

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

This Class Action and PAGA Settlement Agreement (the “Agreement” or “Settlement”) is made by and between Plaintiffs Jose Jesus Avalos-Aviles and Nicholas J. McInerny (collectively, “Plaintiffs”), on the one hand, and Defendant Red Robin International, Inc. (“Defendant”), on the other hand (Plaintiffs and Defendant are collectively referred to as, “Parties,” or individually as “Party”). Subject to the approval of the Court, this action is hereby compromised and settled pursuant to the terms and conditions set forth below.

1. DEFINITIONS

1.1. “Action” means the Plaintiffs’ putative class and representative action against Defendant, captioned *Nicholas J. McInerny and Jose Jesus Avalos-Aviles v. Red Robin International, Inc.*, Case No. CIVSB2202216, initiated January 28, 2022, and pending in the Superior Court of the State of California, County of San Bernardino.

1.2. “Administrator” means the neutral entity the Parties have agreed to appoint to administer the Settlement, as provided in Paragraph 8.1 below.

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 bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. “Class” means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the Class Period without signed arbitration agreements.

1.5. “Class Counsel” means James R. Hawkins of James Hawkins APLC, Malte L. L. Farnaes, Christina M. Lucio, and Mitchell Murray of Farnaes & Lucio APC, and Raul Perez, Roxanna Tabatabaeepour, Ryan Tish, and Alex Wallin of Capstone Law APC.

1.6. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.7. “Class Data” or “Class and PAGA List” means employee identifying information in Defendant’s possession including each Class Member’s and each PAGA Employee’s (1) full name; (2)

last-known mailing address; (3) Social Security Number; (4) whether the employee signed an arbitration agreement; (5) the total number of Workweeks worked for Defendant in California as a non-exempt employee during the Class Period if the non-exempt employee did not sign an arbitration agreement; and (6) the total number of Pay Periods worked for Defendant in California as a non-exempt employee during the PAGA Period.

1.8. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member.

1.9. “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 database, skip traces, and direct contact by the Administrator with Class Members.

1.10. “Class Notice” means the Court Approved Notice of Class and PAGA Action Settlement, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.11. “Class Period” means the period from October 24, 2018 through March 8, 2025.

1.12. “Class Representatives” mean the named Plaintiffs in the Action seeking Court approval to serve as Class Representatives.

1.13. “Class Representative Service Payments” means the payments to the Class Representatives for initiating the Action, providing services in support of the Action, and in consideration for providing the general releases described in Paragraph 6.1 below.

1.14. “Class Settlement” means the settlement and release of Released Class Claims by Class Members, as defined below.

1.15. “Court” means the Superior Court of California, County of San Bernardino.

1.16. “Defendant” means the named Defendant, Red Robin International, Inc.

1.17. “Defense Counsel” means Adam Y. Siegel and Martin P. Vigodnier of Jackson Lewis P.C.

1.18. “Effective Date” means the date when all of the following events have occurred: (1) the Agreement has been executed by all Parties, Class Counsel and Defense Counsel; (2) Avalos’ action has been stayed; (3) McNerny’s Class Lawsuit has been stayed; (4) Plaintiffs’ have filed a First Amended

Complaint in the Action, as described in Paragraph 3.2 below; (5) the Court has granted Preliminary Approval of the Settlement; (6) the Class Notice has been mailed to the Settlement Class, providing them with an opportunity to object to the terms of this Settlement or opt out of the Settlement; (7) the Court has held a formal fairness hearing and entered a Final Approval Order and Judgment certifying the Settlement Class, and approving the Settlement, including the PAGA Settlement; (8) Plaintiffs have provided notice of the PAGA Settlement and the Court's approval of the PAGA Settlement to the LWDA in accordance with Labor Code section 2698, et seq.; (9) sixty-five (65) days have passed since the Court has entered a Final Approval Order and Judgment; and (10) in the event there are written objections filed prior to the final fairness hearing which are not later withdrawn or denied, the later of the following events: five (5) business days after the period for filing any appeal, writ or other appellate proceeding opposing Final Approval has elapsed without any appeal, writ or other appellate proceeding having been filed; or, if any appeal, writ or other appellate proceeding opposing Final Approval has been filed, five (5) business days after any appeal, writ or other appellate proceedings opposing the Settlement has been finally and conclusively dismissed with no right to pursue further remedies or relief. The Parties agree that, no later than seven (7) days after the Funding of the Gross Settlement Amount (as described in Paragraph 5.2 below), Plaintiffs shall file a joint stipulation to dismiss the consolidated *Avalos* Action and *McInerny* Class Action currently pending in the United States District Court for the Eastern District of California in their entirety without prejudice.

1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means Three Million One-Hundred Thousand Dollars and Zero Cents (\$3,100,000.00) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, the PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments and the Administrator's Expenses.

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

1.26. “LWDA Payment” means seventy-five percent (75%) of the PAGA Payment that will be distributed to the California Labor and Workforce Development Agency (“LWDA”) pursuant to PAGA.

1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

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

1.29. “PAGA” means the California Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698, et seq.

1.30. “PAGA Employee” means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the PAGA Period. PAGA Employees shall include employees who signed an arbitration agreement with Defendant. The Parties agree that there is no statutory right for any PAGA Employee to opt out or otherwise exclude himself or herself from the PAGA Settlement and the associated release of claims and rights under PAGA.

1.31. “PAGA Payment” means the amount to be paid from the Gross Settlement Amount in settlement and satisfaction of Plaintiffs’ claims against Defendant under PAGA, of which seventy-five percent (75%) shall be paid to the LWDA (“LWDA Payment”) and twenty-five percent (25%) shall be paid to PAGA Employees (“Individual PAGA Payments”).

1.32. “PAGA Period” means the period from November 22, 2020 through March 8, 2025.

1.33. “PAGA Settlement” means the settlement and release of Released PAGA Claims by PAGA Employees, as defined below.

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

1.35. “Pay Period” means any pay period during the PAGA Period which a PAGA Employee worked for Defendant in California for at least one day.

1.36. “Plaintiffs” means the named Plaintiffs, Nicholas J. McNerny and Jose Jesus Avalos-Aviles.

1.37. “Plaintiffs’ PAGA Notices” means Plaintiffs’ notices to the LWDA to advise of their intent to file a civil action against Defendant under PAGA. McNerny’s PAGA Notice was submitted to the LWDA on November 22, 2021. Avalos’ PAGA Notice was submitted to the LWDA on May 13, 2022.

1.38. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.39. “Released Claims” means the claims being released in the Settlement, which includes the Released Class Claims, Released PAGA Claims, and Released Individual Claims, as described in Paragraph 6 below.

1.40. “Released Class Claims” means the claims being released in the Class Settlement, as described in Paragraph 6.2 below.

1.41. “Released Plaintiff’s Claims” or “Released Plaintiffs’ Claims” means the general release of claims by the Class Representatives, as described in Paragraph 6.1 and 6.1.1 below.

1.42. “Released PAGA Claims” means the claims being released in the PAGA Settlement, as described in Paragraph 6.3 below.

1.43. “Released Parties” means Defendant and their present and former parent companies, subsidiaries, divisions, concepts, related or affiliated companies, and its shareholders, owners, partners, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any other individual or entity that could be liable for any of the Released Claims, and Defense Counsel of record in the Action

1.44. “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.

1.45. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator

shall have an additional fourteen (14) days beyond the Response Deadline expiration date.

1.46. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.47. “Workweek” means any week during the Class Period which a Class Member worked for Defendant in California for at least one day.

2. RECITALS

2.1. On November 22, 2021, Plaintiff Nicholas J. McNerny (“McInerny”) submitted a notice to the LWDA to advise of his intent to file a civil action against Defendant under PAGA.

