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14 Inc.

15
 16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 17 **FOR THE COUNTY OF LOS ANGELES**

18 VICTOR QUIROZ, individually, and on behalf
19 of all others similarly situated,

20 Plaintiff,

21 vs.
22

23 WENTWOOD COMPANIES, INC., a Texas
24 corporation; and DOES 1 through 10, inclusive,

25 Defendants
26

Case No.: 21STCV42830

CLASS ACTION

[Hon. Yvette M. Palazuelos Dept. 9]

**CLASS ACTION AND PRIVATE
ATTORNEYS GENERAL ACT ACTION
SETTLEMENT AGREEMENT AND
CLASS NOTICE**

Complaint filed: November 19, 2021
Trial date: Not set

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

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Victor Quiroz, individually and on behalf of all others similarly situated (“Plaintiff”), and defendant Wentwood Companies, Inc. (“WCI”). The Agreement refers to Plaintiff and WCI collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against WCI captioned *Victor Quiroz, et al. v. Wentwood Companies, Inc., et al.* initiated on November 19, 2021 and pending in Superior Court of the State of California, County of Los Angeles.

1.2 “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 “Aggrieved Employee” means a person employed by WCI in California and classified as a past or present non-exempt, hourly-paid employee of WCI who worked in California during the PAGA Period.

1.5 “Class” means all hourly-paid, non-exempt persons who have been employed by WCI in California during the Class Period.

1.6 “Class Counsel” means Kane Moon, Esq., Allen Feghali, Esq., Julie Oh, Esq., Moon Law Group, PC, 1055 W. Seventh St., Suite 1880, Los Angeles, California 90017.

1.7 “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.

1.8 “Class Data” means Class Member identifying information in WCI’s

1 possession including the Class Member’s name, last-known mailing address, Social Security
2 number, and number of Class Period Workweeks and PAGA Pay Periods.

3 1.9 “Class Member” or “Settlement Class Member” means a member of the
4 Class, as either a Participating Class Member or Non-Participating Class Member (including a
5 Non-Participating Class Member who qualifies as an Aggrieved Employee).

6 1.10 “Class Member Address Search” means the Administrator’s investigation
7 and search for current Class Member mailing addresses using all reasonably available sources,
8 methods and means including, but not limited to, the National Change of Address database, skip
9 traces, and direct contact by the Administrator with Class Members.

10 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS
11 ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
12 mailed to Class Members in English [with a Spanish translation, if applicable] in the form, without
13 material variation, attached as Exhibit A and incorporated by reference into this Agreement.

14 1.12 “Class Period” means the period from November 19, 2017 to the date on
15 which Preliminary Approval is granted.

16 1.13 “Class Representative” means the named Plaintiff in the operative complaint
17 in the Action seeking Court approval to serve as a Class Representative.

18 1.14 “Class Representative Service Payment” means the payment to the Class
19 Representative for initiating the Action and providing services in support of the Action.

20 1.15 “Court” means the Superior Court of California, County of Los Angeles.

21 1.16 “WCI” means named Defendant Wentwood Companies, Inc.

22 1.17 “Defense Counsel” means Kelly Scott, Esq., Jared Slater, Esq., and Ervin
23 Cohen Jessup, LLC, 9401 Wilshire Blvd., Beverly Hills, California, 12th Floor, 90212.

24 1.18 “Effective Date” means the date by when both of the following have
25 occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement;
26 and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences:
27 (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment;
28 (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline

1 for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the
2 day after the appellate court affirms the Judgment and issues a remittitur.

3 1.19 “Final Approval” means the Court’s order granting final approval of the
4 Settlement.

5 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final
6 Approval of the Settlement.

7 1.21 “Final Judgment” means the Judgment Entered by the Court upon Granting
8 Final Approval of the Settlement.

9 1.22 “Gross Settlement Amount” means Ninety Thousand Dollars and Zero Cents
10 (\$90,000.00) which is the total amount WCI agrees to pay under the Settlement except as provided
11 in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class
12 Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class
13 Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.

14 1.23 “Individual Class Payment” means the Participating Class Member’s pro
15 rata share of the Net Settlement Amount calculated according to the number of Workweeks worked
16 during the Class Period.

17 1.24 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata
18 share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked
19 during the PAGA Period.

20 1.25 “Judgment” means the judgment entered by the Court based upon the Final
21 Approval.

22 1.26 “LWDA” means the California Labor and Workforce Development Agency,
23 the agency entitled, under Labor Code section 2699, subd. (i).

24 1.27 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the
25 LWDA under Labor Code section 2699, subd. (i).

26 1.28 “Net Settlement Amount” means the Gross Settlement Amount, less the
27 following payments in the amounts approved by the Court: Individual PAGA Payments, the
28 LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment,

1 Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The
2 remainder is to be paid to Participating Class Members as Individual Class Payments.

3 1.29 “Non-Participating Class Member” means any Class Member who opts out
4 of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

5 1.30 “PAGA Pay Period” means any Pay Period during which an Aggrieved
6 Employee worked for WCI for at least one day during the PAGA Period.

7 1.31 “PAGA Period” means the period from November 11, 2020 to the date on
8 which Preliminary Approval is granted.

9 1.32 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et
10 seq.).

11 1.33 “PAGA Notice” means Plaintiff’s November 11, 2021 letter to WCI and the
12 LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

13 1.34 “PAGA Penalties” means the total amount of PAGA civil penalties to be
14 paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,000.00)
15 and the 75% to LWDA (\$6,000.00) in settlement of PAGA claims.

16 1.35 “Participating Class Member” means a Class Member who does not submit a
17 valid and timely Request for Exclusion from the Settlement.

18 1.36 “Plaintiff” means Victor Quiroz, the named plaintiff in the Action.

19 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary
20 Approval of the Settlement.

21 1.38 “Preliminary Approval Order” means the proposed Order Granting
22 Preliminary Approval and Approval of PAGA Settlement.

23 1.39 “Released Class Claims” means the claims being released as described in
24 Paragraph 6.2 below.

