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| 7 8 | Attorneys for Plaintiff ISIAH BEAN, individually and on behalf of all others similarly situated | | |
| 9 | [additional counsel on following page] | | |
| 10 | SUPERIOR COURT OF T | HE STATE OF CALIFORNIA | |
| 11 | FOR THE COUNT | Y OF LOS ANGELES | |
| 12 | | | |
| 13 | ISIAH BEAN, an Individual, on behalf of himself and all others similarly situated | Case No. 21STCV33067 [lead case] | |
| 14 | | Consolidated Case No. 21STCV38844 | |
| 15 | Plaintiffs, | [Assigned for all purposes to the Hon. David | |
| 16 | v. | S. Cunningham - SSC Dept. "11"] | |
| 17 | RESTORIX HEALTH, INC., a Nevada | JOINT STIPULATION OF CLASS ACTION SETTLEMENT | |
| 18 | Corporation; and DOES 1 through 100, Inclusive | | |
| 19 | Defendants. | | |
| 20 | | | |
| 21 | TANISHA LOPEZ, individually and on behalf of others similarly situated, and as an | | |
| 22 | aggrieved employee and Private Attorney General, | | |
| 23 | | | |
| 24 | Plaintiff, | | |
| 25 | V. | | |
| 26 | RESTORIX HEALTH, INC., a Nevada | | |
| 27 | corporation; and DOES 1 through 50, inclusive, | | |
| 28 | | | |
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| 1 | Jonathan M. Genish, Bar No. 259031 jgenish@blackstonepc.com |
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| 2 | BLACKSTONE LAW, APC |
| 3 | 8383 Wilshire Boulevard, Suite 745 Beverly Hills, California 90211 |
| 4 | Telephone: 310.622.4278 Fax No.: 855.786.6356 |
| 5 | Attorneys for Plaintiff |
| 6 | TANISHA LOPEZ, individually and on behalf of all others similarly situated |
| 7 8 | |
| 9 | Rachael Lavi, Bar No. 294443 rlavi@littler.com |
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| 11 | 5th Floor Los Angeles, California 90067.3107 |
| 12 | Telephone: 310.553.0308 Fax No.: 310.553.5583 |
| 13 | Attorneys for Defendant |
| 14 | RESTORIX HEALTH, INC. |
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JOINT STIPULATION OF CLASS ACTION SETTLEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs Isiah Bean ("Plaintiff Bean") and Tanisha Lopez ("Plaintiff Lopez") (collectively, "Plaintiff") and defendant Restorix Health, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. <u>DEFINITIONS</u>.

- 1.1. "Action" means collectively the consolidated matters (1) Isiah Bean v. Restorix Health, Inc., Superior Court of the State of California, County of Los Angeles Case Number 21STCV33067, initiated on September 8, 2021 ("Bean"), and (2) Tanisha Lopez v. Restorix Health, Inc., Superior Court of the State of California, County of Los Angeles Case Number 21STCV38844, initiated on October 21, 2021 ("Lopez").
- 1.2. "Administrator" means ILYM GROUP, INC. the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. "Aggrieved Employee" means all individuals who worked for Defendant as a non-exempt, hourly paid employee at any time in the State of California during the period from September 8, 2020 through date of Preliminary Approval.
- 1.5. "Class" means all individuals who worked for Defendant as a non-exempt, hourly paid employee at any time in the State of California during the period from September 8,2017 through the date of Preliminary Approval.
- 1.6. "Class Counsel" means (1) Bruce Kokozian of Kokozian Law Firm, APC, 10940 Wilshire Boulevard, Suite 1200, Los Angeles, CA 90024, (323) 857-5900 and (2) Jonathan Genish of Blackstone Law, APC, 8383 Wilshire Boulevard, Suite 745, Beverly Hills, California 90211, (310) 622-4278.

| 1 | 1.7. | "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" |
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| 2 | | mean the amounts allocated to Class Counsel for reimbursement of reasonable |
| 3 | | attorneys' fees and expenses, respectively, incurred to prosecute the Action. |
| 4 | 1.8. | "Class Data" means Class Member identifying information in Defendant's possession |
| 5 | | including the Class Member's name, last-known mailing address, Social Security |
| 6 | | number, and number of Class Period Pay Periods and PAGA Pay Periods. |
| 7 | 1.9. | "Class Member" or "Settlement Class Member" means a member of the Class, as either |
| 8 | | a Participating Class Member or Non-Participating Class Member (including a Non- |
| 9 | | Participating Class Member who qualifies as an Aggrieved Employee). |
| 10 | 1.10. | "Class Member Address Search" means the Administrator's investigation and search |
| 11 | | for current Class Member mailing addresses using all reasonably available sources |
| 12 | | methods and means including, but not limited to, the National Change of Address |
| 13 | | database, skip traces, and direct contact by the Administrator with Class Members. |
| 14 | 1.11. | "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION |
| 15 | | SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be |
| 16 | | mailed to Class Members in English in the form, without material variation, attached |
| ا 17 | | as Exhibit A and incorporated by reference into this Agreement. |
| 18 | 1.12. | "Class Period" means the period from September 8, 2017 to the date of Preliminary |
| 19 | | Approval. |
| 20 | 1.13. | "Class Representatives" means Plaintiff Bean and Plaintiff Lopez in the Action seeking |
| 21 | | Court approval to serve as a Class Representatives. |
| 22 | 1.14. | "Class Representatives Service Payment" means the payment to the Class |
| 23 | | Representatives for initiating the Action and providing services in support of the |
| 24 | | Action. |
| 25 | 1.15. | "Court" means the Superior Court of California, County of Los Angeles. |
| 26 | 1.16. | "Defendant" means named Defendant Restorix Health, Inc. |
| 27 | 1.17. | "Defense Counsel" means Rachael Lavi of Littler Mendelson, PC, 2049 Century Park |
| 28 | | East, 5th Floor, Los Angeles, CA 90067, (310) 553-0308. |

