

1                   **FIRST AMENDED JOINT STIPULATION OF CLASS ACTION AND PAGA**  
2   **SETTLEMENT**

3           This First Amended Joint Stipulation of Class Action and PAGA Settlement (“Settlement,”  
4 “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff Connor  
5 Brown (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly  
6 situated and on behalf of the State of California with respect to aggrieved employees, and Defendants  
7 Bi-Rite Management Services LLC, Bi-Rite Market, Inc. dba Bi-Rite Family of Businesses, Bi-Rite  
8 Creamery, Inc., Bi-Rite Catering, LLC dba Bi-Rite Catering & Commissary Kitchen, and Bi-Rite  
9 Divis, Inc. (collectively, “Defendants”) (collectively, Plaintiff and Defendants are referred to as  
10 “Parties” and individually as “Party”).

11           This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as  
12 defined herein), the State of California as to the employment of PAGA Employees (as defined herein),  
13 and Defendants, subject to the terms and conditions hereof and the approval of the Court.

14   **RECITALS**

15           1.       On December 19, 2023, Plaintiff provided written notice to the Labor and Workforce  
16 Development Agency (“LWDA”) by online submission and to Defendants by U.S. Certified Mail,  
17 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor  
18 Code alleged to have been violated by Defendants (“PAGA Letter”). On January 3, 2024, Plaintiff  
19 filed a Class Action Complaint in the action entitled *Connor Brown v. Bi-Rite Management Services*  
20 *LLC, et al.*, San Francisco County Superior Court Case No. CGC-24-611385 (“Action”), thereby  
21 commencing a putative class action against Defendants. On February 27, 2024, Plaintiff filed a First  
22 Amended Class and Representative Action Complaint (“Operative Complaint”) in the Action, which  
23 added a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor  
24 Code Section 2698 *et seq.* (“PAGA”). The Operative Complaint alleges ten (10) causes of action for  
25 violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime  
26 wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to  
27 provide compliant rest periods and premiums payments in lieu thereof, failure to timely pay wages  
28 during employment, failure to provide accurate wage statements, failure to timely pay wages upon

1 termination, and failure to reimburse necessary business expenses, for violations of California  
2 Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor  
3 Code violations, and for civil penalties under PAGA based on the aforementioned California Labor  
4 Code violations.

5 2. Defendants deny all materials allegations set forth in the Action and have asserted  
6 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,  
7 Defendants desire to fully and finally settle the Action, Released Class Claims (as defined herein), and  
8 Released PAGA Claims (as defined herein).

9 3. Class Counsel diligently investigated the class and PAGA claims against Defendants,  
10 including any and all applicable defenses and the applicable law. The investigation included, *inter*  
11 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.  
12 The Parties have engaged in sufficient formal and informal discovery and investigation to assess the  
13 relative merits of the claims and contentions of the Parties.

14 4. On September 11, 2024, the Parties participated in mediation with Tripper Ortman,  
15 Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance  
16 of the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The  
17 Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the result of an  
18 informed and detailed analysis of Defendants’ potential liability and exposure in relation to the costs  
19 and risks associated with continued litigation. Based on Class Counsel’s investigation and evaluation,  
20 Class Counsel believes that the settlement with Defendants for the consideration and on the terms set  
21 forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the  
22 Class Members, State of California, and PAGA Employees in light of all known facts and  
23 circumstances, including the risk of significant delay and uncertainty associated with litigation and  
24 various defenses asserted by Defendants.

25 5. The Parties expressly acknowledge that this Settlement Agreement is entered into  
26 solely for the purpose of compromising significantly disputed claims and that nothing herein is an  
27 admission of liability or wrongdoing by Defendants. If for any reason this Settlement Agreement is  
28 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective

positions.

## **DEFINITIONS**

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

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 9.

b. “Class” or “Class Member(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the Class Period.

c. “Class Counsel” means Jonathan M. Genish, Miriam L. Schimmel, Joana Fang, Alexandra Rose, and Jared C. Osborne of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) dates worked for Defendants during the Class Period; and (5) the total Workweeks and Pay Periods. On or about the same date that the Defendant provides the Class List to the Administrator, Defendant will separately provide Plaintiff’s Counsel with a declaration attesting to the number of Workweeks and Pay Periods.

e. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached hereto as “**Exhibit A**.”

f. “Class Period” means the period from January 3, 2020 through December 23, 2024.

g. “Class Settlement” means the settlement and resolution of all Released Class Claims.

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1                   h.       “Court” means the Superior Court of the State of California for the County of  
2 San Francisco.

3                   i.       “Defendants’ Counsel” means Mollie M. Burks and Sat Sang S. Khalsa of  
4 Gordon Rees Scully Mansukhani, LLP.

5                   j.       “Dispute” means a letter submitted by a Class Member disputing the number of  
6 Workweeks and/or Pay Periods to which they have been credited, which must: (a) contain the case  
7 name and number of the Action; (b) contain the Class Member’s full name, signature, address, and  
8 telephone number; (c) clearly state that the Class Member disputes the number of Workweeks and/or  
9 Pay Periods credited to the Class Member and what the Class Member contends is the correct number;  
10 and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or  
11 before the Response Deadline.