25 1.40 “Released PAGA Claims” means the claims being released as described in
26 Paragraph 6.2 below.

27 1.41 “Released Parties” means: WCI and each of its former and present directors,
28 officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns,

1 subsidiaries, and affiliates.

2 1.42 “Request for Exclusion” means a Class Member’s submission of a written
3 request to be excluded from the Class Settlement signed by the Class Member.

4 1.43 “Response Deadline” means 60 days after the Administrator mails Notice to
5 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
6 may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail
7 his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after
8 having been returned undeliverable to the Administrator shall have an additional 14 calendar days
9 beyond the Response Deadline has expired.

10 1.44 “Settlement” means the disposition of the Action effected by this Agreement
11 and the Judgment.

12 1.45 “Workweek” means any week during which a Class Member worked for
13 WCI for at least one day, during the Class Period.

14 2. RECITALS.

15 2.1 On November 19, 2021, Plaintiff commenced this Action by filing a
16 Complaint alleging causes of action against WCI for (1) failure to pay minimum wages; (2) failure
17 to pay overtime compensation; (3) failure to provide meal periods; failure to authorize and permit
18 rest breaks; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final
19 wages at termination; (7) failure to provide accurate itemized wage statements; and (8) unfair
20 business practices. On February 9, 2022, Plaintiff filed a First Amended Complaint alleging causes
21 of action against WCI for (1) failure to pay minimum wages; (2) failure to pay overtime
22 compensation; (3) failure to provide meal periods; failure to authorize and permit rest breaks; (5)
23 failure to indemnify necessary business expenses; (6) failure to timely pay final wages at
24 termination; (7) failure to provide accurate itemized wage statements; (8) unfair business practices;
25 and (9) civil penalties under the Private Attorneys General Act. The First Amended Complaint is
26 the operative complaint in the Action (the “Operative Complaint.”) WCI denies the allegations in
27 the Operative Complaint, denies any failure to comply with the laws identified in in the Operative
28 Complaint and denies any and all liability for the causes of action alleged.

1 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely
2 written notice to WCI and the LWDA by sending the PAGA Notice.

3 2.3 In or around April 2022, WCI informally provided to Plaintiff’s counsel a
4 complete set of putative class time records and paystubs, in addition to all relevant employment
5 policies. From April 2022 to approximately June 2022, the parties reviewed and analyzed the time
6 records and paystubs of all then-current putative class members. From approximately June 2022 to
7 December 2022, the parties engaged in settlement negotiations via e-mail and telephone
8 conferences, which led to this Agreement to settle the Action.

9 2.4 Prior to mediation negotiating the Settlement, Plaintiff obtained,
10 through formal informal discovery, a list of the putative class members, identified by
11 employee ID numbers, which contained employment dates for each employee, the number of class
12 workweeks, including PAGA workweeks, a complete set of then-current putative class members’
13 time records, paystubs, and an expert’s report analyzing this information. Plaintiff’s investigation
14 was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*
15 (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
16 116, 129-130 (“*Dunk/Kullar*”).

17 2.5 The Court has has not granted class certification.

18 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not
19 aware of any other pending matter or action asserting claims that will be extinguished or affected
20 by the Settlement.

21 **3. MONETARY TERMS.**

22 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9
23 below, WCI promises to pay Ninety Thousand Dollars and Zero Cents (\$90,000.00) and no more
24 as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on
25 the Wage Portions of the Individual Class Payments. WCI has no obligation to pay the Gross
26 Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 6.1 of this
27 Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or
28 requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition

1 of payment. None of the Gross Settlement Amount will revert to WCI.

2 3.2 Payments from the Gross Settlement Amount. The Administrator will make
3 and deduct the following payments from the Gross Settlement Amount, in the amounts specified by
4 the Court in the Final Approval:

5 3.2.1 To Plaintiff: Class Representative Service Payment to the Class
6 Representative of not more than \$7,500.00 (in addition to any Individual Class Payment and any
7 Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class
8 Member). WCI will not oppose Plaintiff's request for a Class Representative Service Payment that
9 does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class
10 Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative
11 Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court
12 approves a Class Representative Service Payment less than the amount requested, the
13 Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay
14 the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full
15 responsibility and liability for employee taxes owed on the Class Representative Service Payment.

16 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than
17 33 1/3%, which is currently estimated to be \$30,000.00 and a Class Counsel Litigation Expenses
18 Payment of not more than \$4,000.00. WCI will not oppose requests for these payments provided
19 that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class
20 Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to
21 the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class
22 Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will
23 allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to
24 Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class
25 Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will
26 pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS
27 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class
28 Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds WCI

1 harmless, and indemnifies WCI, from any dispute or controversy regarding any division or sharing
2 of any of these Payments.

3 3.2.3 To the Administrator: An Administrator Expenses Payment not to
4 exceed \$6,000.00 except for a showing of good cause and as approved by the Court. To the extent
5 the Administration Expenses are less or the Court approves payment less than \$6,000.00, the
6 Administrator will retain the remainder in the Net Settlement Amount.

7 3.2.4 To Each Participating Class Member: An Individual Class Payment
8 calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
9 by all Participating Class Members during the Class Period and (b) multiplying the result by each
10 Participating Class Member's Workweeks.

11 3.2.4.1 Tax Allocation of Individual Class Payments. 15% of each
12 Participating Class Member's Individual Class Payment will be allocated to settlement of wage
13 claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be
14 reported on an IRS W-2 Form. The 85% of each Participating Class Member's Individual Class
15 Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage
16 Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on
17 IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any
18 employee taxes owed on their Individual Class Payment.

19 3.2.4.2 Effect of Non-Participating Class Members on Calculation of
20 Individual Class Payments. Non-Participating Class Members will not receive any Individual Class
21 Payments. The Administrator will retain amounts equal to their Individual Class Payments in the
22 Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

23 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the
24 amount of \$8,000.00 to be paid from the Gross Settlement Amount, with 75% (\$6,000.00)
25 allocated to the LWDA PAGA Payment and 25% (\$2,000.00) allocated to the Individual PAGA
26 Payments.

