

Kane Moon (SBN 249834)
E-mail: kmoon@moonlawgroup.com
Enzo Nabiev (SBN 332118)
E-mail: enabiev@moonlawgorup.com
MOON LAW GROUP, PC
725 S. Figueroa St., 31st Floor
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125

Attorneys for Plaintiff Misael Rosas Fraga

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

MISAEEL ROSAS FRAGA, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

ANCHOR BREWING COMPANY, LLC, a
limited liability company; and DOES 1
through 10, inclusive,

Defendant

Case No.: CGC-22-601929

CLASS ACTION

**CLASS ACTION AND PAGA SETTLEMENT
AGREEMENT AND CLASS NOTICE**

Complaint filed:

September 22, 2022

Trial date:

Not set

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Misael Rosas Fraga (“Plaintiff”) and ASB OpCo, LLC (“Assignee”) in its capacity as assignee for the benefit of creditors of defendant Anchor Brewing Company, Inc. (“Defendant”) The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant, captioned *Misael Rosas Fraga v. Anchor Brewing Company, LLC.*, Case No.: CGC-22-601929 initiated on September 22, 2022 and pending in Superior Court of the State of California, County of San Francisco.
- 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 a person employed by Defendant in California and classified as a non-exempt hourly-paid employee during the PAGA Period.
- 1.5. “Class” means all persons employed by Defendant in California and classified as non-exempt, hourly-paid employees during the Class Period.
- 1.6. “Class Counsel” means Moon Law Group, PC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s or Assignee’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address (“NCOA”) database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation unless otherwise agreed by the Parties, attached as Exhibit A and incorporated by reference into this Agreement. The Parties, through counsel, may agree to modifications to the Class Notice required to correct errors or effectuate changes required by the Court without the need to amend this Agreement, and the revised Class Notice shall be incorporated herein in place of the original Exhibit A.
- 1.12. “Class Period” means the period from September 22, 2018 through the date of Preliminary Approval of Class Action Settlement or September 6, 2024, whichever is earlier.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of San Francisco.
- 1.16. “Defendant” means named Defendant Anchor Brewing Company, LLC
- 1.17. “Defense Counsel” means Fisher & Phillips, LLP
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its order granting final approval of the Settlement; and (b) the

Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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. “Gross Settlement Amount” means \$255,000.00 which is the total amount Assignee agrees to pay under the Settlement except as provided in Paragraphs 3.1 and 8.1 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment.

1.22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.24. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.25. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code § 2699(i).

1.26. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code § 2699(i).

1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following

1 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA
2 PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment,
3 Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment.
4 The remainder is to be paid to Participating Class Members as Individual Class Payments.

5 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Class
6 portion of the Settlement by sending the Administrator a valid and timely Request for
7 Exclusion.

8 1.29. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked
9 for Defendant as a non-exempt employee in California during the PAGA Period. PAGA
10 Pay Periods may be based on either: (1) pay periods during at least one shift was worked;
11 or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates,
12 dates of any periods of leave, and dates of any transition between non-exempt and exempt
13 status.

14 1.30. “PAGA Period” means the period from September 22, 2021, through the date of
15 Preliminary Approval of Class Action Settlement or September 6, 2024 whichever
16 is earlier.

17 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, *et seq.*).

18 1.32. “PAGA Notices” means Plaintiff’s PAGA letter to Anchor Brewing Company, LLC. and
19 the LWDA, providing notice pursuant to Labor Code § 2699.3(a).

20 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
21 Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and the
22 75% to LWDA (\$15,000.00) in settlement of PAGA claims.

23 1.34. “Participating Class Member” means a Class Member who does not submit a valid and
24 timely Request for Exclusion from the Class portion of the Settlement.

25 1.35. “Plaintiff” means Misael Rosas Fraga, the named plaintiff in the Action.

26 1.36. “Preliminary Approval” means the Court’s order granting preliminary approval of the
27 Settlement.