- 1.18. "Effective Date" means the date this settlement is approved as provided herein and the Court's order granting approval and entry of Final Judgment becomes final and is no longer appealable. For purposes of this Settlement, "becomes final and is no longer appealable," shall mean upon the later of: (i) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the order and judgment approving this settlement may be timely filed and none is filed (i.e., 61 days after Judgment is entered); (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial or otherwise, the day after the last date for filing a request for further review of the order and judgment approving this settlement passes, and no further review is requested; or (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the order and judgment approving this settlement is requested, the day after the review is finally dismissed or denied with prejudice and/or no further review of the judgment or order can be requested.
- 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.
- 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.
- 1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. "Gross Settlement Amount" means \$249,000.00, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representatives Service Payment and the Administrator's Expenses.
- 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Pay Periods worked during the Class Period.

| 1 | 1.24. | "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% |
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| 2 | | of the PAGA Penalties calculated according to the number of Pay Periods worked |
| 3 | | during the PAGA Period. |
| 4 | 1.25. | "Judgment" means the judgment entered by the Court based upon the Final Approval. |
| 5 | 1.26. | "LWDA" means the California Labor and Workforce Development Agency. |
| 6 | 1.27. | "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA |
| 7 | | under Labor Code section 2699, subd. (i). |
| 8 | 1.28. | "Net Settlement Amount" means the Gross Settlement Amount, less the following |
| 9 | | payments in the amounts approved by the Court: Individual PAGA Payments, the |
| 10 | | LWDA PAGA Payment, Class Representatives Service Payment, Class Counsel Fees |
| 11 | | Payment, Class Counsel Litigation Expenses Payment, and the Administration |
| 12 | | Expenses Payment. The remainder is to be paid to Participating Class Members as |
| 13 | | Individual Class Payments. |
| 14 | 1.29. | "Non-Participating Class Member" means any Class Member who opts out of the |
| 15 | | Settlement by sending the Administrator a valid and timely Request for Exclusion. |
| 16 | 1.30. | "Operative Complaint" means the Second Amended Complaint Plaintiff must file in |
| 17 | | Bean, as that term is defined herein, as a requirement under this Agreement, which will |
| 18 | | consolidate the alleged claims and violations set forth in the Bean Complaint and Lopez |
| 19 | , | Complaint, as those terms are defined herein, as well as the PAGA Notice for each |
| 20 | | Plaintiff Bean and Plaintiff Lopez. The Operative Complaint will not alter the scope |
| 21 | | of claims collectively asserted by way of the Bean Complaint, Lopez Complaint, or |
| 22 | | PAGA Notice. Filing of the Second Amended Complaint is for settlement purposes |
| 23 | | only, and will be void if the Settlement is not approved. |
| 24 | 1.31. | "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee |
| 25 | | worked for Defendant for at least one day during the PAGA Period. |
| 26 | 1.32. | "PAGA Period" means the period from September 8, 2020 to the date of Preliminary |
| 27 | | Approval. |
| 28 | 1 33 | "PAGA" means the Private Attorneys General Act (Labor Code 88 2608 et sea.) |

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| 1 | 1.34. | "PAGA Notice" means Plaintiff Bean's September 27, 2021 letter and Plaintiff Lopez's |
| 2 | | October 21, 2021 letter to Defendant and the LWDA providing notice pursuant to |
| 3 | | Labor Code section 2699.3, subd.(a). |
| 4 | 1.35. | "PAGA Penalties" means the total amount of PAGA civil penalties to be paid (\$25,000) |
| 5 | | from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees |
| 6 | | (\$6,250) and the 75% to LWDA (\$18,750) in settlement of PAGA claims. |
| 7 | 1.36. | "Participating Class Member" means a Class Member who does not submit a valid and |
| 8 | , | timely Request for Exclusion from the Settlement. |
| 9 | 1.37. | "Plaintiff" means collectively Isiah Bean, the named plaintiff in Bean, and Tanisha |
| 10 | | Lopez, the named plaintiff in Lopez. "Plaintiff Bean" means Isiah Bean, the named |
| 11 | | plaintiff in Bean. "Plaintiff Lopez" means Tanisha Lopez, the named plaintiff in Lopez |
| 12 | 1.38. | "Preliminary Approval" means the Court's Order Granting Preliminary Approval of |
| 13 | | the Settlement. |
| 14 | 1.39. | "Preliminary Approval Order" means the proposed Order Granting Preliminary |
| 15 | | Approval and Approval of PAGA Settlement. |
| 16 | 1.40. | "Released Class Claims" means the claims being released as described in Paragraph 6.2 |
| 17 | | below. |
| 18 | 1.41. | "Released PAGA Claims" means the claims being released as described in |
| 19 | | Paragraph 6.3 below. |
| 20 | 1.42. | "Released Parties" means: Defendant and each of its former and present directors |
| 21 | | officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns |
| 22 | | subsidiaries, affiliates, parents, partners, trustees, managers, agents, attorneys, servants |
| 23 | | and employees. |
| 24 | 1.43. | "Request for Exclusion" means a Class Member's submission of a written request to |
| 25 | | be excluded from the Class Settlement signed by the Class Member. |
| 26 | 1.44. | "Response Deadline" means 45 days after the Administrator mails Notice to Class |
| 27 | | Members and Aggrieved Employees, and shall be the last date on which Class |
| 28 | | Members may: (a) fax email or mail Requests for Exclusion from the Settlement or |

- (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.45. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.46. "Pay Periods" means any payroll period, as established by Defendant, during which a Class Member worked for Defendant for at least one day, during the Class Period. Pay Periods excludes any payroll period during which a Class Member did not conduct any work for Defendant, as established by its payroll data, including leaves of absence.