27 3.2.5.1 The Administrator will calculate each Individual PAGA
28 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties

1 \$2,000.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees
2 during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA
3 Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes
4 owed on their Individual PAGA Payment.

5 3.2.5.2 If the Court approves PAGA Penalties of less than the
6 amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.
7 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

8 4. SETTLEMENT FUNDING AND PAYMENTS.

9 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review
10 of its records to date, WCI estimates there are seventeen (17) Class Members who collectively
11 worked a total of 1,507 Workweeks, and fourteen (14) Aggrieved Employees who worked a total
12 400 PAGA Pay Periods.

13 4.2 Class Data. Not later than 15 days after the Court grants Preliminary
14 Approval of the Settlement, WCI will simultaneously deliver the Class Data to the Administrator,
15 in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
16 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of
17 this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
18 employees who need access to the Class Data to effect and perform under this Agreement. WCI
19 has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data
20 omitted class member identifying information and to provide corrected or updated Class Data as
21 soon as reasonably feasible. Without any extension of the deadline by which WCI must send the
22 Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in
23 good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

24 4.3 Funding of Gross Settlement Amount. WCI shall fully fund the Gross
25 Settlement Amount, and also fund the amounts necessary to fully pay WCI's share of payroll taxes
26 by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

27 4.4 Payments from the Gross Settlement Amount. Within 14 days after WCI
28 funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class

1 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
2 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
3 Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees
4 Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service
5 Payment shall not precede disbursement of Individual Class Payments and Individual PAGA
6 Payments.

7 4.4.1 The Administrator will issue checks for the Individual Class
8 Payments and/or Individual PAGA Payments and send them to the Class Members via First Class
9 U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than
10 180 days after the date of mailing) when the check will be voided. The Administrator will cancel
11 all checks not cashed by the void date. The Administrator will send checks for Individual
12 Settlement Payments to all Participating Class Members (including those for whom Class Notice
13 was returned undelivered). The Administrator will send checks for Individual PAGA Payments to
14 all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
15 Employees (including those for whom Class Notice was returned undelivered). The Administrator
16 may send Participating Class Members a single check combining the Individual Class Payment and
17 the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must
18 update the recipients' mailing addresses using the National Change of Address Database.

19 4.4.2 The Administrator must conduct a Class Member Address Search for
20 all other Class Members whose checks are returned undelivered without USPS forwarding address.
21 Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS
22 forwarding address provided or to an address ascertained through the Class Member Address
23 Search. The Administrator need not take further steps to deliver checks to Class Members whose
24 re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement
25 check to any Class Member whose original check was lost or misplaced, requested by the Class
26 Member prior to the void date.

27 4.4.3 For any Class Member whose Individual Class Payment check or
28 Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator

1 shall transmit the funds represented by such checks [to the California Controller’s Unclaimed
2 Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to the
3 requirements of California Code of Civil Procedure Section 384, subd. (b).]

4 4.4.4 The payment of Individual Class Payments and Individual PAGA
5 Payments shall not obligate WCI to confer any additional benefits or make any additional
6 payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in
7 this Agreement.

8 5. [Reserved]

9 6. **RELEASES OF CLAIMS.** Effective on the date when WCI fully funds the entire
10 Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the
11 Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against
12 all Released Parties as follows:

13 6.1 Plaintiff’s Release. Plaintiff and his or her respective former and present
14 spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally,
15 release and discharge Released Parties from all claims, transactions, or occurrences that occurred
16 during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could
17 have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA
18 claims that were, or reasonably could have been, alleged based on facts contained in the Operative
19 Complaint, Plaintiff’s PAGA Notice, or ascertained during the Action and released under 6.2,
20 below. (“Plaintiff’s Release.”) Plaintiff’s Release does not extend to any claims or actions to
21 enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
22 benefits, social security benefits, workers’ compensation benefits that arose at any time, or based
23 on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or
24 law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true
25 but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects,
26 notwithstanding such different or additional facts or Plaintiff’s discovery of them.

27 6.1.1 Plaintiff’s Waiver of Rights Under California Civil Code Section
28 1542. For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the

1 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

6 6.2 Release by Participating Class Members Who Are Not Aggrieved

7 Employees: All Participating Class Members, on behalf of themselves and their respective former
8 and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release
9 Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based
10 on the Class Period facts stated in the Operative Complaint and ascertained in the course of the
11 Action, including, all statutes/ordinances referenced in the Operative Complaint and corresponding
12 provisions of the California Industrial Welfare Commission Wage Orders and the California Code
13 of Regulations, including but not limited to (1) the California Code of Regulations, Title 8, § 11050,
14 (2) Labor Code Sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510, 512, 558, 1174, 1174.5,
15 1194, 1194.2, 1198, 2802, and 2698 *et seq.*, as related to the above claims; (3) the Fair Labor
16 Standards Act, 29 U.S.C. § 201 *et seq.*, Participating Class Members who negotiate or otherwise
17 deposit their Settlement Payment Check will be deemed to have opted into the Action for purposes
18 of the Fair Labor Standards Act (“FLSA”) and as to those Class Members, they expressly waive
19 and release any FLSA claims arising during the Class Period and reasonably related to the claims
20 and allegations in the Operative Complaint. This release excludes the release of claims not
21 permitted by law. The following language will be printed on the reverse of each Settlement
22 Payment Check, or words to this effect: “By endorsing or otherwise negotiating this check, I
23 acknowledge that I read, understood, and agree to the terms set forth in the Notice of Class Action
24 Settlement and I consent to join in the FLSA portion of the Action, elect to participate in the
25 settlement of the FLSA claims, and agree to release all of my FLSA claims that are covered by the
26 Settlement,” and (4) all related federal, state or local statutes, common law, ordinances,
27 regulations, or provisions relating to the facts and claims in the Action, including claims for
28 continuing wages, failure to pay wages, failure to pay wages in a timely manner, failure to pay

1 minimum wages, failure to pay overtime, failure to provide allegedly required wage statements,
2 failure to provide meal or rest breaks, liquidated damages, civil penalties, premium wages, claims
3 for injunctive relief and restitution under California Business & Professions Code § 17200, interest,
4 costs and attorneys' fees, including Labor Code Sections 218.5 and 218.6, Code of Civil Procedure
5 Section 1021.5 and Civil Code Section 3287. Except as set forth in Section 6.3 of this Agreement,
6 Participating Class Members do not release any other claims, including claims for vested benefits,
7 wrongful termination, violation of the Fair Employment and Housing Act, unemployment
8 insurance, disability, social security, workers' compensation, or claims based on facts occurring
9 outside the Class Period.

