further, Defendant is prohibited by law from taking any adverse action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member’s participation or decision not to participate in this Settlement.**

**III. TERMS OF THE SETTLEMENT**

Defendants have agreed to pay \$575,000.00 (the “Gross Settlement Amount”) to resolve claims in the Complaint. The Parties agreed to the following payments from the Gross Settlement Amount:

Settlement Administration Costs. The Court has approved CPT Group, Inc., to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, up to \$10,000 will be paid from the Settlement Amount to pay the Settlement Administration Costs.

Attorneys’ Fees and Expenses. Class Counsel – which includes attorneys from Melmed Law Group P.C.–have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. To date, the parties have aggressively litigated many aspects of the case including investigation, settlement efforts, and a full day mediation session. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Settlement Amount. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of one-third (i.e., \$191,666.66) of the Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit. Class Counsel also will ask for reimbursement of up to \$15,000.00 for the costs Class Counsel incurred in connection with the Lawsuit.

Service Payment to Named Plaintiff and Class Representative. Class Counsel will ask the Court to award Named Plaintiff and Class Representative Maria Gonzalez a service payment in the amount of \$7,500 to compensate her for her service and extra work provided on behalf of the Class Members. The Class Representative also may receive a share of the Settlement as a Class Member.

PAGA Payment. The Parties have agreed on a reasonable sum to be paid in settlement of the Private Attorney General Act (“PAGA”) claims included in the Action, which is \$20,000. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) to the California Labor and Workforce Development Agency (“LWDA”) and twenty-five percent (25%) to the Class Members. Class Counsel shall give timely notice of the Class Settlement to the LWDA under Labor Code section 2699(1)(2). Class Members shall not be permitted to opt-out of the PAGA release.

Net Settlement Amount. After deducting the amounts above, the balance of the Settlement Amount will form the Net Settlement Amount for distribution to the Class Members.

You can view the Settlement Agreement and other Court documents related to this case by visiting [www.CPTGroup.com/xxxxxxx](http://www.CPTGroup.com/xxxxxxx).

#### IV. YOUR INDIVIDUAL SHARE OF THE SETTLEMENT AMOUNT

The Individual Settlement Amount for each Class Participant (a Class Member that does not opt-out of the Settlement) will be calculated as follows: the Net Settlement Amount shall be distributed pro rata on a “checks cashed” basis based on the proportional number of weeks worked by each Class Member during the Class Period. If any Class Member opts-out of the Settlement, his/her share will be distributed to Class Participants. Twenty percent (15%) of the Settlement Award distributed to each Claimant will be considered and reported as “wages” (W-2 reporting), and Eighty percent (85%) of the Settlement Award will be distributed to each Claimant as “interest” and as non-wage “penalties” (Form 1099). Defendant, or its proxies, shall take all usual and customary deductions from the Settlement payments that are distributed as wages, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest or penalty distribution; however, it will be reported on IRS Form 1099 as income. Class Participants are responsible for the proper income tax treatment of the Settlement Awards. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

The workweeks you worked for Defendant during the Class Period will be calculated based on Defendants’ records. **If you feel that you were not credited with the correct number of workweeks worked during the Class Period, you may submit evidence to the Settlement Administrator on or before [insert date] with documentation to establish the number of pay periods you claim to have actually worked during the Class Period. DOCUMENTATION SENT TO THE SETTLEMENT ADMINSTRATOR WILL NOT BE RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Parties and Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many workweeks should be credited. The Settlement Administrator will make the final decision as to how many weeks are credited, and report the outcome to the Class Participant. If you are unsatisfied with the decision, you may submit an Objection, as discussed below.

You can view the final approval order and final judgment and payment schedule at [www.CPTGroup.com/xxxxxxx](http://www.CPTGroup.com/xxxxxxx).

## V. THE RELEASE OF CLAIMS

If the Court approves the Settlement, the Court will enter judgment and the Settlement Agreement will bind all members of the Settlement Class who have not opted out of the Settlement, and will bar all Class Members from bringing certain claims against Defendant as described below.

The Released Parties are (i) Defendants; (ii) each of Defendants' respective past, present and future parents, subsidiaries, and affiliates including, without limitation, any corporation, limited liability company, partnership, trust, foundation, and non-profit entity which controls, is controlled by, or is under common control with Defendants; (iii) the past, present and future shareholders, directors, officers, agents, employees, attorneys, insurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, payroll service providers, fiduciaries, benefit plans, transferees, predecessors, successors, and assigns of any of the foregoing; and (iv) any individual or entity which could be jointly liable with any of the foregoing.

The Released Claims are all claims, demands, and liabilities against the Released Parties, or any of them, for any type of relief and penalties that came into existence at any time during the class period as a result of Class Members employment by Defendants that were or could have been plead based on the facts alleged in the operative complaint, including to but not limited to the following claims: (1) Failure to Pay Minimum Wages (Labor Code §§ 1194, 1194.2, 1197; IWC Wage Order No. 1); (2) Failure to Pay Overtime Wages (Labor Code §§ 510, 1198; IWC Wage Order No. 1); (3) Failure to Provide Compliant Rest Periods and/or Pay Missed Rest Break Premiums (Labor Code § 226.7; Wage Order No. 1); (4) Failure to Provide Compliant Meal Periods and/or Pay Missed Meal Period Premiums (Labor Code §§ 226.7, 512; IWC Wage Order No. 1); (5) Failure to Provide Complete and Accurate Wage Statements (Labor Code §§226(A)); (6) Waiting Time Penalties (Labor Code § 201-203); (7) Failure to Pay Timely Wages (Labor Code §§ 204, 210); (8) UCL Violations; and (9) PAGA Penalties (Labor Code § 2699 *et seq.*).