2. RECITALS.

- 2.1. On September 8, 2021, Plaintiff Bean commenced Bean. On March 2, 2022, Plaintiff Bean filed a First Amended Complaint in Bean for (1) failure to pay overtime wages,
 (2) failure to pay minimum wages, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to timely furnish accurate, itemized wage statements,
 (6) failure to timely pay wages upon termination from employment, (7) unfair business practices, and (8) penalties pursuant to PAGA, including predicated on the aforementioned causes of action ("Bean Complaint").
- 2.2. On October 21, 2021, Plaintiff Lopez commenced Lopez. On March 8, 2022, Plaintiff Lopez filed a First Amended Complaint in Lopez for (1) failure to pay overtime wages, (2) failure to pay minimum wages, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to timely furnish accurate, itemized wage statements, (6) failure to timely pay wages upon termination from employment, (7) failure to pay reporting time wages, (8) failure to reimburse necessary business expenditures, (9) failure to timely pay wages during employment, (10) failure to maintain accurate time and payroll records, (11) unfair business practices, and (12) penalties pursuant to PAGA, including predicated on the aforementioned causes of action ("Lopez" Complaint).
- 2.3. For purposes of this Settlement only, Plaintiff agrees to file the Operative Complaint.

- 2.4. Defendant denies the allegations in, any failure to comply with laws set forth in, and any and all liability for the causes of action alleged in, the *Bean* Complaint, *Lopez* Complaint, and the Operative Complaint.
- 2.5. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.6. On September 21, 2022, the Parties participated in an all-day mediation presided over by the Honorable Ronald M. Sabraw which led to this Agreement to settle the Action.
- 2.7. Prior to mediation and negotiating the Settlement, Plaintiff Bean obtained, through informal discovery, all time detail and payroll data for the Class Members from September 8, 2017 to March 18, 2022, relevant written wage and hour policies, exemplars of pay stubs, Plaintiff Bean's personnel file, metrics concerning the total number of Class Members (and total number of workweeks for Class Members) and Aggrieved Employees (and total number of Pay Periods for Aggrieved Employees) from September 8, 2017 to March 18, 2022, and metrics concerning the total number of terminated Class Members since 3 years prior to the filing *Bean* through March 18, 2022. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").
- 2.8. The Court has not granted class certification.
- 2.9. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$249,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the

Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

- 3.2. <u>Payments from the Gross Settlement Amount</u>. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To Plaintiff: Class Representatives Service Payment to the Class Representatives of not more than \$5,000 to Plaintiff Bean and \$5,000 to Plaintiff Lopez, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members. Defendant will not oppose Plaintiff's request for a Class Representatives Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representatives Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representatives Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representatives Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representatives Service Payment.
 - 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 331/3%, which is currently estimated to be \$83,000 and a Class Counsel Litigation Expenses Payment of not more than \$30,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees

Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.3. <u>To the Administrator</u>: An Administrator Expenses Payment not to exceed \$8,500 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$\$8,500 the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. <u>To Each Participating Class Member</u>: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Pay Periods worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Pay Periods.
 - 3.2.4.1. Tax Allocation of Individual Class Payments. One-third of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. One-third of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest, and

one-third of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Payment of all amounts will be made subject to backup withholdings unless a duly executed W-9 form is received from the payee(s).

- 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual

 Class Payments. Non-Participating Class Members will not receive any
 Individual Class Payments. The Administrator will retain amounts
 equal to their Individual Class Payments in the Net Settlement Amount
 for distribution to Participating Class Members on a pro rata basis.
- 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$25,000 to be paid from the Gross Settlement Amount, with 75% (\$18,750) allocated to the LWDA PAGA Payment and 25% (\$6,250) allocated to the Individual PAGA Payments.
 - 3.2.5.1.The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$6,250 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - 3.2.5.2.If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Data. Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.2. <u>Funding of Gross Settlement Amount</u>. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.
- 4.3. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representatives Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representatives Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.3.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class

U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.3.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.3.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

- 4.3.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 6. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:
 - 6.1. Plaintiff's Release. Upon Defendant fully funding the Gross Settlement Amount and in exchange for the Service Award, Plaintiff, including Plaintiff Bean and Plaintiff Lopez, and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, occurrences, charges, complaints, causes of action, demands, disputes, damages, business expenses, attorneys' fees, costs, losses and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, which Plaintiff, at any time heretofore, had or claimed to have or Plaintiff may have, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under 6.2, below; (c) any and all claims arising out of, relating to or resulting from the employment with and/or separation of employment with Released Parties, including any claims arising under any federal, state or local law, statute, ordinance, rule or regulation or Executive Order relating to employment, including, but in no way limited to, any claim under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 1981, the Americans with Disabilities Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, the California Family Rights Act, the

