

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by Mario Lopez (“Lopez” or “Plaintiff”), on the one hand; and Naples Restaurant Group LLC dba Boathouse on the Bay (“Naples Restaurant Group” or “Defendant”), on the other hand. Plaintiff and Defendant will, at times, be collectively referred to herein as “the Parties,” and individual entities or persons will be referred to as “a Party.”

I. THE LITIGATION

1. On June 28, 2019 Lopez filed a class action complaint in the Superior Court of the State of California, County of Los Angeles, entitled *Mario Lopez v. Naples Restaurant Group LLC*, Case No. 19STCV22606 (the “Lopez Action” or “Action”), in which he asserted causes of action including (1) Failure to Provide Required Meal Periods; (2) Failure to provide Required Rest Periods; (3) Failure to Pay Overtime Wages; (4) Failure to Pay Minimum Wages; (5) Failure to Pay All Wages Due to Discharged and Quitting Employees; (6) Failure to Pay All Wages During Employment; (7) Failure to Furnish Accurate Itemized Wage Statements; (8) Failure to Maintain Required Records; and (9) Unfair and Unlawful Business Practices. On June 28, 2019, Lopez filed a First Amended Complaint for Damages, Injunctive, Restitutionary, and Declaratory Relief. On April 12, 2021, Lopez filed a Second Amended Complaint and added causes of action for Violations of the Private Attorneys General Act and Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties. Hereinafter collectively referred to as the “Litigation.”

2. The Parties engaged in substantial investigation and informal discovery in connection with the Litigation. Defendant provided extensive documents and detailed information to Plaintiff’s counsel to review and analyze. The documents and information included personnel records, time records and pay data for Lopez, the time records and pay data for other class

members, all relevant Naples Restaurant Group wage and hour policies, Naples Restaurant Group arbitration agreement and waiver of class action forms, and other relevant information.

3. On March 9, 2021, the parties attended a full day of mediation with mediator Jeffrey Krivis of First Mediation Corporation. After extensive negotiations and much effort, the Parties agreed to the proposed settlement described in this Agreement (the “Settlement”), subject to court approval.

4. This Settlement resolves all claims within the scope of the Action, as fully described herein.

5. This Agreement concerning the Settlement is made in compromise of disputed claims. The payment by Naples Restaurant Group required by this Agreement shall satisfy all claims alleged in the Action, including but not limited to claims for damages, penalties, and interest, and shall include payment for PAGA penalties, individual settlement awards, attorneys’ fees, litigation costs and expenses, class representative service awards, and settlement administration costs.

6. Because the Action is a putative class action, the settlement described in this Agreement is conditioned upon preliminary and final approval by the court. Accordingly, the Parties enter into this Agreement on a conditional basis. In the event the court does not enter Final Judgment, or in the event such Final Judgment does not become Final for any reason, or is modified in any material respect, or in the event the Effective Date, as defined herein, does not occur, this Agreement shall be deemed null and void *ab initio* and shall be of no force or effect whatsoever and shall not be referred to or utilized for any purpose. Moreover, Defendant denies all of Plaintiff’s claims as to liability and damages as well as all class and PAGA allegations, and does not waive, but rather expressly reserves all rights to challenge all such claims and allegations upon

all procedural and factual grounds including the assertion of any and all defenses, if the Final Judgment does not become Final for any reason, or in the event that the Effective Date does not occur. The parties also stipulate that in the event the Effective Date does not occur, the Second Amended Complaint and amended PAGA letter dated April 9, 2021 shall be deemed withdrawn.

7. Defendant also denies that they or any of their parents, subsidiaries, affiliates or successors or any other Releasee has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims asserted in the litigation. The Parties expressly acknowledge that this Agreement is entered into for the purpose of compromising highly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant or any of the Releasees. Neither the Agreement nor any document prepared in connection with the Settlement may be admitted in any proceeding as an admission by any of the Parties, any of the Releasees, or any person within the definition of the Class. However, this paragraph and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.

II. DEFINITIONS

The following are certain definitions applicable to this Agreement. Definitions contained elsewhere in the body of this Agreement shall also be effective.

1. “Class” – all persons who are or were previously employed (1) in California; (2) by Defendant (3) as non-exempt employees; (4) at any point from June 28, 2015, through the date of preliminary approval of this Settlement or 120 days from March 10, 2021 (“Class Period”), whichever is earlier.

2. “Class Counsel” – means Law Offices of Sahag Majarian II; and Limonjyan Law Group, APC.

3. “Plaintiff’s Counsels’ Attorneys’ Fees and Costs Award” – means the amount awarded by the Court for Plaintiff’s Counsels’ fees and costs and to be distributed to Class Counsel in this Action, which shall be paid out of the Gross Settlement Fund.

4. “Class Representative Service Awards” – means the amount awarded by the Court to Plaintiff for his role as a named plaintiff, which shall be paid out of the Gross Settlement Fund.

5. “Court” – means the Superior Court for the County of Los Angeles in which the Action is pending.

6. “Defendant” – means Naples Restaurant Group LLC, dba Boathouse on the Bay (“Naples Restaurant Group”)

7. “Defendant’s Counsel” – means Peter Choi and Lisa Garner of Gordon Rees Scully Mansukhani, who represent Naples Restaurant Group.