2.2. On January 28, 2022, McNerny filed a complaint against Defendant in San Bernardino County Superior Court alleging a single cause of action under PAGA (Case No.: CIVSB2202216) (the “*McInerny* PAGA Action”). The *McInerny* PAGA Action seeks to recover PAGA civil penalties based on the following alleged violations of the California Labor Code: (1) failure to pay all wages earned, including overtime and minimum wages; (2) unlawful mandatory tip pooling; (3) unlawful deductions; (4) unlawful pay card deductions; (5) failure to provide meal and rest periods; (6) failure to reimburse business expenses; (7) failure to provide accurate itemized wage statements; (8) failure to keep accurate payroll and timekeeping information; (9) failure to timely pay wages during employment; and (10) failure to timely pay wages at termination.

2.3. On May 13, 2022, Plaintiff Jose Jesus Avalos-Aviles (“Avalos”) submitted a notice to the LWDA to advise of his intent to file a civil action against Defendant under PAGA.

2.4. On May 31, 2022, Avalos filed a putative class action complaint against Defendant in Sacramento County Superior Court (Case No.: 34-2022-00320877) alleging the following causes of action: (1) unpaid overtime; (2) unpaid minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) non-compliant wage statements and failure to maintain payroll records; (6) wages not timely paid upon termination; (7) failure to pay wages during employment; (8) unreimbursed business expenses; (9) unlawful business practices under California Business & Professions Code §§ 17200, et seq.; and (10) unfair business practices under California Business & Professions Code §§ 17200, et seq. Defendant subsequently removed Avalos’ complaint to the United States District Court for the Eastern District of California (Case No. 2:22-cv-01257-DAD-SCR) (the “*Avalos* Action”).

2.5. On September 8, 2022, Avalos amended his putative class action complaint to allege an

additional cause of action under PAGA. Avalos' PAGA cause of action seeks to recover PAGA civil penalties based on the following alleged violations of the California Labor Code: (1) failure to pay overtime; (2) failure to include all forms of remuneration in the "regular rate" of pay as required by law for purposes of paying overtime wages and/or meal and rest period premiums; (3) failure to pay minimum wages; (4) failure to provide meal periods; (5) failure to authorize and permit rest periods; (6) failure to provide accurate and complete wage statements; (7) failure to maintain payroll records; (8) failure to pay all earned wages upon termination; (9) failure to pay all earned wages during employment; (10) issuing instruments for the payment of wages that were not payable in cash on demand, without discount, and with prior authorization; (11) unlawful deductions; (12) secretly paying employees lower wages than required by statute, while purporting to pay proper wages; (13) collecting and/or withholding gratuities given to employees; (14) failure to provide suitable seating; (15) failure to pay reporting time pay; and (16) failure to reimburse.

2.6. On March 23, 2023, McInerny filed putative class action complaint against Defendant in Los Angeles County Superior Court (Case No.: 23STCV06410) alleging the following causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages owed upon separation from employment; (6) failure to furnish accurate itemized wage statements; (7) unlawful deductions; (8) failure to reimburse necessary business expenses; and (9) violation of the unfair competition law (the "*McInerny* Class Action"). Defendant subsequently removed the *McInerny* Class Action to the United States District Court for the Central District of California (Case No. 2:23-cv-03338-JFW-PD).

2.7. Thereafter, Defendant moved to transfer the *McInerny* Class Action to the United States District Court for the Eastern District of California pursuant to 28 U.S.C. § 1404(a) and under the First-to-File Rule. Defendant's motion to transfer the *McInerny* Class Action to the United States District Court for the Eastern District of California was granted on July 28, 2023 (Case No. 2:23-cv-01548-DAD-DB).

2.8. On December 8, 2023, the Parties attended a global mediation with Michael Dickstein, Esq., a knowledgeable and well-regarded neutral with extensive experience mediating complex wage-and-hour class and representative actions. The global mediation with Mr. Dickstein did not result in settlement.

2.9. On January 9, 2024, Defendant filed an unopposed motion to consolidate the *Avalos* Action

and *McInerny* Class Action pursuant to Rule 42 of the Federal Rules of Civil Procedure. On February 8, 2024, the Court granted Defendant's unopposed motion to consolidate and issued an order consolidating the *Avalos* Action and *McInerny* Class Action for all purposes, including trial, with the *Avalos* Action as the lead case and *McInerny* Class Action as the member case.

2.10. While a resolution was not reached at the mediation, the Parties continued to engage in arms'-length negotiations and ultimately reached an agreement in principle on December 19, 2024 to resolve all claims asserted or that could have been asserted by Plaintiffs in their respective lawsuits.

2.11. Prior to mediation, Plaintiffs obtained, through formal and informal discovery, time records, pay records, and other information relating to the size and scope of the Class, as well as data permitting Plaintiffs to fully understand the nature and scope of the allegations. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

3. CONDITIONS PRECEDENT TO SETTLEMENT

3.1. In the interest of judicial economy given the number of cases involved, Plaintiffs and Defendant will file a stipulation to stay the related actions pending as Eastern District of California (Lead Case No. 2:22-cv-01257-DAD-SCR; Member Case No. 2:23-cv-01548-DAD-DB).

3.2. Plaintiffs will file a First Amended Complaint in the Action which effectively consolidates the claims and allegations pending in the separate cases. The First Amended Complaint will (i) add Avalos as a named Plaintiff; (ii) state eleven (11) causes of action on behalf of the putative Class for unpaid overtime, unpaid minimum wage, failure to provide meal periods, failure to authorize and permit rest periods, non-compliant wage statements and failure to maintain payroll records, wages not timely paid upon termination, failure to timely pay wages during employment, unreimbursed business expenses, unlawful business practices in violation of California Business & Professions Code §§ 17200 et seq., unfair business practices in violation of California Business & Professions Code §§ 17200 et seq., unlawful deductions; and (iii) state all alleged violations of the California Labor Code set forth in the *Avalos* Action and in Plaintiffs' PAGA Notices to the LWDA, including claims under Labor Code sections 201- 204, 210, 212, 213, 216, 218.5, 221-224, 225.5, 226, 226.3, 226.7, 256, 300, 351, 510, 512, 516, 558, 1174, 1174.5,

1182.12, 1194, 1194.5, 1197, 1197.1, 1198, 2699, 2802, California Industrial Commission Wage Orders, and the California Code Regulations, and including all claims for or related to alleged failure to pay minimum or straight time wages, failure to pay overtime wages, failure to include all forms of remuneration in the regular rate of pay, failure to provide meal periods, failure to authorize and permit rest periods, failure to provide accurate and itemized wage statements, failure to keep and maintain accurate payroll and timekeeping records, failure to maintain required records, failure to reimburse necessary business expenditures, failure to provide timely wages owed upon separation or termination of employment, failure to timely pay wages during employment, unlawful direct deposit, unlawful discount of wages, unlawful deductions, unlawful pay card deductions, alleged secret payment of lower wages, unlawful tipping policy, unlawful tip pooling, unlawful mandatory tip pooling, failure to provide suitable seating, failure to pay reporting time pay, unlawfully issuing instruments for the payment of wages that were not payable in cash on demand, interest, fees, and costs.

4. MONETARY TERMS

4.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay Three Million One-Hundred Thousand Dollars and Zero Cents (\$3,100,000.00) 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. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 5.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

4.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

4.2.1. To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00) total, in addition to any Individual Class Payments and Individual PAGA Payments the Class Representatives are entitled to receive in connection with the Settlement. Specifically, Plaintiffs will seek Court approval for the following Class Representative Service

Payments: Ten Thousand Dollars and Zero Cents (\$10,000.00) to Avalos; Ten Thousand Dollars and Zero Cents (\$10,000.00) to McInerny. Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that does not exceed these amounts. Plaintiffs will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves the Class Representative Service Payments for less than the amounts requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on their Class Representative Service Payments and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

4.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be One Million Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$1,033,333.33) and a Class Counsel Litigation Expenses Payment of not more than Fifty Hundred Thousand Dollars and Zero Cents (\$50,000.00). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs will seek Court approval for any Class Counsel Fee Payment and Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses for less than the amounts requested, the Administrator will retain the remainder in the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

4.2.3. To the Administrator: An Administrator Expenses Payment estimated at \$39,950.00. To the extent the Administration Expenses are less or the Court approves payment less than \$39,950.00, the

Administrator will retain the remainder in the Net Settlement Amount.

