

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Geordyn Balcarcel Reyes and Bryan Valle (“Plaintiffs”), on behalf of themselves, the Class, the State of California, and Aggrieved Employees, and Defendants Shopirisbasic Los Angeles Corp., Ecomm Plus USA, Inc., Shopirisbasic, Inc., OFE USA Corp., Young Kim, Kil Ho, IK Wholesales Corp. and Ian Kim (“Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties,” or individually as “Party”.

A. DEFINITIONS.

1. “Action” means Plaintiffs’ lawsuit against Defendants captioned *Geordyn Balcarcel Reyes and Bryan Valle v. Shopirisbasic Los Angeles Corp, et al.*, initiated by Plaintiffs on December 7, 2023, in the Superior Court of the State of California, County of Los Angeles, Case No.23STCV29972.
2. “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
4. “Aggrieved Employee” means all current and former hourly-paid or non-exempt employees of Defendants within the State of California at any time during the PAGA Period.
5. “Class” means all current and former hourly-paid or non-exempt employees of Defendants within the State of California at any time during the Class Period.
6. “Class Counsel” means Haulk & Herrera LLP.
7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
8. “Class Data” means Class Members’ identifying information in Defendants’ possession, including the Class Member’s: (a) full name; (b) last-known mailing address; (c) Social Security Number; and (d) number of Workweeks and PAGA Pay Periods.
9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Members’ mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address Database (“NCOA”), skip traces, and direct contact by the Administrator with Class Members.

11. “Class Notice” means the Court approved NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement. The Class Notice shall be mailed to the Class Members in English and Spanish.
12. “Class Period” means the period from December 7, 2019 through September 15, 2025.
13. “Class Representatives” means Geordyn Balcarcel Reyes and Bryan Valle.
14. “Class Representative Service Payments” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
15. “Court” means the Superior Court of California, County of Los Angeles.
16. “Defendants” mean Shopirisbasic Los Angeles Corp., Ecomm Plus USA, Inc., Shopirisbasic, Inc., IK Wholesales Corp. and OFE USA Corp.
17. “Defense Counsel” means S. Calvin Myung of Law Offices of S. Calvin Myung.
18. “Effective Date” means the later of the following dates: (a) if no objection to the settlement is made, then no later than twenty-one (21) calendar days after service on Defense Counsel of the Court’s order in connection with Final Approval; (b) if an objection is made but no appeal filed, then no later than twenty-one (21) calendar days after the running of the appeal period; or (c) if an appeal is filed, then no later than twenty-one (21) calendar days after the final judgment becomes final and is no longer subject to appeal.
19. “Final Approval” or “Final Approval Order” means the Court’s order granting final approval of the Settlement.
20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
21. “Gross Settlement Amount” means \$150,000.00, which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual PAGA Payments, LWDA PAGA Payment, and Individual Class Payments.
22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of twenty-five percent (25%) of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

24. “Judgment” means the judgment entered by the Court based upon the Final Approval.
25. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled to a portion of the PAGA Penalties.
26. “LWDA PAGA Payment” means seventy-five percent (75%) of the PAGA Penalties paid to the LWDA.
27. “Net Settlement Amount” means the Gross Settlement Amount less the following payments in the amounts approved by the Court: (a) Class Counsel Fees Payment; (b) Class Counsel Litigation Expenses Payment; (c) Class Representative Service Payments; (d) Administration Expenses Payment; (e) Individual PAGA Payments; and (f) LWDA PAGA Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
29. “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).
30. “PAGA Notice” means the written notice sent to the LWDA on January 9, 2024, providing notice pursuant to Labor Code section 2699.3, subdivision (a).
31. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendants for at least one (1) day during the PAGA Period.
32. “PAGA Period” means the period from January 9, 2023, through September 15, 2025.
33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated seventy-five percent (75%) to the LWDA and twenty-five percent (25%) to the Aggrieved Employees in settlement of PAGA claims.
34. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
35. “Plaintiffs” means Geordyn Balcarcel Reyes and Bryan Valle.
36. “Preliminary Approval” or “Preliminary Approval Order” means the Court’s Order Granting Preliminary Approval of the Settlement.
37. “Preliminary Approval Hearing” means the Court’s hearing on the Motion for Preliminary Approval of the Settlement.
38. “Released Class Claims” means the claims being released as described in Section E.2. below.