12                  k.       “Effective Date” means the following: (i) if no Settlement Class Member  
13 objects to the Class Settlement, then the Effective Date will be the date of Final Approval; or (ii) if  
14 any Settlement Class Member objects to the Class Settlement, the Effective Date will be the sixty-first  
15 (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or  
16 (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the day after final  
17 resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting  
18 in final judicial approval of the Settlement.

19                  l.       “Employer Taxes” means the employers’ share of taxes and contributions in  
20 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendants  
21 in addition to the Gross Settlement Amount.

22                  m.       “Enhancement Payment” means the amount to be paid to Plaintiff, in  
23 recognition of his effort and work in prosecuting the Action on behalf of Class Members and PAGA  
24 Employees, as set forth in Paragraph 10.

25                  n.       “Final Approval” means the determination by the Court that the Settlement is  
26 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

27                  o.       “Final Approval Hearing” means the hearing at which the Court will consider  
28 and determine whether the Settlement should be granted Final Approval.

p. “Final Approval Order and Judgment” means the order granting final approval of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

q. “Gross Settlement Amount” means the amount of One Million Eight Hundred Fifty Thousand Dollars and Zero Cents (\$1,850,000.00) to be paid by Defendants in full satisfaction of the Action, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendants shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendants. The Gross Settlement Amount is subject to increase, as provided in Paragraph 13.

r. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 15.

s. “Individual Settlement Payment” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 16.

t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 14.

u. “LWDA Payment” means the amount of Sixty-Seven Thousand Five Hundred Dollars and Zero Cents (\$67,500.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 11.

v. “Net Settlement Amount” means the portion of the Gross Settlement Amount that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and Settlement Administration Costs.

1           w.       “Notice of Objection” means a Settlement Class Member’s written objection to  
2 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the  
3 objector’s full name, signature, address, and telephone number; (c) contain a written statement of all  
4 grounds for the objection accompanied by any legal support for such objection; (d) contain copies of  
5 any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail  
6 to the Settlement Administrator at the specified address, postmarked on or before the Response  
7 Deadline.

8           x.       “PAGA Amount” means the allocation of Ninety Thousand and Zero Cents  
9 (\$90,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five percent  
10 (75%) of the PAGA Amount, or \$67,500.00, will be paid to the LWDA (i.e., the LWDA Payment)  
11 and the remaining twenty-five percent (25%), or \$22,500.00, will be distributed to the PAGA  
12 Employees (i.e., the PAGA Employee Amount).

13           y.       “PAGA Employee(s)” means all current and former hourly-paid and/or non-  
14 exempt employees who worked for Defendants in the State of California at any time during the PAGA  
15 Period.

16           z.       “PAGA Employee Amount” means the amount of Twenty-Two Thousand Five  
17 Hundred Dollars and Zero Cents (\$22,500.00), i.e., 25% of the PAGA Amount, to be distributed to  
18 PAGA Employees on a *pro rata* basis based on their Pay Periods.

19           aa.      “PAGA Period” means the period from December 19, 2022 through December  
20 23, 2024.

21           bb.      “PAGA Settlement” means the settlement and resolution of all Released PAGA  
22 Claims.

23           cc.      “Pay Periods” means the number of pay periods each PAGA Employee worked  
24 for Defendants as an hourly-paid and/or non-exempt employee in California during the PAGA Period.

25           dd.      “Preliminary Approval” means the date on which the Court enters the  
26 Preliminary Approval Order.

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1 ee. "Preliminary Approval Order" means the order granting preliminary approval  
2 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by  
3 the Court.

4 ff. "Released Class Claims" means any and all claims which were alleged or  
5 reasonably could have been alleged based on the factual allegations in the Operative Complaint,  
6 arising during the Class Period, and shall specifically include claims for Defendants' alleged failure  
7 to pay minimum and overtime wages, provide compliant meal and rest periods and associated premium  
8 payments, timely pay wages during employment and upon termination, provide accurate wage  
9 statements, and reimburse necessary business-related expenses in violation of California Labor Code  
10 Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1194.2, 1197, 1197.1,  
11 1198, 2800, and 2802, and the Industrial Welfare Commission Wage Order, and for violations of the  
12 California Business and Professions Code sections 17200, *et seq.* based on the aforementioned  
13 California Labor Code violations.

14 gg. "Released PAGA Claims" means any and all claims arising from any of the  
15 factual allegations in the PAGA Letter and/or Operative Complaint, arising during the PAGA Period,  
16 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections  
17 2698 *et seq.*, including for Defendants' alleged failure to pay minimum and overtime wages, provide  
18 compliant meal and rest periods and associated premium payments, timely pay wages during  
19 employment and upon termination, provide accurate wage statements, maintain complete and accurate  
20 payroll records, and reimburse necessary business-related expenses in violation of California Labor  
21 Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1194.2, 1197,  
22 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

23 hh. "Released Parties" means Defendants and each of their respective agents,  
24 officers, employees who are not Class Members, directors, members, owners, parent companies,  
25 insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and assigns.

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1           ii.       “Request for Exclusion” means a letter submitted by a Class Member indicating  
2 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number  
3 of the Action; (b) contain the Class Member’s full name, signature, address, and telephone number;  
4 (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d)  
5 be returned by mail to the Settlement Administrator at the specified address, postmarked on or before  
6 the Response Deadline.