Class Members who do not opt out will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Lawsuit are disputed, and that the Settlement payments constitute payment of all sums allegedly due to them. Class Members will be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Settlement payments. That section provides in pertinent part as follows:

**“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”**

## VI. WHAT ARE YOUR OPTIONS?

### A. Do Nothing and Receive Your Portion of the Settlement

You are automatically included as a Class Participant and will receive a settlement payment and do not have to take any further action to receive your settlement payment. It is the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment.

## **B. Opt-Out and Be Excluded from the Class and the Settlement**

If you **do not** wish to take part in the Settlement, you may exclude yourself (i.e., opt-out) by sending to the Settlement Administrator a “Request for Exclusion from the Class Action Settlement” letter/card postmarked no later than [*insert date*], with your name, address, telephone number, and signature.

Send the Request for Exclusion directly to the Settlement Administrator at the following address **by no later than [Insert opt-out date]:**

[Insert ADDRESS]

Any person who submits a timely Request for Exclusion from the Class Action Settlement shall, upon receipt, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement. If you want confirmation of receipt of your Opt-Out, please send it by U.S. certified mail, return receipt requested and/or contact the Settlement Administrator.

Class Members shall not be permitted to opt-out of the PAGA release.

## **C. Object to the Settlement**

You also have the right to object to the terms of the Settlement if you do not Opt-Out. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the proposed Settlement, or any portion of it, you must file with the Settlement Administrator a written objection stating your name, address, telephone number, dates of employment with Defendant, the case name and number, each specific reason in support of your objection, and any legal support for each objection. Objections must be in writing and must be mailed to the Settlement Administrator, [Insert ADDRESS], **by no later than [Insert deadline]** for your objection to be considered.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Class Members who do not object. Any member of the Settlement Class who does not object in the manner provided above shall have waived any objection to the Settlement, whether by appeal or otherwise. You cannot object to the Settlement if you request exclusion from the Settlement and you may not object to the PAGA portion of the Settlement.

## **D. Your Right to Appear at the Final Approval and Fairness Hearing Through an Attorney or In Person**

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for [Insert DATE], at ??? a/p.m. in Department \_\_\_ of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles, California 90012. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before [Insert DATE 45 Days After Mailing]. All objections or other correspondence must state the name and number of the case, which is *Maria Gonzalez v. Lief*

**VII. UPDATE FOR YOUR CHANGE OF ADDRESS**

If you move after receiving this Notice or if it was misaddressed, please complete the Change of Address portion of the Share Form and mail it to the Settlement Administrator, ??? at ???, as soon as possible. **THIS IS IMPORTANT SO THAT FUTURE NOTICES AND/OR THE SETTLEMENT PAYMENT REACH YOU.**

**VIII. IF THE STIPULATION OF SETTLEMENT AND RELEASE OF CLASS ACTION IS NOT APPROVED**

If the Settlement Agreement is not approved by the Court, or if any of its conditions are not satisfied, the conditional settlement will be voided, no money will be paid, and the case will return to litigation. If that happens, there is no assurance: (1) that the Class will be certified; (2) that any decision at trial would be in favor of Class Members; (3) that a trial decision, if any, would be as favorable to the Class Members as this settlement; or (4) that any favorable trial decision would be upheld if an appeal was filed.

**IX. QUESTIONS OR COMMENTS?**

**PLEASE DO NOT CALL OR CONTACT THE COURT.** If you have any questions about the settlement, you may contact the Settlement Administrator at: ??? or by e-mail at [REDACTED]. You may also contact Counsel for the Parties at the addresses or phone numbers listed below.

<p><u>CLASS COUNSEL:</u></p> <p><b>MELMED LAW GROUP P.C.</b> Jonathan Melmed, Esq. <a href="mailto:jm@melmedlaw.com">jm@melmedlaw.com</a> 1801 Century Park East, Suite 850 Los Angeles, California 90067 Telephone: (310) 824-3828 Facsimile: (310) 862-6851</p>	<p><u>DEFENDANT'S COUNSEL:</u></p> <p><b>JACKSON LEWIS P.C.</b> Joel P. Kelly, Esq. Eve Tilley-Coulson, Esq. <a href="mailto:Joel.Kelly@jacksonlewis.com">Joel.Kelly@jacksonlewis.com</a> <a href="mailto:Eve.Tilley-Coulson@jacksonlewis.com">Eve.Tilley-Coulson@jacksonlewis.com</a> 725 South Figueroa Street, Suite 2500 Los Angeles, California 90017 Telephone: (213) 689-0404 Facsimile: (213) 689-0430</p>
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According to the Company's records, you worked [redacted] Workweeks during the Class Period. Accordingly, your estimated payment is approximately \$ [redacted].

If you believe the information provided above as to the number of your Individual Workweeks is incorrect and wish to dispute it, please contact the Claims Administrator at [redacted] no later than (administrator to insert response date). If you dispute the information stated above, the information the Company provided to the Claims Administrator will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation ("Disputes"), must be postmarked no later than [redacted].

**DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE CLAIMS ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**