39. “Released PAGA Claims” means the claims being released as described in Section E.3. below.
40. “Released Parties” means Defendants, any potential “joint employer,” and any affiliated company and respective parent companies, subsidiaries, affiliates, shareholders, directors, officers, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys, and any past, present or future officers, directors, employees, or other persons acting on either Defendants’ behalf) predecessors, successors, and assigns, including but not limited to Young Kim, Kil Ho, Ik Wholesales Corp. and Ian Kim.
41. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class portion of the Settlement signed by the Class Member.
42. “Response Deadline” means thirty (30) calendar 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 or her Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
43. “Settlement” means the disposition of the Action effected by this Settlement Agreement and Judgment.
44. “Workweek” means any week during which a Class Member worked for Defendants for at least one (1) day during the Class Period.

B. RECITALS.

1. On December 7, 2023, Plaintiffs filed a wage-and-hour class action lawsuit in the Superior Court of California, County of Los Angeles (Case No. 23STCV29972). The lawsuit alleged violation of: (a) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (b) Labor Code sections 226.7 (unpaid rest period premiums); (c) Labor Code sections 201 and 202 (final wages not timely paid); and (d) Business & Professions Code section 17200, *et seq.* On July 12, 2024, Plaintiffs filed their First Amended Complaint seeking PAGA penalties in the Superior Court of California, County of Los Angeles.
2. After engaging in informal discovery, investigations, and negotiation, on June 10, 2024 the Parties attended mediation with Arthur Eidelhoch, resulting in a settlement after extensive post-mediation settlement discussions, subject to the Court’s approval.
3. Defendants deny the allegations, deny any failure to comply with governing law, and deny any and all liability for the causes of action alleged.
4. The Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Defendants produced documents relating to the policies, practices, and procedures relevant to each of the claims presented and associated defenses, including, but not limited to, policies reflecting Defendants’ expectations of timekeeping, payroll, hours worked, meal periods, rest periods, among other categories of

records. As part of Defendants' production, Plaintiffs also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiffs to understand the number of Workweeks and PAGA Pay Periods. The investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.

5. The Court has not granted class certification.

C. **MONETARY TERMS.**

1. Gross Settlement Amount. Defendants shall pay \$150,000.00 and no more as the Gross Settlement Amount. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Section D of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.
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:
 - a. Class Counsel. Class Counsel Fees Payment of \$52,500 (35% of the Gross Settlement Amount) and Class Counsel Litigation Expenses Payment of \$12,500. Defendants will not oppose requests for these payments provided they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Class Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS Form 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, hold Defendants harmless, and indemnify Defendants from any dispute or controversy regarding any division or sharing of any of these payments.
 - b. Plaintiff. Class Representative Service Payment of \$15,000 to Plaintiff Geordyn Balcarcel Reyes and \$10,000 to Plaintiff Bryan Valle. Defendants will not oppose the request for the Class Representative Service Payments that do not exceed these amounts. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, 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 less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

- c. Administrator. Administration Expenses Payment not to exceed \$7,500 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment of less than \$7,500, the Administrator will retain the remainder in the Net Settlement Amount.
- d. LWDA and Aggrieved Employees. PAGA Penalties of \$15,000 to be paid from the Gross Settlement Amount, seventy-five percent (75%) of which (\$11,250) will be allocated to the LWDA as the LWDA PAGA Payment and twenty-five percent (25%) of which (\$3,750) will be allocated to the Aggrieved Employees as their Individual PAGA Payments.
 - i. An Individual PAGA Payment is calculated by: (a) dividing the amount of the Aggrieved Employees' twenty-five percent (25%) share of PAGA Penalties (\$3,750) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. In addition, the Administrator will report the Individual PAGA Payments on IRS Form 1099.
- e. Participating Class Members. An Individual Class Payment is 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 during the Class Period.
 - i. Hundred percent (100%) of Individual Class Payment will be allocated to the settlement of claims for interest and penalties ("Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS Form 1099. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments.
 - ii. 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.

