

NOTICE OF CLASS ACTION SETTLEMENT

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU WERE EMPLOYED BY PREMIER FOOD CONCEPTS, LLC DBA LUNA GRILL AND/OR LUNA GRILL, INC. AS AN HOURLY EMPLOYEE IN CALIFORNIA AT ANY TIME DURING THE PERIOD OF DECEMBER 3, 2018 AND MAY 18, 2020, THIS PROPOSED CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in the class action and Private Attorney General Act (“PAGA”) representative action lawsuit entitled *Katelyn Burt et al. v. Premier Food Concepts, LLC DBA Luna Grill, et al., Case No. 56-2018-00519112-CU-OE-VTA* (hereafter referred to as the “Action”).

The Action is comprised of the following separate lawsuits:

- (1) *Katelayn Burt, et al v. Premier Food Concepts, LLC dba Luna Grill*, Ventura County Superior Court Case No. 56-2018-00519112-CU-OE-VTA.
- (2) *Jose Nester Martinez Valdez, et al. v. Luna Grill, Inc.*, Orange County Superior Court Case No. 30-2018-01036069-CU-OE-CXC.
- (3) *Elizabeth Jaramillo, et al. v. Premier Food Concepts, LLC dba Luna Grill*, San Diego County Superior Court Case No. 37-2019-00056621-CU-OE-CTL.

The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action.

A hearing regarding final approval of the proposed Settlement—to determine whether the Settlement is fair, adequate, and reasonable—will be held before the Honorable Mark S. Borrell on February 14, 2023 at in Department 40 of the Ventura County Superior Court, 800 South Victoria Avenue, Ventura, CA 93009 (“Final Approval Hearing”). Information about how to participate in this Final Approval Hearing is provided below. As a Settlement Class Member, you are eligible to receive an Individual Settlement Payment under the Settlement and will be bound by the release of claims described in this Notice and in the Joint Stipulation and Agreement for Class and Representative Actions Settlement and Release (“Settlement Agreement”) filed with the Court, unless you timely request to be excluded from the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Settlement Class and will receive settlement benefits as explained more fully below. You will also give up any rights to pursue a separate legal action against Defendants for the Released Claims asserted in the Action as explained more fully below.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	If you exclude yourself from the Settlement (also called “opting out”), you will give up your right to receive your Individual Settlement Payment, although you will still receive your pro-rata share, if any, of the PAGA portion of the Settlement (described below). If you exclude yourself, you retain any right to pursue a separate legal action against Defendants regarding the claims in the Action. If you want to exclude yourself, you must do so by submitting a written request for exclusion by the deadline set forth below.
OBJECT	To object to the Settlement, you must mail to the Settlement Administrator a Objection by the deadline set forth below, explaining why you don’t like the Settlement. This option is available only if you do <u>not</u> exclude yourself from the Settlement. Do <u>not</u> submit an Exclusion Request if you wish to object.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Settlement Class”):

All current and former hourly or non-exempt employees of Defendants in California at any time from December 3, 2014 through May 18, 2020 (“Class Period”).

According to Defendants’ records, you are a member of the Settlement Class (a “Class Member”).

What is this case about?

In the Action, Plaintiffs allege on behalf of themselves and the Settlement Class that Defendants: (1) failed to provide required meal periods; (2) failed to provide required rest periods; (3) failed to pay overtime wages; (4) failed to pay minimum wages; (5) failed to pay all wages due to discharged and quitting employees; (6) failed to maintain required records; (7) failed to furnish accurate itemized wage statements; (8) failed to indemnify employees for necessary expenditures incurred in discharge of duties; (9) violated California’s Unfair Competition Law [Bus. & Prof. Code §§ 17200 et seq.]; and (10) violated Labor Code provisions giving rise to civil penalty liability under PAGA [Lab. Code §§ 2699, et seq.]. Plaintiffs seek unpaid wages, actual damages, statutory penalties, civil penalties under PAGA, restitution, interest, attorneys’ fees, and costs.

Defendants deny all liability and is confident it has strong legal and factual defenses to these claims. However, Defendants recognize the risks, distractions, and costs associated with litigation. Defendants contend that its conduct is and has been lawful at all relevant times and that Plaintiffs’ claims do not have merit and do not meet the requirements for class certification.

This Settlement is a compromise reached after good faith, arm’s-length negotiations between Plaintiffs and Defendants (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendants. Both sides agree that, in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate, and reasonable. Plaintiffs also believe this Settlement is in the best interests of all Settlement Class Members.