4.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. Each Participating Class Member will be entitled to receive an Individual Class Payment equal to at least one (1) Workweek.

4.2.4.1. Tax Allocation of Individual Class Payments: 15% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The other 85% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

4.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments: Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

4.2.5. To the LWDA and Aggrieved Employees: The PAGA Payment not to exceed Five Hundred Thousand Dollars and Zero Cents (\$500,000.00), with seventy-five percent (75%) allocated to the LWDA as the LWDA Payment and twenty-five percent (25%) allocated to the Individual PAGA Payments. If the Court approves a PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

4.2.5.1. The Individual PAGA Payments will be calculated by (a) dividing the PAGA Employees' twenty-five percent (25%) share of the PAGA Payment (\$125,000.00) by the total number of Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's Pay Periods. Each PAGA Employee will be entitled to receive an Individual PAGA Payment equal to at least one (1) Pay Period. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments. The Administrator will report the

Individual PAGA Payments on IRS 1099 Forms. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

5. SETTLEMENT FUNDING AND PAYMENTS

5.1. Class Data. Not later than twenty-one (21) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access of the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Administrator shall not be permitted to share any Class Data with Plaintiffs, Class Counsel, or any other individual or entity absent express written approval by Defendant or Defense Counsel. The Administrator shall have sole custody of the Class Data upon receipt from Defendant. At no point during the settlement administration process shall Plaintiffs or Class Counsel be entitled to the Class Data or the information contained therein, except that the Administrator may provide Class Counsel with a version of the Class Data that includes solely a unique identifying number for each individual and their Workweeks and Pay Periods worked, but which does not contain any Class Member's name, social security number, nor last known address nor any other identifying information.

5.2. Funding of Gross Settlement Amount. Subject to Paragraph 5.2.1 below, Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes, by transmitting the funds to the Administrator no later than fifteen (15) days after the Effective Date.

5.2.1. Defendant, in its sole discretion, reserves the right fund the Gross Settlement Amount in two (2) installments as set forth in this Paragraph 5.2.1 (the "Installment Option"). In the event Defendant elects the Installment Option, then Defendant shall fund the Gross Settlement Amount as set forth in this Paragraph. Defendant shall fund the first (1st) installment in an amount equal to fifty percent (50%) of the Gross Settlement Amount (the "First Installment") no later than fifteen (15) days after the Effective Date (the "First Installment Date"). Defendant shall fund the second (2nd) installment in an amount equal to fifty percent (50%) of the Gross Settlement Amount plus Defendant's share of payroll taxes (the "Second Installment") on a date to be determined by Defendant, but no later than one hundred (100) days after the

First Installment Date (the “Second Installment Date”). Defendant shall notify Class Counsel and the Administrator regarding Defendant’s election of the Installment Option no later than thirty (30) days prior to the Final Approval Hearing. In the event Defendant does not affirmatively notify Class Counsel and the Administrator regarding such election no later than thirty (30) days prior to the Final Approval Hearing, then Defendant shall be deemed to have declined to exercise the Installment Option and Defendant shall fund the Gross Settlement Amount in accordance with Paragraph 5.2.

5.3. Payments from the Gross Settlement Amount. Within seven (7) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, the LWDA Payment, the Individual PAGA Payments, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments. Disbursement of the LWDA Payment, the Individual PAGA Payments, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments.

5.3.1. The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (one hundred eighty (180) days after the date of mailing) when the check will be voided (the “void date”). The Administrator will send checks for (i) Individual Settlement Payments to all Participating Class Members and (ii) Individual PAGA Payments to all PAGA Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients’ mailing addresses using the National Change of Address Database.

5.3.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States Postal Service (“USPS”) forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member

whose original check was lost or misplaced, requested by the Class Member prior to the void date.

5.3.3. The Administrator will cancel all checks not cashed by the void date. For any Class Member whose Individual Class Payment check or Individual PAGA Payment Check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such check to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384(b).

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

6. RELEASE OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs, Class Members, Class Counsel, and the LWDA will release claims against all Released Parties as follows:

6.1. Plaintiffs' Release. In addition to the Released Class Claims and Released PAGA Claims, as described below, each Plaintiff and their 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: any and all claims, known and unknown, asserted and not asserted, which each Plaintiff has or may have against the Released Parties as of the date of execution of this Agreement ("Plaintiffs' Released Claims"). Plaintiffs' Released Claims include, but are not limited to, all of the Released Class Claims, and any other claims arising under the California Labor Code; any claim arising out of the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*, and federal common law; all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, including but not limited to, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act, the California Labor Code, and the law of contract and tort. This release excludes the release of claims not permitted by law. Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based

on occurrences outside the Class Period. Each Plaintiff acknowledges that they may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

6.1.1. Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, each 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.

6.2. 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 the Released Parties from all claims under state, federal or local law, whether statutory, common law or administrative law, that were alleged, or reasonably could have been alleged, based on the facts and matters set forth in the operative Complaint in this Action and ascertained in the course of the Action, including, without limitation, claims under California Labor Code sections 201-204, 216, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 2802, California Industrial Commission Wage Orders, the California Code Regulations, and Business and Professions Code sections 17200, et seq., and including all claims for or related to alleged including failure to pay minimum or straight time wages, failure to pay overtime wages, unlawful tip pooling, unlawful deductions, unlawful pay card deductions, failure to provide meal and rest periods, unreimbursed business expenses, failure to provide accurate itemized wage statements, failure to keep accurate payroll and timekeeping information, failure to timely pay wages during employment, failure to provide timely wages owed upon separation or termination of employment, unlawful, unfair, and deceptive business practices, including, but not limited to, claims for injunctive relief, liquidated damages, penalties of any nature, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Action based on the facts and allegations pled in the operative Complaints during the Class Period ("Released Class Claims"). Participating Class Members do not release any other claims, including

claims for PAGA penalties, vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

6.3. Release by PAGA Employees. All PAGA Employees (including any Class Members who validly opt out of the Class Settlement), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, and the LWDA, release the Released Parties from all claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the facts and matters set forth in Plaintiffs' notices to the LWDA (as described in Paragraphs 2 above), the operative Complaint in this Action and ascertained in the course of the Action, including without limitation, alleged violations of California Labor Code sections 201- 204, 210, 212, 213, 216, 218.5, 221-224, 225.5, 226, 226.3, 226.7, 256, 300, 351, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.5, 1197, 1197.1, 1198, 2699, 2802, California Industrial Commission Wage Orders, and the California Code Regulations, and including all claims for or related to alleged failure to pay minimum or straight time wages, failure to pay overtime wages, failure to include all forms of remuneration in the regular rate of pay, failure to provide meal periods, failure to authorize and permit rest periods, failure to provide accurate and itemized wage statements, failure to keep and maintain accurate payroll and timekeeping records, failure to maintain required records, failure to reimburse necessary business expenditures, failure to provide timely wages owed upon separation or termination of employment, failure to timely pay wages during employment, unlawful direct deposit, unlawful discount of wages, unlawful deductions, unlawful pay card deductions, alleged secret payment of lower wages, unlawful tipping policy, unlawful tip pooling, unlawful mandatory tip pooling, failure to provide suitable seating, failure to pay reporting time pay, unlawfully issuing instruments for the payment of wages that were not payable in cash on demand, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Lawsuits based on the facts and allegations pled in the operative Complaints during the PAGA Period ("Released PAGA Claims").

7. MOTION FOR PRELIMINARY APPROVAL. Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

7.1. Plaintiffs' Responsibilities. At least seven (7) days prior to filing the Motion for Preliminary Approval, Plaintiffs will prepare and deliver to Defense Counsel a draft of the Motion for

Preliminary Approval and an Order Granting Preliminary Approval. The proposed Order Granting Preliminary Approval shall be approved by Defense Counsel prior to Plaintiffs filing the proposed Order with the Court. Plaintiffs shall also make a good faith attempt to incorporate Defense Counsel's revisions to the drafts of the notice and memorandum in support. In the event Plaintiffs disagree with any of Defense Counsel's revisions, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements prior to the Motion for Preliminary Approval being filed with the Court.