D. SETTLEMENT FUNDING AND PAYMENTS.

1. Workweeks and PAGA Pay Periods. Based on a review of its records to date, Defendants estimate there are approximately 150 Class Members who worked a total of 12,000 Workweeks, and 75 Aggrieved Employees who worked a total of 4,500 PAGA Pay Periods.
2. Funding of Gross Settlement Amount. Defendants shall fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than the Effective Date.
3. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendants fully funds the Gross Settlement Amount , the Administrator will mail checks for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, Administration Expenses Payment, Individual Class Payments, Individual PAGA Payments, and LWDA PAGA Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - a. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via first-class United States Postal Service (“USPS”) mail, postage prepaid. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments and Individual PAGA Payments to all Participating Class Members and Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees, respectively (including those for whom Class Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients’ mailing addresses using the NCOA.
 - b. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator will remail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator shall send a replacement check to any Class Member whose original check was lost or misplaced if requested by the Class Member prior to the void date.
 - c. For any Class Member whose check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the Alliance for Children’s Rights, a recognized *cy pres*, in the name of the Class Member, thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subdivision (b).
 - d. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants 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 Settlement.

E. RELEASES OF CLAIMS. Upon the Court's final approval of the settlement, subject to the Court's continuing jurisdiction to monitor compliance by Defendants with settlement terms, Plaintiff, Class Members (except those who opt out), and Class Counsel will release claims against all Released Parties as follows:

1. Plaintiffs' Release. Plaintiffs and their former and present family members, executors, administrators, successors, attorneys, agents, representatives, heirs, administrators, successors, and assigns, fully and forever releases and discharges the Released Parties of and from any and all claims, demands, causes of action, charges and grievances, of whatever kind or nature, state or federal, whether known or unknown, suspected or unsuspected that Plaintiffs now own or hold or have at any time before this date owned or held against the Released Parties ("Plaintiffs' Release").
 - a. Plaintiffs Release includes, but is not limited to, claims arising under the Labor Code, IWC Wage Orders, any and all claims that arose out of or are in any way connected with Plaintiffs' employment with or work for Released Parties or Plaintiffs' separation from Released Parties and that are related to or pertain to any law which arose out of or are in any way connected with any transactions, occurrences, acts, omissions, loss, damage, or injury whatsoever resulting from any act committed or omission made prior to the date of this Agreement.
 - b. Plaintiffs' Release includes any other claims arising under any other statute, ordinance, rule, regulation, and all other claims, charges, damages, losses, demands and causes of action of any kind whatsoever, fixed or contingent, and whether known or unknown, suspected or unsuspected, which Plaintiffs now own or hold or have at any time before the date of this Agreement have owned or held against the Released Parties.
 - c. 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. Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law Plaintiffs now know or believe to be true but agree that Plaintiffs' Release shall remain effective in all respects, notwithstanding such different or additional facts or discovery of them.
 - d. Plaintiffs expressly waive and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the 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.

2. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs,

administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and/or ascertained in the course of the Action, including claims for (1) meal period violations, (2) rest period violations, (3) waiting time penalties, and (4) unfair/unlawful business practices. This further includes any and all other claims under California common law, the California Labor Code, the Fair Labor Standards Act, California Industrial Welfare Commission Wage Orders, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the action. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

3. Release by Aggrieved Employees. Upon the Court's approval of the settlement, subject to the Court's continuing jurisdiction to monitor compliance by Defendants with settlement terms, Plaintiff, State of California and all Aggrieved Employees, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will release and become forever be barred from seeking civil penalties against Released Parties for any and all PAGA claims that were alleged, or that could have been alleged, based on the facts contained in the Operative Complaint and PAGA Notice and that occurred during the PAGA Period.