8. “Effective Date” – means the date by which both of the following have occurred: means: (a) the date of entry of the Final Judgment and order finally approving the Settlement, if no motions for reconsideration and no appeals or other efforts to obtain review have been filed, or (b) in the event that a motion for reconsideration, an appeal or other effort to obtain review of the Final Judgment and order finally approving the Settlement, the date sixty (60) days after such reconsideration, appeal or review has been finally concluded and is no longer subject to review, whether by appeal, petition for rehearing, petition for review or otherwise and the Settlement has not been materially modified. A “material modification” shall not include any change to the Plaintiff’s Counsel’s Attorneys’ Fees’ and Costs Award, Class Representative’s Service Award, or amount awarded for Settlement Administration Costs.

9. “Final Approval Hearing” – means the hearing to be conducted by the Court to determine whether to enter the Final Judgment finally approving and implementing the terms of the Settlement.

10. “Final Judgment” – refers to the Final Judgment and Order Approving Class Settlement.

11. “Gross Settlement Fund” – refers to Three Hundred Thousand Dollars (\$300,000), which is the maximum amount Defendant shall be required to pay under this Agreement, except as otherwise specifically provided herein. The \$300,000 Gross Settlement Fund shall consist of the following elements: (a) Plaintiff’s Counsels’ Attorneys’ Fees and Costs; (b) the Class Representative Service Award; (c) all standard payroll tax obligations (i.e., mandatory withholdings) of Plaintiff and Class Members arising from the payment of their Settlement Class Member Payment (as defined below); (d) Settlement Administration Expenses; (e) the PAGA Payment; and (f) the Net Settlement Fund, as defined below. The Gross Settlement Fund does not include any employer’s share of payroll taxes on the portion of payments to Settlement Class Members designated as wages, which Defendant shall be responsible for paying separately and in addition to the Gross Settlement Fund. This is a non-reversionary settlement. No part of the Gross Settlement Fund, nor any amount from the Gross Settlement Fund shall revert to Defendant or any of the Releasees. No Settlement Class Member shall be required to file a claim to receive a Settlement Class Member Payment or PAGA Employee Payment.

12. “Action” – means the complaint filed on June 28, 2019 in the Superior Court of the State of California, County of Los Angeles, entitled *Mario Lopez v. Naples Restaurant Group LLC*, Case No. 19STCV22606, and all amended complaints filed thereto.

13. “LWDA” – means the California Labor and Workforce Development Agency.

14. “Motion for Preliminary Approval” – refers to the Motion for Preliminary Approval of the Settlement and its supporting papers.

15. “Net Settlement Fund” – means the Gross Settlement Fund, less all of the following: (a) Plaintiff’s Counsels’ Attorneys’ Fees and Costs Award; (b) Class Representative Service Award; (c) Settlement Administration Expenses; and (d) the PAGA Payment to the LWDA.

16. “Notice” – refers to the Notice of Class Action Settlement, substantially in the form attached hereto as Exhibit A.

17. “Order Granting Preliminary Approval” – refers to the order or statement of decision preliminarily approving the Settlement.

18. “PAGA Employee” – means current and former non-exempt employees of Naples Restaurant Group in the State of California at any time during the PAGA Period.

19. “PAGA Employee Payment” – means the 25% share of the PAGA Payment that will be paid to PAGA Employees.

20. “PAGA Payment” – means the portion of the Gross Settlement Fund that the Parties have designated as representing the recovery of civil penalties on behalf of the Settlement Class under the Labor Code Private Attorneys General Act of 2004. This amount is Twenty-Five Thousand Dollars (\$25,000) and shall be paid to PAGA Employees.

21. “PAGA Payment to the LWDA” – refers to the 75% portion of the PAGA Payment that shall be distributed to the LWDA.

22. “PAGA Period” – means the period from April 24, 2018 through the date of preliminary approval by the Los Angeles County Superior Court, or 120 days from March 10, 2021, whichever occurs first.

23. “Parties” – means, collectively, Plaintiff Mario Lopez and Defendant Naples Restaurant Group.

24. “Payment Ratio” means the respective compensable number of work days for each Settlement Class Member/PAGA Employee divided by the total compensable number of work days for all Settlement Class Members/PAGA Employees.

25. “Plaintiff” – means Plaintiff Mario Lopez.

26. “Plaintiff’s Counsel” – means Law Offices of Sahag Majarian II; and Limonjyan Law Group, APC.

27. “Preliminary Approval Hearing” – means the hearing to be conducted by the Superior Court for the County of Los Angeles to determine whether to grant the Motion for Preliminary Approval.

28. “Settlement Administration Expenses” – means those expenses of effectuating and administering the Settlement, e.g., the costs incurred by the Settlement Administrator, the costs of giving notice to the Class, the costs of administering and disbursing the Net Settlement Fund and the PAGA Payment, and the fees of the Settlement Administrator.

29. “Settlement Administrator” – means the third-party administrator jointly selected by the Parties and approved by the Court to effectuate the Settlement. The parties have selected CPT Group, to serve as the administrator to distribute notice of the proposed Settlement and upon final approval to distribute settlement awards to the Settlement Class and the PAGA Employees. The costs to administer the Settlement shall not exceed \$12,000.