7.2. 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 in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION.

8.1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.2. 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.

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

8.4. Notice to Class Members.

8.4.1. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after Defendant delivers the Class Data, the Administrator will send to all Class Members identified

1 in the Class Data, via first-class USPS mail, the Class Notice substantially in the form attached to this
2 Agreement as Exhibit A. Before mailing Class Notices, the Administrator shall update Class Member
3 addresses using the National Change of Address database.

4 **8.4.2.** Not later than five (5) days after the Administrator's receipt of any Class Notice returned
5 by USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address
6 provided by USPS. If USPS does not provide a forwarding address, the Administrator shall conduct a
7 Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The
8 Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members
9 whose Class Notice is returned by USPS a second time.

10 **8.4.3.** The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay
11 Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the forty-five
12 (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The
13 Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

14 **8.4.4.** If the Administrator, Defendant, Defense Counsel, or Class Counsel is contacted by or
15 otherwise discovers any persons who believe they should have been included in the Class Data and should
16 have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and
17 in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such
18 persons will be Class Members entitled to the same rights as other Class Members, and the Administrator
19 will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this
20 Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class
21 Notice, which ever are later.

22 **8.5.** Requests for Exclusion (Opt-Outs).

23 **8.5.1.** Class Members who wish to exclude themselves (opt-out of) from the Class Settlement
24 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than
25 forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days
26 for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a signed letter from a
27 Class Member or their representative that reasonably communicates the Class Member's election to be
28 excluded from the Settlement and which must include the Class Member's name, address, email address

or telephone number, and last four digits of his or her Social Security Number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

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

8.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 6.2 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

8.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because there is no statutory right for any PAGA Employee to opt out or otherwise exclude himself or herself from the PAGA Settlement and the associated release of claims and rights under PAGA, and further PAGA claims are subject to claim preclusion upon entry of Judgment, Non-Participating Class Members who are PAGA Employees will be deemed to have released the Released PAGA Claims described in Paragraph 6.3 of this Agreement and will remain eligible for an Individual PAGA Payment.

8.6. Challenges to Calculation of Workweeks and/or Pay Periods. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and/or Pay Periods 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. To be valid, a challenge to the calculation of Workweeks and/or Pay Periods must be in writing, be postmarked or fax stamped and returned to the Settlement Administrator at the specified address or fax telephone number below, and contain: (1) the Settlement Class Member's full name, signature, address, telephone number, and the last four digits of his/her Social Security number; (2) the number of workweeks the Settlement Class Member contends is correct; and (3) any evidence supporting his/her contention. The date of the postmark on the

return mailing envelope or fax stamp shall be the exclusive means used to determine whether the challenge was timely submitted. 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 and Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and 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 or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

8.7. Objections to Settlement.

8.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payments.

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

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

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

8.8.1. Email Address and Toll-Free Number. The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

8.8.2. Requests for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a

list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

8.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

8.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

8.8.5. Administrator’s Declaration. Not later than fourteen (14) days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

8.8.6. Final Report by Settlement Administrator. At least fifteen (15) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

9. **WORKWEEK ESTIMATE AND ESCALATOR CLAUSE.** Based on a review of its records, Defendant estimated that Class Members collectively worked an estimated total of 213,398 Workweeks between the beginning of the Class Period and December 23, 2024. If, at the end of the Class Period, the actual total Workweeks worked by the Class Members during the Class Period exceeds this figure by more than 10% (i.e., if there are 234,738 or more total Workweeks), Defendant, at its sole discretion, shall either: (i) increase the Gross Settlement Amount on a proportional basis for those Workweeks worked in excess of ten percent (10%) of the current 213,398 estimate (i.e., if there is a twelve percent (12%) increase in the total Workweeks, Defendant shall increase the Gross Settlement Amount by two percent (2%)), or (ii) elect to cut off the Class Period and PAGA Period as of the date the total Workweeks worked by Class Members during the Class Period does not exceed ten percent (10%) of the 213,398 estimate (i.e., so that the total Workweeks is at or below 234,738).

10. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds five percent (5%) of the total of all Class Members and/or if the combined Workweeks worked by Class Members who timely exclude themselves amounts to five percent (5%) or more of the total Workweeks worked by all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than thirty (30) calendar days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

11. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA Settlement under Labor Code section 2699(1), a Proposed Final Approval Order, and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide a draft of the Motion for Final Approval and proposed Final Approval Order and Judgement, at least seven (7) days prior to filing the Motion for Final Approval. The proposed Final Approval Order and Judgement shall be approved by Defense Counsel prior to Plaintiffs filing the proposed Final Approval

Order and Judgement with the Court. Plaintiffs shall also make a good faith attempt to incorporate Defense Counsel's revisions to the drafts of the notice and memorandum in support. In the event Plaintiffs disagree with any of Defense Counsel's revisions, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements prior to the Motion for Final Approval being filed with the Court.

11.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

11.2. 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 PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties under California Code of Civil Procedure section 664.6, the 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.

11.4. 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 set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-Judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended

until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

11.5. 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.

12. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

13. ADDITIONAL PROVISIONS.

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

13.2. Confidentiality. Plaintiffs and Class Counsel separately agree that, until the Motion for

1 Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or
2 make any public disclosures of any kind regarding the Settlement, including but not limited to postings on
3 Class Counsel's website and postings on any social media sites/outlets, or cause or permit another person to
4 disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or
5 generally, to any person, corporation, association, government agency, or other entity except: (1) to the
6 Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement
7 confidential; (2) counsel in any related matters; (3) to the extent necessary to report income to appropriate
8 taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena
9 issued by a state or federal government agency. Plaintiffs and Class Counsel agree to immediately notify
10 Defense Counsel of any judicial or agency order, inquiry, or subpoena seeking such information within
11 two (2) business days of Plaintiffs and/or Class Counsel's receipt of any such order, inquiry, or subpoena.
12 Plaintiffs and Class Counsel agree that they will not issue any press releases, initiate any contact with the
13 press, respond to any press inquiry or have any communications with the press about the facts, amount or
14 terms of the settlement. Plaintiffs and Class Counsel will not make any public disclosures of any kind
15 regarding the Settlement, including but not limited to postings on Class Counsel's websites and postings
16 on any social media sites/outlets prior to the filing of the motion for preliminary approval motion. Class
17 Counsel will take all steps necessary to ensure Plaintiffs are aware of, and will encourage them to adhere
18 to, the restriction against any public disclosures regarding the Settlement. Class Counsel will not include
19 or use the Settlement for any marketing or promotional purposes, or for attempting to influence
20 Defendant's business relationships, either before or after the Motion for Preliminary Approval is filed.
21 Following preliminary approval of the Settlement, Plaintiffs and Class Counsel shall not initiate any
22 communications with the media or agents of the media, shall issue no press release, and shall not post or
23 display information, opinions, statements or content on any social media site (like Facebook, Twitter/X,
24 etc.), website, or blog, regarding this Settlement Agreement or this Action. This prohibits any posting on
25 Class Counsel's website concerning this Action or this Settlement Agreement. If contacted by the media
26 or third parties about this litigation or its termination, Plaintiffs and Class Counsel may only state that "the
27 matter was resolved." Class Counsel will take all steps necessary to ensure Plaintiffs are aware of, and
28 will encourage them to adhere to, the restriction against initiating any media comment. Nothing herein

will restrict Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience or for purposes of seeking court approval of comparable settlements. The Parties agree that the provisions in this Paragraph are material terms of this Settlement Agreement.

13.3. 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.

13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit(s) 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.

13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

13.6. 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.

13.7. 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.

1 **13.8.** No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
2 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as
3 such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended)
4 or otherwise.