The Court has not ruled on the merits of Plaintiffs’ claims or Defendants’ defenses.

Who are the attorneys representing the Parties?

The Court has granted preliminary approval of the Settlement and has appointed the lawyers bringing the Class Action to serve as “Class Counsel” to represent all Settlement Class Members affected by the Settlement. The attorneys serving as Class Counsel are:

Matthew J. Matern
Mikael H. Stahle
MATERN LAW GROUP, PC
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Telephone: (310) 531-1900

Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, CA 91203
Telephone: (818) 265-1020

What are the Settlement terms?

Subject to final Court approval, Defendants will pay \$1,600,000,00 (the “Settlement Amount”) for: (a) Individual Settlement Payments to Settlement Class Members who do not request to be excluded from the Settlement (“Participating Class Members”); (b) the Court-approved Service Awards to each Plaintiff; (c) the Court-approved attorneys’ fees and costs to Class Counsel; (d) Settlement Administration Expenses; and (e) payment to the State of California Labor and Workforce Development Agency (“LWDA”) for PAGA penalties.

Net Settlement Payments. After deduction from the Gross Settlement Amount for Class Counsel’s attorneys’ fees and costs, the Service Award to Plaintiffs, the payment to the LWDA for PAGA penalties, and the costs of administering the Settlement, there will be a Net Settlement Amount. From this Net Settlement Amount, Defendants will make Individual Settlement Payments to Participating Class Members.

The Net Settlement Amount will be divided among all Participating Class Members on a pro-rata basis based upon the total number of Workweeks worked by each respective Participating Class Member in California during the Class Period.

According to Defendants' records, you worked «workweeks» Workweeks during the Class Period.

You may challenge the computation of your Workweeks by mailing a written dispute to the Settlement Administrator, postmarked no later than February 27, 2023. The dispute must contain the amount of Workweeks that you contend to have worked, along with supporting documentation. The dispute shall be determined by the Settlement Administrator, who shall examine all available written records in an attempt to resolve the dispute. Defendants' records shall be presumed accurate and control unless the Settlement Class Member provides satisfactory proof that Defendants' records are incorrect. In any event, the Settlement Administrator will make every reasonable effort to resolve any such disputes before Final Approval of this Settlement Agreement, and if any disputes cannot be resolved by that time, they will be resolved by the Court at the Final Approval hearing.

Your estimated Net Settlement Payment is «TotalestAmount».

For tax reporting purposes, the payments to Participating Class Members will be allocated as follows: 20% as wages and 80% as penalties and interest. All legally required payroll withholdings will be withheld from the Net Settlement Payments based on this allocation. Any remaining taxes owed will be the responsibility of each Participating Class Member receiving those payments. The employer's share of any payroll taxes will be separately paid by Defendants.

The Settlement will be paid in four annual installments in accordance with the following schedule:

- (1) Year 1: \$300,000 paid to a qualified settlement account within thirty (30) calendar days of the Effective Date ("First Installment");
- (2) Year 2: \$300,000 paid to a qualified settlement account no later than one calendar year following the First Installment Payment, if the Court has entered the Final Approval Order and Judgment ("Second Installment");
- (3) Year 3: \$500,000 paid to a qualified settlement account no later than one calendar year following the Second Installment Payment, if the Court has entered the Final Approval Order and Judgment ("Third Installment"); and
- (4) Year 4: \$500,000 paid to a qualified settlement account no later than one calendar year following the Third Installment Payment, if the Court has entered the Final Approval Order and Judgment ("Fourth Installment").

The Effective Date is defined as the date when all of the following events have occurred: (a) the Settlement Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court has given preliminary approval to the Settlement; (c) notice has been given to the Class Members providing them with an opportunity to opt out of the Settlement; (d) the Court has held a Final Approval Hearing and entered the Final Approval Order and Judgment; and (e) the later of the following events: the expiration of the period for filing any appeal, writ, or other appellate proceeding challenging the Final Approval Order and Judgment has elapsed without any appeal, writ or other appellate proceeding having been filed; or the dismissal of any such appeal, writ, or other appellate proceeding; or any appeal, writ, or the issuance of such other final appellate order upholding the Final Approval Order and Judgment with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Final Approval Order and Judgment is completely final and there is no further recourse by an appellant or objector who seeks to contest the Settlement.

Defendants will begin paying the Gross Settlement Amount into a qualified settlement account established by the Settlement Administrator in accordance with the above installment payment schedule beginning after the Effective Date.

The first payment to Settlement Class Members will be after the Second Installment is deposited into the qualified settlement account.