- 1.37. “Preliminary Approval Order” means the proposed order granting preliminary approval of the Settlement.
- 1.38. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.39. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.40. “Released Parties” means: Defendant and Assignee, as well as each of their respective former, present, and future owners, parents, subsidiaries, and affiliates, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.
- 1.41. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.42. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Class portion of the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. The Response Deadline for Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall be extended by 14 days beyond the original Response Deadline.
- 1.43. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.44. “Workweek” means any week during which a Class Member worked for Defendant as a non-exempt, hourly-paid employee in California during the Class Period. Workweeks may be based on either: (1) weeks during at least one shift was worked; or (2) hire dates and, where applicable, last dates worked or separation dates, re-hire dates, dates of any periods of leave, and dates of any transition between non-exempt and exempt status.

1 **2. RECITALS.**

- 2 2.1. On September 22, 2022, Plaintiff commenced this Action by filing a Class Action
- 3 Complaint alleging causes of action against Defendant for failure to pay minimum and
- 4 overtime wages, failure to provide meal periods and rest breaks, failure to indemnify
- 5 necessary business expenses, failure to provide accurate itemized wage statements, failure
- 6 to timely pay final wages at termination, and unfair business practices. On December 8,
- 7 2022, Plaintiff filed a First Amended Class Action and Representative Action Complaint
- 8 alleging causes of action against Defendant. for failure to pay minimum and overtime
- 9 wages, failure to provide meal periods and rest breaks, failure to indemnify necessary
- 10 business expenses, failure to provide accurate itemized wage statements, failure to timely
- 11 pay final wages at termination, unfair business practices, and civil penalties under PAGA
- 12 (the “Operative Complaint”). Defendant denies the allegations in the Operative
- 13 Complaint, denies any failure to comply with the laws identified in the Operative
- 14 Complaint, and denies any and all liability for the causes of action alleged.
- 15 2.2. Pursuant to Labor Code § 2699.3(a), Plaintiff gave timely written notice to Defendant and
- 16 the LWDA by sending the PAGA Notices.
- 17 2.3. On August 2, 2023, Defendant entered into an assignment of the benefit of creditors
- 18 pursuant to (i) that certain General Assignment dated as of the same date by and between
- 19 Defendant and Assignee (the “Assignment Agreement”) and (ii) applicable California law.
- 20 Pursuant to the Assignment Agreement and applicable California law, the Assignee is
- 21 authorized to prosecute, defend, settle, and appear on behalf of Defendant in all legal
- 22 proceedings and actions instituted by or against Defendant, as Defendant’s attorney-in-fact
- 23 and successor.
- 24 2.4. On July 2, 2024, the Parties participated in an all-day mediation presided over by
- 25 experienced employment law mediator Mike Ludwig, Esq. which led to this Agreement to
- 26 settle the Action.
- 27 2.5. Prior to mediation, Plaintiff obtained, through informal discovery: (1) a representative
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randomized sampling of corresponding time and payroll records for the putative class;
(2) company handbooks and written policies in effect during the Class and PAGA Periods;
(3) the applicable Collective Bargaining Agreement between Defendant and International Longshore and Warehouse Union, Local 6; (4) Plaintiff's personnel records and employment files; (5) Class data points, including, total numbers of Class Members, average hourly rates, and approximate numbers of workweeks worked, pay periods, and wage statements issued; and (6) PAGA (and wage statement penalty) group data points, including the total number of Aggrieved Employees, average hourly rates, and approximate numbers of workweeks worked, pay periods, and wage statements issued. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.6. The Court has not granted class certification.

2.7. 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 8.1 below, Assignee promises to pay \$255,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Assignee has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 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 or Assignee.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the

1 following payments from the Gross Settlement Amount, in the amounts specified by the
2 Court in the Final Approval:

3 3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of
4 not more than \$7,500.00 in addition to any Individual Class Payment and any
5 Individual PAGA Payment the Class Representative is entitled to receive as a
6 Participating Class Member. Neither Defendant nor Assignee will oppose
7 Plaintiff's request for a Class Representative Service Payment that does not exceed
8 this amount. As part of the motion for Class Counsel Fees Payment and Class
9 Litigation Expenses Payment, Plaintiff will seek Court approval for any Class
10 Representative Service Payments no later than 16 court days prior to the Final
11 Approval Hearing. If the Court approves a Class Representative Service Payment
12 less than the amount requested, the Administrator will retain the remainder in the
13 Net Settlement Amount. The Administrator will pay the Class Representative
14 Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and
15 liability for employee taxes owed on the Class Representative Service Payment.