California Fair Employment and Housing Act, all claims for wages or penalties under the Fair Labor Standards Act, the California Labor Code and corresponding Wage Orders, all claims for wages or penalties under the California Labor Code, Business and Professions Code sections 17200 et seq., all laws relating to violation of public policy, retaliation, or interference with legal rights, any and all other employment or discrimination laws, whistleblower claims, any tort, fraud or constitutional claims, and any breach of contract claims or claims of promissory estoppel ("Plaintiff's Release"). It is agreed that this is a general release and is to be broadly construed as a release of all claims; provided that, notwithstanding the foregoing, Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, and otherwise does not include a release of any claims that cannot be released hereunder by law, including any claim for indemnification pursuant to California Labor Code section 2802. Plaintiff warrants they are not aware of any business expenses incurred by them during their employment with Defendant that is not the subject of the Operative Complaint and for which they have not been fully reimbursed other than those which serve as the basis for their claims for which they will be compensated through the settlement. If a claim is not subject to release, to the extent permitted by law, Plaintiff waives any right or ability to be a class or collective representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which any Released Parties are a party. However, the Equal Employment Opportunity Commission or other governmental agency cannot be barred from pursuing a claim on Plaintiff's behalf, although Plaintiff agree they are releasing their right to any personal recovery from a claim brought by the Equal Employment Opportunity Commission or any other governmental agency. Plaintiff understands and expressly agrees that this Agreement extends to claims that they have against Defendant, of whatever nature and kind, known or unknown, suspected or unsuspected, vested or contingent, past, present,

or future, arising from or attributable to an incident or event, occurring in whole or in part, on or before the Effective Date. Plaintiff Bean hereby warrants or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

6.1.1. <u>Plaintiff's Waiver of Rights Under California Civil Code Section 1542</u>. For purposes of Plaintiff's Release, any and all rights granted under any state or federal law or regulation limiting the effect of Plaintiff's Release, including the provisions of California Civil Code section 1542, are hereby waived, to the extent permitted by applicable law. Section 1542 of the California Civil Code reads as follows:

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

6.2. Release by Participating Class Members: Upon entry of final judgment by the Court and Defendant fully funding the settlement, and in consideration of the Gross Settlement Amount all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, demands, rights, liabilities, and/or causes of action that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or the PAGA Notice, arising during Class Period, including for unpaid wages (including premiums) or other compensation allegedly owed, or for damages, penalties, restitution, interest, liquidated damages, attorneys' fees, or costs, or any other recovery based on or arising out of the claims and allegations alleged in the Operative Complaint and/or the PAGA Notice, including under the California Labor Code and corresponding provisions of Wage

Orders, for (1) failure to pay wages including overtime, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to pay minimum wages, (5) failure to pay reporting time wages, (6) failure to pay timely wages at termination, (7) failure to timely pay wages during employment, (8) failure to provide accurate, itemized wage statements, (9) failure to reimburse necessary business expenditures, (10) failure to maintain accurate time and payroll records, (11) violation of California Business and Professions Code section 17200 et seq.; and any and all corresponding claims that could have been brought under California or federal law including without limitation under the Fair Labor Standards Act ("FLSA") in according with Rangel v. PLS Check Cashers of Cal., Inc., 899 F.3d 1106, 1110-11 (9th Cir. 2018) (holding opt-out release of California state law claims was res judicata against FLSA claims "which were direct federal law counterparts to the state law claims settled"); accord Richardson v. Wells Fargo Bank, N.A., 830 F.3d 442, 451-52 (5th Cir. 2016) (plaintiff who become party to the opt-out Rule 23 settlement was bound by all settlement terms, including release of FLSA claims), that might have occurred during the Class Period, including claims for failure to pay wages (including overtime or premium wages) due to time worked but not recorded for any reason including for security or bag searches, donning and doffing, and working during or before or after shifts due to understaffing, claims for failure to pay at least minimum wages, claims for failure to correctly calculate the overtime or meal and rest break premium as a result of not incorporating bonuses into the regular rate of pay, failure to timely pay wages during employment or following termination of employment, failure to pay wages without abatement or reduction, failure to accurately report earnings or maintain earnings records, failure to include on earnings statements all required information, and failure to pay meal and rest break premiums wages. It is the intent of the Parties the Judgment entered upon Final Approval shall have res judicata effect and be final and binding upon all Participating Class Members. Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits,

- wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.
- 6.3. Release by Aggrieved Employees: Upon entry of final judgment by the court, and in consideration of the Gross Settlement Amount all Aggrieved Employees and the State of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, demands, rights, liabilities, and/or causes of action under PAGA, including penalties, that were alleged, or reasonably could have been alleged, based on the PAGA Period violations and/or facts stated in the Operative Complaint and the PAGA Notice, including but not limited to claims based on (1) failure to pay wages including overtime, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to pay minimum wages, (5) failure to pay reporting time wages, (6) failure to pay timely wages at termination, (7) failure to timely pay wages during employment, (8) failure to provide accurate, itemized wage statements, (9) failure to reimburse necessary business expenditures, and (10) failure to maintain accurate time and payroll records.
- 7. **MOTION FOR PRELIMINARY APPROVAL.** Plaintiff agrees to prepare, for the Parties to file jointly, a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.
 - 7.1. <u>Defendant's Declaration in Support of Preliminary Approval</u>. Within 14 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

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Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

7.3. <u>Responsibilities of Counsel</u>. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval

no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

7.4. <u>Duty to Cooperate</u>. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION.