30. “Settlement Class” – means all those persons who are members of the Class and who have not properly and timely opted out of the Settlement.

31. “Settlement Class Member(s)” – means any person who is included in the Settlement Class.

32. “Settlement Class Member Payment” – means the allocation from the Net Settlement Fund that shall be paid to the Settlement Class Members in accordance with Section III, Paragraph 13(h). The Settlement Class Member Payment does not include the PAGA Employee Payment.

33. “Settlement Period” – means the period from June 28, 2015 through the date of preliminary approval by the Los Angeles County Superior Court, or 120 days from March 10, 2021, whichever is earlier.

34. “[Proposed] Order” – means the [Proposed] Order to be lodged with the Court as it relates to Granting Plaintiff Mario Lopez’s Motion for Preliminary Approval of Class Action Settlement

III. SETTLEMENT TERMS

1. Scope of Settlement:

The Settlement described herein will resolve fully and finally (a) all Settlement Class Members’ Released Claims as described in Section III, Paragraph 6, (b) all Released PAGA Claims as described in Section III, Paragraph 7, and (c) the general release of all claims by Mario Lopez as described in Section III, Paragraph 8.

2. The Gross Settlement Fund:

Naples Restaurant Group shall pay the Gross Settlement Fund to the Settlement Class Members and PAGA Employees, Class Representatives, Class Counsel, the Settlement Administrator, and the LWDA in the manner specified in this Agreement. Payment of the Gross Settlement Fund under the terms described in this Agreement shall be the sole financial obligation of Defendant under this Agreement, except for any employer share of payroll taxes attributed to

the portion of payments to Settlement Class Members designated as wages. The Gross Settlement Fund shall be used: (1) to satisfy the Settlement Class Member Payments; (2) to satisfy the PAGA Employee Payments; (3) to satisfy the Plaintiff's Counsels' Attorneys' Fees and Costs Award; (4) to satisfy the Class Representative Service Award; (5) to satisfy Settlement Administration Expenses; and (6) to satisfy the PAGA Payment to the LWDA.

3. Allocation of Net Settlement Fund Among Settlement Class Members and PAGA Employee Payments:

(a) The entire Net Settlement Fund and PAGA Payment will be paid out, with no reversion to Defendant.

(b) The Settlement Class Member Payment will be distributed to the Settlement Class Members according to the number of workdays worked for Naples Restaurant Group as a nonexempt employee in California at any time during the Settlement Period divided by the total combined workdays of all Settlement Class Members during the Settlement Period, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio is then multiplied by the Net Settlement Amount to determine his or her estimated individual Settlement Class Member Payment.

(c) The PAGA Employee Payment will be allocated among the PAGA Employees according to the number of workdays each PAGA Employee worked for Naples Restaurant Group in California as a nonexempt employee at any time during the PAGA Period divided by the total combined workdays of all PAGA Employees during the PAGA Period, resulting in the Payment Ratio for each PAGA Employee. Each PAGA Employee's Payment Ratio is then multiplied by the allocated PAGA Employee Payment to determine his or her estimated individual share of the PAGA Employee Payment.

4. **Tax Treatment of Payments to Settlement Class Members and PAGA**

Employees:

Of the Settlement Class Member Payments to individual Settlement Class Members, one-third shall be designated as payment for disputed wages, which shall be subject to payroll withholding to be reported on IRS Form W2s, one-third shall be designated as interest to be reported on IRS Form 1099s, and the remaining one-third shall be designated as Labor Code penalties to be reported on IRS Form 1099s. Other than the employer's share of payroll taxes attributed to the portion of payments to Settlement Class Members designated as wages, each Settlement Class Member shall be responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be owed on the portion of his or his Settlement Class Member Payment, PAGA Employee Payment, or Class Representative Service Award. PAGA Employee Payments to individual PAGA Employees shall be designated as penalties to be reported on IRS Form 1099. The Class Representative Service Award shall also be reported on IRS Form 1099. The Settlement Administrator shall report all required information to the appropriate taxing authorities regarding all payments made pursuant to this Agreement.

5. **Approval of Settlement:**

(a) Preliminary and final approval of the settlement will be held before the Honorable William F. Highberger of the Los Angeles County Superior Court.

(b) Plaintiff agrees to request no more than Nine Thousand Five Hundred Dollars (\$9,500) for his Class Representative Service Award. Plaintiff's Counsel agrees to seek no more than one-third (1/3) of the Gross Settlement Fund for attorneys' fees, and agrees not to seek more than \$15,000 for litigation costs and expenses. Defendant will not oppose the Class Representative Service Award, or Plaintiff's Counsels' Attorneys' Fees and Costs Award up to these amounts.

(c) Should the Court decline to approve all material aspects of the Settlement or make rulings substantially altering the fundamental terms of the Settlement, except for the amounts awarded for the Class Representative Service Award, Plaintiff's Counsels' Attorneys' Fees and Costs Award, or if Defendant declares this Agreement null and void because more than 5% of the persons who fall within the definition of the Class become Opt-Outs as specified in this Agreement, Defendant shall have no obligation to make any payment, including payment of the Gross Settlement Fund. In the event Defendant has made any payment, such monies shall be returned promptly to Defendant.