10 6.3 Release by Non-Participating Class Members Who Are Aggrieved

11 Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to
12 release, on behalf of themselves and their respective former and present representatives, agents,
13 attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for
14 PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA
15 Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course
16 of the Action, including all statutes/ordinances referenced in the Operative Complaint and
17 corresponding provisions of the California Industrial Welfare Commission Wage Orders and the
18 California Code of Regulations, including but not limited to (1) the California Code of Regulations,
19 Title 8, §11050, and (2) Labor Code Sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510,
20 512, 558, 1174, 1174.5, 1194, 1194.2, 1198, 2802, and 2698 *et seq.*, as related to the above claims.

21 7. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly
22 prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that
23 complies with the Court's current checklist for Preliminary Approvals.

24 7.1 WCI's Declaration in Support of Preliminary Approval. Within 30 days of
25 the full execution of this Agreement, WCI will prepare and deliver to Class Counsel a signed
26 Declaration from WCI and Defense Counsel disclosing all facts relevant to any actual or potential
27 conflicts of interest with the Administrator. In their Declarations, Defense Counsel and WCI shall
28 aver that they are not aware of any other pending matter or action asserting claims that will be

1 extinguished or adversely affected by the Settlement.

2 7.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense
3 Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the
4 notice, and memorandum in support, of the Motion for Preliminary Approval that includes an
5 analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement
6 under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary
7 Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed
8 declaration from the Administrator attaching its "not to exceed" bid for administering the
9 Settlement and attesting to its willingness to serve; competency; operative procedures for
10 protecting the security of Class Data; amounts of insurance coverage for any data breach,
11 defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of
12 interest with Class Members; and the nature and extent of any financial relationship with Plaintiff,
13 Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness
14 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of
15 interest with Class Members and/or the Administrator; (v) a signed declaration from each Class
16 Counsel firm attesting to its competency to represent the Class Members; its timely transmission to
17 the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section
18 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement
19 (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing
20 all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts
21 relevant to any actual or potential conflict of interest with Class Members and/or the Administrator.
22 In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of
23 any other pending matter or action asserting claims that will be extinguished or adversely affected
24 by the Settlement.

25 7.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
26 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later
27 than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the
28 Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for

1 Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary
2 Approval to the Administrator.

3 7.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed
4 Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel
5 and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in
6 person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
7 Preliminary Approval or conditions Preliminary Approval on any material change to this
8 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the
9 Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
10 otherwise satisfy the Court’s concerns.

11 **8. SETTLEMENT ADMINISTRATION.**

12 8.1 Selection of Administrator. The Parties have jointly selected ILYM Group,
13 Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group,
14 Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
15 Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel
16 represent that they have no interest or relationship, financial or otherwise, with the Administrator
17 other than a professional relationship arising out of prior experiences administering settlements.

18 8.2 Employer Identification Number. The Administrator shall have and use its
19 own Employer Identification Number for purposes of calculating payroll tax withholdings and
20 providing reports state and federal tax authorities.

21 8.3 Qualified Settlement Fund. The Administrator shall establish a settlement
22 fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury
23 Regulation section 468B-1.

24 8.4 Notice to Class Members.

25 8.4.1 No later than three (3) business days after receipt of the Class Data,
26 the Administrator shall notify Class Counsel that the list has been received and state the number of
27 Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

28 8.4.2 Using best efforts to perform as soon as possible, and in no event

1 later than 14 days after receiving the Class Data, the Administrator will send to all Class Members
2 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
3 Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A.
4 The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual
5 Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of
6 Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing
7 Class Notices, the Administrator shall update Class Member addresses using the National Change
8 of Address database.

9 8.4.3 Not later than 3 business days after the Administrator’s receipt of any
10 Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
11 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
12 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
13 Notice to the most current address obtained. The Administrator has no obligation to make further
14 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
15 USPS a second time.

16 8.4.4 The deadlines for Class Members’ written objections, Challenges to
17 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days
18 beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is
19 re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-
20 mailed Class Notice.

21 8.4.5 If the Administrator, WCI or Class Counsel is contacted by or
22 otherwise discovers any persons who believe they should have been included in the Class Data and
23 should have received Class Notice, the Parties will expeditiously meet and confer in person or by
24 telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If
25 the Parties agree, such persons will be Class Members entitled to the same rights as other Class
26 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
27 requiring them to exercise options under this Agreement not later than 14 days after receipt of
28 Class Notice, or the deadline dates in the Class Notice, which ever are later.

1 8.5 Requests for Exclusion (Opt-Outs).

2 8.5.1 Class Members who wish to exclude themselves (opt-out of) the
3 Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for
4 Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional
5 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
6 from a Class Member or his/her representative that reasonably communicates the Class Member's
7 election to be excluded from the Settlement and includes the Class Member's name, address and
8 email address or telephone number. To be valid, a Request for Exclusion must be timely faxed,
9 emailed, or postmarked by the Response Deadline.

10 8.5.2 The Administrator may not reject a Request for Exclusion as invalid
11 because it fails to contain all the information specified in the Class Notice. The Administrator shall
12 accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity
13 of the person as a Class Member and the Class Member's desire to be excluded. The
14 Administrator's determination shall be final and not appealable or otherwise susceptible to
15 challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion,
16 the Administrator may demand additional proof of the Class Member's identity. The
17 Administrator's determination of authenticity shall be final and not appealable or otherwise
18 susceptible to challenge.