- 8.1. Selection of Administrator. The Parties have jointly selected ILYM GROUP, INC. to serve as the Administrator and verified that, as a condition of appointment, ILYM GROUP, INC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. <u>Employer Identification Number</u>. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

8.4. Notice to Class Members.

- 8.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, and Pay Periods in the Class Data.
- 8.4.2. Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Class Period Pay Periods and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 8.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 8.4.4. The deadlines for Class Members' written objections, Challenges to Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class

Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

8.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

8.5. Requests for Exclusion (Opt-Outs).

- 8.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 8.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's

determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

- 8.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 8.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 8.6. Challenges to Calculation of Pay Periods. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Period Pay Periods and PAGA Period Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Pay

Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

8.7. Objections to Settlement.

- 8.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representatives Service Payment.
- 8.7.2. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- 8.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- 8.8. <u>Administrator Duties</u>. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
 - 8.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel

Litigation Expenses Payment and Class Representatives Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

- 8.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 8.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 8.8.4. Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

- 8.8.5. Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- 8.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
- 9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds % 5 of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its

- election to withdraw not later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
- 10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 10.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2. <u>Duty to Cooperate</u>. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representatives Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
 - 10.3. <u>Continuing Jurisdiction of the Court</u>. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement

- administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representatives Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
- 11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff,

Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.3. Publicity. Plaintiff and Class Counsel agree to no issue a press release or marketing materials or otherwise notify the media about the terms of this Settlement or advertise or market any of the terms of this Settlement through written, recorded or electronic communications. Plaintiff and Class Counsel will not disclose this Settlement, its terms, or the Parties on their website or otherwise. Plaintiff and Class Counsel agree that if contacted regarding this matter, they will only state the lawsuit exists and has been resolved. This paragraph does not apply or limit the public filing of motions or other materials related to seeking approval of this Settlement, prohibit Class Counsel from responding to specific questions from Class Members, or prohibit Class Counsel from listing the *Bean* Complaint, *Lopez* Complaint, or Operative Complaint by name in support of a motion for appointment as class counsel or motion for attorneys' fees and costs.
- 12.4. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.5. <u>Integrated Agreement</u>. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party, with the exception of

the confidential Separation and Release Agreement between Plaintiff Isiah Bean and Defendant Restorix Health, Inc. that was executed by Plaintiff Bean on September 27, 2022

- 12.6. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.7. <u>Binding Agreement</u>. The Parties intend this Settlement to be admissible for purposes of and binding under Code of Civil Procedure section 664.6.
- 12.8. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of mediator Hon. Ron Sabraw of JAMS for his opinion and/or the Court for resolution.
- 12.9. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.10. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 12.11. <u>Modification of Agreement</u>. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.12. <u>Agreement Binding on Successors</u>. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.13. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.14. <u>Cooperation in Drafting</u>. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.15. <u>Confidentiality</u>. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.16. <u>Use and Return of Class Data</u>. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.17. <u>Headings</u>. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

- 12.18. <u>Calendar Days</u>. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.19. <u>Notice</u>. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

Plaintiff Bean: Bruce Kokozian, Kokozian Law Firm, APC, 10940 Wilshire Boulevard, Suite 1200, Los Angeles, CA 90024, (323) 857-5900

Plaintiff Jonathan Genish, Blackstone Law, APC, 8383 Wilshire Boulevard,

Lopez: Suite 745, Beverly Hills, CA 90211, (310) 622-4278

To Defendant: Rachael Lavi, Littler Mendelson, PC, 2049 Century Park East, 5th Floor, Los Angeles, CA 90067, (310) 553-0308.

- 12.20. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.21. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

| 1 | 11/29/2022 Dated: | Isiah Bean |
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| 2 | | Plaintiff Isiah Bean |
| 3 | Dated: 12/6/22 | |
| 4 | | Bruce Kokozian Kokozian Law Firm, APC |
| 5 | | Attorneys for Plaintiff Isiah Bean |
| 6 | Dated: <u>12/06/2022</u> | Danu Jorg |
| 7 | an internal constitution of the constitution o | Plaintiff Tanisha Lopez |
| 8 | Dated: December 5, 2022 | back fewif |
| 9 | | Jonathan Genish Blackstone Law, APC |
| 10 | | Attorneys for Plaintiff Tanisha Lopez |
| 11 | | |
| 12 | Dated: | |
| 13 | | Restorix Health, Inc. |
| 14 | | By: |
| 15 | | Its: |
| 16 | Approved as to Form: | |
| 17 | Dated: | |
| 18 | | Rachael Lavi Littler Mendelson, P.C. |
| 19 | | Attorneys for Defendant Restorix Health, Inc. |
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| 1 | Dated: | Plaintiff Isiah Bean |
|---------------------------------|----------------------|---|
| 2 | | |
| 3 | Dated: | Bruce Kokozian |
| 4 | | Kokozian Law Firm, APC Attorneys for Plaintiff Isiah Bean |
| 5 | | |
| 6 | Dated: | Plaintiff Tanisha Lopez |
| 7 | | |
| 8 | Dated: | Jonathan Genish |
| 9 | | Blackstone Law, APC Attorneys for Plaintiff Tanisha Lopez |
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| 12 | Dated: _// 120/22 | Restorix Health, Inc. By: Steve McANAHCIN |
| 13 | | RV: STEVE MULAWAHELA |
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| 15 | | Its: <i>GEo</i> |
| 16 | Approved as to Form: | |
| 17 | Dated: | Rachael Lavi |
| 18 | | Littler Mendelson, P.C. Attorneys for Defendant Restorix Health, Inc. |
| 19 | | Attorneys for Defendant Resions Treating me. |
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| 1 | Dated: | Plaintiff Isiah Bean |
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| 3 | Dated: | Bruce Kokozian |
| 4 | | Kokozian Law Firm, APC Attorneys for Plaintiff Isiah Bean |
| 5 | | Action of the American State of the State of |
| 6 | Dated: | Plaintiff Tanisha Lopez |
| 7 | | Tantin Tanisha Dopez |
| 8 | Dated: | Jonathan Genish |
| 9 | | Blackstone Law, APC Attorneys for Plaintiff Tanisha Lopez |
| 10 | | Attorneys for Frankfir Tamsha Dopez |
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| 12 | Dated: 11/20/22 | Restorix Health, Inc. |
| 13 | | By: SEVE MCLAUGHCIN |
| 14 | | By: Mas mesting of the |
| 15 | | Its: CEO |
| 16 | Approved as to Form: | |
| 17 | Dated:_12/1/2022 | Kny |
| 18 | | Rachael Lavi Littler Mendelson, P.C. Attorneys for Defendant Restorix Health, Inc. |
| 19 | | Attorneys for Defendant Restorix Health, Inc. |
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Exhibit A