7           jj.       “Response Deadline” means the deadline by which Class Members must submit  
8 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five  
9 (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to  
10 Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response  
11 Deadline will be extended to the next day on which the United States Postal service is open. The  
12 Response Deadline may also be extended by express agreement between Class Counsel and  
13 Defendants’ Counsel. Under no circumstances, however, will the Settlement Administrator have the  
14 authority to extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class  
15 Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days  
16 from the original Response Deadline.

17           kk.       “Settlement Administrator” means ILYM Group, Inc., subject to approval by  
18 the Court, for purposes of administering the Settlement. The Parties and their counsel each represent  
19 that they do not have any financial interest in the Settlement Administrator or otherwise have a  
20 relationship with the Settlement Administrator that could create a conflict of interest.

21           ll.       “Settlement Administration Costs” means the costs payable from the Gross  
22 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in  
23 Paragraph 12.

24           mm.       “Settlement Class” or “Settlement Class Member(s)” means all Class Members  
25 who do not submit a timely and valid Request for Exclusion.

26           nn.       “Workweeks” means the number of weeks each Class Member worked for  
27 Defendants as an hourly-paid and/or non-exempt employee in California during the Class Period.

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1 **CLASS CERTIFICATION**

2 7. For the purposes of this Settlement only, the Parties stipulate to the certification of the  
3 Class.

4 8. The Parties agree that certification for the purpose of settlement is not an admission  
5 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for  
6 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as  
7 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not  
8 be admissible in connection with, the issue of whether or not certification would be inappropriate in a  
9 non-settlement context.

10 **TERMS OF THE AGREEMENT**

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

13 9. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application  
14 or motion by Class Counsel for attorneys' fees in the amount up to one-third (1/3) of the Gross  
15 Settlement Amount (i.e., \$616,666.67 if the Gross Settlement Amount is \$1,850,000.00) and  
16 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement  
17 of the Action, in an amount not to exceed Twenty-Six Thousand Dollars and Zero Cents (\$26,000.00),  
18 both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all  
19 work performed and any and all costs incurred by Class Counsel in connection with the litigation of  
20 the Action, including without limitation all work performed and costs incurred to date, and all work  
21 to be performed and all costs to be incurred in connection with obtaining the Court's approval of this  
22 Settlement Agreement, including any objections raised and any appeals necessitated by those  
23 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this  
24 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement  
25 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any  
26 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel  
27 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

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1           10.     Enhancement Payment. Defendants agree not to oppose or impede any application or  
2 motion by Plaintiff for an Enhancement Payment in the amount up to Ten Thousand Dollars and Zero  
3 Cents (\$10,000.00). The Enhancement Payment, which will be paid from the Gross Settlement  
4 Amount, subject to Court approval, will be in addition to his Individual Settlement Payment as a  
5 Settlement Class Member and Individual PAGA Payment as a PAGA Employee. Plaintiff shall be  
6 solely and legally responsible for correctly characterizing this compensation for tax purposes and for  
7 paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099  
8 to Plaintiff for the Enhancement Payment. Any portion of the requested Enhancement Payment that is  
9 not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount for the benefit  
10 of the Settlement Class Members.

11           11.     PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of  
12 Ninety Thousand Dollars and Zero Cents (\$90,000.00) shall be allocated from the Gross Settlement  
13 Amount toward penalties under the Private Attorneys General Act, California Labor Code Section  
14 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$67,500.00, will be  
15 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$22,500.00, will be  
16 distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the  
17 total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e., the  
18 Individual PAGA Payments).

19           12.     Settlement Administration Costs. The Settlement Administrator will be paid for the  
20 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,  
21 which are currently not to exceed Thirteen Thousand Dollars and Zero Cents (\$13,000.00). These  
22 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,  
23 *inter alia*, printing, distributing, and tracking Class Notices and other documents for the Settlement,  
24 calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms  
25 and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and  
26 declarations, and other duties and responsibilities set forth herein to process the Settlement, and as  
27 requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the  
28 estimated amount stated herein, such excess amount will be deducted from the Gross Settlement

Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

13. Escalator Clause. Defendants have represented that the Class Members worked a total of 54,431 workweeks during the period January 3, 2020 through September 11, 2024. If the total number of Workweeks worked by the Class Members during the Class Period actually exceeds 54,431 by more than 10% (i.e., by more than 59,874 Workweeks), then the Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11% to 60,418 Workweeks, then the Gross Settlement Amount will increase by 1%.

14. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to each Settlement Class Member's final Individual Settlement Share.

15. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "PAGA Workweek Value," and multiply each PAGA Employee's individual Pay Periods by the

PAGA Workweek Value to yield each PAGA Employee's Individual PAGA Payment.

16. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

17. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

18. Tax Liability. Plaintiff, Class Counsel, Defendants, and Defendants' Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation by Defendants, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement Class Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class Members, and PAGA Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

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

24           20.     Settlement Awards Do Not Trigger Additional Benefits. All payments made under the  
25 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually  
26 are issued to the payee. It is expressly understood and agreed that payments made under this Settlement  
27 shall not in any way entitle Plaintiff, Settlement Class Members, or any PAGA Employee to additional  
28 compensation or benefits under any new or additional compensation or benefits, or any bonus, contest,

1 or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle  
2 Plaintiff, Settlement Class Members, or any PAGA Employee to any increased retirement, 401K  
3 benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary  
4 language or agreement in any benefit or compensation plan document that might have been in effect  
5 during the Class Period).