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

1. Plaintiffs' Responsibilities. Plaintiffs will move for an order: (a) conditionally certifying the Class for settlement purposes only; (b) seeking Preliminary Approval of the Settlement; (c) setting a date for the Final Approval Hearing; and (d) approving the Class Notice.
 - a. Before or at the Preliminary Approval Hearing, Plaintiffs will submit an order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Administrator; approving the Class Notice; and setting the Final Approval Hearing.
 - b. The amounts of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding. The Court's approval or denial of any amount requested for these items are not material conditions of this Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Agreement. Any order or proceeding relating to an application for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment shall not operate to terminate or cancel this Agreement.
 - c. If the Court declines to conditionally certify the Class or to Preliminarily Approve all material aspects of the Agreement with prejudice, the Agreement will be null and void, and the Parties will have no further obligations under the Agreement.

- d. Defendants agree that they will not oppose the Motion for Preliminary Approval of the Settlement Agreement so long as the motion is consistent with the terms of the Settlement Agreement.
2. Responsibilities of Counsel. Class Counsel are responsible for: (a) expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; (b) obtaining a prompt hearing date for the Motion for Preliminary Approval; and (c) appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel are responsible for delivering the Court's Preliminary Approval to the Administrator.
3. Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Settlement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone or email, and in good faith, to modify the Settlement and otherwise satisfy the Court's concerns.

G. SETTLEMENT ADMINISTRATION.

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, the Administrator 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 Payment. The Parties and their counsel represent they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
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 to state and federal tax authorities.
3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.
4. Notice to Class Members.
 - a. No later than fourteen (14) calendar days after service on Defense Counsel of the Court's order in connection with grant of Preliminary Approval of the Settlement, Defendants 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 to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers the Class Data omitted Class Members' identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which

Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- b. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.
- c. Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data the Class Notice via first-class USPS mail.
- d. No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and remail the Class Notice to the most current address obtained.
- e. If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe that they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone or email, and in good faith, to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement no later than fourteen (14) calendar days after receipt of Class Notice or deadline dates in the Class Notice, whichever date is later.

5. Requests for Exclusion.

- a. Class Members who wish to exclude themselves from the Class portion of the Settlement must send the Administrator by fax, email, or mail a signed written Request for Exclusion no later than the Response Deadline. Consistent with PAGA, there shall be no right to opt out of the PAGA portion of this settlement.
- b. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's: (i) full name; (ii) present address; (iii) email address or telephone number; and (iv) simple statement electing to be excluded from the Settlement. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- c. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably

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

- d. 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 releases under Section E.2. and Section E.3. of this Agreement regardless of whether they receive the Class Notice or object to the Settlement.
- e. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Section E.3. of this Agreement and are eligible for an Individual PAGA Payment.
- f. Notwithstanding any other provision, Defendants have the right, in the exercise of its sole discretion, to nullify the settlement if five percent (5%) or more of Class Members make a valid request to be excluded from the class settlement.

6. Challenges to Calculation of Workweeks and PAGA Pay Periods.

- a. Each Class Member shall have until the Response Deadline to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice.
- b. The Class Member may challenge the allocation of Workweeks and PAGA Pay Periods (if any) by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and PAGA 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 PAGA Pay Periods shall be final and not appealable or susceptible to challenge.
- c. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and PAGA Pay Periods to Defense Counsel and Class Counsel along with the Administrator's determination of the challenges.

7. Objections to Settlement.

- a. A Participating Class Member who elects to send a written objection to the

Administrator must do so no later than the Response Deadline.