16 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33 1/3%,
17 which is currently estimated to be \$85,000.00 and a Class Counsel Litigation
18 Expenses Payment of not more than \$17,000.00. Neither Defendant nor Assignee
19 will oppose requests for these payments provided that they do not exceed these
20 amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees
21 Payment and Class Litigation Expenses Payment no later than 16 court days prior
22 to the Final Approval Hearing. If the Court approves a Class Counsel Fees
23 Payment and/or a Class Counsel Litigation Expenses Payment less than the
24 amounts requested, the Administrator will allocate the remainder to the Net
25 Settlement Amount. Released Parties shall have no liability to Class Counsel or
26 any other Plaintiff's Counsel arising from any claim to any portion any Class
27 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The
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1 Administrator will pay the Class Counsel Fees Payment and Class Counsel
2 Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel
3 assumes full responsibility and liability for taxes owed on the Class Counsel Fees
4 Payment and the Class Counsel Litigation Expenses Payment and holds Defendant
5 and Assignee harmless, and indemnifies Defendant and Assignee, from any dispute
6 or controversy regarding any division or sharing of any of these Payments.

7 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed
8 \$10,000.00 except for a showing of good cause and as approved by the Court. To
9 the extent the Administration expenses are less or the Court approves payment less
10 than \$10,000.00, the Administrator will retain the remainder in the Net Settlement
11 Amount.

12 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by
13 (a) dividing the Net Settlement Amount by the total number of Workweeks worked
14 by all Participating Class Members during the Class Period and (b) multiplying the
15 result by each Participating Class Member's Workweeks.

16 3.2.4.1. Tax Allocation of Individual Class Payments. 10% of each Participating
17 Class Member's Individual Class Payment will be allocated to settlement
18 of wage claims (the "Wage Portion"). The Wage Portions are subject to tax
19 withholding and will be reported on an IRS W-2 Form. The 90% of each
20 Participating Class Member's Individual Class Payment will be allocated
21 to the settlement of claims for interest and penalties (the "Non-Wage
22 Portion"). The Non-Wage Portions are not subject to wage withholdings
23 and will be reported on IRS 1099 Forms. Participating Class Members
24 assume full responsibility and liability for any employee taxes owed on
25 their Individual Class Payment.

26 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
27 Class Payments. Non-Participating Class Members will not receive any

Individual Class Payments. The Workweeks of Non-Participating Class Members are not included in the calculation of payments to Participating Class Members and therefore have no effect on the calculation of Individual Class Payments paid from the Net Settlement Amount.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of 20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00) allocated to the LWDA PAGA Payment and 25% (\$5,000.00) 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 (\$5,000.00) 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-MISC Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Assignee estimates there are 143 Class Members who collectively worked a total of approximately 14,208 Workweeks, and 72 Aggrieved Employees who worked a total of approximately 4,147 weekly PAGA Pay Periods.

4.2. Class Data. Not later than 14 days after the Court grants Preliminary Approval of the Settlement, Assignee will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the

1 Administrator must maintain the Class Data in confidence, use the Class Data only for
2 purposes of this Settlement and for no other purpose, and restrict access to the Class Data
3 to Administrator employees who need access to the Class Data to effect and perform under
4 this Agreement. Assignee has a continuing duty to immediately notify Class Counsel if
5 they discover that the Class Data omitted class member identifying information and to
6 provide corrected or updated Class Data to the Administrator as soon as reasonably
7 feasible. Without any extension of the deadline by which Assignee must send the Class
8 Data to the Administrator, the Parties and their counsel will expeditiously use best efforts,
9 in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted
10 Class Data.

11 4.3. Funding of Gross Settlement Amount. Assignee shall fully fund the Gross Settlement
12 Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll
13 taxes by transmitting the funds to the Administrator no later than 30 days after the
14 Effective Date.