6 21. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

7 Upon execution of this Settlement Agreement, Plaintiff will obtain a hearing date from the Court for  
8 Plaintiff's motion for preliminary approval of the Settlement, which Plaintiff and Class Counsel will  
9 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said  
10 motion. Class Counsel will provide Defendants' Counsel a draft of the preliminary approval motion  
11 before filing it with the Court. Defendants agree not to oppose the motion for preliminary approval of  
12 the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply  
13 for the entry of the Preliminary Approval Order seeking the following:

- 14 a. Conditionally certifying the Class for settlement purposes only;
- 15 b. Granting Preliminary Approval of the Settlement;
- 16 c. Preliminarily appointing Plaintiff as the representative of the Class;
- 17 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 18 e. Approving as to form and content, the mutually-agreed upon and proposed  
19 Class Notice and directing its mailing by First Class U.S. Mail;
- 20 f. Approving the manner and method for Class Members to request exclusion  
21 from or object to the Class Settlement as contained herein and within the Class Notice;
- 22 g. Scheduling a Final Approval Hearing at which the Court will determine whether  
23 Final Approval of the Settlement should be granted.

24 22. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),  
25 Class Counsel shall notify the LWDA of the Settlement.

26 23. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,  
27 Defendants will provide the Class List to the Settlement Administrator.

28 24. Notice by First-Class U.S. Mail.

1           a.       Within seven (7) calendar days after receiving the Class List from Defendants,  
2 the Settlement Administrator will perform a search based on the National Change of Address Database  
3 or any other similar services available, such as provided by Experian, for information to update and  
4 correct for any known or identifiable address changes, and will mail a Class Notice (in the form  
5 attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail,  
6 using the most current, known mailing addresses identified by the Settlement Administrator.

7           b.       Any Class Notice returned to the Settlement Administrator as undeliverable on  
8 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding  
9 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on  
10 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly  
11 attempt to determine the correct address using a skip-trace or other search, using the name, address,  
12 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)  
13 calendar days.

14           c.       Compliance with the procedures described herein above shall constitute due and  
15 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.  
16 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendants' Counsel to  
17 provide notice of the Settlement.

18       25.   Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an  
19 opportunity to dispute the number of Workweeks and/or Pay Periods to which they have been credited,  
20 as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the  
21 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the  
22 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute  
23 has been timely submitted. Absent evidence rebutting the accuracy of Defendants' records and data  
24 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class  
25 Member, Defendants' records will be presumed to be correct and determinative of the dispute.  
26 However, if a Class Member produces information and/or documents to the contrary, the Settlement  
27 Administrator will evaluate the materials submitted by the Class Member and the Settlement  
28 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that

the disputing Class Member should be credited with under the Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

26. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants' Counsel the number of timely and valid Requests for Exclusion that are submitted, and also identify the individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to request exclusion from the Class Settlement. Any Class Member who submits a Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

27. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Notice of Objection has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants' Counsel the number of Notices of Objection that are submitted (specifying which ones were timely and complete and which were not), and also attach them to a declaration that is to be filed with the



1 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel  
2 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or  
3 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or  
4 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of  
5 whether they have submitted a Notice of Objection and without any prior notice. If the Settlement  
6 Administrator receives both a Request for Exclusion and a Notice of Objection, the Settlement  
7 Administrator will honor the submission that is received first and disregard the other.

8 28. Reports by the Settlement Administrator. The Settlement Administrator shall provide  
9 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed  
10 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of  
11 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class  
12 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will  
13 provide to counsel for the Parties any updated reports regarding the administration of the Settlement  
14 Agreement as needed or requested, and immediately notify the Parties when it receives a request from  
15 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a  
16 Dispute.

17 29. Defendants' Right to Rescind. If more than ten percent (10%) of the Class Members  
18 submit timely and valid Requests for Exclusion, Defendants may elect to rescind the Settlement  
19 Agreement. Defendants must exercise this right of rescission in writing that is provided to Class  
20 Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of  
21 the number of Class Members who have submitted timely and valid Requests for Exclusion following  
22 the Response Deadline. If Defendants exercise this option, Defendants shall pay any costs of  
23 settlement administration owed to the Settlement Administrator incurred up to that date.

24 30. Certification of Completion. Upon completion of administration of the Settlement, the  
25 Settlement Administrator will provide a written declaration under oath to certify such completion to  
26 the Court and counsel for all Parties.

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28 ///

1           31.     Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After  
2 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final  
3 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)  
4 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'  
5 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final  
6 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.  
7 Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the  
8 Settlement. Class Counsel will provide Defendants' Counsel a draft of the final approval motion  
9 before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final  
10 Approval Order and Judgment, which will provide for, in substantial part, the following:

11                 a.     Approval of the Settlement as fair, reasonable, and adequate, and directing  
12 consummation of its terms and provisions;

13                 b.     Certification of the Settlement Class;

14                 c.     Approval of the application for Attorneys' Fees and Costs to Class Counsel;

15                 d.     Approval of the application for Enhancement Payment to Plaintiff;

16                 e.     Directing Defendants to fund all amounts due under the Settlement Agreement  
17 and ordered by the Court; and

18                 f.     Entering judgment in the Action, while maintaining continuing jurisdiction, in  
19 conformity with California Rules of Court 3.769 and the Settlement Agreement.