19 8.5.3 Every Class Member who does not submit a timely and valid
20 Request for Exclusion is deemed to be a Participating Class Member under this Agreement,
21 entitled to all benefits and bound by all terms and conditions of the Settlement, including the
22 Participating Class Members' Releases under Paragraphs 6.2 and 6.3 of this Agreement, regardless
23 whether the Participating Class Member actually receives the Class Notice or objects to the
24 Settlement.

25 8.5.4 Every Class Member who submits a valid and timely Request for
26 Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment
27 or have the right to object to the class action components of the Settlement. Because future PAGA
28 claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class

1 Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph
2 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

3 8.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60
4 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members
5 whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay
6 Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may
7 challenge the allocation by communicating with the Administrator via fax, email or mail. The
8 Administrator must encourage the challenging Class Member to submit supporting documentation.
9 In the absence of any contrary documentation, the Administrator is entitled to presume that the
10 Workweeks contained in the Class Notice are correct so long as they are consistent with the Class
11 Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or
12 Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The
13 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or
14 Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the
15 challenges.

16 8.7 Objections to Settlement.

17 8.7.1 Only Participating Class Members may object to the class action
18 components of the Settlement and/or this Agreement, including contesting the fairness of the
19 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel
20 Litigation Expenses Payment and/or Class Representative Service Payment.

21 8.7.2 Participating Class Members may send written objections to the
22 Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear
23 in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval
24 Hearing. A Participating Class Member who elects to send a written objection to the Administrator
25 must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an
26 additional 14 days for Class Members whose Class Notice was re-mailed).

27 8.7.3 Non-Participating Class Members have no right to object to any of
28 the class action components of the Settlement.

1 8.8 Administrator Duties. The Administrator has a duty to perform or observe all
2 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

3 8.8.1 Website, Email Address and Toll-Free Number. The Administrator
4 will establish and maintain and use an internet website to post information of interest to Class
5 Members including the date, time and location for the Final Approval Hearing and copies of the
6 Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
7 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel
8 Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and
9 the Judgment. The Administrator will also maintain and monitor an email address and a toll-free
10 telephone number to receive Class Member calls, faxes and emails.

11 8.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The
12 Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their
13 validity. Not later than 5 days after the expiration of the deadline for submitting Requests for
14 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing
15 (a) the names and other identifying information of Class Members who have timely submitted valid
16 Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of
17 Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
18 Exclusion from Settlement submitted (whether valid or invalid).

19 8.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide
20 written reports to Class Counsel and Defense Counsel that, among other things, tally the number
21 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion
22 (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay
23 Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual
24 PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the
25 Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all
26 Requests for Exclusion and objections received.

27 8.8.4 Workweek and/or Pay Period Challenges. The Administrator has the
28 authority to address and make final decisions consistent with the terms of this Agreement on all

1 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
2 Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

3 8.8.5 Administrator's Declaration. Not later than 14 days before the date
4 by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
5 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for
6 filing in Court attesting to its due diligence and compliance with all of its obligations under this
7 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as
8 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of
9 Requests for Exclusion from Settlement it received (both valid or invalid), the number of written
10 objections and attach the Exclusion List. The Administrator will supplement its declaration as
11 needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the
12 Administrator's declaration(s) in Court.

13 8.8.6 Final Report by Settlement Administrator. Within 10 days after the
14 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
15 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
16 identification number only of all payments made under this Agreement. At least 15 days before any
17 deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
18 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all
19 payments required under this Agreement. Class Counsel is responsible for filing the
20 Administrator's declaration in Court.

21 **9. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records,
22 WCI estimates that, as of the date of this Settlement Agreement, (1) there are 17 Class Members
23 and 1507 Total Workweeks during the Class period and (2) there were 14 Aggrieved Employees
24 who worked 400 Pay Periods during the PAGA Period. If the number of Total Workweeks at the
25 time the Agreement is signed by the Parties exceeds the original estimate by more than 10%, the
26 Gross Settlement Amount shall increase proportionally for any increase beyond 10% (i.e. if the
27 Total Workweeks is 11% more than the original estimate, the Gross Settlement Amount shall
28 increase by 1%).

1 **10. WCI'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion
2 identified in the Exclusion List exceeds 10% of the total of all Class Members, WCI may, but is not
3 obligated, elect to withdraw from the Settlement. The Parties agree that, if WCI withdraws, the
4 Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will
5 have any further obligation to perform under this Agreement; provided, however, WCI will remain
6 responsible for paying all Settlement Administration Expenses incurred to that point. WCI must
7 notify Class Counsel and the Court of its election to withdraw not later than seven days after the
8 Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

9 **11. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the
10 calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the
11 Settlement that includes a request for approval of the PAGA settlement under Labor Code section
12 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion
13 for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later
14 than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel
15 will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any
16 disagreements concerning the Motion for Final Approval.

17 11.1 Response to Objections. Each Party retains the right to respond to any
18 objection raised by a Participating Class Member, including the right to file responsive documents
19 in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered
20 or accepted by the Court.

21 11.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions
22 Final Approval on any material change to the Settlement (including, but not limited to, the scope of
23 release to be granted by Class Members), the Parties will expeditiously work together in good faith
24 to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.
25 The Court's decision to award less than the amounts requested for the Class Representative Service
26 Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or
27 Administrator Expenses Payment shall not constitute a material modification to the Agreement
28 within the meaning of this paragraph.

1 11.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of
2 Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
3 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
4 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

5 11.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the
6 terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and
7 Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
8 respective counsel, and all Participating Class Members who did not object to the Settlement as
9 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
10 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for
11 new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
12 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
13 obligations to perform under this Agreement will be suspended until such time as the appeal is
14 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
15 of the Net Settlement Amount.

16 11.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.
17 If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
18 material modification of this Agreement (including, but not limited to, the scope of release to be
19 granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
20 expeditiously work together in good faith to address the appellate court's concerns and to obtain
21 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
22 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
23 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
24 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
25 as long as the Gross Settlement Amount remains unchanged.

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

1 **13. ADDITIONAL PROVISIONS.**

2 13.1 No Admission of Liability, Class Certification or Representative

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

15 13.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, WCI

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

1 resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s communications
2 with Class Members in accordance with Class Counsel’s ethical obligations owed to Class
3 Members.

4 13.3 No Solicitation. The Parties separately agree that they and their respective
5 counsel and employees will not solicit any Class Member to opt out of or object to the Settlement,
6 or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class
7 Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical
8 obligations owed to Class Members.

9 13.4 Integrated Agreement. Upon execution by all Parties and their counsel, this
10 Agreement together with its attached exhibits shall constitute the entire agreement between the
11 Parties relating to the Settlement, superseding any and all oral representations, warranties,
12 covenants, or inducements made to or by any Party.

13 13.5 Attorney Authorization. Class Counsel and Defense Counsel separately
14 warrant and represent that they are authorized by Plaintiff and WCI, respectively, to take all
15 appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to
16 effectuate its terms, and to execute any other documents reasonably required to effectuate the terms
17 of this Agreement including any amendments to this Agreement.

18 13.6 Cooperation. The Parties and their counsel will cooperate with each other
19 and use their best efforts, in good faith, to implement the Settlement by, among other things,
20 modifying the Settlement Agreement, submitting supplemental evidence and supplementing points
21 and authorities as requested by the Court. In the event the Parties are unable to agree upon the form
22 or content of any document necessary to implement the Settlement, or on any modification of the
23 Agreement that may become necessary to implement the Settlement, the Parties will seek the
24 assistance of a mediator and/or the Court for resolution.

25 13.7 No Prior Assignments. The Parties separately represent and warrant that they
26 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
27 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
28 action, or right released and discharged by the Party in this Settlement.

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

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

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

10 13.11 Applicable Law. All terms and conditions of this Agreement and its exhibits
11 will be governed by and interpreted according to the internal laws of the state of California,
12 without regard to conflict of law principles.

13 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and
14 preparation of this Agreement. This Agreement will not be construed against any Party on the basis
15 that the Party was the drafter or participated in the drafting.

16 13.13 Confidentiality. To the extent permitted by law, all agreements made, and
17 orders entered during Action and in this Agreement relating to the confidentiality of information
18 shall survive the execution of this Agreement.

19 13.14 Use and Return of Class Data. Information provided to Class Counsel
20 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to
21 Class Counsel by WCI in connection with the mediation, other settlement negotiations, or in
22 connection with the Settlement, may be used only with respect to this Settlement, and no other
23 purpose, and may not be used in any way that violates any existing contractual agreement, statute,
24 or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's
25 obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff
26 shall destroy, all paper and electronic versions of Class Data received from WCI unless, prior to the
27 Court's discharge of the Administrator's obligation, WCI makes a written request to Class Counsel
28 for the return, rather than the destructions, of Class Data.

1 13.15 Headings. The descriptive heading of any section or paragraph of this
2 Agreement is inserted for convenience of reference only and does not constitute a part of this
3 Agreement.

4 13.16 Calendar Days. Unless otherwise noted, all reference to “days” in this
5 Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement
6 falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day
7 thereafter.

8 13.17 Notice. All notices, demands or other communications between the Parties in
9 connection with this Agreement will be in writing and deemed to have been duly given as of the
10 third business day after mailing by United States mail, or the day sent by email or messenger,
11 addressed as follows:

12 To Plaintiff:

13 Kane Moon (SBN 249834)
14 Allen Feghali (SBN 301080)
15 Julie Oh (SBN 341157)
16 **MOON LAW GROUP, PC**
17 1055 W. Seventh St., Suite 1880
18 Los Angeles, California 90017
19 Telephone: (213) 232-3128
20 Facsimile: (213) 232-3125
21 E-mail: kmoon@moonlawgroup.com
22 E-mail: afeghali@moonlawgroup.com
23 E-mail: joh@moonlawgroup.com

24 To WCI:

25 Kelly O. Scott (SBN 132186)
26 kscott@ecjlaw.com
27 Jared W. Slater (SBN 306226)
28 j Slater@ecjlaw.com
29 **ERVIN COHEN & JESSUP LLP**
30 9401 Wilshire Boulevard, 12th Floor
31 Beverly Hills, California 90212-2974
32 Telephone (310) 273-6333
33 Facsimile (310) 859-2325


34 13.18 Execution in Counterparts. This Agreement may be executed in one or more
35 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
36 Agreement shall be accepted as an original. All executed counterparts and each of them will be
37
38

1 deemed to be one and the same instrument if counsel for the Parties will exchange between
2 themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove
3 the existence and contents of this Agreement.

4 13.19 Stay of Litigation. The Parties agree that upon the execution of this
5 Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The
6 Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330
7 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this
8 settlement process.

9 Date: 9/21/2023

Date: 9.22.2023

10
11 DocuSigned by:

13965F5BB7254C2...



12
13 Victor Quiroz For Plaintiff

CHIEF OPERATING OFFICER for Wentwood
Companies, Inc.

14
15
16 Date: 9/21/2023

Date: 09/22/2023

17
18 



19 Allen Feghali of Moon Law Group, PC
20 Counsel For Plaintiff

Kelly O. Scott
Counsel for Wentwood Companies, Inc.

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

Quiroz v. Wentwood Companies, Inc., LASC Case No. 21STCV42830

*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 Wentwood Companies, Inc. (abbreviate name; “WCI” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former WCI employee (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt, hourly employees and former employees (“Class Members”) who worked for WCI in California during the Class Period (November 19, 2017 to _____ [the date on which Preliminary Approval is granted]); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt, hourly employees and former employees who worked for WCI during the PAGA Period (November 11, 2020 to _____ [the date on which Preliminary Approval is granted]) (“Aggrieved Employees”).

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

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

The above estimates are based on WCI’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge

1 by the deadline date. See Section 4 of this Notice.

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

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

- 12 (1) **Do Nothing.** You don’t have to do anything to participate in the proposed
13 Settlement and be eligible for an Individual Class Payment and/or an Individual
14 PAGA Payment. As a Participating Class Member, though, you will give up your
15 right to assert Class Period wage claims and PAGA Period penalty claims against
16 WCI.
- 17 (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class
18 Settlement (opt-out) by submitting the written Request for Exclusion or otherwise
19 notifying the Administrator in writing. If you opt-out of the Settlement, you will not
20 receive an Individual Class Payment. You will, however, preserve your right to
21 personally pursue Class Period wage claims against WCI, and, if you are an
22 Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot
23 opt-out of the PAGA portion of the proposed Settlement.

24 **WCI will not retaliate against you for any actions you take with respect to the**
25 **proposed Settlement.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

<p>You Don't Have to Do Anything to Participate in the Settlement</p>	<p>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 WCI that are covered by this Settlement (Released Claims).</p>
<p>You Can Opt-out of the Class Settlement but not the PAGA Settlement</p> <p>The Opt-out Deadline is _____</p>	<p>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 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.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. WCI must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).</p>
<p>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</p> <p>Written Objections Must be Submitted by _____</p>	<p>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 and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members.</p> <p>You can object to the amounts requested by Class Counsel or</p>

	<p>Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p>
<p>You Can Participate in the _____ Final Approval Hearing</p>	<p>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.</p>
<p>You Can Challenge the Calculation of Your Workweeks/Pay Periods</p> <p>Written Challenges Must be Submitted by _____.</p>	<p>The amount of your Individual Class Payment and PAGA Payment (if any) depend 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 Class Period Workweeks and number of PAGA Period Pay Periods you worked according to WCI’s 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.</p>

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former WCI employee. The Action accuses WCI of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action:

Kane Moon, Esq., Allen Feghali, Esq., Julie Oh, Esq., Moon Law Group, PC, 1055 W. Seventh St., Suite 1880, Los Angeles, California 90017. (“Class Counsel.”)

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

3
4 **2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?**

5 So far, the Court has made no determination whether WCI or Plaintiff is correct on the
6 merits. In or around April 2022, WCI informally provided to Plaintiff's counsel a complete set of
7 putative class time records and paystubs, and all relevant employment policies. From April 2022 to
8 approximately June 2022, the parties reviewed and analyzed the time records and paystubs of all
9 then-current putative class members. From approximately June 2022 to December 2022, the parties
10 engaged in settlement negotiations via e-mail and telephone conferences in an effort to resolve the
11 Action by negotiating an to end the case by agreement (settle the case) rather than continuing the
12 expensive and time-consuming process of litigation. The negotiations were successful. By signing
13 a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to
14 enter a judgment ending the Action and enforcing the Agreement, Plaintiff and WCI have
15 negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the
16 proposed Settlement is a compromise of disputed claims. By agreeing to settle, WCI does not
17 admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly
18 believe the Settlement is a good deal for you because they believe that: (1) WCI has agreed to pay
19 a fair, reasonable and adequate amount considering the strength of the claims and the risks and
20 uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class
21 Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as
22 fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final
23 Approval.

24
25 **3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED**
26 **SETTLEMENT?**

27 1. WCI will pay \$90,000.00 as the Gross Settlement Amount (Gross Settlement). WCI
28 has agreed to deposit the Gross Settlement into an account controlled by the

1 Administrator of the Settlement. The Administrator will use the Gross Settlement to
2 pay the Individual Class Payments, Individual PAGA Payments, Class
3 Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the
4 Administrator’s expenses, and penalties to be paid to the California Labor and
5 Workforce Development Agency (“LWDA”). Assuming the Court grants Final
6 Approval, WCI will fund the Gross Settlement not more than 14 days after the
7 Judgment entered by the Court become final. The Judgment will be final on the date
8 the Court enters Judgment, or a later date if Participating Class Members object to
9 the proposed Settlement or the Judgment is appealed.

10 2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing,
11 Plaintiff and/or Class Counsel will ask the Court to approve the following
12 deductions from the Gross Settlement, the amounts of which will be decided by the
13 Court at the Final Approval Hearing:

- 14 A. Up to \$30,000.00 (33 1/3 % of the Gross Settlement] to Class Counsel for
15 attorneys’ fees and up to \$4,000.00 for their litigation expenses. To date,
16 Class Counsel have worked and incurred expenses on the Action without
17 payment.
- 18 B. Up to \$7,500.00 as a Class Representative Award for filing the Action,
19 working with Class Counsel and representing the Class. A Class
20 Representative Award will be the only monies Plaintiff will receive other
21 than Plaintiff’s Individual Class Payment and any Individual PAGA
22 Payment.
- 23 C. Up to \$6,000.00 to the Administrator for services administering the
24 Settlement.
- 25 D. Up to \$8,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA
26 Payment and 25% in Individual PAGA Payments to the Aggrieved
27 Employees based on their PAGA Period Pay Periods.

28 Participating Class Members have the right to object to any of these deductions. The

1 Court will consider all objections.

- 2 3. Net Settlement Distributed to Class Members. After making the above deductions in
3 amounts approved by the Court, the Administrator will distribute the rest of the
4 Gross Settlement (the “Net Settlement”) by making Individual Class Payments to
5 Participating Class Members based on their Class Period Workweeks.
- 6 4. Taxes Owed on Payments to Class Members. Plaintiff and WCI are asking the Court
7 to approve an allocation of 15% of each Individual Class Payment to taxable wages
8 (“Wage Portion”) and 85% to interest and penalties (“Non-Wage Portion.”). The
9 Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms.
10 WCI will separately pay employer payroll taxes it owes on the Wage Portion. The
11 Individual PAGA Payments are counted as penalties rather than wages for tax
12 purposes. The Administrator will report the Individual PAGA Payments and the
13 Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

14
15 Although Plaintiff and WCI have agreed to these allocations, neither side is giving
16 you any advice on whether your Payments are taxable or how much you might owe
17 in taxes. You are responsible for paying all taxes (including penalties and interest on
18 back taxes) on any Payments received from the proposed Settlement. You should
19 consult a tax advisor if you have any questions about the tax consequences of the
20 proposed Settlement.