15 4.4. Payments from the Gross Settlement Amount. Within 7 days after Assignee funds the
16 Gross Settlement Amount, the Administrator will mail checks for all Individual Class
17 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the
18 Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel
19 Litigation Expenses Payment, and the Class Representative Service Payment.
20 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
21 Payment, and the Class Representative Service Payment shall not precede disbursement of
22 Individual Class Payments and Individual PAGA Payments.

23 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
24 Individual PAGA Payments and send them to the Class Members via First Class
25 U.S. Mail, postage prepaid. The face of each check shall prominently state the
26 date (not less than 180 days after the date of mailing) when the check will be
27 voided. The Administrator will cancel all checks not cashed by the void date. The

1 Administrator will send checks for Individual Settlement Payments to all
2 Participating Class Members (including those for whom Class Notice was returned
3 undelivered). The Administrator will send checks for Individual PAGA Payments
4 to all Aggrieved Employees including Non-Participating Class Members who
5 qualify as Aggrieved Employees (including those for whom Class Notice was
6 returned undelivered). The Administrator may send Participating Class Members a
7 single check combining the Individual Class Payment and the Individual PAGA
8 Payment. Before mailing any checks, the Settlement Administrator must update
9 the recipients' mailing addresses using the NCOA database.

10 4.4.2. The Administrator must conduct a Class Member Address Search for all other
11 Class Members whose checks are returned undelivered without a United States
12 Postal Service ("USPS") forwarding address. Within 7 days of receiving a
13 returned check, the Administrator must re-mail checks to the USPS forwarding
14 address provided or to an address ascertained through the Class Member Address
15 Search. The Administrator need not take further steps to deliver checks to Class
16 Members whose re-mailed checks are returned as undelivered. The Administrator
17 shall promptly send a replacement check to any Class Member whose original
18 check was lost or misplaced, as requested by the Class Member prior to the void
19 date.

20 4.4.3. For any Class Member whose Individual Class Payment check or Individual
21 PAGA Payment check is uncashed and canceled after the void date, the
22 Administrator shall transmit the funds represented by such checks to the California
23 Controller's Unclaimed Property Fund in the name of the Class Member thereby
24 leaving no "unpaid residue" subject to the requirements of California Code of Civil
25 Procedure § 384(b).

26 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
27 not obligate Defendant or Assignee to confer any additional benefits or make any
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additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

Effective on the date when Assignee fully funds the entire Gross Settlement Amount and fund 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:

5.1. Plaintiff's Release.

5.1.1. Scope of Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, 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 and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notices, or ascertained during the Action and released under 5.2, below ("Plaintiff's Release.") 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, or workers' compensation benefits that arose at any time. 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.

5.1.2. Plaintiff's Waiver of Rights Under California Civil Code § 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of Section 1542 of the California Civil Code, which reads:

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.

5.2. Release by Participating Class Members: 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 that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including, e.g., any and all claims involving: (1) any alleged failure to pay minimum wage; (2) any alleged failure to pay overtime wages; (3) any alleged failure to provide compliant meal periods, or compensation in lieu thereof; (4) any alleged failure to provide compliant rest breaks, or compensation in lieu thereof; (5) any alleged failure to indemnify/reimburse necessary business expenses; (6) any alleged failure to pay wages due upon separation; (7) any alleged failure to provide compliant accurate itemized wage statements; and (8) any alleged unlawful, unfair, or fraudulent business actions or practices under Business and Professions Code §§ 17200, *et seq.* arising out of the Labor Code and Industrial Welfare Commission (“IWC”) Wage Order violations referenced in the Operative Complaint. Except as set forth in Section 5.3 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.

5.3. Release by Aggrieved Employees: All Aggrieved Employees 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 for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notices, including, e.g., any and all claims for PAGA penalties pursuant to Labor Code sections

203, 210, 226.3, 558, 1174.5, 1197.1, and 2699 in connection with any and all allegations of Labor Code and/or IWC Wage Order violations involving: (1) any alleged failure to pay minimum wage; (2) any alleged failure to pay overtime wages; (3) any alleged failure to provide compliant meal periods, or compensation in lieu thereof; (4) any alleged failure to provide compliant rest breaks, or compensation in lieu thereof; (5) any alleged failure to indemnify/reimburse necessary business expenses; (6) any alleged failure to pay wages due upon separation; and (7) any alleged failure to provide compliant accurate itemized wage statements.