20           32.     Funding of the Gross Settlement Amount. No later than January 5, 2026, Defendants  
21 will deposit the Gross Settlement Amount (\$1,850,000) into a Qualified Settlement Fund ("QSF")  
22 within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the  
23 Settlement Administrator. Defendants shall also provide all information necessary for the Settlement  
24 Administrator to calculate necessary payroll taxes including its official name, 8-digit state  
25 unemployment insurance tax ID number, and other information requested by the Settlement  
26 Administrator. Any funds necessary to fund the Employer's Taxes shall be funded within five (5)  
27 calendar days after the Effective Date.

28     ///

1           33.     Distribution of the Gross Settlement Amount. Within five (5) business days after the  
2 QSF is fully funded and the Employer's Taxes is funded, the Settlement Administrator will issue the  
3 Individual Settlement Payments to the Settlement Class Members, the Individual PAGA Payments to  
4 the PAGA Employees, the LWDA Payment to the LWDA, the Enhancement Payment to Plaintiff, the  
5 Attorneys' Fees and Costs to Class Counsel, and the Settlement Administration Costs to itself. The  
6 Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes,  
7 contributions, and withholding, and timely forward these to the appropriate government authorities.

8           34.     Settlement Checks. The Settlement Administrator will be responsible for undertaking  
9 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way  
10 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the  
11 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the  
12 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA  
13 Payment into one check if the intended recipient for both payments is one individual. Settlement Class  
14 Members and PAGA Employees are not required to submit a claim to be issued an Individual  
15 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and  
16 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)  
17 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds  
18 associated with such canceled checks shall be distributed by the Settlement Administrator to the State  
19 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or  
20 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under  
21 California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to  
22 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendants  
23 will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake  
24 amended and/or supplemental tax filings and reporting required under applicable local, state, and  
25 federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment  
26 and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement  
27 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA  
28 Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the  
PAGA Settlement.

1           35.    Class Settlement Release. Upon the Effective Date and full funding of the Gross  
2 Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally,  
3 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all  
4 Released Class Claims.

5           36.    PAGA Settlement Release. Upon the Effective Date and full funding of the Gross  
6 Settlement Amount, Plaintiff and the LWDA with respect to the PAGA Employees shall be deemed  
7 to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the  
8 Released Parties of all Released PAGA Claims.

9           37.    Plaintiff's General Release. Upon the Effective Date, Plaintiff, individually and on his  
10 own behalf, will be deemed to have fully, finally, and forever released, settled, compromised,  
11 relinquished, and discharged the Released Parties from any and all claims, debts, liabilities, demands,  
12 obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action of any kind or  
13 nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, which  
14 Plaintiff, at any time of execution of this Settlement Agreement, had or claimed to have or may have,  
15 including but not limited to any and all claims arising out of, relating to, or resulting from his  
16 employment and/or separation of employment with the Released Parties. It is agreed that this is a  
17 general release and is to be broadly construed as a release of all claims, provided that, notwithstanding  
18 the foregoing, this Paragraph expressly does not include a release of any claims that cannot be released  
19 hereunder by law. Plaintiff understands and expressly agrees that this Settlement Agreement extends  
20 to claims that he has against Defendants, of whatever nature and kind, known or unknown, suspected  
21 or unsuspected, vested or contingent, past, present, or future, arising from or attributable to an incident  
22 or event, occurring in whole or in part, on or before the execution of this Settlement Agreement. Any  
23 and all rights granted under any state or federal law or regulation limiting the effect of this Settlement  
24 Agreement, including the provisions of Section 1542 of the California Civil Code, ARE HEREBY  
25 EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

26           **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**  
27 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**  
28 **FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM**

1 **OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH**  
2 **THE DEBTOR OR RELEASED PARTY.**

3 38. Final Approval Order and Judgment. The Parties shall provide the Settlement  
4 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,  
5 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for  
6 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the  
7 Class will be required.

8 39. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the  
9 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and  
10 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the  
11 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,  
12 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this  
13 Settlement Agreement.

14 40. Effects of Termination or Rescission of Settlement. Termination or rescission of the  
15 Settlement Agreement shall have the following effects:

16 a. The Settlement Agreement shall be void and shall have no force or effect, and  
17 no Party shall be bound by any of its terms;

18 b. In the event the Settlement Agreement is terminated, all funds held in trust by  
19 the Settlement Administrator shall be returned to the Defendants within ten (10) calendar days after  
20 the termination and upon the request by counsel for Defendants. Defendants shall have no obligation  
21 to make any payments to any Party, Class Member, or attorney, except that the terminating Party shall  
22 pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is  
23 notified that the Settlement has been terminated;

24 c. The Preliminary Approval Order, Final Approval Order and Judgment,  
25 including any order certifying the Class, shall be vacated;

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

1 e. Neither this Settlement Agreement, nor any ancillary documents, actions,  
2 statements, or filings in furtherance of the Settlement (including all matters associated with the  
3 mediation) shall be admissible or offered into evidence in the Action or any other action for any  
4 purpose whatsoever; and

5 f. Any documents generated to bring the Settlement into effect, will be null and  
6 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will  
7 likewise be treated as void from the beginning.