JOINT STIPULATION OF CLASS ACTION SETTLEMENT

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Isiah Bean v. Restorix Health, Inc., Los Angeles Superior Court Case No. 21STCV33067

Tanisha Lopez v. Restorix Health, Inc., Los Angeles Superior Court Case No. 21STCV38844

The Superior Court for the State of California authorized this Notice. Read it carefully!

It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from employee class action lawsuits ("Action") against Restorix Health, Inc. ("Defendant") for alleged wage and hour violations. The Action was filed by former employees of Defendant, Isiah Bean and Tanisha Lopez ("Plaintiffs"), and seeks payment of (1) back wages, penalties, interest, and other relief for a class of non-exempt, hourly employees who worked for Defendant in the State of California ("Class Members") during the period of September 8, 2017 to [preliminary approval] ("Class Period"); and (2) penalties under the California Private Attorney General Act ("PAGA") for all non-exempt, hourly employees who worked for Defendant in the State of California ("Aggrieved Employees) during the period of September 8, 2020 to [preliminary approval] ("PAGA Period").

The proposed Settlement has two main parts: (1) Defendant's requirement to fund Individual Class Payments for Class Members that worked during the Class Period ("Class Settlement"), and (2) Defendant's requirement to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency for Aggrieved Employees that worked during the PAGA Period ("PAGA Settlement").

Based on Defendant's records, and the Parties' current assumptions, your Individual Class

Payment is estimated to be \$_____ (less withholding) and your Individual PAGA Payment is

estimated to be \$_____. The actual amount you may receive likely will be different and will depend
on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to
Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement
because you didn't work during the PAGA Period.)

The above estimates are based on Defendant's records showing that you worked _____ Pay Periods during the Class Period and you worked _____ Pay Periods during the PAGA Period. If you believe that you worked more Pay Periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice. Pay periods are payroll periods in which you actually worked at least one day for Defendant ("Pay Periods").

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) Opt-Out of the Class Settlement. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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| You Don't Have to Do | If you do nothing, you will be a Participating Class Member, eligible |
| Anything to Participate | for an Individual Class Payment and an Individual PAGA Payment (if |
| in the Settlement | any). In exchange, you will give up your right to assert the Released |
| | Claims (defined below) against Defendant that are covered by this |
| | Settlement. |
| You Can Opt-Out of the | If you don't want to fully participate in the proposed Settlement, you |
| Class Settlement but not | can opt-out of the Class Settlement by sending the Administrator a |
| the PAGA Settlement | written Request for Exclusion. Once excluded, you will be a Non- |
| | Participating Class Member and no longer eligible for an Individual |
| The Opt-out Deadline is | Class Payment. Non-Participating Class Members cannot object to |
| Name of American American Conference and American America | any portion of the proposed Settlement. See Section 6 of this Notice. |
| | |
| | You cannot opt-out of the PAGA portion of the proposed Settlement. |
| | Defendant must pay Individual PAGA Payments to all Aggrieved |
| | Employees and the Aggrieved Employees must give up their rights to |
| | pursue Released Claims (defined below). |
| Participating Class | All Class Members who do not opt-out ("Participating Class |
| Members Can Object to | Members") can object to any aspect of the proposed Settlement. The |
| the Class Settlement but | Court's decision whether to finally approve the Settlement will include |
| not the PAGA Settlement | a determination of how much will be paid to Class Counsel and |
| | Plaintiffs who pursued the Action on behalf of the Class Members. |
| Written Objections Must | You are not personally responsible for any payments to Class Counsel |
| be Submitted by | or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs |
| No. and and an analysis of the second | reduces the overall amount paid to Participating Class Members. See |
| | Section 7 of this Notice. |

| You Can Participate in | The Court's Final Approval Hearing is scheduled to take place on | |
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| the | You don't have to attend but you do have the right | |
| Final Approval Hearing | to appear (or hire an attorney to appear on your behalf at your own | |
| | cost), in person, by telephone or by using the Court's virtual | |
| | appearance platform. Participating Class Members can verbally object | |
| | to the Settlement at the Final Approval Hearing. See Section 8 of this | |
| | Notice. | |
| You Can Challenge the | The amount of your Individual Class Payment and Individual PAGA | |
| Calculation of Your Pay | Payment (if any) depend on how many Pay Periods you worked during | |
| Periods | the Class Period and how many Pay Periods you worked during the | |
| | PAGA Period, respectively. The number Class Period Pay Periods and | |
| Written Challenges Must | number of PAGA Period Pay Periods you worked according to | |
| be Submitted by | Defendant's records is stated on the first page of this Notice. If you | |
| NAMES OF THE PROPERTY OF THE P | disagree with either of these numbers, you must challenge it by | |
| | See Section 4 of this Notice. | |

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendant. The Action accuses Defendant of violating California law, including labor laws for (1) failure to pay wages including overtime, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to pay minimum wages, (5) failure to pay reporting time wages, (6) failure to pay timely wages at termination, (7) failure to timely pay wages during employment, (8) failure to provide accurate, itemized wage statements, (9) failure to reimburse necessary business expenditures, (10) failure to maintain accurate time and payroll records, and (11) unfair business practices under of California Business and Professions Code section 17200 *et seq*. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA").