5 **13.9.** Modification of Agreement. This Agreement, and all parts of it, may be amended,
6 modified, changed, or waived only by an express written instrument signed by all Parties or their
7 representatives, and approved by the Court.

8 **13.10.** Agreement Binding on Successors. This Agreement will be binding upon, and inure to the
9 benefit of, the successors of each of the Parties.

10 **13.11.** Released Parties are Third-Party Beneficiaries. All Released Parties are third party
11 beneficiaries of this Agreement for purposes of the protections offered by this Agreement, and they shall be
12 entitled to enforce the provisions of this Agreement applicable to any such Released Party as against
13 Plaintiffs, Participating Class Members, or PAGA Employees, or any party acting on Plaintiffs, Participating
14 Class Members', and/or or PAGA Employees' behalf.

15 **13.12.** Plaintiffs' Waiver of Right to Be Excluded. Plaintiffs agree that by signing this Agreement,
16 they will be bound by the terms herein, including the general release described in Paragraph 6.1 above.
17 Plaintiffs further agree that, upon signing this Agreement, they will not request to be excluded from this
18 Settlement and that any such request for exclusion by Plaintiffs will be void and of no force or effect.

19 **13.13.** Applicable Law. All terms and conditions of this Agreement and its exhibit(s) will be
20 governed by and interpreted according to the internal laws of the state of California, without regard to
21 conflict of law principles.

22 **13.14.** Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
23 this Agreement. This Agreement will not be construed against any Party on the basis that the Party was
24 the drafter or participated in the drafting.

25 **13.15.** Confidentiality. To the extent permitted by law, all agreements made, and orders entered
26 during Action and in this Agreement relating to the confidentiality of information shall survive the
27 execution of this Agreement.

28 **13.16.** 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.

13.17. 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 federal legal holiday, such date or deadline shall be on the first business day thereafter.

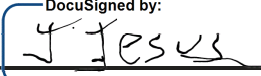
13.18. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, to the other Party’s respective counsel of record.

13.19. 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.

13.20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

DATED: 1/13/2026

JOSE JESUS AVALOS-AVILES

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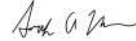
DATED: 01/06/26

NICHOLAS MCINERNY


Nicholas McInerny (Jan 6, 2026 18:54:39 CST)

DATED: January 12, 2026

RED ROBIN INTERNATIONAL, INC.



By: Sarah Mussetter

Title: Chief Legal Officer

Approved as to form and content:

DATED: 01/13/2026

CAPSTONE LAW APC



RAUL PEREZ

Attorneys for Plaintiff

JOSE JESUS AVALOS-AVILES

DATED: 1/06/26

JAMES HAWKINS APLC



JAMES HAWKINS

Attorneys for Plaintiff

NICHOLAS MCINERNY

DATED: 1/06/26

FARNAES & LUCIO APC



CHRISTINA LUCIO

Attorneys for Plaintiff

NICHOLAS MCINERNY

DATED: January 9, 2025

JACKSON LEWIS P.C.



ADAM Y. SIEGEL

MARTIN P. VIGODNIER

Attorneys for Defendant

RED ROBIN INTERNATIONAL, INC

Exhibit A

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

IMPORTANT LEGAL NOTICE

Nicholas J. McInerny and Jose Jesus Avalos-Aviles v. Red Robin International, Inc.

Superior Court for the State of California, San Bernadino County, Case No. CIVSB2202216

THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT MAY AFFECT YOU.

A court authorized this notice. This is not a solicitation.

TO: ALL EMPLOYEES WHO WERE EMPLOYED BY RED ROBIN INTERNATIONAL, INC. IN THE STATE OF CALIFORNIA AS HOURLY NON-EXEMPT EMPLOYEES (COLLECTIVELY, “CLASS MEMBERS”) DURING THE CLASS PERIOD (OCTOBER 24, 2018 THROUGH MARCH 8, 2025).

The Superior Court for the State of California, San Bernadino County, has granted preliminary approval of the proposed settlement (“Settlement”) of the above-captioned action. Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement (“Notice”) carefully. The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the proposed Settlement, and your rights and options with respect to the Settlement.

AN ESTIMATE OF YOUR SHARE OF THE SETTLEMENT CAN BE FOUND IN SECTION 7.

To receive your share, you do not have to file a claim or take any other action. You must take action only if you have an address change, want to object to the Settlement, or want to opt out from the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THIS PROPOSED SETTLEMENT.

PLEASE READ THIS NOTICE CAREFULLY; IT EXPLAINS YOUR LEGAL RIGHTS.

1. Why Did I Receive This Notice?

A proposed settlement has been reached in a lawsuit involving Red Robin International, Inc. (“Defendant” or “Red Robin”) that may affect your rights.

The records of the Defendant indicate that you worked at one or more of their California locations and you are a member of one or more of the following groups:

- (A) “Class” or “Class Members” means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the Class Period (October 24, 2018 through March 8, 2025) without signed arbitration agreements.
- (B) “PAGA Employees” means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the PAGA Period (November 22, 2020 through March 8, 2025). PAGA Employees shall include employees who signed an arbitration agreement with Defendant. The Parties agree that there is no statutory right for any PAGA Employee to opt out or otherwise exclude himself or herself from the PAGA Settlement and the associated release of claims and rights under PAGA.

This means you are a potential Class Member, and you have a right to know about the Settlement. The Settlement will resolve all Released Class Claims, as described below, from October 24, 2018 through March 8, 2025 (“Class Period”), or from November 22, 2020 through March 8, 2025 (“PAGA Period”).

The Preliminary Approval Hearing was held on [DATE]. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice. The Court will hold a Final Approval Hearing concerning the proposed settlement on [DATE] at [TIME] at the Superior Court for the State of

California, San Bernadino County, San Bernadino Justice Center, 247 West Third Street, San Bernadino, CA 92415, in Department S26. You may attend the hearing in person or via Zoom at: <https://www.zoomgov.com/my/dept.s26> Meeting ID: 160 2319 7614

The date of the Final Approval Hearing may change without further notice to you and other Class Members. If you plan to attend the hearing, you should check the settlement website or review the Court's docket on the Court's Public Court Access Portal at <https://cap.sb-court.org/search> to check if the date has changed. You may also obtain additional information regarding the Settlement and review important documents relating to this case by visiting the settlement website: [website].

2. What Is the Lawsuit About?

On January 28, 2022, Plaintiff Nicholas J. McNerny ("McNerny") filed a complaint against Defendant in San Bernardino County Superior Court alleging a single cause of action under PAGA (Case No.: CIVSB2202216) (the "*McInerny* PAGA Action"). The *McInerny* PAGA Action seeks to recover PAGA civil penalties based on the following alleged violations of the California Labor Code: (1) failure to pay all wages earned, including overtime and minimum wages; (2) unlawful mandatory tip pooling; (3) unlawful deductions; (4) unlawful pay card deductions; (5) failure to provide meal and rest periods; (6) failure to reimburse business expenses; (7) failure to provide accurate itemized wage statements; (8) failure to keep accurate payroll and timekeeping information; (9) failure to timely pay wages during employment; and (10) failure to timely pay wages at termination. On March 23, 2023, McNerny filed putative class action complaint against Defendant in Los Angeles County Superior Court (Case No.: 23STCV06410) alleging the following causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages owed upon separation from employment; (6) failure to furnish accurate itemized wage statements; (7) unlawful deductions; (8) failure to reimburse necessary business expenses; and (9) violation of the unfair competition law (the "*McInerny* Class Action"). Defendant subsequently removed the *McInerny* Class Action to the United States District Court for the Central District of California (Case No. 2:23-cv-03338-JFW-PD).