8 41. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant  
9 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
10 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause  
11 of action or right herein released and discharged.

12 42. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set  
13 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.  
14 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

15 43. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the  
16 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all  
17 prior or contemporaneous agreements, understandings, representations, and statements, whether oral  
18 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or  
19 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties  
20 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),  
21 which provide that a written agreement is to be construed according to its terms and may not be varied  
22 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written  
23 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

24 44. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in  
25 the Action (including with respect to California Code of Civil Procedure § 583.310), except such  
26 proceedings necessary to implement and complete this Settlement Agreement, pending the Final  
27 Approval Hearing to be conducted by the Court.

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1           45.    Amendment or Modification. Prior to the filing of the motion for preliminary approval  
2 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement  
3 except by written agreement signed by counsel for all Parties. After the filing of the motion for  
4 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this  
5 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject  
6 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not  
7 constitute a waiver of any other provision.

8           46.    Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and  
9 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement  
10 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant  
11 to this Settlement Agreement to effectuate its terms and to execute any other documents required to  
12 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have  
13 full authority to enter into this Settlement Agreement, and further intend that this Settlement  
14 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible  
15 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation  
16 confidentiality provisions that otherwise might apply under state or federal law.

17           47.    Signatories. It is agreed that because the members of the Class are so numerous, it is  
18 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this  
19 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the  
20 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement  
21 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have  
22 the same force and effect as if this Settlement Agreement were executed by each Settlement Class  
23 Member and PAGA Employee.

24           48.    Binding on Successors and Assigns. This Settlement Agreement will be binding upon,  
25 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

26           49.    California Law Governs. All terms of this Settlement Agreement and attached exhibits  
27 hereto will be governed by and interpreted according to the laws of the State of California.

28           50.    Execution and Counterparts. This Settlement Agreement is subject only to the  
execution of all Parties. However, this Settlement Agreement may be executed in one or more  
counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned

copies of the signature page, will be deemed to be one and the same instrument.

51. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

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

53. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate to implement the Settlement.

54. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendants do not admit, and specifically deny, they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or



received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

55. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Settlement Agreement.

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

57. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

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

59. Notices. All notices, demands, and other communications to be provided concerning the Settlement Agreement shall be in writing and deemed to have been duly given as of the third business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff and Class Counsel:

Jonathan M. Genish  
jgenish@blackstonepc.com  
Miriam L. Schimmel  
mschimmel@blackstonepc.com  
Joana Fang  
jfang@blackstonepc.com  
Alexandra Rose  
arose@blackstonepc.com  
Jared C. Osborne

1 josborne@blackstonepc.com  
2 **BLACKSTONE LAW, APC**  
3 8383 Wilshire Boulevard, Suite 745  
4 Beverly Hills, California 90211  
5 Tel: (310) 622-4278 / Fax: (855) 786-6356

6 To Defendants:  
7 Mollie M. Burks  
8 mburks@grsm.com  
9 Sat Sang S. Khalsa  
10 skhalsa@grsm.com  
11 **GORDON REES SCULLY MANSUKHANI, LLP**  
12 315 Pacific Avenue  
13 San Francisco, California 94111  
14 Tel: (415) 986-5900 / Fax: (415) 986-8054

15 60. Cooperation and Execution of Necessary Documents. All Parties and their counsel will  
16 cooperate with each other in good faith and use their best efforts to implement the Settlement,  
17 including and not limited to, executing all documents to the extent reasonably necessary to effectuate  
18 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or  
19 content of any document needed to implement the Settlement Agreement, or on any supplemental  
20 provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties  
21 may seek the assistance of the Mediator and then the Court to resolve such disagreement.

22 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this First  
23 Amended Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:  
24 **IT IS SO AGREED.**

25 **PLAINTIFF CONNOR BROWN**

26 Dated: 11/12/2025

27 *Connor Brown*  
28 Plaintiff Connor Brown

**DEFENDANT BI-RITE MANAGEMENT  
SERVICES LLC**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Brianne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Management  
Services LLC

1 josborne@blackstonepc.com  
2 **BLACKSTONE LAW, APC**  
3 8383 Wilshire Boulevard, Suite 745  
4 Beverly Hills, California 90211  
5 Tel: (310) 622-4278 / Fax: (855) 786-6356

6 To Defendants:  
7 Mollie M. Burks  
8 mburks@grsm.com  
9 Sat Sang S. Khalsa  
10 skhalsa@grsm.com  
11 **GORDON REES SCULLY MANSUKHANI, LLP**  
12 315 Pacific Avenue  
13 San Francisco, California 94111  
14 Tel: (415) 986-5900 / Fax: (415) 986-8054

15 60. Cooperation and Execution of Necessary Documents. All Parties and their counsel will  
16 cooperate with each other in good faith and use their best efforts to implement the Settlement,  
17 including and not limited to, executing all documents to the extent reasonably necessary to effectuate  
18 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or  
19 content of any document needed to implement the Settlement Agreement, or on any supplemental  
20 provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties  
21 may seek the assistance of the Mediator and then the Court to resolve such disagreement.

22 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this First  
23 Amended Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendants:  
24 **IT IS SO AGREED.**


25 **PLAINTIFF CONNOR BROWN**

26 Dated: \_\_\_\_\_

\_\_\_\_\_  
Plaintiff Connor Brown

27 **DEFENDANT BI-RITE MANAGEMENT**  
28 **SERVICES LLC**

Dated: 11/12/2025 \_\_\_\_\_

  
\_\_\_\_\_  
Brianne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Management  
Services LLC

**DEFENDANT BI-RITE MARKET, INC. dba  
BI-RITE FAMILY OF BUSINESSES**

Dated: 11/12/2025

  
\_\_\_\_\_  
Brianne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Market, Inc., dba  
Bi-Rite Family of Businesses


**DEFENDANT BI-RITE CREAMERY, INC.**

Dated: 11/12/2025

  
\_\_\_\_\_  
Brianne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Creamery, Inc.


**DEFENDANT BI-RITE CATERING, LLC  
dba BI-RITE CATERING & COMMISSARY  
KITCHEN**

Dated: 11/12/2025

  
\_\_\_\_\_  
Brianne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Catering LLC,  
dba Bi-Rite Catering & Commissary Kitchen

**DEFENDANT BI-RITE DIVIS, INC.**

Dated: 11/12/2025

  
\_\_\_\_\_  
Brianne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Divis, Inc.

**APPROVED AS TO FORM ONLY:**

**BLACKSTONE LAW, APC**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Alexandra Rose  
*Attorneys for Plaintiff Connor Brown  
and Proposed Class Counsel*

**GORDON REES SCULLY MANSUKHANI,  
LLP**

**DEFENDANT BI-RITE MARKET, INC. dba  
BI-RITE FAMILY OF BUSINESSES**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Brienne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Market, Inc., dba  
Bi-Rite Family of Businesses

**DEFENDANT BI-RITE CREAMERY, INC.**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Brienne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Creamery, Inc.

**DEFENDANT BI-RITE CATERING, LLC  
dba BI-RITE CATERING & COMMISSARY  
KITCHEN**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Brienne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Catering LLC,  
dba Bi-Rite Catering & Commissary Kitchen

**DEFENDANT BI-RITE DIVIS, INC.**


Dated: \_\_\_\_\_

\_\_\_\_\_  
Brienne Gagnon  
Co-Chief Executive Officer  
On behalf of Defendant Bi-Rite Divis, Inc.

**APPROVED AS TO FORM ONLY:**

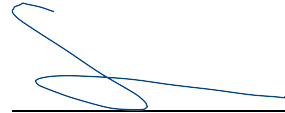
**BLACKSTONE LAW, APC**

Dated: 11/13/2025

  
\_\_\_\_\_  
Alexandra Rose  
*Attorneys for Plaintiff Connor Brown  
and Proposed Class Counsel*

**GORDON REES SCULLY MANSUKHANI,  
LLP**

1 Dated: November 13, 2025



2 Mollie M. Burks  
3 Sat Sang S. Khalsa

4 Attorneys for Defendants Bi-Rite Management  
5 Services LLC, Bi-Rite Market, Inc. dba Bi-Rite  
6 Family of Businesses, Bi-Rite Creamery, Inc.,  
7 Bi-Rite Catering, LLC dba Bi-Rite Catering &  
8 Commissary Kitchen, and Bi-Rite Divis, Inc.

## **EXHIBIT A**

## **NOTICE OF CLASS ACTION SETTLEMENT**

***Connor Brown v. Bi-Rite Management Services LLC, et al.***  
**San Francisco County Superior Court Case No. CGC-24-611385**

### **PLEASE READ THIS CLASS NOTICE CAREFULLY.**

**You have received this Class Notice because Defendants' records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.**

**You do not need to take any action to receive a settlement payment.**

**This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or PAGA Workweeks that you are credited with, if you so choose.**

**YOU ARE NOTIFIED THAT:** A class and representative action settlement has been reached between Plaintiff Connor Brown ("Plaintiff") and Defendants Bi-Rite Management Services LLC, Bi-Rite Market, Inc. dba Bi-Rite Family of Businesses, Bi-Rite Creamery, Inc., Bi-Rite Catering, LLC dba Bi-Rite Catering & Commissary Kitchen, and Bi-Rite Divis, Inc. (collectively, "Defendants") (Plaintiff and Defendants are collectively referred to as the "Parties") in the case entitled *Connor Brown v. Bi-Rite Management Services LLC, et al.*, San Francisco County Superior Court Case No. CGC-24-611385 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

### **I. IMPORTANT DEFINITIONS**

**"Class" or "Class Member(s)"** means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the Class Period.

**"Class Period"** means the period from January 3, 2020 through December 23, 2024.

**"Class Settlement"** means the settlement and resolution of all Released Class Claims.

**"PAGA Employee(s)"** means all current and former hourly-paid and/or non-exempt employees who worked for Defendants in the State of California at any time during the PAGA Period.

**"PAGA Period"** means the period from December 19, 2022 through December 23, 2024.

**"PAGA Settlement"** means the settlement and resolution of all Released PAGA Claims.

### **II. BACKGROUND OF THE ACTION**

On December 19, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendants of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On January 3, 2024, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint in the Action. On February 27, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint ("Operative Complaint") in the Action.

Plaintiff contends that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendants deny all of the allegations in the Action or that they violated any law.