6. Release of Claims by Settlement Class Members:

Upon the court's final approval of the class settlement and entry of Final Judgment, each Settlement Class Member shall be deemed to have released Defendant in the Lopez Action and all of their present and former parents, owners, subsidiaries, predecessors, successors, affiliates, and related entities or persons and each of their respective shareholders, officers, directors, employees, administrators, fiduciaries, trustees, attorneys, agents, and any other successors, assigns or legal representatives, benefit plans (collectively the "Releasees"), from any and all "Settlement Class Members' Released Claims." For the purposes of this Agreement, the Settlement Class Members' Released Claims are defined as: Any and all federal, state and local demands, rights, liabilities, claims and/or causes of action, known or unknown, that are alleged in the Action, or could have been alleged in the Action based on Defendant's alleged failure to provide meal and rest breaks or pay premium pay in lieu thereof, pay overtime wages, pay minimum wages, pay all wages during employment, pay all wages due to discharged employees, pay and track sick pay, furnish accurate itemized wage statements, maintain required employee records, and indemnify employees for business expenses, in violation of (among other laws) Labor Code sections 201-204, 210, 226,

226.3, 226.7, 246, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2802, 2698-2699.5, any provision of the Industrial Welfare Commissions Orders, or California's Unfair Competition Law.

7. Release of Claims by PAGA Employees:

Plaintiff, on behalf of himself, the State of California and all PAGA Employees, release the Releasees from claims for violations of the PAGA, as set forth in the preceding paragraph. No PAGA Employee may opt out of this release.

8. Release of Claims by Plaintiff:

In addition to the Settlement Class Members' Released Claims described above, in exchange for the consideration recited in this Agreement, including but not limited to the Class Representative Service Award, Plaintiff releases, acquits, and discharges and covenants not to sue any of the Releasees for any claim, whether known or unknown, which he has ever had, or hereafter may claim to have, arising on or before the date he signs this Agreement, including without limitation to, any claims relating to or arising out of any aspect of his relationship with Defendant, or the termination of that relationship, any claims for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time penalties under the California Labor Code, the California Business and Professions Code, the federal Fair Labor Standards Act, 29 U.S.C. section 201, et seq., or any state, county or city law or ordinance regarding wages or compensation; any claims for employee benefits, including without limitation, any claims under the Employee Retirement Income Security Act of 1974; any claims of employment discrimination on any basis, including without limitation, any claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, 42 U.S.C. section 1981, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Family and Medical Leave Act of 1993, the California Government Code, or any other state, county or city law or ordinance regarding employment discrimination.

Plaintiff acknowledges and agrees that the foregoing general release is given in exchange for the consideration provided to him under this Agreement by Defendant. However, this release shall not apply to claims for workers' compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that as a matter of law cannot be waived or released.

Plaintiff expressly waives any rights or benefits available to him under the provisions of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASING PARTY.

Plaintiff acknowledges and agrees that he understands fully the statutory language of Civil Code section 1542 and, with this understanding, nevertheless elects to, and does hereby, assume all risks for claims that have arisen, whether known or unknown, which he ever had, or hereafter may claim to have, arising on or before the date of his signature to this Agreement, and specifically waives all rights he may have under California Civil Code section 1542.

9. Opt-Outs:

Upon preliminary approval of this Settlement, notice shall be given to all members of the Class as set forth in Section III, Paragraph 12(c) of this Agreement. Individuals who fall within the definition of the Class may choose to opt out of the Class under such procedures specified in

Section III, Paragraph 12(c)(v) of this Agreement. Any such individuals who validly opt out of the Class (“Opt-Outs”) will not be a Settlement Class Member; will not be bound by the Release of Claims by Settlement Class Members set forth in Section III, Paragraph 6 of this Agreement, other than the release of their PAGA claim; and will receive no part of the Net Settlement Fund or the Gross Settlement Fund except for the PAGA Employee Payment. Every individual who falls within the definition of the Class who does not validly and timely opt out shall be deemed a Settlement Class Member. The Settlement Administrator shall provide copies of all written requests for exclusion from the Class to the Parties’ counsel within ten (10) calendar days of the final date to opt out. If more than five percent (5%) of the persons who fall within the definition of the Class become Opt-Outs as specified in this Agreement, then Defendant shall have the option to declare this Agreement null and void, which they can accomplish by, within thirty (30) calendar days following the expiration of the last time period in which to opt-out, serving written notice of their exercise of this option on Class Counsel. All signatories and their counsel agree they will not encourage opt-outs. Individuals who opt-out of the Class but who qualify as a PAGA Employee shall maintain their status as a PAGA Employee even after opting out of the Class and shall remain eligible to receive a PAGA Employee Payment, provided that Defendant has chosen not to exercise its rights to void this Settlement in accordance with this paragraph.

10. Distribution of Net Settlement Fund:

If the Effective Date is triggered, the Net Settlement Fund shall be distributed by the Settlement Administrator in accordance with the following eligibility requirements:

(a) Those persons who timely submit written requests for exclusion from the class pursuant to the Notice (“Opt-Outs”) are not entitled to any Settlement Class Member Payments, but shall be paid for their PAGA Employee Payment,

(b) Defendant, through the Settlement Administrator, shall make payments to Settlement Class Members as set forth in Section III, Paragraph 13, below. This is a non-reversionary settlement. No part of the Gross Settlement Fund, nor any amount from the Gross Settlement Fund shall revert to Defendant or any of the Releasees.