On May 31, 2022, Plaintiff Jose Jesus Avalos-Aviles ("Avalos"; collectively, with McNerny, "Plaintiffs") filed a putative class action complaint against Defendant in Sacramento County Superior Court (Case No.: 34-2022-00320877) alleging the following causes of action: (1) unpaid overtime; (2) unpaid minimum wages; (3) failure to provide meal periods; (4) failure to provide rest periods; (5) non-compliant wage statements and failure to maintain payroll records; (6) wages not timely paid upon termination; (7) failure to pay wages during employment; (8) unreimbursed business expenses; (9) unlawful business practices under California Business & Professions Code §§ 17200, et seq.; (10) unfair business practices under California Business & Professions Code §§ 17200, et seq.; and (11) civil penalties under the California Private Attorneys General Act of 2004, California Labor Code §§ 2698 et seq. ("PAGA") Defendant subsequently removed Avalos' complaint to the United States District Court for the Eastern District of California (Case No. 2:22-cv-01257-DAD-SCR) (the "*Avalos* Action").

On [DATE], Plaintiffs filed a First Amended Complaint in the Action which effectively consolidates the claims and allegations pending in the separate cases. The First Amended Complaint consisted of the following (i) added Avalos as a named Plaintiff; (ii) stated eleven (11) causes of action on behalf of the putative Class for unpaid overtime, unpaid minimum wage, failure to provide meal periods, failure to authorize and permit rest periods, non-compliant wage statements and failure to maintain payroll records, wages not timely paid upon termination, failure to timely pay wages during employment, unreimbursed business expenses, unlawful business practices in violation of California Business & Professions Code §§ 17200 et seq., unfair business practices in violation of California Business & Professions Code §§ 17200 et seq., unlawful deductions; and (iii) stated all alleged violations of the California Labor Code set forth in the *Avalos* Action and in Plaintiffs' PAGA Notices to the LWDA, including claims under Labor Code sections 201- 204, 210, 212, 213, 216, 218.5, 221-224, 225.5, 226, 226.3, 226.7, 256, 300, 351, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194,

1194.5, 1197, 1197.1, 1198, 2699, 2802, California Industrial Commission Wage Orders, and the California Code Regulations, and including all claims for or related to alleged failure to pay minimum or straight time wages, failure to pay overtime wages, failure to include all forms of remuneration in the regular rate of pay, failure to provide meal periods, failure to authorize and permit rest periods, failure to provide accurate and itemized wage statements, failure to keep and maintain accurate payroll and timekeeping records, failure to maintain required records, failure to reimburse necessary business expenditures, failure to provide timely wages owed upon separation or termination of employment, failure to timely pay wages during employment, unlawful direct deposit, unlawful discount of wages, unlawful deductions, unlawful pay card deductions, alleged secret payment of lower wages, unlawful tipping policy, unlawful tip pooling, unlawful mandatory tip pooling, failure to provide suitable seating, failure to pay reporting time pay, unlawfully issuing instruments for the payment of wages that were not payable in cash on demand, interest, fees, and costs

The Court has not made any decision about the claims in this lawsuit. By issuing this Notice, the Court is not suggesting that one side would win or lose if this case went to trial. Defendant denies all of the allegations and contends that it fully complied with all applicable laws at all times.

3. What Is a Class Action?

A class action is a legal proceeding where one or more persons sue not just for themselves, but also for other people who have similar claims (forming a “class” or a group of people).

4. Background of Settlement

Plaintiffs’ lawyers (“Class Counsel”) have conducted a thorough investigation of the facts in this case, as well as a detailed assessment of Defendant’s records. Class Counsel then reached a settlement with Defendant after negotiations with the assistance of a neutral mediator.

Plaintiffs and the attorneys for Plaintiffs and Defendant believe the settlement is fair, reasonable, and adequate, and in the best interests of the Class Members considering the uncertain outcome, risks, costs, and time involved in further litigation, trial, and possible appeals.

5. What Are the Monetary Terms of the Proposed Settlement?

Defendant has agreed to pay \$3,100,000.00 (the “Gross Settlement Amount”) to settle this case. This money will be used to pay: (1) the reasonable fees and expenses of the Settlement Administrator to oversee the settlement administration; (2) the Labor and Workforce Development Agency (“LWDA”) in connection with the settlement of the Class Members’ claims under California’s Private Attorneys General Act (“PAGA”); (3) a service payment to the Plaintiffs to compensate them for their services to the Class in bringing and litigating this lawsuit and for a general release of all of their claims against Defendant (“Service Award”); and (4) Class Counsel’s attorneys’ fees and costs to compensate them for their services to the Class. The remainder of the Gross Settlement Amount after paying these standard costs is the Net Settlement Amount that will be distributed to Class Members who do not opt out of the settlement (“Participating Class Members”).

6. How Will My Settlement Payment Be Determined?

Participating Class Members’ payments will be distributed as follows: The Net Settlement Amount will be distributed to Settlement Class Members on a proportionate distribution based on each Settlement Class Member’s weeks and pay periods worked during the Class Period and the PAGA Period as follows:

- \$500,000 shall be allocated for proportionate distribution based on pay periods worked by the PAGA Employees from November 22, 2020 through March 8, 2025.
- The remaining amount in the Net Settlement Amount shall be allocated for proportionate distribution based on weeks worked among the Class Members from October 24, 2018 through March 8, 2025.

7. How Much Can I Expect to Receive from This Settlement?

Your estimated gross distribution from the Net Settlement Amount and the PAGA penalties (“Settlement Payment”) is set forth below and based on the following information from Defendant’s records:

Your Dates of Employment and Work Weeks and Pay Periods Worked During the Class Period:

Your dates of employment during the Class Period are: [REDACTED] to [REDACTED].

You worked [REDACTED] weeks between October 24, 2018 through March 8, 2025 (Class)

You worked [REDACTED] pay periods between November 22, 2020 through March 8, 2025 (PAGA)

Estimated Share of Net Settlement Amount:

Based on this information, your estimated share of the Net Settlement Amount is: \$ [REDACTED].

**YOUR TOTAL ESTIMATED SETTLEMENT PAYMENT, BEFORE TAX DEDUCTIONS
AND WITHHOLDINGS, IS: \$ [REDACTED]**

Your actual Settlement Payment may end up being higher or lower than estimated.

If you disagree with any of the information above which was used to calculate your Settlement Payment, you may challenge the information by contacting the Settlement Administrator and providing information/documentation to support your challenge. The Settlement Administrator will evaluate the evidence you submit and decide whether your Settlement Payment should be changed.

For tax purposes, your Settlement Payment shall be allocated between wages and non-wage income as follows: 15% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of wage claims (the “Wage Portion”). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The other 85% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). From the portion which is wages shall be withheld the employee’s share of payroll and income taxes and all other applicable deductions or withholdings required by law or expressly authorized by the Class Member. The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Consult your tax advisor with any questions about the tax consequences of your Settlement Payment.

8. When Will I Receive My Payment and What Do I Have To Do?

The Court will hold a Final Approval hearing on [REDACTED] at the Superior Court for the State of California, San Bernadino County, San Bernadino Justice Center, 247 West Third Street, San Bernadino, CA 92415, in Department S26 at [TIME], to determine whether to approve the settlement. You may attend the hearing in person or via Zoom at: <https://www.zoomgov.com/my/dept.s26> Meeting ID: 160 2319 7614

If the Court approves the settlement, there may be appeals after that. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Please be patient. Even if the Court approves the settlement, and there are no appeals, the settlement checks will not be issued until about three months after the date of the fairness hearing at the earliest. The Settlement Agreement contains the exact details of the payment schedule. You may obtain a copy of the Settlement Agreement by following the instructions in Section 15 below.

You must cash each check within 180 days of issuance. Checks are void 15 days after the 180-day check cashing deadline. Any amount remaining 180 days after the Final Approval Order and after any correctable errors or omissions are covered will be tendered to the California State Controller’s Office’s Unclaimed Property Division in the name of the Participating Class Member to whom the check was payable.