First Distribution Payments:

No later than ten (10) days after Defendants deposit the Second Installment, the Settlement Administrator will issue payments of the Service Awards to Plaintiffs; partial payment (1/2) of each Individual Settlement Payment to the Settlement Class Members. If funds are not sufficient from the Second Installment to issue payments to each Settlement Class Member of one half their Individual Settlement Payments, such payments will be made within ten (10) calendar days of the Third Installment or when funds are sufficiently available. If any Settlement Class Members do not negotiate their Individual Settlement Payment check from the First Distribution within one hundred eighty (180) days, such checks will be cancelled, and the funds associated with such check will be included in the Third Distribution Payments (discussed below) to be paid after the Fourth Installment.

Second Distribution Payments:

No later than ten (10) calendar days after the Third Installment, the Settlement Administrator shall issue payments in the following order of priority: (1) full payment to the LWDA for the LWDA Payment; (2) partial payment of one-half Administration Expenses to the Settlement Administrator; and (3) partial payment of one-half Attorneys' Fees and Expenses to Class Counsel.

Third Distribution Payments:

No later than ten (10) calendar days after the Fourth Installment, the Settlement Administrator shall issue payments in the following order of priority: (1) the remaining Individual Settlement Payments to Settlement Class Members, which will include the uncashed amounts from the First Distribution Payments; (2) the remaining half of the Administration Expenses to the Settlement Administrator; and (3) the remaining half of Attorneys' Fees and Expenses to Class Counsel.

The funds associated with cancelled checks from the Third Distribution of Individual Settlement Payments to Settlement Class Members will be donated to Bet Tzedek, an organization that provides legal aid to low-income individuals and families including legal services related to employment issues.

None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Settlement Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Settlement Class Member.

Class Counsel Attorneys' Fees and Costs, Class Representative Service Awards, Settlement Administration Expenses, and Payment to the LWDA. Class Counsel will ask the Court to award attorneys' fees up to \$560,000 (35%) of the Gross Settlement Amount and reimbursement of actual litigation costs, incurred in the Action. In addition, Class Counsel will ask the Court to authorize Class Representative Service Awards of up to \$7,500.00 for each Plaintiff for their efforts in bringing the Action on behalf of the Class. The cost of administering the Settlement will not exceed \$35,000.00. A payment in the amount of \$37,500.00 will also be made to the LWDA for its share of PAGA penalties, which represents 75% of the \$50,000.00 set aside for payment of civil penalties under PAGA; the remaining \$12,500.00 of the \$50,000.00 allocated to PAGA penalties will be distributed pro rata to all Class Members; this pro-rata distribution will be based on the number of pay periods that each Class Member worked during the Class Period and will be mailed to them regardless of whether they choose to exclude themselves from the Settlement.

What claims are being released by the proposed Settlement?

Upon the Effective Date, each Settlement Class Member and Plaintiffs, will release, discharge, and agree to hold harmless the Released Parties, and each of them, of and from any and all Released Claims. "Released Parties" means Defendants, and all of their respective current and former parents, subsidiaries, predecessors, successors, and their affiliated entities, and each of their respective owners, officers, directors, employees, partners, shareholders, agents, and any other successors, heirs, assigns, or legal representatives, any attorneys, insurers, and claims representatives.

Class Members, except those who opt out, will waive and release any and all federal and California state law wage-and-hour claims, rights, demands, liabilities, and/or causes of action of every nature and description arising from any and all claims that were alleged or could have been alleged in the Amended Complaint based on the facts contained therein, arising during the Class Period, including, without limitation, statutory, constitutional, contractual, and/or common law claims for wages, reimbursements, damages, unpaid costs, penalties (including penalties under the PAGA, as amended,

California Labor Code section 2698 and 2699, et seq.), liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, including without limitation, California Labor Code sections 201, 202, 203, 204, 210, 218, 218.5, 218.6, 221, 223, 226, 226.3, 226.7, 510, 512, 558, 1021.5, 1174, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2800, and 2802, Civil Code sections 3287, 3288, California Code of Regulations section 11010, and any federal counterparts, California Business and Professions Code section 17200, et seq., any IWC Wage Orders, any (i) claims for meal and rest period violations, including alleged meal and rest break violations arising from or related to Defendants' written meal or rest break policies; (ii) meal and rest period violations, including alleged violations arising from Defendants' auto-deduction of meal periods; (iii) unpaid minimum wages or overtime wages, including alleged violations arising from alleged off-the-clock work, alleged non-discretionary bonuses, and alleged non-payment of shift differentials; (iv) untimely pay during and at termination of employment, (v) unreimbursed business expenses, record keeping violations, (vii) inaccurate pay stubs; (viii) heat recovery claims arising under Labor Code section 226.7; and any unlawful deductions.