6. MOTION FOR PRELIMINARY APPROVAL.

The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for preliminary approvals, to the extent the Court maintains such a checklist.

6.1. Defendant’s Declaration in Support of Preliminary Approval. Because funds from uncashed checks will be transmitted to the California Controller’s Office, Unclaimed Property Fund, Defendant, Assignee, and Defense Counsel have no obligation to provide declarations disclosing any facts relevant to any actual or potential conflicts with a “*cy pres*” recipient.”

6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel 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 § 2699(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, or 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 and amended notices of violations (Labor Code § 2699.3(a)), Operative Complaint (Labor Code § 2699(l)(1)), this Agreement (Labor Code § 2699(l)(2))); and, (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their declarations, Class Counsel 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 or disclose the existence of any such pending matters. Alternatively, if such other actions are filed between the execution of this Agreement and the filing of the Motion for Preliminary Approval and become known to Class Counsel, Class Counsel will advise Defense Counsel.

6.3. Responsibilities of Counsel. Class Counsel is responsible for finalizing and filing the Motion for Preliminary Approval 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 Order to the Administrator.

6.4. Duty to Cooperate. 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 and conferring, 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 and conferring, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1. 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.

7.2. Employer Identification Number. 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.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation § 468B-1.

7.4. Notice to Class Members.

7.4.1. 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 Workweeks in the Class Data.

7.4.2. 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 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 each Individual Class Payment and/or Individual PAGA Payment payable to the Class Member

and/or Aggrieved Employee, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA database.

7.4.3. 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.

7.4.4. The deadlines for Class Members' written objections, challenges to Workweeks and/or 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 notices are re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Defendant, Assignee, 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, 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.

7.5. Requests for Exclusion (Opt-Outs).

1 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class portion of
2 the Settlement must send the Administrator, by fax, email, or mail, a signed written
3 Request for Exclusion not later than 45 days after the Administrator mails the Class
4 Notice (plus an additional 14 days for Class Members whose Class Notice is re-
5 mailed). A Request for Exclusion is a letter from a Class Member or his/her
6 representative that reasonably communicates the Class Member's election to be
7 excluded from the Class portion of the Settlement and includes the Class Member's
8 name, address, and email address or telephone number. To be valid, a Request for
9 Exclusion must be timely faxed, emailed, or postmarked by the Response
10 Deadline.

11 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
12 fails to contain all the information specified in the Class Notice. The Administrator
13 shall accept any Request for Exclusion as valid if the Administrator can reasonably
14 ascertain the identity of the person as a Class Member and the Class Member's
15 desire to be excluded. The Administrator's determination shall be final and not
16 appealable or otherwise susceptible to challenge. If the Administrator has reason to
17 question the authenticity of a Request for Exclusion, the Administrator may
18 demand additional proof of the Class Member's identity. The Administrator's
19 determination of authenticity shall be final and not appealable or otherwise
20 susceptible to challenge.

21 7.5.3. Every Class Member who does not submit a timely and valid Request for
22 Exclusion is deemed to be a Participating Class Member under this Agreement,
23 entitled to all benefits and bound by all terms and conditions of the Settlement,
24 including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3
25 of this Agreement, regardless of whether the Participating Class Member actually
26 receives the Class Notice or objects to the Settlement.

27 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
28

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 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks. 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 Workweeks and PAGA 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 Workweeks 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 Workweeks and/or PAGA 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 Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7. Objections to Settlement.

7.7.1. 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 Representative Service Payment.

7.7.2. Participating Class Members may send written objections to the Administrator, by

1 fax, email, or mail. In the alternative, Participating Class Members may appear in
2 Court (or hire an attorney to appear in Court) to present verbal objections at the
3 Final Approval Hearing. A Participating Class Member who elects to send a
4 written objection to the Administrator must do so not later than 45 days after the
5 Administrator's mailing of the Class Notice (plus an additional 14 days for Class
6 Members whose Class Notice was re-mailed).

7 7.7.3. Non-Participating Class Members have no right to object to any of the class action
8 components of the Settlement.

9 7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
10 performed or observed by the Administrator contained in this Agreement or otherwise.

11 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish
12 and maintain and use an internet website to post information of interest to Class
13 Members including the date, time, and location for the Final Approval Hearing and
14 copies of the Settlement Agreement, Motion for Preliminary Approval, the
15 Preliminary Approval Order, the Class Notice, the motion for final approval, the
16 Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses
17 Payment and Class Representative Service Payment, the Final Approval Order, and
18 the Judgment. The Administrator will also maintain and monitor an email address
19 and a toll-free telephone number to receive Class Member calls, faxes, and emails.

20 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
21 promptly review on a rolling basis Requests for Exclusion to ascertain their
22 validity. Not later than 5 days after the expiration of the deadline for submitting
23 Requests for Exclusion, the Administrator shall email a list to Class Counsel and
24 Defense Counsel containing (a) the names and other identifying information of
25 Class Members who have timely submitted valid Requests for Exclusion
26 ("Exclusion List"); (b) the names and other identifying information of Class
27 Members who have submitted invalid Requests for Exclusion; and (c) copies of all

1 Requests for Exclusion from Settlement submitted (whether valid or invalid).

2 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
3 reports to Class Counsel and Defense Counsel that, among other things, tally the
4 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
5 Requests for Exclusion (whether valid or invalid) received, objections received,
6 and challenges to Workweeks and/or PAGA Pay Periods received and/or resolved
7 (“Weekly Report”). The Weekly Reports must include the Administrator’s
8 assessment of the validity of Requests for Exclusion and attach copies of all
9 Requests for Exclusion and objections received. In addition to the Weekly Reports,
10 the Administrator shall report to the Parties when it has completed the initial
11 distribution of the Individual Class Payments and Individual PAGA Payments to
12 all individuals with valid addresses.

13 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
14 address and make decisions consistent with the terms of this Agreement on all
15 Class Member challenges over the calculation of Workweeks and/or PAGA Pay
16 Periods. The Administrator’s determination of each Class Member’s allocation of
17 Workweeks and/or PAGA Pay Periods shall be final. and not appealable or
18 otherwise susceptible to challenge.

19 7.8.5. Administrator’s Declaration. Before the date by which Plaintiff is required to file
20 the Motion for Final Approval of the Settlement, the Administrator will provide to
21 Class Counsel and Defense Counsel, a signed declaration suitable for filing in
22 Court attesting to its due diligence and compliance with all of its obligations under
23 this Agreement, including, but not limited to, its mailing of Class Notice, the Class
24 Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate
25 Class Members, the total number of Requests for Exclusion from Settlement it
26 received (both valid or invalid), and the number of written objections, and attach
27 the Exclusion List. The Administrator will supplement its declaration as needed or
28

requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6. 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 7 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.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**

Based on its records, Assignee estimates there are 143 Class Members who collectively worked a total of approximately 14,208 Workweeks, and 72 Aggrieved Employees who worked a total of approximately 4,147 weekly PAGA Pay Periods.

8.1 Increase in Workweeks. In the event, the actual number of workweeks in which Class Members worked in the Class Period exceeds 10% from the original estimate of 14,208 workweeks. The Gross Settlement Amount shall be increased by the percentage that the actual number of workweeks exceeds a 10% increase from the original estimate. For example, if the total number of workweeks is 11% larger, the Gross Settlement Amount shall be increased by 1%. In the alternative, Assignee may (1) elect to end the Class Period to an earlier date such that the Escalator is not triggered.

9. **DEFENDANT'S RIGHT TO WITHDRAW.**

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 20% of the total of all Class Members, Assignee may, but is not obligated to, withdraw from the Settlement. The Parties agree that, if Assignee 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, Assignee will remain responsible for paying all Settlement administration expenses incurred to that point. Assignee must notify Class Counsel and the Court of its election to withdraw not later than 14 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 § 2699(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 prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer, 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 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2. Duty to Cooperate. 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 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3. Continuing Jurisdiction of the Court. 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.