(c) Defendant will provide to the Settlement Administrator the best information available to them with respect to the full names, last known addresses, last known telephone numbers, Social Security numbers, and workdays of the persons identified from their records as being Class Members and PAGA Employees. The Settlement Administrator may, as needed, attempt to obtain updated addresses through the National Change of Address (“NCOA”) database.

(d) Payments to Settlement Class Members and PAGA Employees shall be by check mailed to their last known addresses. Checks will be void 180 days after the issue date. For Settlement Class Members and PAGA Employees whose payments are returned as undeliverable and for which no forwarding addresses is available, the Settlement Administrator shall take reasonable steps to locate the person by other means. The steps deemed reasonable should be in proportion to the amount of the payment. Upon exhaustion of such reasonable steps, any unclaimed funds from uncashed checks shall be distributed per Section III, Paragraph 13(h) below.

11. Settlement Administration:

Settlement Administration Expenses, upon order of the Court, shall be paid from the Gross Settlement Fund. All disputes relating to the Settlement Administrator’s ability and need to perform its duties shall be referred to the Court if they cannot be resolved by the Parties. The Settlement Administrator shall regularly and accurately report to the Parties, in written form when requested, the substance of the work performed, including the amounts payable to individual

Settlement Class Members and PAGA Employees and the total amount to be paid to all such persons.

12. Preliminary Approval of Settlement:

The Parties agree to the following procedures for obtaining preliminary approval of the Settlement, certifying a conditional Settlement Class, notifying Settlement Class Members, and obtaining final court approval of the Settlement:

(a) **Class Certification for Settlement Purposes Only:** The Parties stipulate to certification of the Class for purposes of settlement only. If the Court does not grant either preliminary approval or final approval of this Settlement, or if Defendant elects to exercise its right to declare the Agreement void pursuant to the terms of this Agreement, the Parties' stipulation on class certification will be void and of no further force or effect.

(b) **Motion for Preliminary Approval:** Plaintiff will file the Motion for Preliminary Approval of the Settlement and Proposed Order Granting Preliminary Approval of the Settlement with the supporting papers. Defendant will not oppose the motion for preliminary approval provided it is consistent with this Agreement.

(c) **Notice of Class Settlement:** Following entry of the Order Granting Preliminary Approval of the Settlement, the Notice, substantially in the form attached hereto as Exhibit A shall be mailed to Class Members.

(i) Within thirty (30) calendar days of preliminary approval, Defendant shall provide the Settlement Administrator with the following data for each Class Member and PAGA Employee: (1) name, last known mailing address, last known telephone number, and Social Security number; (2) the number of workdays each Settlement Class Member worked for Naples Restaurant Group in California as a nonexempt employee at any time during the Settlement Period;

and (3) the number of workdays each PAGA Employee worked for Naples Restaurant Group in California as a nonexempt employee at any time during the PAGA Period; thereafter, the Settlement Administrator shall update the last known mailing addresses of Class Members received from Defendant, with those obtained by searching the National Change of Address database (“NCOA”).

(ii) Within forty (40) calendar days of preliminary approval, the Settlement Administrator shall mail the Notice Packet to all identified Class Members via U.S. Mail using the most current mailing address information available for Class Members from Defendant’s records and the NCOA database. The deadline for requesting exclusion from the Settlement Class shall be thirty (30) calendar days from the date the notice is first mailed by the Settlement Administrator. (This deadline is referred to as the “Exclusion/Objection Deadline Date.”)

(iii) If Notice Packets are returned as undeliverable without forwarding addresses, the Settlement Administrator shall conduct a skip trace to locate more current addresses for Class Members and re-mail the Notice Packets to any new addresses obtained. If forwarding address information is obtained by return mail, the Settlement Administrator shall promptly forward the Notice Packet to the addressee via first-class regular U.S. Mail. Class Members who are sent a re-mailed Notice Packet pursuant to the terms of this paragraph shall have thirty (30) days from the date of the re-mailed Notice Packet to opt out or object to the Settlement and shall be informed of the extended deadline in a cover letter to accompany the re-mailed Notice Packet.

(iv) The Notice shall provide that the Class Members who wish to object to the Settlement must submit their objection to the Settlement Administrator postmarked, faxed, or emailed no later than the Exclusion/Objection Deadline Date. The objection should be in writing and should explain the basis of the objection. No individual who excludes themselves from the

Settlement Class shall be entitled to object to the Settlement. The Settlement Administrator shall provide the Parties with a copy of any objection to the Settlement within three (3) calendar days of receipt any objection.

(v) The Notice shall include the option for Class Members to opt out of the Settlement. Any Class Member wishing to opt out of the Settlement must submit a written request for exclusion to the Settlement Administrator postmarked, faxed, or emailed no later than the Exclusion/Objection Deadline Date. Class Members who fail to opt out of the Settlement shall be bound by all terms of the Settlement and the Final Judgment entered in the Action if the Settlement is approved by the Court, except that all PAGA Employees shall be deemed to have released their PAGA claim notwithstanding whether they submitted a valid and timely request for exclusion. Within ten (10) calendar days after the Exclusion/Objection Deadline Date, the Settlement Administrator shall provide Defendant's counsel with a complete and accurate list of all Class Members who have validly and timely requested exclusion from the Settlement. Defendant's counsel shall also disclose the identity of any Class Member who submitted a valid and timely opt-out.