- b. Participating Class Members may send signed written objections to the Administrator by fax, email, or mail. The written objection must: (i) indicate what the Class Member is objecting to; (ii) explain why the Class Member is objecting; (iii) include any fact that support the objection; and (iv) include the Class Member's full name, present address, and email address or telephone number.
 - c. Only Participating Class Members may object to the class action components of the Settlement and/or this Settlement Agreement, including contesting the fairness of the Settlement Agreement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payments.
 - d. Participating Class Members may choose to appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
8. Administrator's 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.
- a. The Administrator will establish and maintain and use a website to post information of interest to Class Members. This information includes the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary Approval, Class Notice, Motion for Final Approval, Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments, Final Approval, and Judgment. The Administrator will also maintain and monitor an email address and toll-free telephone number to receive Class Member calls, faxes, and emails.
 - b. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: (i) Class Notices mailed or remailed; (ii) Class Notices returned undelivered; (iii) Requests for Exclusion (whether valid or invalid) received; (iv) objections received; and (v) challenges to Workweeks and/or PAGA Pay Periods received and/or resolved ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion.
 - c. The Administrator has the authority to address and make final decisions consistent with the terms of this Settlement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge. The Administrator will also promptly review on a rolling basis the Requests for Exclusion to ascertain their validity.
 - d. No later than sixteen (16) court 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: (i) mailing of Class

Notice; (ii) Class Notices returned as undelivered; (iii) remailing of Class Notices; (iv) attempts to locate Class Members; (v) total number of Requests for Exclusion received (both valid or invalid); and (vi) total number of written objections received. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel are responsible for filing the Administrator's declaration(s) in Court.

- e. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar 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 are responsible for filing the Administrator's declaration in Court.

H. ESCALATOR CLAUSE. If it is determined that the number of Workweeks through the Class Period exceeds ten percent (10%) or more of 12,000 (*i.e.*, more than 13,200 Workweeks), then, at Defendants' option, either the: (1) Gross Settlement Amount shall increase proportionally over the ten percent (10%) increase (*i.e.*, if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%); or (2) reduce the Class Period to the date that the number of Workweeks reaches, but does not exceed, 13,200.

I. MOTION FOR FINAL APPROVAL. No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiffs will file a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement, Final Approval Order, and Judgment.

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.
2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and/or Administration Expenses Payment shall not constitute a material modification to the Settlement within the meaning of this section. If the Court does not grant Final Approval of the Agreement, or if the Court's Final Approval is reversed or materially modified on appellate review, then the Parties will make a good faith effort to revise the terms of the Agreement. If that process fails, the settlement will be null and void. In such event, the Parties reserve their rights with respect to the prosecution and defense of the Action. Any disputes arising out of or relating to this Agreement will be submitted to the mediator for resolution. The Parties will split the costs of the mediator for any such time incurred by the mediator in reaching such resolution, and the Parties will bear their own attorneys' fees and other costs incurred.

3. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their counsel, and all Participating Class Members who did not object to the Settlement as provided in this Settlement, 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 Settlement 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.
4. 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, this Agreement shall be null and void. The Parties shall expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing any additional settlement administration costs reasonably incurred after remittitur on a 50-50 basis. An appellate decision to vacate, reverse, or modify the Court's award of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative Service Payments shall not constitute a material modification of the Judgment within the meaning of this section if the Gross Settlement Amount remains unchanged.
5. Continuing Jurisdiction of the Court. The Parties agree that after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and Settlement solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.

J. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together to jointly submit an amended judgment.