The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Connor Brown as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish  
Miriam L. Schimmel  
Joana Fang  
Alexandra Rose  
Jared C. Osborne  
**Blackstone Law, APC**  
8383 Wilshire Boulevard, Suite 745  
Beverly Hills, California 90211  
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Action have merit or that Defendants have any liability to Plaintiff, Class Members, or PAGA Employees. Plaintiff and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

### **III. SUMMARY OF THE PROPOSED SETTLEMENT**

#### **A. Settlement Formula**

The total gross settlement amount is One Million Eight Hundred Fifty Thousand Dollars and Zero Cents (\$1,850,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., \$616,666.67 if the Gross Settlement Amount is \$1,850,000.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Twenty-Six Thousand Dollars and Zero Cents (\$26,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff for his services in the Action; (3) the amount of Ninety Thousand Dollars and Zero Cents (\$90,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$67,500.00) (“LWDA Payment”) and the remaining 25% (\$22,500.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Thirteen Thousand Dollars and Zero Cents (\$13,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendants as an hourly-paid and/or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement

(which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employers’ share of taxes and contributions in connection with the wages portion of Individual Settlement Shares will be paid by Defendants separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of weeks each PAGA Employee worked for Defendants as an hourly-paid and/or non-exempt employee in California during the PAGA Period (“PAGA Workweeks”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the PAGA Workweeks of all PAGA Employees to yield the “PAGA Workweek Value,” and multiplied each PAGA Employee’s individual PAGA Workweeks by the PAGA Workweek Value to yield each PAGA Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

#### **B. Your Workweeks and PAGA Workweeks (if applicable) Based on Defendants’ Records**

According to Defendants’ records:

- **From January 3, 2020 through December 23, 2024 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From December 19, 2022 through December 23, 2024 (i.e., the PAGA Period), you are credited as having worked [REDACTED] PAGA Workweeks.**

If you wish to dispute the Workweeks and/or PAGA Workweeks credited to you, you must submit your dispute in writing to the Settlement Administrator (“Workweeks Dispute”). The Workweeks Dispute must: (a) contain the case name and number of the Action (*Brown v. Bi-Rite Management Services LLC, et al.*, Case No. CGC-24-611385); (b) contain your full name, signature, address, and telephone number; (c) clearly state that you dispute the number of Workweeks and/or PAGA Workweeks credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

#### **C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)**

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and PAGA Workweeks (if applicable) credited to you.

**Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**

**Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.**

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

#### **D. Release of Claims**

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims which were alleged or reasonably could have been alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, and shall specifically include claims for Defendants’ alleged failure to pay minimum and overtime wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, and the Industrial Welfare Commission Wage Order, and for violations of the California Business and Professions Code sections 17200, *et seq.* based on the aforementioned California Labor Code violations.

“Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letter and/or Operative Complaint, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, including for Defendants’ alleged failure to pay minimum and overtime wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

“Released Parties” means Defendants and each of their respective agents, officers, employees who are not Class Members, directors, members, owners, parent companies, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and assigns.

#### **E. Attorneys’ Fees and Costs to Class Counsel**

Class Counsel will seek attorneys’ fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., \$616,666.67 if the Gross Settlement Amount is \$1,850,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Twenty-Six Thousand Dollars and Zero Cents (\$26,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

#### **F. Enhancement Payment to Plaintiff**

Plaintiff will seek the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) (“Enhancement Payment”), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment that he is entitled to under the Settlement.

#### **G. Settlement Administration Costs to Settlement Administrator**

Payment to the Settlement Administrator is estimated not to exceed Thirteen Thousand Dollars and Zero Cents (\$13,000.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

#### **IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?**

##### **A. Participate in the Settlement**

**If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything.** You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

##### **B. Request Exclusion from the Class Settlement**

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]  
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Brown v. Bi-Rite Management Services LLC, et al.*, Case No. CGC-24-611385); (b) contain your full name, signature, address, and telephone number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

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

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Brown v. Bi-Rite Management Services LLC, et al.*, Case No. CGC-24-611385); (b) contain your full name, signature, address, and telephone number; (c) contain

a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection and without any prior notice.

If you submit both a Request for Exclusion and Notice of Objection, the Settlement Administrator will honor the submission that is received first and disregard the other.

## **V. FINAL APPROVAL HEARING**

The Court will hold a Final Approval Hearing in Department 613 of the San Francisco County Superior Court, located at Civil Center Courthouse, 400 McAllister St., San Francisco, California 94102, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through Zoom online at: <https://sf.courts.ca.gov/online-services/virtual-courtrooms>

## **VI. ADDITIONAL INFORMATION**

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action for free by visiting The Civic Center Clerk's Office located at Civil Center Courthouse, Civil Records Division, 400 McAllister St., Room 103, San Francisco, California 94012, during business hours, or online by visiting the following website: <https://sf.courts.ca.gov/online-services/case-information>, clicking "Access Now" under Civil Case Query and typing in the Court Case Number "CGC-24-611385." **The Court's website is free to use.**

You may also visit the Settlement Administrator's website at **[redacted]** for key documents in the Action.

**PLEASE DO NOT TELEPHONE THE COURT, THE JUDGE, OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.**

**IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT]**, OR YOU MAY ALSO CONTACT CLASS COUNSEL.**