9. What Are My Legal Rights and Options Under the Settlement?

Do Nothing	If you do nothing, and if the Court grants final approval of the Settlement, you will receive payments under the Settlement. You will also release (give up your rights) on any and all claims you may have that are covered by the Settlement. You do not have to do anything to receive payments. To receive a check, you must ensure that your address is kept up to date.
Challenge the Underlying Data for Your Share	You may challenge the data used to determine your Settlement Payment if you believe the data is incorrect. If you wish to challenge the data, you must do so in writing, and can mail the Challenge Form enclosed with this Notice to the Settlement Administrator at the address below on or before [REDACTED], 2025, along with any supporting documentation. Be sure to include your full name. The Settlement Administrator will attempt to resolve the dispute directly with you, with the assistance of the lawyers for both sides. If the dispute cannot be resolved, the Court will decide the dispute.
Exclude Yourself or “Opt Out”	If you “opt out,” you will NOT receive any money from the Settlement and you will NOT release any claims you may have against Defendant. To opt out, you must complete the Exclusion Form included with this Notice and mail it to the Settlement Administrator at the address below on or before [REDACTED], 2025. Any request for opt-out postmarked after [REDACTED], 2025 will be void unless the Court agrees to review the late request. Because there is no statutory right for any PAGA Employee to opt out or otherwise exclude himself or herself from the PAGA Settlement and the associated release of claims and rights under PAGA, and further PAGA claims are subject to claim preclusion upon entry of Judgment, Non-Participating Class Members who are PAGA Employees will be deemed to have released the Released PAGA Claims described in Section 13 of this Agreement and will remain eligible for an Individual PAGA Payment.
Object to the Settlement	You can ask the Court to deny approval by filing an objection. You can’t ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out, and the lawsuit will continue. If that is what you want to happen, you should object. Only Participating Class Members may object to the class action components of the Settlement and/or Agreement. Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing at their own expense. All written objections should state your full name, address, date of birth, and the dates you worked as an employee for the Defendant. Any written objection should state each specific reason in support of the objection, and state whether it applies only to the objector, to a specific subset of the class, or to the entirety of the class. Written objections and supporting papers should (a) clearly identify the case name and number (<i>Nicholas J. McNerny and Jose Jesus Avalos-Aviles v. Red Robin International, Inc.</i>, Case No. CIVSB2202216), (b) be submitted to the Court either by filing them electronically or in person at Superior Court for the State of California, San Bernadino County, San Bernadino Justice Center, 247 West Third Street, San Bernadino, CA 92415, and (c) be filed or postmarked on or before [REDACTED].

10. What If I Have Questions?

If you have questions, please contact Class Counsel or the Settlement Administrator.

Class Counsel:

Raul Perez Raul.perez@capstonelawyers.com Roxanna Tabatabaepour Roxanna.Taba@capstonelawyers.com Ryan Tish Ryan.Tish@capstonelawyers.com Alex Wallin Alex.Wallin@capstonelawyers.com Capstone Law APC 1875 Century Park East, Suite 1000 Los Angeles, California 90067 Telephone: (310) 556-4811 Facsimile: (310) 943-0396	James R. Hawkins JAMES HAWKINS APLC 9880 Research Drive, Suite 200 Irvine, CA 92618 Telephone: (949) 387-7200 Facsimile: (949) 387-6676 james@jameshawkinsaplc.com staff@jameshawkinsaplc.com	Malte L. L. Farnaes Christina M. Lucio FARNAES & LUCIO, APC 2235 Encinitas Boulevard, Suite 210, Encinitas, CA 92024 Telephone: (760) 942-9431 Facsimile: (760) 452-4421 malte@farnaeslaw.com clucio@farnaeslaw.com
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Settlement Administrator:

<i>Nicholas J. McNerny and Jose Jesus Avalos-Aviles v. Red Robin International, Inc.</i> c/o [SETTLEMENT ADMINISTRATOR] [ADDRESS] Tel. [PHONE] Fax [FAX] Email: [EMAIL]

DO NOT CONTACT THE COURT OR DEFENDANT'S ATTORNEYS FOR INFORMATION REGARDING THE SETTLEMENT OR THE CLAIM PROCESS.

11. Who Is the Settlement Administrator?

The Settlement Administrator is a company hired by the Parties to administer the Settlement. The parties have agreed to use ILYM Group, Inc. as the Settlement Administrator.

The Settlement Administrator's duties include calculating settlement payments, processing challenges, objections, and exclusions, making payments to the Class Members, and answering questions you may have.

12. How Will the Lawyers and the Representative for the Class Be Paid?

Class Counsel will request Court approval for reimbursement of actual litigation costs up to \$50,000 and payment of attorneys' fees of up to no more than one-third of the Gross Settlement Amount. The Court will decide whether or not to award the attorneys' fees requested. The attorneys' fees are for legal services that have been and will be provided to the Class.

Class Counsel will also ask the Court to approve a Service Award of up to \$10,000 for each of the Plaintiffs for the effort, time, and risks Plaintiffs took to bring this case, as well as for Plaintiffs' release of all claims against Defendant. If approved, this award would be in addition to the amount Plaintiffs receive under the settlement as Class Members.

13. What Is Being Released as Part of the Settlement?

If the Court grants Final Approval of the settlement, all Participating Class Members (those who did not opt out) on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims under state, federal or local law, whether statutory, common law or administrative law, that were alleged, or reasonably could have been alleged, based on the facts and matters set forth in the operative Complaint in this Action and ascertained in the course of the Action, including, without limitation, claims under California Labor Code sections 201-204, 216, 218.5, 218.6, 221-224, 225.5, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 2802, California Industrial Commission Wage Orders, the California Code Regulations, and Business and Professions Code sections 17200, et seq., and including all claims for or related to alleged including failure to pay minimum or straight time wages, failure to pay overtime wages, unlawful tip pooling, unlawful deductions, unlawful pay card deductions, failure to provide meal and rest periods, unreimbursed business expenses, failure to provide accurate itemized wage statements, failure to keep accurate payroll and timekeeping information, failure to timely pay wages during employment, failure to provide timely wages owed upon separation or termination of employment, unlawful, unfair, and deceptive business practices, including, but not limited to, claims for injunctive relief, liquidated damages, penalties of any nature, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Action based on the facts and allegations pled in the operative Complaints during the Class Period (“Released Class Claims”). Participating Class Members do not release any other claims, including claims for PAGA penalties, 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.

PAGA Employees (including any Class Members who validly opt out of the Class Settlement), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, and the LWDA, release the Released Parties from all claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the facts and matters set forth in Plaintiffs’ notices to the LWDA, the operative Complaint in this Action and ascertained in the course of the Action, including without limitation, alleged violations of California Labor Code sections 201-204, 210, 212, 213, 216, 218.5, 221-224, 225.5, 226, 226.3, 226.7, 256, 300, 351, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.5, 1197, 1197.1, 1198, 2699, 2802, California Industrial Commission Wage Orders, and the California Code Regulations, and including all claims for or related to alleged failure to pay minimum or straight time wages, failure to pay overtime wages, failure to include all forms of remuneration in the regular rate of pay, failure to provide meal periods, failure to authorize and permit rest periods, failure to provide accurate and itemized wage statements, failure to keep and maintain accurate payroll and timekeeping records, failure to maintain required records, failure to reimburse necessary business expenditures, failure to provide timely wages owed upon separation or termination of employment, failure to timely pay wages during employment, unlawful direct deposit, unlawful discount of wages, unlawful deductions, unlawful pay card deductions, alleged secret payment of lower wages, unlawful tipping policy, unlawful tip pooling, unlawful mandatory tip pooling, failure to provide suitable seating, failure to pay reporting time pay, unlawfully issuing instruments for the payment of wages that were not payable in cash on demand, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Lawsuits based on the facts and allegations pled in the operative Complaints during the PAGA Period (“Released PAGA Claims”).

14. Can I Be Retaliated Against for Participating in the Settlement?

The law prohibits Defendant from retaliating against employees for exercising their rights under the law. This means Defendant may not fire, demote, or harass you, classify you as ineligible for rehire, or retaliate against you in any other way because you choose to participate in the Settlement.