K. ADDITIONAL PROVISIONS.

1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted. Moreover, nothing in this Agreement should be intended or construed as an admission by Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Agreement only. If the Court does not grant Preliminary Approval or Final Approval, or enter Judgment, Defendants reserve the right to contest certification of any class for any reason, Defendants reserve 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 Defendants' defenses. This Agreement and the Parties' willingness to settle will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate this Agreement).
2. Confidentiality Prior to Preliminary Approval. Until the Motion for Preliminary Approval is filed, Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree that

they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (a) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (b) to counsel in a related matter; (c) to the extent necessary to report income to appropriate taxing authorities; (d) in response to a court order or subpoena; or (e) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to notify the other of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with a third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This section does not restrict Class Counsel's communication with Class Members in accordance with Class Counsel's ethical obligations owed to the Class.

3. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) calendar days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.
4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement Agreement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. If the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement Agreement, or on any modification of the Settlement Agreement that may become necessary to implement the Settlement Agreement, the Parties will seek the assistance of the mediator and/or the Court for resolution.
5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent they are authorized by Plaintiffs and Defendants 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.
6. No Solicitation. The Parties separately agree that they and their 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 section shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to the Class.

7. No Prior Assignments. The Parties separately represent and warrant 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.
8. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
9. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
10. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. If 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.
11. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis the Party was the drafter or participated in the drafting.
13. Applicable Law. All terms and conditions of this Agreement and its exhibit will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
14. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement. No party shall issue any press release or otherwise publicize the settlement except: (a) to the extent required with the court-approval processes; (b) any reporting, accounting, or other obligation Defendants have as part of their normal course of business
15. Headings. The descriptive heading of any section of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
16. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
17. 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 U.S. mail, or the day sent by email or messenger, addressed

To Plaintiffs: Matthew A. Haulk

Jose M. Herrera
Haulk & Herrera LLP
100 Pine Street, Suite 1250
San Francisco, CA 94111
(Tel) (415) 745-3219
(Fax) (415) 745-3301
mhaulk@hhemploymentlaw.com
jherrera@hhemploymentlaw.com

To Defendants: S. Calvin Myung, Esq.
LAW OFFICES OF S. CALVIN MYUNG
3700 Wilshire Boulevard, Suite 500,
Los Angeles, California 90010
Telephone: (213) 382-3600
scalvinmyunglaw@gmail.com

18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., 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.

[Signatures on following page]

ACCEPTED AND AGREED:

Dated: 02 / 25 / 2026



Geordyn Balcarcel Reyes, Plaintiff

Dated: 02 / 25 / 2026



Bryan Valle, Plaintiff

Dated:

By:
Its:
On Behalf of and an Authorized
Representative of Shopirisbasic Los Angeles
Corp.

Dated:

By:
Its:
On Behalf of and an Authorized
Representative of OFE USA Corp.

Dated:

By:
Its:
On Behalf of and an Authorized
Representative of Ecomm Plus USA, Inc.

Dated:

By:
Its:
On Behalf of and an Authorized
Representative of Shopirisbasic, Inc.

Dated:

Young Kim, Defendant

Dated:

Kil Ho, Defendant

Dated:

Ian, Kim, Defendant

ACCEPTED AND AGREED:

Dated: _____

Geordyn Balcarcel Reyes, Plaintiff

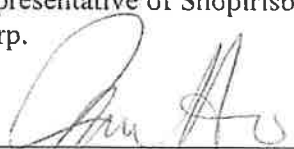
Dated: _____

Bryan Valle, Plaintiff

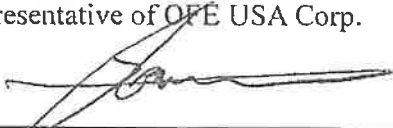
Dated: _____

By:  Young Kim
Its:
On Behalf of and an Authorized
Representative of Shopirisbasic Los Angeles
Corp.

Dated: _____

By:  Kil Ho
Its:
On Behalf of and an Authorized
Representative of OFE USA Corp.