Plaintiffs are represented by attorneys ("Class Counsel") in the Action:

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Bruce Kokozian Kokozian law Firm, APC 10940 Wilshire Blvd., Suite 1200 Los Angeles, CA 90024 Tele: (323) 857-5900 Email: bkokozian@kokozianlawfirm.com

Attorneys for Isiah Bean

Jonathan Genish Blackstone Law, APC 8383 Wilshire Boulevard, Suite 745 Beverly Hills, California 90211 Tele: (310) 622-4278

Email: jgenish@blackstonepc.com Attorneys for Tanisha Lopez

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator who is a retired judge in an effort to resolve the Action by negotiating and to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement" or "Settlement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendant have negotiated the Settlement that is subject to the Court's Final Approval. Both sides agree the Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) the Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

Defendant Will Pay \$249,000.00 as the Gross Settlement Amount ("Gross Settlement").
 Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representatives Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and

penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

- 2. <u>Court Approved Deductions from Gross Settlement</u>. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$83,000.00 (approximately 331/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$5,000.00 for Plaintiff Isiah Bean and \$5,000.00 for Plaintiff Tanisha Lopez₂ as a Class Representatives Service Award for filing the Action, working with Class Counsel and representing the Class Members. A Class Representatives Service Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$8,500 to the Administrator for services administering the Settlement.
 - D. Up to \$25,000.00 for PAGA Penalties, allocated 75% (\$18,750.00) to the LWDA PAGA Payment and 25% (\$6,250.00) in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all timely and valid objections.

- 3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Pay Periods.
- 4. <u>Taxes Owed on Payments to Class Members</u>. Plaintiffs and Defendant are asking the Court to approve an allocation of one-third of each Individual Class Payment to taxable wages ("Wage

Portion"), and one-third to interest and one-third to penalties ("Non-Wage Portion.). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer-side payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
- 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _______, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the ______ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

- You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.
- 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
- 8. Administrator. The Court has appointed a neutral company, ILYM GROUP, INC. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over Pay Periods, mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for claims based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims, demands, rights, liabilities, and/or causes of action that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and/or the PAGA Notice, arising during Class Period, including for unpaid wages (including premiums) or other compensation allegedly owed, or for damages, penalties, restitution, interest, liquidated damages, attorneys' fees, or costs, or any other recovery based on or arising out of the claims and allegations alleged

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in the Operative Complaint and/or the PAGA Notice, including under the California Labor Code and corresponding provisions of Wage Orders, for (1) failure to pay wages including overtime, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to pay minimum wages, (5) failure to pay reporting time wages, (6) failure to pay timely wages at termination, (7) failure to timely pay wages during employment, (8) failure to provide accurate, itemized wage statements, (9) failure to reimburse necessary business expenditures, (10) failure to maintain accurate time and payroll records, (11) violation of California Business and Professions Code section 17200 et seq.; and any and all corresponding claims that could have been brought under California or federal law including without limitation under the Fair Labor Standards Act ("FLSA") in according with Rangel v. PLS Check Cashers of Cal., Inc., 899 F.3d 1106, 1110-11 (9th Cir. 2018) (holding opt-out release of California state law claims was res judicata against FLSA claims "which were direct federal law counterparts to the state law claims settled"); accord Richardson v. Wells Fargo Bank, N.A., 830 F.3d 442, 451-52 (5th Cir. 2016) (plaintiff who become party to the opt-out Rule 23 settlement was bound by all settlement terms, including release of FLSA claims), that might have occurred during the Class Period, including claims for failure to pay wages (including overtime or premium wages) due to time worked but not recorded for any reason including for security or bag searches, donning and doffing, and working during or before or after shifts due to understaffing, claims for failure to pay at least minimum wages, claims for failure to correctly calculate the overtime or meal and rest break premium as a result of not incorporating bonuses into the regular rate of pay, failure to timely pay wages during employment or following termination of employment, failure to pay wages without abatement or reduction, failure to accurately report earnings or maintain earnings records, failure to include on earnings statements all required information, and failure to pay meal and rest break premiums wages. It is the intent of the Parties the Judgment entered upon Final Approval shall have res judicata effect and be final and binding upon all Participating Class Members. Except as set forth in Section 6.3 of the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. <u>Aggrieved Employees' PAGA Release</u>. After the Court's judgment is final, and Defendant has paid the Gross Settlement, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All are Aggrieved Employees and the State of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, demands, rights, liabilities, and/or causes of action under PAGA, including penalties, that were alleged, or reasonably could have been alleged, based on the PAGA Period violations and/or facts stated in the Operative Complaint and the PAGA Notice, including but not limited to claims based on (1) failure to pay wages including overtime, (2) failure to provide meal periods, (3) failure to provide rest periods, (4) failure to pay minimum wages, (5) failure to pay reporting time wages, (6) failure to pay timely wages at termination, (7) failure to timely pay wages during employment, (8) failure to provide accurate, itemized wage statements, (9) failure to reimburse necessary business expenditures, and (10) failure to maintain accurate time and payroll records.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- Individual Class Payments. The Administrator will calculate Individual Class Payments by (a)
 dividing the Net Settlement Amount by the total number of Pay Periods worked by all
 Participating Class Members, and (b) multiplying the result by the number of Pay Periods
 worked by each individual Participating Class Member.
- 2. <u>Individual PAGA Payments</u>. The Administrator will calculate Individual PAGA Payments by (a) dividing \$6,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- 3. Workweek/Pay Period Challenges. The number of Pay Periods you worked during the Class Period and the number of Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Pay Period challenges based on your submission and on input from