(vi) In addition to other information contained on the Notice, the Notice will include an explanation of the formula used to determine the share of the Net Settlement Amount that each Class Member may be entitled to receive under the Settlement. The Notice shall request corrected and/or updated name, address, and telephone information, and shall permit the Class Member to challenge or dispute their share of the Net Settlement amount by submitting a written challenge to the Settlement Administrator stating what they believe to be the correct number of workweeks they worked during the Settlement Period or PAGA Period, and providing supporting documentation. Any such challenges must be mailed to the Settlement Administrator by the

Exclusion/Objection Deadline. Any such challenges shall be resolved by the Settlement Administrator after conferring with counsel for the Parties and the decision of the Settlement Administrator shall be final, binding, and non-appealable. Defendant's records shall also be presumed valid in connection with any such challenge regarding workweeks worked during the Settlement Period or PAGA Period.

(d) **Non-Solicitation of Opt-Outs / Objections:** The Parties agree that neither they nor their counsel will solicit or otherwise directly or indirectly encourage Class Members to request exclusion from the Class, object to the Settlement, or appeal the Final Judgment. This provision however does not impact Plaintiff's Counsels' right and obligation to provide accurate information regarding the terms of the proposed Settlement and Class Members' rights and options under the proposed Settlement.

(e) **Final Approval Hearing:** A Final Approval Hearing to determine final approval of the Settlement shall be conducted subject to the calendar of the court. No later than thirty (30) calendar days prior to the Final Approval Hearing, the Settlement Administrator shall provide Class Counsel with a Declaration of Compliance to be filed with the Court by Class Counsel. No later than ten (10) calendar days before the Final Approval Hearing, or upon such other schedule as may be directed by the Court, Plaintiff shall file a Motion for Final Approval, Memoranda of Points and Authorities in Support of the Settlement, and Motion for Attorneys' Fees and Costs and Class Representative Service Awards. Prior to the Final Approval Hearing, Class Counsel shall present the proposed Final Judgment and Order Approving Class Settlement ("Final Judgment") to the Court for its approval and entry. After entry of the Final Judgment, the Court shall retain continuing jurisdiction over the Litigation under California Rule of Court 3.769(h) and California Code of Civil Procedure section 664.6 for purposes of (i) enforcing this Settlement Agreement,

(ii) addressing settlement administration matters, and (iii) addressing such post-Final Judgment matters as may be appropriate under court rules or applicable law. No judgment shall be entered unless it is consistent with the terms of this Agreement. Notice of the Final Judgment will be posted on the Settlement Administrator's website.

13. **Funding and Distribution of Gross Settlement Fund**

(a) **Funding and Distribution Timelines:** Defendant, shall fund the settlement within ten (10) business days after the Effective Date.

(b) **Payment of Class Counsels' Attorneys' Fees:** Class Counsel shall submit an application to the Court for an award of attorneys' fees in an amount not to exceed \$100,000. The amount awarded by the Court will compensate the two firms that represented Plaintiff, the Class and the PAGA Employees in the Lopez Action. The amount of court-awarded attorneys' fees shall be paid by the Settlement Administrator to Class Counsel within ten (10) business days after the Effective Date. The Settlement Administrator shall issue a Form 1099 to Class Counsel for the payment.

(c) **Payment of Litigation Costs and Expenses:** Class Counsel shall submit an application to the Court for reimbursement of out-of-pocket Litigation Costs and Expenses in an amount of no more than \$15,000. The amount of Plaintiff's Counsel's Attorneys' Fees and Costs Award-awarded shall be paid by the Settlement Administrator to Class Counsel within ten (10) business days after the Effective Date. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the payment.

(d) **Payment of Class Representative Service Award and Compensation for General Release:** Class Counsel on behalf of Plaintiff shall submit an application to the court for a Class Representative Service Award in the amount of \$9,500. Defendant agrees not to object to

a Class Representative Service Award of not more than \$9,500 for Plaintiff. The Settlement Administrator shall make payment of the Class Representative Service Award as awarded by the Court to Plaintiff within ten (10) business days after the Effective Date. The Settlement Administrator shall issue an IRS Form1099 to Plaintiff for the payment.

(e) **Payment of Settlement Expenses:** The Settlement Administrator shall receive such amount approved by the Parties and by the Court, from the Gross Settlement Fund, in an amount not to exceed \$12,000, within ten (10) business days after the Effective Date.

(f) **Payment of the PAGA Payment to the LWDA:** Within ten (10) business days after the Effective Date, the Settlement Administrator shall distribute to the LWDA the PAGA Payment to the LWDA.