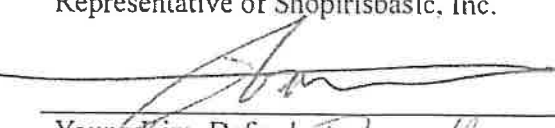
Dated: _____

By:  Young Kim
Its:
On Behalf of and an Authorized
Representative of Ecomm Plus USA, Inc.

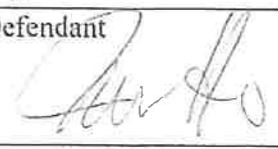
Dated: _____

By:  Young Kim
Its:
On Behalf of and an Authorized
Representative of Shopirisbasic, Inc.

Dated: _____


Young Kim, Defendant

Dated: _____


Kil Ho, Defendant

Dated: _____

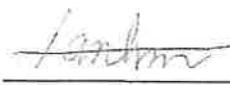

Ian, Kim, Defendant

EXHIBIT A

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

Geordyn Balcarcel Reyes and Brayan Valle v. Shopirisbasic Los Angeles Corp., et al., Los Angeles Superior Court Case 23STCV29972.

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Shopirisbasic Los Angeles Corp., Ecomm Plus USA, Inc., Shopirisbasic, Inc., and OFE USA Corp., (“Defendants”) for alleged wage and hour violations. The Action was filed by former employees of Defendants, Geordyn Balcarcel Reyes and Brayan Valle (“Plaintiffs”), and seeks payment of (1) wages, statutory penalties, and other relief for alleged wage-and-hour violations for all individuals who are or were employed as a non-exempt employee in the State of California who worked for Defendants at any time from December 7, 2019 through September 15, 2025 (“Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all individuals who are or were employed as a non-exempt employee in the State of California who worked for Defendants at any time during the period of January 9, 2023, through September 15, 2025 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendants to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

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

The above estimates are based on Defendants’ records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ pay periods** during the PAGA Period. If you believe that you worked more workweeks or pay periods during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendants that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written and signed Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.
The Opt-out Deadline is	
	You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below), regardless of whether they opt-out of the Class Settlement.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel, but every dollar paid to Class Counsel reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on . You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by 	The amount of your Individual Class Payment and PAGA Payment (if any) depends on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendants’ records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by . See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former employees of Defendants. The Action accuses Defendants of violating the California Labor Code for failure to provide legally-compliant meal and rest breaks and failure to pay premium pay for missed, late, interrupted or short meal and rest breaks; failure to maintain and furnish accurate itemized wage statements, and failure to provide timely final pay. Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) (“PAGA”) based on the same alleged violations. Plaintiffs are represented by attorneys in the Action: Haulk & Herrera LLP (“Class Counsel.”). Defendants strongly deny violating any laws or failing to pay any wages and contend that it complied with all applicable laws. Defendants also deny this case is appropriate for class and/or representative treatment.

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

So far, the Court has made no determination whether Defendants or Plaintiffs are correct on the merits, and Defendants deny the legitimacy of Plaintiffs’ claims. In the meantime, Plaintiffs and Defendants hired an experienced, neutral mediator, Arthur Eidelhoch, in an effort to resolve the

Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiffs and Defendants have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merit of any claims.

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

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

1. Defendants Will Pay \$150,000 as the Gross Settlement Amount (Gross Settlement). Defendants have agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorneys’ fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendants will fund the Gross Settlement on the Effective Date. “Effective Date” means the later of the following dates: (a) if no objection to the settlement is made, then no later than twenty-one (21) calendar days after service on Defense Counsel of the Court’s order in connection with Final Approval; (b) if an objection is made but no appeal filed, then no later than twenty-one (21) calendar days after the running of the appeal period; or (c) if an appeal is filed, then no later than twenty-one (21) calendar days after the final judgment becomes final and is no longer subject to appeal.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to 35% of the Gross Settlement to Class Counsel for attorneys’ fees and up to \$12,500.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 to the Administrator for services administering the Settlement.
 - C. Up to \$15,000.00 to Plaintiff Geordyn Balcarcel Reyes and up to \$10,000 to Plaintiff Brayan Valle as Class Representative Awards for filing the Action, working with Class Counsel and representing the Class.