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Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

- 1. <u>Participating Class Members</u>. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
- Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. Be sure to personally sign your request, identify the Action as *Isiah Bean v. Restorix Health, Inc.*, Los Angeles Superior Court Case No. 21STCV33067, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by _______, or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed

| Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award st | ating (i) the |
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| amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) | the amount |
| Plaintiffs are requesting as a Class Representatives Service Award. Upon reasonable re | quest, Class |
| Counsel (whose contact information is in Section 9 of this Notice) will send you cop | ies of these |
| documents at no cost to you. You can also view them on the Administrator | r's Website |
| (url) or the Court's website (url) | |
| A Participating Class Member who disagrees with any aspect of the Agreement, the | : Motion for |
| Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wi | sh to object, |
| for example, that the proposed Settlement is unfair, or that the amounts requested by Class | s Counsel or |
| Plaintiff are too high or too low. The deadline for sending written objections to the Ad | ministrator |
| is Be sure to tell the Administrator what you object to, why you object, a | nd any facts |
| that support your objection. Make sure you identify the Action Isiah Bean v. Restorix | Health, Inc., |
| Los Angeles Superior Court Case No. 21STCV33067 and include your name, curr | ent address, |
| telephone number, and approximate dates of employment for Defendant and sign th | e objection. |
| Section 9 of this Notice has the Administrator's contact information. | |
| Alternatively, a Participating Class Member can object (or personally retain a lawyer | to object at |
| your own cost) by attending the Final Approval Hearing. You (or your attorney) should | be ready to |
| tell the Court what you object to, why you object, and any facts that support your obj | ection. See |
| Section 8 of this Notice (immediately below) for specifics regarding the Final Approval I | Hearing. |
| 8. CAN I ATTEND THE FINAL APPROVAL HEARING? | |
| You can, but don't have to, attend the Final Approval Hearing on at | time) |
| in Department 11 of the Los Angeles Superior Court, located at 312 North Spring Street, I | Los Angeles, |
| CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the | e Settlement |
| and how much of the Gross Settlement will be paid to Class Counsel, Plaintiffs, and the Ac | lministrator. |
| The Court will invite comment from objectors, Class Counsel and Defendant's counsel be | fore making |
| a decision. You can attend (or hire a lawyer to attend) either personally or v | rirtually via |
| LACourtConnect (https://www.lacourt.org/lacc/. Check the Court's website for the r | nost current |
| information. | |
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| 1 | It's possible the Court will reschedule the Final Approval Hearing. You should check the | | |
| 2 | Administrator's website beforehand or contact Class | | |
| 3 | Counsel to verify the date and time of the Final Approval Hearing. | | |
| 4 | 9. HOW CAN I GET MORE INFORMATION? | | |
| 5 | The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed | | |
| 6 | Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents | | |
| 7 | is to go to <u>(specify entity)</u> 's website at <u>(url)</u> . You can also telephone or | | |
| 8 | send an email to Class Counsel or the Administrator using the contact information listed below, or | | |
| 9 | consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) | | |
| 10 | and entering the Case Number for the Action, Case No. 21STCV33067. You can also make an | | |
| 11 | appointment to personally review court documents in the Clerk's Office at the Stanley Mosk | | |
| 12 | Courthouse by calling (213) 830-0800. | | |
| 13 | DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION | | |
| 14 | ABOUT THE SETTLEMENT. | | |
| 15 | Class Counsel: | | |
| 16 | Bruce Kokozian Jonathan Genish Kokozian law Firm, APC Blackstone Law, APC | | |
| 17 | Kokozian law Firm, APC Blackstone Law, APC 10940 Wilshire Blvd., Suite 1200 Blackstone Law, APC 8383 Wilshire Boulevard, Suite 745 Beverly Hills, California 90211 | | |
| 18 | Tele: (323) 857-5900 Tele: (310) 622-4278 Email: bkokozian@kokozianlawfirm.com Email: jgenish@blackstonepc.com | | |
| 19 | Attorneys for Isiah Bean Attorneys for Tanisha Lopez | | |
| 20 | Settlement Administrator: | | |
| 21 | Name of Company: | | |
| 22 | Email Address: Mailing Address: Telephone: | | |
| 23 | Telephone: Fax Number: | | |
| 24 | 10. WHAT IF I LOSE MY SETTLEMENT CHECK? | | |
| 25 | If you lose or misplace your settlement check before cashing it, the Administrator will replace it as | | |
| 26 | long as you request a replacement before the void date on the face of the original check. If your check | | |
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already void, should consult the Unclaimed Property Fund is you https://www.sco.ca.gov/upd_msg.html for instructions on how to retrieve the funds. 11. WHAT IF I CHANGE MY ADDRESS? To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address. 4892-3107-2826.6 / 114054-1001