(g) **Approval of Plaintiff's Counsels' Attorneys' Fees and Costs Award, and Class Representative Service Award:** Recovery of Plaintiff's Counsels' Attorneys' Fees and Costs Award, the Class Representative Service Award are not conditions to this Agreement. Any order or proceeding relating to the application by Class Counsel of an award of attorneys' fees, costs, expenses, or a Class Representative Service Award, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement. To the extent the Court does not approve the full amount of Plaintiff's Counsels' Attorneys' Fees and Costs Award, Settlement Administration Expenses, and/or the Class Representative Service Award, and the order is upheld on appeal, the non-approved amounts will be allocated to the Net Settlement Fund for distribution to the Settlement Class Members and PAGA Employees according to the allocation formula set forth herein.

(h) **Payments to Settlement Class Members and PAGA Employees:** After deducting Class Counsels' Attorneys' Fees and Costs Award, the Class Representative Service

Award, Settlement Administration Expenses, and the PAGA Payment to the LWDA from the Gross Settlement Fund, the Settlement Administrator shall distribute the entire PAGA Employee Payment to the PAGA Employees, and the entire Net Settlement Fund to the Settlement Class Members according to the allocation formulas described in Section III, Paragraph 3. Within ten (10) business days after the Effective Date, the Settlement Administrator shall mail a check to each Settlement Class Member and to each PAGA Employee via U.S. Mail using the most current mailing address information available, including any address updates obtained through NCOA searches. Any check issued to a Settlement Class Member or a PAGA Employee shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of issuance. If any check issued to a Settlement Class Member or PAGA Employee is returned as undeliverable, the Settlement Administrator shall make reasonable efforts to locate the Settlement Class Member or PAGA Employee by conducting a National Change of Address Search and skip trace and re-mail the check. After one hundred eighty calendar days (180) from the date of first issuance, if any funds remain resulting from returned and/or uncashed and/or stale checks, those funds shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure § 1500 et seq., for the benefit of those Settlement Class Members or PAGA Employees who did not cash their checks, until such time that they claim their property. The Parties agree that this disposition results in no “unpaid residue” under California Code of Civil Procedure § 384, because the entire Net Settlement Fund will be paid out to the Settlement Class Members and PAGA Employees, whether or not they all cash their checks. Therefore, Defendant shall not be required to pay any interest on the funds distributed to the Controller.

14. **Notices:**

Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the fifth day after mailing by United States mail, addressed as follows:

To Class Counsel:

SAHAG MAJARIAN
LAW OFFICE OF SAHAG MAJARIAN II
18250 Ventura Boulevard
Tarzana, CA 91356
Telephone: (818) 609-0807
Facsimile: (818) 609-0892

RUBEN LIMONJYAN
LIMONJYAN LAW GROUP, APC
263 West Olive Avenue
Burbank, CA 91502
Telephone: (213) 277-7444

Attorneys for Plaintiff
Richard Deonte Walker

To Defendant's Counsel:

LISA GARNER
PETER CHOI
GORDON REES SCULLY MANSUKHANI
633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
Telephone: (213) 929-2401

Attorneys for Defendant
Naples Restaurant Group LLC

15. Defendant's Option to Void Agreement If Settlement is Materially Modified:

It is understood and agreed by the Parties that the formula for the distribution of the Net Settlement Fund and the procedure for effectuating this Settlement are subject to approval by the court. However, if any court order or action of the court requires Defendant or any other Releasee to pay any portion of the Gross Settlement Fund to any person or entity other than as provided

herein, or pay more than the amounts specified in this Agreement (including payments to the Class, Plaintiff's Counsels' Attorneys' Fees and Costs Award, Settlement Administration Expenses, Class Representative Service Award, and the PAGA Payment), the Agreement shall be voidable by Defendant by written notice to Class Counsel, no later than twenty (20) calendar days after Defendant receives notice of entry of any such order.

If Defendant exercises a right under this Agreement to void this Agreement, or if the Court fails to approve this Agreement, neither Defendant nor any other Releasee shall have any obligation to make any payments under this Agreement and Defendant shall receive a return of any funds already paid. Defendant agrees to pay to the Settlement Administrator directly all of the Settlement Administration Expenses under those circumstances.

16. No Publicity:

The Parties and their respective counsel shall not issue any press release or media release or have any communication with the press or media regarding this Settlement. Class Counsel may, however, respond to any inquiries from Class Members or PAGA Employees regarding the Settlement.

17. Entire Agreement:

After this Agreement is fully executed by all Parties and their attorneys of record, this Agreement and its Exhibits shall constitute the entire agreement relating to settlement of this Action and the causes of action and defenses asserted therein, and it shall then be deemed that no oral representations, warranties or inducements have been made to any party concerning this Agreement other than the representations, warranties and covenants expressly stated in this Agreement.

18. Authorization:

Plaintiff's Counsel warrant and represent that they are authorized by Plaintiff, for whom they are the attorneys of record, and the attorneys of record for Defendant warrant and represent that they are authorized by Defendant, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties agree to seek the assistance of the court, and in all cases all such documents, supplemental provisions and assistance of the court shall be consistent with this Agreement.

19. Jurisdiction:

The court shall have continuing jurisdiction to resolve any dispute which may arise with regard to the terms and conditions of this Agreement. Except where the context indicates otherwise, references to the court shall also include any other courts that take jurisdiction of the Litigation, or any to whom the court has referred the matter. In the event that one or more of the Parties institutes an action or proceeding to enforce the provisions of this Settlement, or declare rights and/or obligations under this Settlement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement action.

20. Modification:

This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by Class Counsel and Defendant's Counsel or their

successors-in-interest. Amendments and modifications may be made without additional notice to the Settlement Class Members unless such notice is required by the Court.

21. Successors:

This Agreement shall be binding upon, and inure to the benefit of, the successors of each of the Parties.

22. California Law:

All terms of this Agreement and its Exhibits shall be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

23. Representation by Counsel:

The Parties have each been represented by counsel and have cooperated in the drafting and preparation of this Agreement. This Agreement shall not be construed against any party on the basis that the party was the drafter or participated in the drafting.

24. Counterparts:

This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Agreement.

25. Incorporation of Exhibits:

All exhibits attached hereto are incorporated by reference and are a material part of this Agreement. Any notice, order, judgment or other exhibit that requires approval of the Court must be approved without material alteration from its current form in order for this Agreement to become effective.

26. Reasonableness of Settlement:

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

27. Waiver of Right to be Excluded:

By signing this Agreement, Plaintiff agrees to be bound by its terms and agrees not to request to be excluded from the Class. Any such request for exclusion by Plaintiff shall be void and of no force or effect.

28. Tolling of Statute:

The Parties stipulate and agree, pursuant to California Code of Civil Procedure section 583.330(a), to extend the time within which the Litigation must be brought to trial pursuant to Code of Civil Procedure sections 583.310 through 583.360, by that period of time from the date of the execution of the settlement Memorandum of Understanding, i.e., March 10, 2021, to the date of Final Approval, and that said period of time shall not be included in the computation of the five-year period specified in the Code of Civil Procedure section 583.310.

29. Final Order and Judgment:

Upon final approval of the Settlement, a Final Order and Judgment shall be entered by the court which shall, among other things:

(a) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the Class and the PAGA Employees, as a whole, and order the Parties to carry out the provisions of this Agreement.

(b) Award amounts for Plaintiff's Counsels' Attorneys' Fees, Litigation Costs and Expenses, the Class Representative Service Award, Settlement Administration Expenses and the PAGA Payment.

(c) Adjudge that the Settlement Class Members and PAGA Employees are upon the Effective Date conclusively deemed to have released Defendant and the Releasees pursuant to Paragraphs 6-9 of Section III hereof.

(d) Bar and permanently enjoin each Settlement Class Member and PAGA Employee from prosecuting against the Releasees any and all of the Released Claims.

(e) Reserve continuing jurisdiction as provided herein.

Dated: June __, 2021

MARIO LOPEZ
Plaintiff

Dated: June 8, 2021



RUBEN LIMONJYAN
Counsel for Plaintiff

Dated: June __, 2021

SAHAG MAJARIAN
Counsel for Plaintiff

Dated: June __, 2021

LISA GARNER
PETER CHOI
Counsel for Defendant

Dated: June __, 2021

JOHN MORRIS
General Operations Manager for

(c) Adjudge that the Settlement Class Members and PAGA Employees are upon the Effective Date conclusively deemed to have released Defendant and the Releasees pursuant to Paragraphs 6-9 of Section III hereof.

(d) Bar and permanently enjoin each Settlement Class Member and PAGA Employee from prosecuting against the Releasees any and all of the Released Claims.

(e) Reserve continuing jurisdiction as provided herein.

Dated: June 10, 2021



MARIO LOPEZ
Plaintiff

Dated: June __, 2021

RUBEN LIMONJYAN
Counsel for Plaintiff

Dated: June 11, 2021

DocuSigned by:

3142D9828E6E4A2...

SAHAG MAJARIAN
Counsel for Plaintiff

Dated: June __, 2021

LISA GARNER
PETER CHOI
Counsel for Defendant

Dated: June __, 2021

JOHN MORRIS
General Operations Manager for

(c) Adjudge that the Settlement Class Members and PAGA Employees are upon the Effective Date conclusively deemed to have released Defendant and the Releasees pursuant to Paragraphs 6-9 of Section III hereof.

(d) Bar and permanently enjoin each Settlement Class Member and PAGA Employee from prosecuting against the Releasees any and all of the Released Claims.

(e) Reserve continuing jurisdiction as provided herein.

Dated: June __, 2021

MARIO LOPEZ
Plaintiff


Dated: June __, 2021

RUBEN LIMONJYAN
Counsel for Plaintiff

Dated: June __, 2021

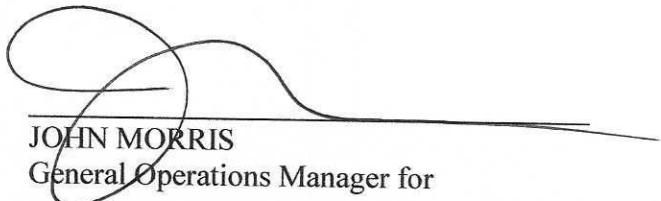
SAHAG MAJARIAN
Counsel for Plaintiff

Dated: June 15, 2021



LISA GARNER
PETER CHOI
Counsel for Defendant

Dated: June 15, 2021



JOHN MORRIS
General Operations Manager for

Naples Restaurant Group, LLC dba
Boathouse on the Bay
Defendant