Additionally, all Class Members will release all claims for civil penalties under PAGA during the Class Period.

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Settlement Class and receive a Individual Settlement Payment; or (B) exclude yourself from the Settlement. If you choose option (A), you may still object to the Settlement, as explained below.

OPTION A. Remain in the Settlement Class. If you wish to remain in the Settlement Class and be eligible to receive an Individual Settlement Payment, *you do not need to take any action*. By remaining in the Settlement Class and receiving a Net Settlement Payment, you will be subject to any Judgment that will be entered in the Action, including the release of claims described above. If you remain in the Settlement Class, you will be represented at no cost by Class Counsel. Class Counsel, however, will not represent you for purposes of making objections to the Settlement.

Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable, or adequate, you may object to it. To object, you must mail an "Objection" to the Settlement Administrator at the address located at the bottom of this Notice. If you submit an Objection, it must be postmarked no later than February 27, 2023 and set forth the following: (1) your full name, address and dates of employment with Defendants; (2) the case name and number of the Action (shown on page 1 of this Notice); (3) the legal and factual basis for your Objection, and (4) the name and address of your counsel if you are represented by counsel for purposes of objecting. The Objection must be signed by you or your authorized representative. *Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of the claims set forth above, unless the Court does not grant final approval of the Settlement.*

OPTION B. Request to Be Excluded from the Settlement and Receive No Money from the Settlement. If you do not want to be part of the Settlement, you must submit a written statement requesting exclusion from the Class. The request for exclusion must contain your name, address, and last four digits of your social security number and must be mailed to the Settlement Administrator, postmarked on or before February 27, 2023 and signed by the you or your authorized representative. Any Class Member who opts out of the Class will **not** be entitled to any recovery under the Settlement and will **not** be bound by the Settlement or have any right to object, appeal, or comment thereon. Class Members who do not submit a valid and timely request for exclusion on or before February 27, 2023 shall be Participating Class Members and bound by all terms of the Settlement and any Final Judgment entered in this Class Action if the Settlement is approved by the Court.

What is the next step in the approval of the Settlement?

The Court will hold the Final Approval Hearing to decide whether the Settlement is fair, reasonable, and adequate on March 21, 2023, at 8:20 a.m. in Department 40 of the Ventura County Superior Court, 800 South Victoria Avenue, Ventura, CA 93009. If the Settlement Class member timely submits an Objection, he or she may appear, personally or through an attorney, at his or her own expense, at the Final Approval Hearing to present his or her objection directly to the Court. You need not attend the Final Approval Hearing to receive an Individual Settlement Payment. Please note that the date and/or time for the Final Approval Hearing may be changed at any time without notice. You can confirm the date by contacting the Settlement Administrator.

If the Court grants Final Approval of the Settlement, the Order granting Final Approval and entering Judgment will be posted on a website (listed below) created by the Settlement Administrator for this case for a period of 90 days following the entry of that Order/Judgment, in compliance with California Rules of Court, rule 3.771.

Even if the Court grants Final Approval, there may be appeals. If there are any appeals, resolving them could take some time, so please be patient.

It is your responsibility to maintain your current address with the Settlement Administrator. If you move, you should send a letter updating your address to the Settlement Administrator. Maintaining your current address with the Settlement Administrator is the best way to ensure that you receive your Individual Settlement Payment.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are available in the Complaints and the Settlement Agreement, all of which are posted on the Settlement Administrator's website which also lists information regarding the Final Approval Hearing. These documents and all other records relating to the Action are available for inspection and/or copying at the Civil Records Office of the Ventura County Superior Court and on the Court's website located at <http://www.ventura.courts.ca.gov/>. You may also request a copy of the Settlement Agreement from Class Counsel whose contact information is listed above.

CPT Group, Inc. will serve as the Settlement Administrator for the Settlement. CPT Group, Inc. may be reached at:

Burt v. Premier Food Concepts, LLC dba Luna Grill
c/o CPT Group, Inc.
50 Corporate Park
Irvine, California, 92606
Phone: 1-833-874-0843
Fax: (949) 419-3446
website: www.cptgroupcaseinfo.com/premierfoodsettlement

**PLEASE DO NOT CONTACT THE COURT
FOR INFORMATION REGARDING THIS SETTLEMENT**