- D. Up to \$15,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. 100% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for interest and penalties. The Individual Class Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be irrevocably lost to you because they will be paid to what is referred to as a “Cy Pres Beneficiary”. The proposed Cy Pres Beneficiary is a non-profit organization, Alliance for Children’s Rights located at 4525 Wilshire Blvd #150, Los Angeles, CA 90010. The Cy Pres Beneficiary is subject to court approval.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you submit a written and signed Request for Exclusion to the Administrator notifying that you wish to opt-out, not later than _____. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class

Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage claims against Defendants.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendants based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members and Aggrieved Employees will not release any claims against Defendants.
8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks and Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendants have fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against Defendants or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement..

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and/or ascertained in the course of the Action, including claims for (1) meal period violations, (2) rest period violations, (3) waiting time penalties, and (4) unfair/unlawful business practices. This further includes any and all other claims under California common law, the California Labor Code, the Fair Labor Standards Act, California Industrial Welfare Commission Wage Orders, and the California Business and Professions Code alleged in or that could have been alleged under the facts, allegations and/or claims pleaded in the action. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

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

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

Upon the Court's approval of the settlement, subject to the Court's continuing jurisdiction to monitor compliance by Defendants with settlement terms, Plaintiff, State of California and all Aggrieved Employees, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, will release and become forever be barred from seeking civil penalties against Released Parties for any and all PAGA claims that were alleged, or that could have been alleged, based on the facts contained in the Operative Complaint and PAGA Notice and that occurred during the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$3,750 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked

during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Workweeks and/or Pay Periods based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendants' Counsel. The Administrator's decision is final. You cannot appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

Your Individual Class Payment and Individual PAGA Payment, if any, will be paid by the Administrator within 14 days after Defendants funds the Settlement Fund, provided that the Court's Judgment has become final.

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

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

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

Submit a written and signed letter to the Administrator with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. Be sure to personally sign your request, identify the Action as *Geordyn Balcarcel Reyes and Brayan Valle v. Shopirisbasic Los Angeles Corp., et al.*, Los Angeles Superior Court Case No. 23STCV29972, and include the requested identifying information (e.g., full name, address, and email address for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **You must send your request to be excluded to the Administrator**

by _____(if mailed, postmarked by this date), or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendants are asking the Court to approve. At least 16 court days before the _____Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees and Litigation Expenses stating the amount Class Counsel is requesting for attorneys' fees and litigation expenses. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website <https://www.ilymgroup.com/cases> or the Court's website <https://www.lacourt.org/casesummary/ui/>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees and Litigation Expenses may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action as *Geordyn Balcarcel Reyes and Brayan Valle v. Shopirisbasic Los Angeles Corp., et al.*, Los Angeles Superior Court Case No. 23STCV29972 and include your name, current address, telephone number and approximate dates of employment for Defendants and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on _____at _____in Department 14 of Los Angeles County Superior Court, located at 111 N Hill St, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend, at your own expense). Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the ILYM Group, Inc. website at <https://www.ilymgroup.com/cases>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://www.lacourt.org/casesummary/ui/>) and entering the Case Number for the Action, Case No. 23STCV29972.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

Class Counsel:

Name of Attorney: Matthew Haulk and Jose Herrera
Email Address: mhaulk@hhemploymentlaw.com and jherrera@hhemploymentlaw.com
Name of Firm: Haulk & Herrera LLP
Mailing Address: 100 Pine Street, Suite 1250, San Francisco, CA 94111
Telephone: (415) 745-3219

Settlement Administrator:

Name of Company: ILYM Group, Inc
Email Address: lisa@ilymgroup.com
Mailing Address: 14751 Plaza Dr., Ste J | Tustin, CA 92780
Telephone: (714) 277-3889
Fax Number: (888) 845-6185

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.