15. Getting More Information about the Settlement

This notice summarizes the proposed settlement. For the precise terms of the settlement, please see the settlement agreement available at [redacted], by contacting Class Counsel or the Settlement Administrator via the contact information provided in Section 10, by accessing the Court docket in this case, for a fee, through the Court's docket on the Court's Public Court Access Portal at <https://cap.sb-court.org/search>, or by visiting the office of the Clerk of the Court for the Superior Court for the State of California, San Bernadino County, San Bernadino Justice Center, 247 West Third Street, San Bernadino, CA 92415, between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

IMPORTANT:

1. If you move or change your address, send the Settlement Administrator your new address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Settlement Payment.
2. It is strongly recommended that you keep a copy of any challenge, request for exclusion and/or objection that you submit, and proof of timely mailing, emailing, and/or faxing, until after the Final Approval hearing

Your Contact Information

The Settlement Administrator is using the following contact information for you. If any of your contact information is inaccurate, please correct that information and return a copy of this form to the Settlement Administrator at the address above.

<<Name>>

<<Address>>

<<City>>, <<State> <Zip>>

(____) ____ -- ____

Home Telephone Number

(____) ____ -- ____

Cellular Phone Number

Email

Complete this Challenge Form only if you wish to challenge the personal information used to calculate your estimated Settlement Payment, as listed above.

Challenge Form

Check the boxes below ONLY if you wish to challenge the personal information used to calculate your estimated Settlement Payment, as listed above. You do NOT have to submit this form if this information is accurate. All fields must be completed for your challenge to be accepted. **Any challenges must be postmarked or sent, if emailed or faxed, by no later than [DATE].** Challenges postmarked, emailed, or faxed after this date will not be honored.

- ☐ I wish to challenge the dates of my employment.

I have included a written statement of what I believe to be my correct information regarding the challenge(s) checked above. I have also included information and/or documents that support my challenge (for example, paystubs or time records). I understand that, by submitting this challenge, I authorize the Settlement Administrator to review Defendants' records, to provide a copy of this challenge and my supporting documents or information to Class Counsel and Defense Counsel, and to contact me to attempt to resolve my challenge. If my challenge cannot be resolved, I understand the Court will make a final decision regarding my challenge.

If you have checked any of the boxes above, please sign below, print your name, and provide your Class Member ID number (from the address label on the envelope of this mailing).

Signature

Name of Class Member ____ [NAME] _____

Class Member ID Number (from address label): ____ [mail id] _____

Statement of reasons and documents in support of challenge(s) checked above:

[Please attach documents and use separate page(s) as necessary]

NOTICE OF SETTLEMENT OF PAGA REPRESENTATIVE ACTION

Nicholas J. McInerny and Jose Jesus Avalos-Aviles v. Red Robin International, Inc.
Superior Court for the State of California, San Bernadino County, Case No. CIVSB2202216

[PAGA Employee]

[Address]

[Address]

You are receiving this notice in connection with a Court-approved settlement (the “Settlement”) in the lawsuit entitled *Nicholas J. McInerny and Jose Jesus Avalos-Aviles v. Red Robin International, Inc.*, filed in Superior Court of the State of California for the County of San Bernadino, Case No. CIVSB2202216 (the “Action”), brought on a representative basis under the Labor Code Private Attorneys’ General Act of 2004 codified at California Labor Code section 2698, *et seq.* (“PAGA”). The plaintiffs in the lawsuit are Nicholas J. McInerny and Jose Jesus Avalos-Aviles (“Plaintiffs”) and the defendant is Red Robin International, Inc. (“Defendant”). The Settlement provides for, *inter alia*, recovery of civil penalties for alleged violations of the California Labor Code on behalf of all “PAGA Employees,” defined as all of Defendant’s current and former non-exempt employees who have worked from November 22, 2020 through March 8, 2025 (“PAGA Period”) in the State of California. The PAGA statute provides that 75% of any recovery pursuant to the Settlement be paid to the State of California and 25% of any recovery be paid to the PAGA Employees.

Defendant denies all claims and allegations in the Action, denies that it owes any penalties and asserts that it has fully complied with all applicable Labor Code provisions. Nevertheless, to avoid further costs and time in defending the Action, Defendant has settled the Action. By settling the lawsuit, Defendant is not admitting that Defendant has done anything wrong.

“Released PAGA Claims” means the representative PAGA claims being released from Action, as follows: All PAGA Employees (including any Class Members who validly opt out of the Class Settlement), on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, and the LWDA, release the Released Parties from all claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the facts and matters set forth in Plaintiffs’ notices to the LWDA (as described in Paragraphs 2 above), the operative Complaint in this Action and ascertained in the course of the Action, including without limitation, alleged violations of California Labor Code sections 201- 204, 210, 212, 213, 216, 218.5, 221-224, 225.5, 226, 226.3, 226.7, 256, 300, 351, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.5, 1197, 1197.1, 1198, 2699, 2802, California Industrial Commission Wage Orders, and the California Code Regulations, and including all claims for or related to alleged failure to pay minimum or straight time wages, failure to pay overtime wages, failure to include all forms of remuneration in the regular rate of pay, failure to provide meal periods, failure to authorize and permit rest periods, failure to provide accurate and itemized wage statements, failure to keep and maintain accurate payroll and timekeeping records, failure to maintain required records, failure to reimburse necessary business expenditures, failure to provide timely wages owed upon separation or termination of employment, failure to timely pay wages during employment, unlawful direct deposit, unlawful discount of wages, unlawful deductions, unlawful pay card deductions, alleged secret payment of lower wages, unlawful tipping policy, unlawful tip pooling, unlawful mandatory tip pooling, failure to provide suitable seating, failure to pay reporting time pay, unlawfully issuing instruments for the payment of wages that were not payable in cash on demand, interest, fees, costs, as well as all other claims and allegations made or which could have been made in the Lawsuits based on the facts and allegations pled in the operative Complaints during the PAGA Period.

“Released Parties” means Defendant and their present and former parent companies, subsidiaries, divisions, concepts, related or affiliated companies, and its shareholders, owners, partners, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any other individual or entity that could be liable for any of the Released Claims, and Defense Counsel of record in the Action.

By an Order dated [Approval Date], the Superior Court of California approved the Settlement of the Released Claims. By approving the Settlement, the Court did not decide in favor of either Plaintiffs or Defendant.

According to Defendant’s records, you are a PAGA Employee and are therefore entitled to a share of the Settlement based upon the Court-approved allocation. Enclosed with this Notice is your settlement check for your share. The settlement check shall remain valid for one hundred eighty (180) days. Thereafter, the settlement check shall be canceled and funds associated with such checks shall be transmitted to the California Controller’s

Unclaimed Property Fund in your name.

Because there is no statutory right for any PAGA Employee to opt out or otherwise exclude himself or herself from the Settlement and the associated release of claims and rights under PAGA, and further PAGA claims are subject to claim preclusion upon entry of Judgment, PAGA Employees (i.e., you) will be deemed to have released the Released PAGA Claims described above and will remain eligible for an Individual PAGA Payment.

Defendant's records indicate that you worked [Eligible Pay Periods] Pay Periods as a non-exempt, hourly-paid employee in California during the PAGA Period. Based on these records, your estimated payment as a PAGA Employee would be [\$Estimated Award].

Please Note: One hundred percent (100%) of the payment you are receiving in connection with the Settlement will be considered penalties reported on IRS Form 1099, and may be subject to local, state or federal tax withholdings and will be reported to the IRS and state tax authorities. You should rely on your own tax advisors as to the tax consequences of your settlement payment. Neither Plaintiffs nor Defendant have made any representations or warranties regarding the taxation of your settlement payment. Nothing in this Notice or any other communication shall constitute or be construed or relied upon as tax advice.

PLEASE DO NOT CALL OR WRITE THE COURT OR OFFICE OF THE CLERK TO ASK QUESTIONS ABOUT THE SETTLEMENT. IF YOU HAVE ANY QUESTIONS, YOU MAY CALL OR WRITE TO THE SETTLEMENT ADMINISTRATOR AT:

INSERT NAME OF ADMINISTRATOR

WEBSITE

Phone: