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20 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
21 **FOR THE COUNTY OF SAN DIEGO**

22 **Angel Cordova Ramirez**, individually
23 and on behalf of all similarly situated
24 individuals,

25 Plaintiff,

26 vs.

27 **Bando National Corporation**, a
28 California corporation; **Dong Chul Shin**,
an individual; and Does 1-100;

Defendants.

CASE NO. 24CU021719C

Assigned for all purposes to Honorable
Matthew C. Braner, Dept. C-60

CLASS ACTION

**JOINT STIPULATION OF
SETTLEMENT AND RELEASE OF
CLASS AND PAGA ACTION**

Case Filed: November 12, 2024
Trial Date: None set

1 This Joint Stipulation of Settlement and Release of Class and PAGA Action
2 (“Agreement” or “Settlement Agreement”) is made and entered into by and between
3 Plaintiff Angel Cordova Ramirez (“Plaintiff” or “Class Representative”), as an individual
4 and on behalf of all others similarly situated and for all aggrieved employees, and
5 Defendants Bando National Corporation and Dong Chul Shin, (collectively “Defendants”).
6 Plaintiff and Defendants may be referred to herein as the “Parties,” singularly as a “Party,”
7 or by their designated names.

8 This Agreement is subject to the approval of the Court, pursuant to California Rules
9 of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to
10 consummate settlement of the Action on a class-wide basis and for all aggrieved employees
11 subject to the following terms and conditions.

12 This Settlement Agreement shall be binding on Plaintiff, the Settlement Class, and
13 the Aggrieved Employees, on the one hand, and Defendants, on the other hand, subject to
14 the terms and conditions hereof and the approval of the Court.

15 RECITALS

16 1. Plaintiff filed his complaint on November 12, 2024 against Defendants in the
17 San Diego County Superior Court. Plaintiff’s lawsuit, entitled *Angel Cordova Ramirez v.*
18 *Bando National Corporation and Dong Chul Shin*, Case No. 24CU021719C (“Action”),
19 alleges the following class-wide causes of action: (1) failure to pay minimum wages; (2)
20 failure to pay overtime wages; (3) failure to provide meal periods or premium pay in lieu
21 thereof; (4) failure to provide rest periods or premium pay in lieu thereof; (5) failure to
22 reimburse necessary business expenses; (6) failure to provide and maintain accurate
23 records; and (7) failure to pay wages when due during employment and at separation; (8)
24 Private Attorneys General Act (“PAGA”) penalties; and (9) violation of California’s unfair
25 competition law.

26 2. Defendants deny all material allegations set forth in the Action and have
27 asserted numerous affirmative and other defenses in response to the Class, PAGA, and
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1 individual claims. Defendants contend it has complied with the California Labor Code, the
2 California Business & Professions Code, the applicable IWC Wage Orders, and all other
3 applicable California and Federal law.

4 3. Notwithstanding the foregoing and in the interest of avoiding further
5 litigation, the Parties desire to fully and finally settle all actual or potential class and PAGA
6 claims as pleaded in the operative Complaint or that could have been pleaded in the
7 operative Complaint and this Action.

8 4. This Settlement Agreement is made and entered into by and between Plaintiff
9 individually and on behalf of all other allegedly similarly situated Aggrieved Employees and
10 Settlement Class Members on the one hand, and Defendants on the other hand. This
11 Settlement Agreement is subject to the terms and conditions hereof, as well as the Court's
12 approval. The Parties expressly acknowledge that this Agreement is entered into solely for
13 the purpose of compromising disputed claims and that nothing herein is an admission of
14 any liability or wrongdoing by Defendants. If, for any reason the Settlement Agreement is
15 not approved, it will be of no force or effect, and the Parties shall be returned to their
16 original respective positions.

17 5. The Parties agree to abide by the terms of the Settlement Agreement in good
18 faith and to support the Settlement Agreement fully and to use their best efforts to defend
19 this Settlement Agreement from any legal challenge, whether by appeal or collateral attack.

20 6. On December 1, 2025, the Parties participated in a full-day of mediation with
21 Gig Kyriacou (the "Mediator"), a well-respected mediator in the field of employment law
22 and wage-and-hour class actions. After a full day of mediation, the Parties agreed to the
23 principal terms of a class action and PAGA settlement and entered into a Memorandum of
24 Agreement ("MOA") setting forth those terms, which have now been expanded upon in this
25 Stipulation.

26 7. Class Counsel conducted a significant investigation during the prosecution of
27 the Action. This investigation included, among other things, (a) telephonic and Zoom
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1 conferences with Plaintiff; (b) inspection and analysis of numerous payroll and policy
2 documents and other information produced by Plaintiff and Defendants; (c) analysis of the
3 legal positions taken by Defendants; (d) investigation into the viability of class treatment
4 of the claims asserted in the Action; (e) analysis of potential class-wide damages, including
5 information sufficient to understand Defendant's potential defenses to Plaintiff's claims;
6 (f) research of the applicable law with respect to the claims asserted in the Action and the
7 potential defenses thereto; (g) assembling and analyzing of data for calculating damages;
8 and (i) hired the services of an expert to analyse and prepare Defendant's exposure.

9 8. The informal discovery conducted in this matter, as well as discussions
10 between counsel, have been adequate to give the Class Representative, the PAGA
11 representative and Class Counsel a sound understanding of the merits of their positions, to
12 evaluate the risks of continued litigation and the value of the Settlement Class and the
13 Aggrieved Employees' claims, to reliably assess the merits of the Parties' positions, and to
14 compromise the issues on a fair and equitable basis.

15 9. The settlement discussions before, during, and after mediation were
16 conducted at arm's length and the settlement of the Action is the result of an informed and
17 detailed analysis of Defendants' potential liability in relation to the costs and risks
18 associated with continued litigation.

19 10. Plaintiff and Class Counsel believe that the claims, causes of action,
20 allegations, and contentions asserted in the Action have merit. However, Plaintiff and Class
21 Counsel recognize and acknowledge the expense and delay of continued lengthy
22 proceedings necessary to prosecute the Action against Defendants through trial and
23 appeals. Class Counsel has taken into account: 1) the uncertain outcome of the litigation;
24 2) the risk of continued litigation in complex actions such as this lawsuit; 3) the difficulties
25 and delays inherent in such litigation; 4) the potential difficulty of obtaining certification
26 of the Action; and 5) the potential risk of trying the claims of the class and aggrieved
27 employees. Class Counsel is mindful of the potential problems of proof under, and possible
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1 defenses to, the claims alleged in the Action and litigation of those claims on a class-wide
2 basis.

3 11. Class Counsel believes that the Settlement set forth in this Settlement
4 Agreement confers substantial benefits upon Plaintiff, the Settlement Class, and the
5 Aggrieved Employees and that an independent review of this Settlement Agreement by the
6 Court in the approval process will confirm this conclusion. Based on their own independent
7 investigation and evaluation, Class Counsel has determined that the Settlement set forth in
8 the Stipulation is in the best interests of Plaintiff, the Settlement Class, and the Aggrieved
9 Employees.

10 12. Based on the data and documents produced during formal and informal
11 discovery and in response to Plaintiff's Labor Code sections 226 and 1198.5 records request,
12 Class Counsel's own independent investigation and evaluation, and the Mediator's efforts,
13 Class Counsel believes that Plaintiff's settlement with Defendants for the consideration
14 provided and on the terms set forth in this Settlement Agreement is fair, reasonable, and
15 adequate, and is in the best interest of the Class Members and Aggrieved Employees in light
16 of all known facts and circumstances, including the risk of significant delay and uncertainty
17 associated with litigation, various defenses asserted by Defendants, the contested legal and
18 factual issues involved, and potential appellate issues.

19 DEFINITIONS

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

22 13. "Action" means *Angel Cordova Ramirez v. Bando National Corporation and*
23 *Dong Chul Shin*, San Diego Superior Court Case No.: 24CU021719C.

24 14. "**Aggrieved Employees**" means all persons currently or formerly employed
25 by Defendants, either directly or through any subsidiary, staffing agency, joint venture or
26 professional employer organization, as non-exempt, hourly-paid employees from
27 **November 6, 2023 through December 1, 2025 ("PAGA Release Period")**, in the
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1 State of California.

2 15. **“Class Counsel’s Fees and Costs”** means attorneys’ fees agreed upon by
3 the Parties and approved by the Court for Class Counsel’s litigation and resolution of this
4 Action. Class Counsel’s Fees and Costs shall include all costs incurred and to be incurred
5 by Class Counsel in the Action, including, but not limited to, costs associated with
6 documenting the Settlement, securing the Court’s approval of the Settlement, responding
7 to any objections to the settlement and appeals arising therefrom, administering the
8 Settlement, and obtaining entry of a Judgment terminating this Action, and expenses for
9 any experts. Class Counsel will request attorneys’ fees not in excess of one-third of the
10 Maximum Settlement Amount (*i.e.*, up to Three Hundred Twenty-Five Thousand Dollars
11 and Zero Cents (\$325,000)). The Class Counsel’s Fees and Costs will also mean and include
12 the additional reimbursement of Class Counsel’s actual reasonable costs incurred in
13 connection with Class Counsel’s litigation and settlement of the Action, up to Twenty-Five
14 Thousand Dollars and Zero Cents (\$25,000), subject to the Court’s approval. Defendants
15 agree not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth
16 above.

17 16. **“Settlement Administrator”** means a third-party class action settlement
18 claims administrator selected by the Parties and approved by the Court for purposes of
19 administering this Settlement. The Parties each represent that they will not select a
20 Settlement Administrator in which either Party has any financial interest or other
21 relationship that could create a conflict of interest. The Parties agree that they shall obtain
22 bids from at least two (2) and up to three (3) mutually agreeable proposed settlement
23 administrators, and they will then mutually select a Settlement Administrator from the
24 proposed administrators to administer the settlement.

25 17. **“Settlement Administration Costs”** means the costs payable from the
26 Maximum Settlement Amount to the Settlement Administrator for administering this
27 Settlement, including, but not limited to, printing, distributing, and tracking documents
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1 for this Settlement, calculating estimated amounts per Class Member and Aggrieved
2 Employee, tax reporting, distributing the appropriate settlement amounts, and providing
3 necessary reports and declarations, and other duties and responsibilities set forth herein
4 to process this Settlement, and as requested by the Parties. The Settlement Administration
5 Costs will be paid from the Maximum Settlement Amount and shall not exceed \$25,000.

6 18. **“Class Counsel”** means Elliot J. Siegel of King & Siegel LLP and Bardia
7 Aaron Akhavan of Akhavan & Associates.

8 19. **“Class List”** means a complete list of all Class Members and Aggrieved
9 Employees that Defendants will diligently and in good faith compile from their records and
10 provide to the Settlement Administrator within 10 calendar days after Preliminary
11 Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office
12 Excel spreadsheet and will include, to the extent in the possession of Defendants or its
13 agents, Class Members’ and Aggrieved Employees’ names; last-known addresses; last-
14 known telephone numbers; last-known email address; social security numbers; start dates
15 of employment; end dates of employment; number of weeks worked by each Class Member
16 during the Class Period; and the number of pay periods worked by each Aggrieved
17 Employee during the PAGA Period.

18 20. **“Class Member(s)”** or **“Settlement Class”** or the **“Class”** means *all*
19 *persons currently or formerly employed by Defendants, either directly or through any*
20 *subsidiary, staffing agency, joint venture or professional employer organization, as non-*
21 *exempt, hourly-paid employees from **November 12, 2020 through December 1,***
22 ***2025** in the State of California.*

23 21. **“Class Period”** means the period from November 12, 2020 through
24 December 1, 2025.

25 22. **“Class Representative”** means Plaintiff Angel Cordova Ramirez who will
26 seek to be appointed as the representative for the Settlement Class.

27 23. **“Class Representative Enhancement Payment”** means the amounts to
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1 be paid to Plaintiff in recognition of his efforts and work in prosecuting the Action on behalf
2 of Class Members and negotiating the Settlement. Defendants agree not to dispute that the
3 Class Representative will be paid, subject to Court approval, up to Five Thousand Dollars
4 and Zero Cents (\$5,000) from the Maximum Settlement Amount for his services on behalf
5 of the class, subject to the Court granting Final Approval of this Settlement Agreement and
6 subject to the exhaustion of any and all appeals. Should the Court reduce the Class
7 Representative Enhancement Payment, any such reduction shall revert to the Net
8 Settlement distributed to Participating Class Members.

9 24. “**Court**” means the Superior Court of California, County of San Diego.

10 25. “**Defendants**” means Bando National Corporation and Dong Chul Shin.

11 26. “**Effective Date**” means the date on which the Settlement embodied in this
12 Stipulation shall become effective and is the date after all of the following events have occurred:
13 (i) the long-form Stipulation of Settlement has been executed by Plaintiff and Defendants; (ii)
14 the Court has given Preliminary Approval to the Settlement, including approving a provisional
15 Settlement Class and the Aggrieved Employees; (iii) notice has been given to the putative
16 members of the Settlement Class, providing them with an opportunity to object to the terms
17 of the Settlement or to opt-out of the Settlement; and (iv) either (1) the Court has held a formal
18 fairness hearing and, having heard no objections by any Class Members to the Settlement, has
19 given Final Approval to the Settlement, including entering a final order and judgment
20 certifying the Settlement Class and approving this Settlement Agreement; or (2) in the event
21 there are oral or written objections filed by Class Members prior to or at the formal fairness
22 hearing which are not later withdrawn or denied, the later of the following events: (a) five (5)
23 business days after the period for filing any appeal, writ, or other appellate proceeding
24 opposing the Court’s Final Approval of the Settlement have elapsed without any appeal, writ,
25 or other appellate proceeding having been filed; or (b) five (5) business days have elapsed
26 following the final and conclusive dismissal or resolution of any appeal, writ, or other appellate
27 proceeding opposing the Settlement, with no right to pursue further appellate remedies or
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1 relief.

2 27. **“Individual Class Payment”** means each Participating Class Member’s
3 share of the Net Settlement Amount, to be distributed to the Class Members who do not
4 submit a valid Request for Exclusion, to be paid without the need to submit a claim.

5 28. **“Individual PAGA Payment”** means each Aggrieved Employee’s pro rata
6 share of the thirty-five percent (35%) of the Labor and Workforce Development Agency
7 (“LWDA”) Payment allocated to the Aggrieved Employees. Aggrieved Employees will
8 receive their Individual PAGA Payment regardless of whether they submit a valid Request
9 for Exclusion.

10 29. **“Labor and Workforce Development Agency Payment”** means the
11 amount that the Parties have agreed that Defendants will pay in connection with Plaintiff’s
12 Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*
13 (“PAGA”)) cause of action. The Parties have agreed that One Hundred Thousand Dollars
14 and Zero Cents (\$100,000) of the Maximum Settlement Amount will be allocated to the
15 resolution of the Aggrieved Employees’ claims arising under the PAGA (“PAGA Settlement
16 Amount”). Pursuant to the PAGA, Sixty-Five Percent (65%), or Sixty Five Thousand Two
17 and Zero Cents (\$65,000), of the PAGA Settlement Amount will be paid to the California
18 Labor and Workforce Development Agency (“LWDA”), and Thirty-Five Percent (35%), or
19 Thirty Five Thousand and Zero Cents (\$35,000), of the PAGA Settlement Amount will be
20 paid to the allegedly Aggrieved Employees, as part of the Net Settlement Amount.

21 30. **“Maximum Settlement Amount”** means the maximum settlement
22 amount of Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000) to be
23 paid by Defendants in full satisfaction of all claims arising from the Action. The Maximum
24 Settlement Amount shall include the settlement payments to Class Members; settlement
25 payments to the Aggrieved Employees; settlement administration fees and costs; Plaintiff’s
26 incentive and/or enhancement; payment to the government of its share of the Settlement
27 Amount pursuant to the PAGA; and attorneys’ fees and costs. It shall expressly exclude the
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1 employer's share of taxes ("Employer Taxes") payable for the Class Member payments,
2 which will be paid separate and apart from the Maximum Settlement Amount but
3 Defendants may elect to make all payments contemporaneous prior to the due date.

4 31. **"Net Settlement Amount"** means the portion of the Maximum Settlement
5 Amount remaining after deduction of the approved Class Representative Enhancement
6 Payment, Settlement Administration Costs, LWDA Payment, and Class Counsel's Fees and
7 Costs. The Net Settlement Amount will be distributed to Participating Class Members and
8 all Aggrieved Employees.

9 32. **"Notice of Objection"** means a Class Member's valid and timely written
10 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must
11 include: (a) the objector's full name, signature, address, telephone number, and the last
12 four digits of the objector's social security number, (b) the dates the objector was employed
13 by Defendants in California, (c) a written statement of all grounds for the objection
14 accompanied by any legal support for such objection, and (d) copies of any papers, briefs,
15 or other documents upon which the objection is based.

16 33. **"Notice Packet"** or **"Notice"** means the Notice of Class Action Settlement
17 and Share Form, substantially in the form attached as **Exhibit A**.

18 34. **"PAGA Period"** shall run from from January 16, 2023 through December 1,
19 2025.

20 35. **"Parties"** means Plaintiff and Defendants, collectively.

21 36. **"Participating Class Members"** means all Class Members who do not
22 submit valid and timely Requests for Exclusion.

23 37. **"Plaintiff"** or **"Named Plaintiff"** or **"Class Representative"** means
24 Angel Cordova Ramirez.

25 38. **"Preliminary Approval"** means the Court order granting preliminary
26 approval of the Settlement in an order in substantially the same form as the order attached
27 hereto as **Exhibit B**.

1 39. **“Final Approval”** means the Court granting final approval of the
2 Settlement and entering final judgement in an order in substantially the same form as the
3 order attached hereto as **Exhibit C**.

4 40. **“Released Claims”** means all claims that were alleged or could reasonably
5 have been alleged based on the facts set forth in the Class Complaint and the LWDA letter
6 arising at any time during the Class Period and PAGA Release Period against Defendants.
7 The Release will only take effect upon the latter of the Effective Date and full funding of the
8 MSA by Defendants.

9 41. **“Class Period”** means the period from January 16, 2023 through December
10 1, 2025.

11 42. **“Released PAGA Claims”** means the release of claims for civil penalties
12 under PAGA asserted in the Complaint or LWDA letter, or that could have reasonably been
13 alleged based on the factual allegations contained in the PAGA Notice. The Released PAGA
14 Claims shall be released through the PAGA Release Period. No Aggrieved Employee may
15 opt out of the PAGA Release and will be bound by this Release regardless of whether they
16 cash their Individual PAGA Payment. The Release will only take effect upon the latter of
17 the Effective Date and full funding of the MSA by Defendants.

18 43. **“PAGA Release Period”** means the period from January 16, 2023 through
19 December 1, 2025.

20 44. **“Released Parties”** shall mean Defendants, each Defendant’s former and
21 present directors, officers, shareholders, agents, owners, members, attorneys, insurers,
22 predecessors, successors, assigns, subsidiaries and affiliates, as applicable.

23 45. **“Request for Exclusion”** means a timely letter submitted by a Class
24 Member indicating a request to be excluded from the Settlement. The Request for
25 Exclusion must: (a) be signed by the Class Member; (b) contain the name, address,
26 telephone number, and the last four digits of the Social Security Number of the Class
27 Member requesting exclusion; (c) clearly state that the Class Member received the Notice,
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1 does not wish to participate in the Settlement, and wants to be excluded from the
2 Settlement; (d) be returned by first class mail or equivalent to the Settlement Administrator
3 at the specified address; and, (e) be postmarked on or before the Response Deadline. The
4 date of the postmark on the return mailing envelope will be the exclusive means to
5 determine whether a Request for Exclusion has been timely submitted. A Class Member
6 who does not request exclusion from the Settlement will be deemed a Participating Class
7 Member and will be bound by all terms of the Settlement, if the Settlement is granted Final
8 Approval by the Court.

9 46. “**Response Deadline**” means the deadline by which Class Members must
10 postmark to the Settlement Administrator valid Share Forms, Requests for Exclusion, or
11 file and serve objections to the Settlement. The Response Deadline will be 40 calendar days
12 from the initial mailing of the Notice Packet by the Settlement Administrator, unless the
13 40th day falls on a Sunday or federal holiday, in which case the Response Deadline will be
14 extended to the next day on which the U.S. Postal Service is open. The Response Deadline
15 for Objections or Requests for Exclusion will be extended fifteen (15) calendar days for any
16 Class Member who is re-mailed a Notice Packet by the Settlement Administrator, unless
17 the 15th day falls on a Sunday or federal holiday, in which case the Response Deadline will
18 be extended to the next day on which the U.S. Postal Service is open. The Response
19 Deadline may also be extended by express agreement between Class Counsel and
20 Defendants. Under no circumstances, however, will the Settlement Administrator have the
21 authority to extend the deadline for Class Members to submit a Request for Exclusion, or
22 objection to the Settlement other than as provided herein.

23 47. “**Settlement,**” “**Settlement Agreement,**” “**Agreement,**” or
24 “**Stipulation**” means the Parties’ agreement to resolve the Action on terms and conditions
25 as set forth in this Settlement Agreement.

26 48. “**Workweeks**” means the number of weeks worked by each Class Member as
27 a non-exempt employee during the Class Period. Workweeks are determined by calculating
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1 the number of days each Class Member worked during the Class Period and dividing by
2 seven (7). Partial workweeks will not be counted, meaning incomplete workweeks will be
3 rounded down; however, a Class Member who worked only one day during the Class Period
4 will be credited with having worked one Workweek for purposes of the Settlement.
5 Workweeks worked shall be defined using hire dates, termination dates, and rehire dates,
6 as applicable.

7 **CLASS CERTIFICATION**

8 49. Solely for purposes of settling the Action, the Parties stipulate and agree that
9 the requisites for establishing class certification with respect to the Settlement Class have
10 been and are met. If the Settlement is not approved by the Court, Defendants retain all
11 rights and opportunities to contest class certification on all issues in the Action. More
12 specifically, the Parties stipulate and agree for purposes of this Settlement only that:

13 a. The Settlement Class is ascertainable and not so numerous as to make it
14 impracticable to join all Class Members;

15 b. There are common questions of law and fact including, but not limited to, the
16 following:

17 i. Whether Defendants had a common policy and/or practice of
18 failing to accurately record non-exempt employees' time;

19 ii. Whether Defendants had a common policy and/or practice by
20 which they implemented an "auto-deduct" of 30 minutes or more for employees for meal
21 periods regardless of whether employees took a meal period or its actual length;

22 iii. Whether Defendants' alleged auto-deduct policy and practice
23 unlawfully deprived employees of wages earned;

24 iv. Whether Defendants had a common policy and/or practice of
25 failing to accurately compensate non-exempt employees for all time worked;

26 v. Whether Defendants unlawfully required Plaintiff and Class
27 Members to remain under Defendants' control and direction while off-the-clock;
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vi. Whether Defendants unlawfully and/or willfully failed to compensate Plaintiff and Class Members at a minimum wage for all hours worked;

vii. Whether Defendants unlawfully and/or willfully failed to compensate Plaintiff and Class Members required overtime wages;

viii. Whether Defendants had a common policy and/or practice of depriving Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

ix. Whether Defendants unlawfully required Plaintiff and Class Members to remain under Defendants' control and direction while on meal and/or rest periods;

x. Whether Defendants unlawfully and/or willfully deprived Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

xi. Whether Defendants paid Plaintiff and Class Members all required premium wages for non-compliant meal and/or rest periods;

xii. Whether Defendants had a common policy and/or practice of failing to reimburse employees for necessary business expenditures;

xiii. Whether Defendants had a common policy and/or practice of failing to maintain accurate payroll records in the State of California;

xiv. Whether Defendants unlawfully and/or willfully failed to maintain accurate payroll records in the State of California;

xv. Whether Defendants had a policy and/or practice of failing to provide accurate wage statements reflecting hours worked and wages earned to Plaintiff and Class Members;

xvi. Whether Defendants unlawfully and/or willfully failed to provide accurate wage statements reflecting hours worked and wages earned to Plaintiff and Class Members;

xvii. Whether Defendants had a policy and/or practice of failing to timely pay wages during employment in violation of Labor Code §§ 204, 210.;

1 xviii. Whether Defendants had a policy and/or practice of failing to
2 pay Plaintiff and Class Members final wages owed upon termination;

3 xix. Whether Defendants unlawfully and/or willfully failed to
4 promptly pay compensation due to Plaintiff and Class Members upon termination of
5 employment in violation of Labor Code §§ 201, 202, and 203;

6 xx. Whether Plaintiff and Class Members sustained damages as a
7 result of any of the aforementioned violations, and, if so, the proper measure of those
8 damages, including interest, penalties, costs, attorneys' fees, and equitable relief;

9 xxi. Whether Defendants violated the Unfair Competition Law,
10 Cal. Bus. & Prof. Code § 17200, *et seq.*, by violating the above provisions of law; and

11 xxii. Whether Defendants violated the Unfair Competition Law,
12 Cal. Bus. & Prof. Code § 17200, *et seq.*, by depriving Plaintiff, the Aggrieved Employees
13 and Class Members of meal and/or rest periods, failing to provide them with
14 compensation in lieu of meal and/or rest periods, failing to pay all regular and overtime
15 wages earned, failing to pay wages upon termination, failing to furnish accurate and
16 timely itemized wage statements upon payment of wages, and failing to pay all
17 compensation due upon discharge.

18 c. That the Class Representative's claims are typical of the claims of the
19 members of the Settlement Class.

20 d. That the Class Representative and Class Counsel will fairly and adequately
21 protect the interests of the Settlement Class.

22 e. That the prosecution of separate actions by individual members of the
23 Settlement Class would create the risk of inconsistent or varying adjudications, which
24 would establish incompatible standards of conduct.

25 f. That questions of law and fact common to the members of the Settlement
26 Class and the Aggrieved Employees predominate over any questions affecting any
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1 individual member, and that a class and PAGA representative action is superior to other
2 available means for the fair and efficient adjudication of the controversy.

3 g. The Parties agree that this stipulation regarding class certification is for the
4 sole purpose of facilitating settlement approval. Should the Court ultimately deny
5 settlement approval, the Parties agree that Defendants maintain and have the right to
6 contend that class certification, for all the issues enumerated herein, is improper based
7 upon all defenses available to Defendants prior to execution of this Stipulation.

8 **TERMS OF AGREEMENT**

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

11 Funding of the Maximum Settlement Amount. Within fifteen (15) calendar days of
12 the Effective Date, the Settlement Administrator will provide the Parties with an
13 accounting of the amounts to be paid by Defendants pursuant to the terms of the
14 Settlement. Defendants shall fully fund the GFV within sixty-five (65) days of entry of an order
15 granting final approval, including Defendants' share of taxes owed on the wages portion of the
16 settlement, which shall be determined by the Settlement Administrator chosen by the Parties.
17 Defendants will make the required deposit of the Maximum Settlement Amount in the
18 amount of \$975,000 ("Maximum Settlement Amount").

19 50. Within seven (7) calendar days of the funding of the Maximum Settlement
20 Amount, the Settlement Administrator will issue payments to: (a) Class Representative; (b)
21 Class Counsel; (c) the Participating Class Members; (d) the Labor and Workforce
22 Development Agency; (e) the Aggrieved Employees; and (f) the Settlement Administrator.

23 51. Class Counsel's Fees and Costs. Defendants agree not to oppose or impede
24 any application or motion by Class Counsel for Class Counsel's Fees and Costs of up to one-
25 third of the Maximum Settlement Amount, or \$325,000 plus the reimbursement of actual
26 reasonable costs and expenses incurred in connection with Class Counsel's litigation and
27 settlement of the Action, up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000),
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1 both of which will be paid from the Maximum Settlement Amount. For the avoidance of
2 doubt, any increase to the Maximum Settlement Amount caused by this Paragraph shall
3 apply to Class Counsel's fees such that they shall be equal to one-third of the amount of the
4 escalated Maximum Settlement.

5 52. Class Representative Enhancement Payment. In recognition of his efforts and
6 work in prosecuting the Action on behalf of Class Members and the Aggrieved Employees
7 and in negotiating the Settlement, Defendants agree not to oppose or impede any
8 application or motion for a Class Representative Enhancement Payment of up to a total of
9 Five-Thousand Dollars and Zero Cents (\$5,000) to the Class Representative, subject to the
10 Court's approval. The Class Representative Enhancement Payment, which will be paid from
11 the Maximum Settlement Amount, is in addition to the payment to which he is entitled as
12 Settlement Class Member or is entitled to as part of Plaintiff's Individual Class Payment.
13 The Class Representative shall be bound by a complete Section 1542 release and waiver of
14 all claims known and unknown, without exception, against the "Released parties", except
15 as may be prohibited by law. The Release will only become effective upon the funding of
16 the Gross Settlement Amount by Defendants.

17 53. Settlement Administration Costs. The Settlement Administrator will be paid
18 for the reasonable costs of administration of the Settlement and distribution of payments
19 from the Maximum Settlement Amount, which is capped at no more than Twenty-Five
20 Thousand Dollars and Zero Cents (\$25,000). These costs, which will be paid from the
21 Maximum Settlement Amount, will include, for instance, costs incurred for the required
22 tax reporting on the Individual Class Payments, the issuing of W-2 and 1099 IRS Forms,
23 distributing the Notice Packet, calculating Class Members' workweeks, calculating
24 Aggrieved Employees' pay periods and calculating and distributing the Maximum
25 Settlement Amount and Class Counsel's Fees and Costs, and providing necessary reports
26 and declarations.

27 54. Labor and Workforce Development Agency Payment. Subject to Court
28

1 approval, the Parties agree that the amount of One Hundred Thousand Dollars and Zero
2 Cents (\$100,000) of the Maximum Settlement Amount will be allocated to the resolution
3 of the Aggrieved Employees' claims arising under the PAGA ("PAGA Settlement Amount").
4 Pursuant to the PAGA, Sixty-Five Percent (65%), or Sixty Five Thousand Dollars and Zero
5 Cents (\$65,000), of the PAGA Settlement Amount will be paid to the LWDA, and Thirty-
6 Five Percent (35%), or Thirty Five Thousand Dollars and Zero Cents (\$35,000), of the
7 PAGA Settlement Amount will be paid to the allegedly Aggrieved Employees, as part of the
8 Net Settlement Amount.

9 55. Net Settlement Amount. "Net Settlement Amount" shall mean the Maximum
10 Settlement Amount *minus* Settlement Administration Costs, Class Counsel's Fees and
11 Costs, Class Representative Enhancement Payment, the portion of the LWDA Payment that
12 will be paid to the LWDA, and Individual PAGA Payment.

13 56. Settlement Administration Cost Decreases. Any portion of the estimated or
14 designated Settlement Administration Costs which are not required to fulfill the total
15 Settlement Administration Costs will become part of the Net Settlement Amount.

16 57. Individual Class Payment and Individual PAGA Payment Calculations.
17 Individual Class Payments will be calculated and apportioned from the Net Settlement
18 Amount based on the Workweeks a Participating Class Member worked during the Class
19 Period. Individual PAGA Payments will be separately calculated and apportioned from the
20 portion of the PAGA amount intended for Aggrieved Employees. Specific calculations of
21 Individual Class Payments and Individual PAGA Payments will be made as follows:

22 a. The Settlement Administrator will calculate the number of Workweeks
23 per Participating Class Member during the Class Period based on records in
24 Defendant's possession, custody, or control. Workweeks are determined by
25 identifying each week an employee actually worked based on Defendant's
26 timekeeping and/or payroll data. A Class Member who worked only one day during
27 the Class Period will be credited with having worked one Workweek for purposes of
28

1 the Settlement.¹ Partial workweeks will not be counted, meaning incomplete
2 workweeks will be rounded down.

3 b. The Settlement Administrator will calculate the total Workweeks for
4 all Settlement Class Members by adding the number of Workweeks worked by each
5 Settlement Class Member during the Class Period. Workweeks worked shall be
6 defined using hire dates, termination dates, and rehire dates, as applicable.

7 c. The respective Workweeks for each Settlement Class Member will be
8 divided by the total Workweeks for each Settlement Class Member, resulting in the
9 Payment Ratio for each Settlement Class Member.

10 d. Each Settlement Class Member's Payment Ratio will then be
11 multiplied by the Net Settlement Amount to calculate each Settlement Class
12 Member's estimated Individual Class Payments.

13 e. Using the Class Data, the Settlement Administrator will calculate the
14 total number of pay periods in the PAGA Period and will divide each Aggrieved
15 Employees' individual number of eligible pay periods in the PAGA Period to
16 determine their pro rata portion of the portion of the PAGA payment allocated to
17 Aggrieved Employees. Partial pay periods will not be counted, meaning incomplete
18 pay periods will be rounded down; however, an Aggrieved Employee who worked
19 only one day during the PAGA Period will be credited with having worked one pay
20 period for purposes of the Settlement.

21 58. Limited Confidentiality. The Parties agree not to issue press releases,
22 communicate with, or respond to, any media or publication entities concerning the
23 Settlement, including the fact of the Settlement, its terms or contents, and the negotiations
24 underlying the Settlement prior to final approval and Entry of Judgment, except as
25 required by law or as shall be contractually required to effectuate the terms of the

26 _____
27 ¹ All Workweek disputes will be resolved and decided by the Settlement Administrator in
28 consultation with Class Counsel and counsel for Defendants. The Settlement
Administrator's decision on all Workweek disputes will be final and non-appealable.

1 Settlement as set forth herein. Nothing stated herein shall prohibit Class Counsel from
2 discussing the Settlement, the fact of Settlement, and its terms and conditions: (i) with
3 Class Members and/or (ii) in court filings, including in their respective firm resumes,
4 and/or (iii) in all necessary motions and supporting memoranda related to preliminary and
5 final approval of the Settlement or for other class action settlements. This provision also
6 does not limit Class Counsel (i) from complying with ethical obligations; or (ii) from
7 posting a neutral description of publicly available facts regarding the Settlement, provided
8 that such posting does not expressly identify Defendants by name. Further, Defendants
9 agree that if any person or entity shall inquire about the past employment history of
10 Plaintiff, Defendants shall give neutral references only. In response to any inquiries about
11 Plaintiff, Defendants shall disclose the dates of his employment, last position held and,
12 with written authorization and shall state that this information is being provided in
13 accordance with company policy. The Parties further agree that they, their agents,
14 representatives and attorneys shall not make any disparaging comments or statements to
15 the public, including through any social media, to the press, or to any individual or entity
16 with whom or which they, or any of their subsidiaries or affiliates, have a business
17 relationship, or to others. For purposes of this paragraph, “disparage” shall mean any
18 negative, untruthful statement, whether written or oral.

19 59. Class Member Communications. Defendants will instruct its officers,
20 directors, and exempt managers that should they be contacted by Class Members,
21 Aggrieved Employees or persons who believe they may be Class Members and/or Aggrieved
22 Employees in relation to this Agreement, such officers, directors, and exempt managers
23 should make no comment except those necessary to direct the employees to Defendant’s
24 administrators, who will be instructed to direct such Class Members and/or Aggrieved
25 Employees to the Settlement Administrator and the Class Notice, or Class Counsel, and to
26 provide such Class Members and/or Aggrieved Employees with contact information for the
27 Settlement Administrator and Class Counsel. Defendants agree not to discourage or
28

1 prevent Class Members and/or Aggrieved Employees from exercising any of their rights or
2 obligations pursuant to this Agreement. At no time will any of the Parties or their counsel
3 take any action to encourage, support, require, or induce Class Members and/or Aggrieved
4 Employees to object to the Settlement Agreement, opt-out from the Settlement, or appeal
5 from the Order and Judgment.

6 60. Settlement Awards Do Not Trigger Additional Benefits. All Individual Class
7 Payments to Participating Class Members shall be deemed to be paid to such Participating
8 Class Members solely in the year in which such payments are received by the Participating
9 Class Members. It is expressly understood and agreed that the receipt of such Individual
10 Class Payments will not entitle any Participating Class Member to additional compensation
11 or benefits under any company bonus, commission, or other compensation or benefit plan
12 or agreement in place during the period covered by the Settlement, nor will it entitle any
13 Participating Class Member to any increased retirement, 401K benefits or matching
14 benefits, or deferred compensation benefits. It is the intent of the Parties to this Settlement
15 that the Individual Class Payments provided for in this Settlement are the sole payments
16 to be made by Defendants to the Participating Class Members, and that the Participating
17 Class Members are not entitled to any new or additional compensation or benefits as a
18 result of having received the Individual Settlement Payments (notwithstanding any
19 contrary language or agreement in any benefit or compensation plan document that might
20 have been in effect during the period covered by this Settlement).

21 61. Settlement Administration Process. The Parties agree to cooperate in the
22 administration of the Settlement and to make all reasonable efforts to control and minimize
23 the costs and expenses incurred in administration of the Settlement.

24 62. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary
25 Approval, Defendants will provide the Class List to the Settlement Administrator.

26 63. Notice by First-Class U.S. Mail. Within five (5) calendar days following
27 receipt of the Class List, the Settlement Administrator will mail a Notice Packet,
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1 substantially in the form attached hereto as **Exhibit A**, to all Class Members and Aggrieved
2 Employees via regular First-Class U.S. Mail, using the most current, known mailing
3 addresses identified in the Class List. Each Notice Packet will provide: (a) information
4 regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c)
5 the Settlement Class definition; (d) each Class Member's estimated Individual Class
6 Payment and the formula for calculating Individual Class Payments; (e) the dates which
7 comprise the Class Period; (f) instructions on how to submit valid Requests for Exclusion
8 or objections; (g) the deadlines by which the Class Member must fax or postmark Requests
9 for Exclusions or file and serve objections to the Settlement; (h) the claims to be released,
10 as set forth herein; (i) each Aggrieved Employee's estimated Individual PAGA Payment and
11 the formula for calculating Individual PAGA Payments; (j) the dates which comprise the
12 PAGA Period; and (k) the date for the Final Approval Hearing.

13 64. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
14 Settlement Administrator will perform a search based on the National Change of Address
15 Database for information to update and correct for any known or identifiable address
16 changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable
17 on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail
18 to the forwarding address affixed thereto and the Settlement Administrator will indicate
19 the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the
20 Settlement Administrator will promptly attempt to determine the correct address using a
21 skip-trace, or other search using the name, address and/or Social Security number of the
22 Class Member and Aggrieved Employee involved and will then perform a single re-mailing.

23 65. The Settlement Administrator shall exercise its best judgment to determine
24 the current mailing address for each Class Member and Aggrieved Employee. The address
25 identified by the Settlement Administrator as the current mailing address shall be
26 presumed to be the best mailing address for each Class Member and Aggrieved Employee.

27 66. Disputed Information on Notice Packets. Class Members and Aggrieved
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1 Employees will have an opportunity to dispute the information provided in their Notice
2 Packets. To the extent Class Members/Aggrieved Employees dispute the number of weeks
3 he/she worked during the Class Period or PAGA Period, or the amount of their Individual
4 Class Payment or Individual PAGA Payment, Class Members may produce evidence to the
5 Settlement Administrator showing that such information is inaccurate. Any disputes, along
6 with supporting documentation, must be postmarked on or before the Response Deadline.
7 Absent evidence rebutting Defendant's records, Defendant's records will be presumed
8 determinative. However, if a Class Member or Aggrieved Employee produces evidence to
9 the contrary, the Settlement Administrator will evaluate the evidence submitted by the
10 Class Member/Aggrieved Employee in consultation with Class Counsel and counsel for
11 Defendants' and will make the final decision as to the Individual Class Payment/Individual
12 PAGA Payment to which the Class Member/Aggrieved Employee may be entitled with
13 input from Class and Defense Counsel. This determination shall be binding on the Class
14 Member and Aggrieved Employee.

15 67. Request for Exclusion Procedures. Any Class Member wishing to opt-out
16 from the Settlement Agreement must sign and postmark a written Request for Exclusion
17 to the Settlement Administrator within the Response Deadline. The date of the postmark
18 on the return mailing envelope will be the exclusive means to determine whether a Request
19 for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to
20 the Settlement Administrator, who will certify jointly to Class Counsel and Defendant's
21 Counsel the Requests for Exclusion that were timely submitted. Any Class Member who
22 submits a Request for Exclusion shall be prohibited from objecting to the Settlement
23 Agreement.

24 68. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
25 Member who does not affirmatively opt-out of the Settlement Agreement by submitting a
26 timely and valid Request for Exclusion will be bound by all of the terms of the Settlement
27 Agreement, including those pertaining to the Released Claims, as well as any Judgment
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1 that may be entered by the Court if it grants Final Approval to the Settlement.

2 69. Objection Procedures. To object to the Settlement Agreement, a Class
3 Member must file a valid Notice of Objection with the Settlement Administrator on or
4 before the Response Deadline. The Settlement Administrator shall serve all objections as
5 received on Class Counsel and Defendant's Counsel. It shall not be a breach of this
6 Agreement for Class Counsel to file the Objections with the Court per the Court's
7 instruction, local rules, or as otherwise required for approval of this Settlement Agreement.
8 The Notice of Objection shall be signed by the Class Member and contain all information
9 required by this Settlement Agreement. The postmark date of the filing and service will be
10 deemed the exclusive means for determining that the Notice of Objection is timely. Class
11 Members may also raise objections orally at the Final Fairness and Approval hearing,
12 whether or not they previously submitted a valid Notice of Objection. At no time will any
13 of the Parties or their counsel take any action to encourage, support, or induce Class
14 Members to object to the Settlement Agreement, opt-out from the Settlement, or appeal
15 from the Order and Judgment. Class Counsel will not represent any Class Members with
16 respect to any such objections to this Settlement.

17 70. Certification Reports Regarding Individual Class and PAGA Payment
18 Calculations. The Settlement Administrator will provide Defendant's counsel and Class
19 Counsel a weekly report which certifies: (a) the number of Class Members who have
20 submitted valid Requests for Exclusion; and (b) whether any Class Member has submitted
21 a challenge to any information contained in their Claim Form or Notice Packet.
22 Additionally, the Settlement Administrator will provide to counsel for both Parties any
23 updated reports regarding the administration of the Settlement Agreement as needed or
24 requested. No later than thirty (30) days prior to the deadline for Class Counsel to file its
25 motion in support of the Final Approval and Fairness Hearing, the Settlement
26 Administrator will compile and deliver to Class Counsel and Defense Counsel a declaration
27 with summary information of the Notice process, including but not limited to: (a) the total
28

1 amount of final Individual Class Payments of each Settlement Class Member; (b) the
2 number of Settlement Class Members to receive such payments; (c) the final number of
3 requests for exclusion/opt-outs requests and objections; (d) the number of Aggrieved
4 Employees to receive Individual PAGA Payments; (e) the Settlement Administrator's
5 qualifications for administration; and (f) an explanation of the steps taken to implement
6 the Notice process as set forth in this Agreement. The Settlement Administrator will also
7 provide a copy of each opt-out request and objection, authenticate those documents, and
8 provide all necessary details as requested by Counsel regarding the timing and handling of
9 any opt-out requests and objections.

10 71. Uncashed Settlement Checks. Any checks issued by the Settlement
11 Administrator to Participating Class Members will be negotiable for one hundred eighty
12 (180) calendar days from the date the check was issued (the "Void Date"). For any Class
13 Member whose Individual Class Payment check or Individual PAGA Payment check is
14 uncashed and cancelled after the Void Date, the Administrator shall transmit the funds
15 represented by such checks to the California State Unclaimed Property Fund to be held in
16 name of the Class Member.

17 72. Certification of Completion. Upon completion of administration of the
18 Settlement, the Settlement Administrator will provide a written declaration under oath to
19 certify such completion to the Court and counsel for all Parties.

20 73. Treatment of Individual Class Payments and Individual PAGA Payments. All
21 Individual Class Payments will be allocated as follows: of each Individual Class Payment,
22 20% will be allocated as alleged unpaid wages, eighty percent (80%) will be allocated as
23 alleged unpaid civil penalties, and unpaid interest. The percentage of each Individual Class
24 Payment allocated as wages will be reported on an IRS Form W-2 by the Settlement
25 Administrator. The remaining percentage of each Individual Class Payment shall be
26 allocated as interest, penalties, and reimbursement, and will be reported on an IRS Form-
27 1099 by the Settlement Administrator. All Individual PAGA Payments will be allocated as
28

1 alleged penalties and will be reported on an IRS Form-1099 by the Settlement
2 Administrator.

3 74. Administration of Taxes by the Settlement Administrator. The Settlement
4 Administrator will be responsible for issuing to Plaintiff, Participating Class Members,
5 Aggrieved Employees, and Class Counsel any W-2, 1099, or other tax forms as may be
6 required by law for all amounts paid pursuant to this Agreement.

7 75. Tax Liability. The Parties acknowledge that no tax advice has been offered or
8 given by any other Party, their attorneys, agents, or any other representatives, in the course
9 of these negotiations, and that each Party is relying upon the advice of his/its own tax
10 consultant with regard to any tax consequences that may arise as a result of the execution
11 of this Agreement. The Class Representatives and Class Counsel acknowledge that they may
12 be required to submit a Form W-9, and the Class Representatives, Class Members, and
13 Class Counsel acknowledge that the Settlement Administrator may be required to issue a
14 Form 1099 or other tax form reporting the consideration flowing to the Class
15 Representatives, Class Members, and Class Counsel under this agreement to the Internal
16 Revenue Services and/or other taxing authority. Nothing herein shall obligate the Class
17 Representatives, Class Members, and Class Counsel to pay, indemnify, or otherwise
18 assume responsibility for any taxes that would be owed by Defendants in the first instance
19 or as a result of any re-classification of the treatment of the payments, such as, for example,
20 employer-side payroll contributions.

21 76. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
22 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
23 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
24 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
25 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
26 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
27 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
28

1 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
2 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
3 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
4 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
5 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
6 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
7 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
8 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
9 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
10 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
11 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
12 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
13 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
14 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
15 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
16 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
17 AGREEMENT.

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

22 78. Release of Claims by Class Members. Upon final approval by the Court and
23 full payment of the GFV and Employer Taxes to the Settlement Administrator by
24 Defendants, Class Members, except those who opt out ("Participating Class Members"),
25 will be deemed to release the Released Claims against the Released Parties.

26 79. Plaintiff's Released Claims. Upon the latter of the Effective Date and full
27 funding of the MSA by Defendants, Plaintiff will be bound by the same release as the Class.

1 80. Release of Claims by Aggrieved Employees and State. Representative claims
2 for civil penalties under PAGA are released upon final approval by the Court and full
3 payment of the GFV and Employer Taxes to the Settlement Administrator by Defendants
4 only by Aggrieved Employees working **from January 16, 2023 through December 1,**
5 **2025**, and only for civil penalties under PAGA arising during the PAGA Period based on
6 the predicate violations that were alleged or reasonable could have been alleged based on
7 the facts in Plaintiff's PAGA Notice dated January 16, 2024 to the Labor and Workforce
8 Development Agency ("LWDA") and the complaints filed in the Actions.

9 81. Duties of the Parties Prior to Court Approval. The Parties shall promptly
10 submit this Settlement Agreement to the Court in support of Plaintiff's Motion for
11 Preliminary Approval and determination by the Court as to the fairness, adequacy, and
12 reasonableness of the Settlement Agreement. Promptly upon execution of this Settlement
13 Agreement, the Parties shall apply to the Court for the entry of an order for:

14 a. Scheduling a fairness hearing on the question of whether the proposed
15 Settlement, including but not limited to, payment of Class Counsel's fees and costs, and the
16 Class Representative Enhancement Payment, should be finally approved as fair,
17 reasonable, and adequate as to the members of the Settlement Class;

18 b. Preliminarily Certifying a Settlement Class;

19 c. Approving, as to form and content, the proposed Notice;

20 d. Approving the manner and method for Class Members to request exclusion
21 from the Settlement as contained herein and within the Notice;

22 e. Directing the mailing of the Notice, by first class mail to the Class Members;
23 and

24 f. Giving Preliminary Approval to Settlement subject to final review by the
25 Court.

26 82. Duties of the Parties Following Preliminary Court Approval. Following
27 Preliminary Approval by the Court of the Settlement provided for in this Settlement
28

1 Agreement and Notice to the Class, Class Counsel will submit a proposed final order of
2 approval and judgment for:

3 a. Approval of the Settlement, adjudging the terms thereof to be fair,
4 reasonable, and adequate, and directing consummation of its terms and provisions;

5 b. Approval of Class Counsel's application for an award of attorneys' fees and
6 costs;

7 c. Approval of the Class Representative Enhancement Payment to the Class
8 Representatives;

9 d. Approval of the Settlement Administration Costs of the Settlement
10 Administrator; and

11 e. That judgment be entered in this Action.

12 83. Rescission of Settlement Agreement (by Defendants). If more than ten
13 percent (10%) of the Class Members opt-out of the Settlement by submitting Requests for
14 Exclusion, Defendants may, at their option, rescind and void the Settlement and all actions
15 taken in furtherance of it will thereby be null and void. Defendants must exercise this right
16 of rescission, in writing, to Class Counsel within fourteen (14) calendar days after the
17 Settlement Administrator notifies the Parties of the total number of Requests for Exclusion
18 received by the Response Deadline. If the option to rescind is exercised, Defendants shall
19 be solely responsible for all costs of the Settlement Administrator accrued to that point.

20 84. Escalator Clause. Defendants represent that there are approximately 23,022
21 Workweeks during the Class Period as of November 20, 2025, with a class size comprised
22 of approximately 379 Class Members, including Plaintiff. In the event the number of
23 Workweeks during the Class Period increases by more than ten percent (10%), or an
24 additional 2,302 Workweeks, then Defendants may elect to either (1) increase the GSA shall
25 proportionally, i.e., buy "purchasing" the Workweeks in excess of 25,324 at the Workweek
26 Value, or (2) shorten the end the release period to the date the workweek count equals
27 23,022. Defendants shall advise Class Counsel of their election no less than 5 days prior to
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1 the filing Plaintiff's Motion for Preliminary Approval, provided that Class Counsel advises
2 Defense counsel of the date they intend to file the Motion for Preliminary Approval at least
3 10 days in advance of the filing deadline. The Parties agree that the Workweek Value
4 amounts to and the settlement amounts to \$42.35 per Workweek.

5 85. Adjustments to Components of Maximum Settlement Amount. This
6 Agreement contemplates those future adjustments to the amounts of components of the
7 Maximum Settlement Amount listed above may be necessary and/or may be ordered by
8 the Court. Any such future adjustments shall be made only by written stipulation of the
9 Parties or by an order of the Court. For the avoidance of doubt, this Paragraph does not
10 apply to the Escalator Clause above, and modifications to this Settlement and the Notice
11 shall be implemented upon the Escalator Clause triggering without the need for a written
12 stipulation or Court Order.

13 86. Nullification of Settlement Agreement. This Agreement shall become binding
14 and enforceable upon its execution by Plaintiff, or a designated representative of Plaintiff,
15 and a designated representative for Defendants. The Parties agree that even if no formal
16 settlement document is signed, they intend this MOU to be enforceable by motion under
17 California Code of Civil Procedure section 664.6. Further, the Parties intend this MOU to
18 be enforceable, notwithstanding the confidentiality provisions of California Evidence Code
19 section 1119, *et seq.* (if applicable). The Court shall retain continuing jurisdiction over the
20 MOU and over all Parties, Class Members and PAGA Members, to the fullest extent to
21 enforce and effectuate the terms and intent of this MOU (even if no formal settlement
22 document is signed), and to adjudicate any claimed breaches of this MOU. The Court may
23 award reasonable attorneys' fees and costs to the prevailing party in any motion or action
24 taken and based on an alleged violation of any material term of the MOU. In the event that:
25 (a) the Court does not finally approve the Settlement in substantially the same form as set
26 forth herein or the long form Stipulation of Settlement; or (b) the Settlement does not
27 become final for any other reason, then this MOU, and any documents generated to bring
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1 it into effect, will be null and void. Any order or judgment entered by the Court in
2 furtherance of this MOU or the long form Stipulation of Settlement will likewise be treated
3 as void from the beginning and the Parties shall be in the same position as they were prior
4 to agreeing to this MOU. However, in such event, if the Court rejects the Settlement despite
5 the Parties' best efforts, Defendants shall still be liable for their half of Settlement
6 Administration costs incurred.

7 87. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court
8 to request the Preliminary Approval of the Settlement Agreement, and the entry of a
9 Preliminary Approval Order for: (a) conditional certification of the Settlement Class for
10 settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement,
11 and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary
12 Approval Order will provide for the Notice Packet to be sent to all Class Members as
13 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will
14 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will
15 include the proposed Notice Packet; *i.e.*, the proposed Notice of Class Action Settlement
16 document and share form, attached as **Exhibit A**. Class Counsel will be responsible for
17 drafting all documents necessary to obtain Preliminary Approval. Defendants agree not to
18 oppose the Motion for Preliminary Approval.

19 88. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration
20 of the deadlines for Class Members to submit Requests for Exclusion, or objections to the
21 Settlement Agreement, and with the Court's permission, a Final Approval/Settlement
22 Fairness Hearing will be conducted to determine the Final Approval of the Settlement
23 Agreement along with the amounts properly payable for: (a) Individual Class Payments;
24 (b) Individual PAGA Payments; (c) the Labor and Workforce Development Agency
25 Payment; (d) the Class Counsel's Fees and Costs; (e) the Class Representative
26 Enhancement Payment; (f) all Settlement Administration Costs; and (g) the Defendant's
27 share of payroll taxes for wages paid in connection with the Individual Class Payments.
28

1 Class Counsel will be responsible for drafting all documents necessary to obtain Final
2 Approval, including responding to any objections and appeals arising therefrom. Class
3 Counsel will also draft the attorneys' fees and costs application to be heard at the Final
4 Approval hearing. Defendants agree not to oppose the Motion for Final Approval.

5 89. Termination of Settlement. Subject to the obligation(s) of cooperation set
6 forth herein, any Party may terminate this Settlement if the Court declines to enter the
7 Preliminary Approval Order, the Final Approval Order, or final judgment in substantially
8 the form submitted by the Parties, or the Settlement Agreement as agreed does not become
9 final because of appellate court action. The Terminating Party shall give to all other Parties
10 (through his/its counsel) written notice of his/its decision to terminate this Agreement no
11 later than ten (10) business days after receiving notice that one of the enumerated events
12 has occurred. Termination of this Agreement shall have the following effects:

13 a. The Settlement Agreement shall be terminated and shall have no force or
14 effect, and no Party shall be bound by any of its terms;

15 b. In the event the Settlement is terminated, Defendants shall have no
16 obligation to make any payments to any Party, Class Member or Class Counsel. The
17 Terminating Party shall pay the Settlement Administrator for services rendered up to the
18 date the Settlement Administrator is notified that the Settlement has been terminated;

19 c. The Preliminary Approval Order, Final Approval Order, and Judgment,
20 including any order of class certification, shall be vacated;

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

24 e. Neither this Stipulated Settlement, nor any ancillary documents, actions,
25 statements, or filings in furtherance of settlement (including all matters associated with
26 the mediation) shall be admissible or offered into evidence in the Action or any other action
27 for any purpose whatsoever.

1 90. Judgment and Continued Jurisdiction. Upon Final Approval of the
2 Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the
3 Parties will present the Judgment pursuant to California Code of Civil Procedure section
4 664.6 to the Court for its approval. After entry of the Judgment, the Court will have
5 continuing jurisdiction for purposes of addressing: (a) the interpretation and enforcement
6 of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-
7 Judgment matters as may be appropriate under court rules or as set forth in this
8 Agreement.

9 91. Exhibits Incorporated by Reference. The terms of this Agreement include the
10 terms set forth in any attached Exhibits, which are incorporated by this reference as though
11 fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

12 92. Entire Agreement. This Settlement Agreement, the general release of all
13 claims by the Class Representative, and any attached Exhibits constitute the entirety of the
14 Parties' settlement terms. No other prior or contemporaneous written or oral agreements
15 may be deemed binding on the Parties. The Parties expressly recognize California Civil
16 Code section 1625 and California Code of Civil Procedure section 1856(a), which provide
17 that a written agreement is to be construed according to its terms and may not be varied or
18 contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or
19 written representations or terms will modify, vary, or contradict the terms of this
20 Agreement.

21 93. Amendment or Modification. This Settlement Agreement may be amended or
22 modified only by a written instrument signed by the named Parties or their successors-in-
23 interest.

24 94. Authorization to Enter into Settlement Agreement. Counsel for all Parties
25 warrant and represent they are expressly authorized by the Parties whom they represent to
26 negotiate this Settlement Agreement and to take all appropriate action required or
27 permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate
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1 its terms and to execute any other documents required to effectuate the terms of this
2 Settlement Agreement. The Parties and their counsel will cooperate with each other and
3 use their best efforts to effectuate the implementation of the Settlement. If the Parties are
4 unable to reach agreement on the form or content of any document needed to implement
5 the Settlement, or on any supplemental provisions that may become necessary to effectuate
6 the terms of this Settlement, the Parties shall submit such disputes to the court, who shall
7 have final adjudication over such disputes.

8 95. Signatories. It is agreed for the purposes of this Settlement Agreement only
9 that because the members of the Class are so numerous, it is impossible or impractical to
10 have each member of the Class execute this Settlement Agreement. The Notice, attached
11 hereto as **Exhibit A**, will advise all Class Members of the binding nature of the release, and
12 the release shall have the same force and effect as if this Settlement Agreement were
13 executed by each member of the Class.

14 96. Binding on Successors and Assigns. This Settlement Agreement will be
15 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as
16 previously defined.

17 97. California Law Governs. All terms of this Settlement Agreement and Exhibits
18 hereto will be governed by and interpreted according to the laws of the State of California.

19 98. Execution and Counterparts. This Settlement Agreement is subject only to the
20 execution of all Parties. The Agreement may be executed in one or more counterparts either
21 by ink or electronic signature. All executed counterparts and each of them, including
22 electronic, facsimile, and scanned copies of the signature page, will be deemed to be one
23 and the same instrument.

24 99. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
25 believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the
26 Action. The Parties further agree that they have arrived at this Settlement after arm's-
27 length negotiations and in the context of adversarial litigation, taking into account all
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1 relevant factors, present and potential. The Parties further agree that they and their
2 respective counsel have conducted informal discovery, including but not limited to time
3 keeping data, payroll data, and evidence of wage and hour policies, and that the
4 investigation conducted by the Parties was sufficient to satisfy the criteria for court
5 approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and
6 *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
7 The Parties further acknowledge that they are each represented by competent counsel and
8 that they have had an opportunity to consult with their counsel regarding the fairness and
9 reasonableness of this Agreement.

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

14 101. Plaintiff’s Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign
15 this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by
16 the terms herein. For good and valuable consideration, Plaintiff further agrees that she will
17 not request to be excluded from the Settlement Agreement, nor object to any terms herein,
18 except as stipulated by the Parties in regard to her individual claims. Any such request for
19 exclusion or objection by Plaintiff will be void and of no force or effect. Any efforts by
20 Plaintiff to circumvent the terms of this paragraph will be void and of no force or effect.

21 102. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate
22 to class certification for purposes of this Settlement only; except, however, that Plaintiff or
23 Class Counsel may appeal any reduction in the Class Counsel’s Fees and Costs below the
24 amount requested from the Court but must inform Defense Counsel and the Class
25 Administrator of any intent to appeal prior to the distribution of any funds from the Class
26 Administrator to any Settlement Class Members or any other Parties. Any Party may
27 terminate this Settlement or appeal any Court order which is not in substantially the form
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1 submitted by the Parties.

2 103. Non-Admission of Liability. The Parties enter into this Agreement to resolve
3 the dispute that has arisen between them and to avoid the burden, expense, and risk of
4 continued litigation. In entering into this Agreement, Defendants do not admit, and
5 specifically deny, they have violated any federal, state, or local law; violated any regulations
6 or guidelines promulgated pursuant to any statute or any other applicable laws,
7 regulations, or legal requirements; breached any contract; violated or breached any duty;
8 engaged in any misrepresentation or deception; or engaged in any other unlawful conduct
9 with respect to its employees. Neither this Agreement, nor any of its terms or provisions,
10 nor any of the negotiations connected with it, shall be construed as an admission or
11 concession by Defendants of any such violations or failures to comply with any applicable
12 law. The Parties agree that there exists a bona fide dispute as to whether any compensation
13 is actually due to Plaintiff, the putative class, and Aggrieved Employees, and if so, the
14 amount thereof, and no legal determinations have been made with respect to the legal
15 claims bought in the Action and resolved in this Settlement. Except as necessary in a
16 proceeding to enforce the terms of this Agreement, this Agreement and its terms and
17 provisions shall not be offered or received as evidence in any action or proceeding to
18 establish any liability or admission on the part of Defendants or to establish the existence
19 of any condition constituting a violation of, or a non-compliance with, federal, state, local,
20 or other applicable law.

21 104. Captions. The captions and section numbers in this Agreement are inserted
22 for the reader's convenience, and in no way define, limit, construe, or describe the scope or
23 intent of the provisions of this Agreement.

24 105. Waiver. No waiver of any condition or covenant contained in this Agreement
25 or failure to exercise a right or remedy by any of the Parties hereto will be considered to
26 imply or constitute a further waiver by such Party of the same or any other condition,
27 covenant, right, or remedy.

106. Enforcement Actions. In the event that one or more of the Parties institute any legal action, motion, petition, or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred.

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

108. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

109. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to the Court's Final Approval.

110. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be transmitted to a Party via email:

To Plaintiff and the Settlement Class:

Elliot J. Siegel
elliot@kingsiegel.com
KING & SIEGEL LLP
724 S. Spring Street, Suite 201
Los Angeles, California 90014

Bardia Aaron Akhavan

bardia@baalaw.com
Nahal Barahmand
nahal@baalaw.com
AKHAVAN & ASSOCIATES
15760 Ventura Blvd. Suite 1720
Encino, California 91436

To Defendants:

Brandon D. Saxon
bsaxon@grsm.com
Laura A. Walker
lawalker@grsm.com

**GORDON REES SCULLY
MANSUKHANI, LLP**
101 W. Broadway, Suite 2000
San Diego, California 92101

111. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

112. Binding Agreement. The Parties warrant that: 1) they understand and have full authority to enter into this Agreement; 2) they intend that this Agreement will be fully enforceable and binding on all Parties; and 3) agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release Between Plaintiff and Defendants as of the date(s) set forth below:

SIGNATURES

READ CAREFULLY BEFORE SIGNING

PLAINTIFF: Angel Cordova Ramirez

King & Siegel LLP

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Dated: Feb 11, 2026

Angel Cordova Ramirez
Angel Cordova Ramirez (Feb 11, 2026 14:01:23 PST)
Angel Cordova Ramirez

DEFENDANT: Bando National Corporation

Dated: 2/12/26

By: Nikiy Gumabon
Its: on behalf of CEO Dong Chul Shin 2/12/26

DEFENDANT: Dong Chul Shin

Dated: February 25, 2026

DocuSigned by:
Nikiy Gumabon Nikiy Gumabon
0000B7E0A00541E...
Its: on behalf of CEO Dong Chul Shin 2/12/26