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 Representative 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 § 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

1 **12. ADDITIONAL PROVISIONS.**

2 12.1. No Admission of Liability, Class Certification, or Representative Manageability for Other
3 Purposes. This Agreement represents a compromise and settlement of highly disputed
4 claims. Nothing in this Agreement is intended or should be construed as an admission by
5 Defendant or Assignee that any of the allegations in the Operative Complaint have merit or
6 that Defendant or Assignee has any liability for any claims asserted; nor should it be
7 intended or construed as an admission by Plaintiff that Defendant's defenses in the Action
8 have merit. The Parties agree that class certification and representative treatment is for
9 purposes of this Settlement only. If, for any reason the Court does grant Preliminary
10 Approval, Final Approval, or enter Judgment, Assignee reserves the right to contest
11 certification of any class for any reason, and Assignee reserves all available defenses to the
12 claims in the Action, and Plaintiff reserves the right to move for class certification on any
13 grounds available and to contest Defendant's defenses (as may be raised by Assignee).
14 The Settlement, this Agreement, and Parties' willingness to settle the Action will have no
15 bearing on, and will not be admissible in connection with, any litigation (except for
16 proceedings to enforce or effectuate the Settlement and this Agreement).

17 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Assignee, and
18 Defense Counsel separately agree that, until the Motion for Preliminary Approval of
19 Settlement is filed, they and each of them will not disclose, disseminate, and/or publicize,
20 or cause or permit another person to disclose, disseminate, or publicize, any of the terms of
21 the Agreement directly or indirectly, specifically or generally, to any person, corporation,
22 association, government agency, or other entity except: (1) to the Parties' attorneys,
23 accountants, or spouses, all of whom will be instructed to keep this Agreement
24 confidential; (2) to counsel in a related matter; (3) to the extent necessary to report income
25 to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in
26 response to an inquiry or subpoena issued by a state or federal government agency. Each
27 Party agrees to immediately notify each other Party of any judicial or agency order,

inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Assignee, 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, with any 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. 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.

12.4. Integrated Agreement. 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.

12.5. Attorney Authorization. Class Counsel warrants and represents that they are authorized by Plaintiff and Defense counsel warrants and represents that they are authorized by Assignee and Defendant, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6. 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 a mediator and/or the Court for resolution.

12.7. 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.

12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, Assignee, 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.

12.9. Modification of Agreement. 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.

12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11. 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.

12.12. Cooperation in Drafting. 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.

12.13. Confidentiality. 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.

12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code § 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant and/or Assignee 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 and Assignee unless, prior to the Court's discharge of the Administrator's obligation, Assignee makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.15. Headings. 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.

12.16. Calendar Days. 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 holiday as defined in California Code of Civil Procedure section 135 and California Government Code section 6700, such date or deadline shall be on the first business day thereafter.

12.17. 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.

12.18. 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 Code of Civil Procedure § 583.330 to extend the date to bring a case to trial under Code of Civil Procedure § 583.310 for the entire period of this settlement process.

12.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

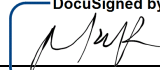
Plaintiff & Class Representative:

Dated: 9/20/2024

By: _____

Plaintiff Misael Rosas Fraga

DocuSigned by:



3B4156D00820F402

Class Counsel:

Dated: 9/23/2024

Moon Law Group, PC

By: _____

Kane Moon
Enzo Nabiev

Attorneys for Plaintiff

Assignee:

Dated:

ASB OpCp, LLC in its capacity as assignee for the benefit of
creditors of Defendant Anchor Brewing Company, LLC

By: _____

Signature

Name

Title

Defense Counsel:

Dated:

Fisher & Phillips, LLP

By: _____

Attorneys for Defendant

12.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

Plaintiff & Class Representative:

Dated:

By:

Plaintiff Misael Rosas Fraga

Class Counsel:

Dated:

Moon Law Group, PC

By:

Kane Moon
Enzo Nabiev

Attorneys for Plaintiff

Assignee:

Dated: Sept. 19, 2024

ASB OpCp, LLC in its capacity as assignee for the benefit of
creditors of Defendant Anchor Brewing Company, LLC

By:

Signature

Jun Song

Name

Managing Director

Title

Defense Counsel:

Dated: Sept. 19, 2024

Fisher & Phillips, LLP

By:

Megan E. Waller

Attorneys for Defendant