- 21 5. Need to Promptly Cash Payment Checks. The front of every check issued for
22 Individual Class Payments and Individual PAGA Payments will show the date when
23 the check expires (the void date). If you don’t cash it by the void date, your check
24 will be automatically cancelled, and the monies will be deposited with the
25 California Controller’s Unclaimed Property Fund in your name. If the monies
26 represented by your check is sent to the Controller’s Unclaimed Property, you
27 should consult the rules of the Fund for instructions on how to retrieve your money.
- 28 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as

1 a Participating Class Member, participating fully in the Class Settlement, unless you
2 notify the Administrator in writing, not later than _____, that you
3 wish to opt-out. The easiest way to notify the Administrator is to send a written and
4 signed Request for Exclusion by the _____ Response Deadline. The
5 Request for Exclusion should be a letter from a Class Member or his/her
6 representative setting forth a Class Member's name, present address, telephone
7 number, and a simple statement electing to be excluded from the Settlement.
8 Excluded Class Members (i.e., Non-Participating Class Members) will not receive
9 Individual Class Payments, but will preserve their rights to personally pursue wage
10 and hour claims against WCI.

11
12 You cannot opt-out of the PAGA portion of the Settlement. Class Members who
13 exclude themselves from the Class Settlement (Non-Participating Class Members)
14 remain eligible for Individual PAGA Payments and are required to give up their
15 right to assert PAGA claims against WCI based on the PAGA Period facts alleged
16 in the Action.

17 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is
18 possible the Court will decline to grant Final Approval of the Settlement or decline
19 enter a Judgment. It is also possible the Court will enter a Judgment that is reversed
20 on appeal. Plaintiffs and WCI have agreed that, in either case, the Settlement will be
21 void: WCI will not pay any money and Class Members will not release any claims
22 against WCI.

23 8. Administrator. The Court has appointed a neutral company, _____
24 _____ (the "Administrator") to send this Notice, calculate
25 and make payments, and process Class Members' Requests for Exclusion. The
26 Administrator will also decide Class Member Challenges over Workweeks, mail
27 and re-mail settlement checks and tax forms, and perform other tasks necessary to
28 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 WCI has fully funded the Gross Settlement and separately paid all employer payroll taxes, 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 WCI 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 ascertained in the course of the Action including, all statutes/ordinances referenced in the Operative Complaint and corresponding provisions of the California Industrial Welfare Commission Wage Orders and the California Code of Regulations, including but not limited to (1) the California Code of Regulations, Title 8, §11050, (2) Labor Code Sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1198, 2802, and 2698 *et seq.*, as related to the above claims; (3) the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*, Participating Class Members who negotiate or otherwise deposit their Settlement Payment Check will be deemed to have opted into the Action for purposes of the Fair Labor Standards Act (“FLSA”) and as to those Class Members, they expressly waive and release any FLSA claims arising during the Class Period and

1 reasonably related to the claims and allegations in the Operative Complaint.
2 This release excludes the release of claims not permitted by law. The
3 following language will be printed on the reverse of each Settlement
4 Payment Check, or words to this effect: “By endorsing or otherwise
5 negotiating this check, I acknowledge that I read, understood, and agree to
6 the terms set forth in the Notice of Class Action Settlement and I consent to
7 join in the FLSA portion of the Action, elect to participate in the settlement
8 of the FLSA claims, and agree to release all of my FLSA claims that are
9 covered by the Settlement,” and (4) all related federal, state or local statutes,
10 common law, ordinances, regulations, or provisions relating to the facts and
11 claims in the Action, including claims for continuing wages, failure to pay
12 wages, failure to pay wages in a timely manner, failure to pay minimum
13 wages, failure to pay overtime, failure to provide allegedly required wage
14 statements, failure to provide meal or rest breaks, liquidated damages, civil
15 penalties, premium wages, claims for injunctive relief and restitution under
16 California Business & Professions Code § 17200, interest, costs and
17 attorneys’ fees, including Labor Code Sections 218.5 and 218.6, Code of
18 Civil Procedure Section 1021.5 and Civil Code Section 3287. Except as set
19 forth in Section 6.3 of the Settlement Agreement, Participating Class
20 Members do not release any other claims, including claims for vested
21 benefits, wrongful termination, violation of the Fair Employment and
22 Housing Act, unemployment insurance, disability, social security, workers’
23 compensation, or claims based on facts occurring outside the Class Period.

- 24 10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and
25 WCI has paid the Gross Settlement (and separately paid the employer-side payroll
26 taxes), all Aggrieved Employees will be barred from asserting PAGA claims against
27 WCI, whether or not they exclude themselves from the Settlement. This means that
28 all Aggrieved Employees, including those who are Participating Class Members and

1 those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate
2 in any other PAGA claim against WCI or its related entities based on the PAGA
3 Period facts alleged in the Action and resolved by this Settlement.
4

5 The Aggrieved Employees’ Releases for Participating and Non-Participating Class
6 Members are as follows:

7 All Participating and Non-Participating Class Members who are Aggrieved
8 Employees are deemed to release, on behalf of themselves and their
9 respective former and present representatives, agents, attorneys, heirs,
10 administrators, successors, and assigns, the Released Parties, from all claims
11 for PAGA penalties that were alleged, or reasonably could have been
12 alleged, based on the PAGA Period facts stated in the Operative Complaint,
13 and the PAGA Notice and ascertained in the course of the Action including,
14 all statutes/ordinances referenced in the Operative Complaint and
15 corresponding provisions of the California Industrial Welfare Commission
16 Wage Orders and the California Code of Regulations, including but not
17 limited to (1) the California Code of Regulations, Title 8, §11050, and (2)
18 Labor Code Sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.7, 510, 512,
19 558, 1174, 1174.5, 1194, 1194.2, 1198, 2802, and 2698 *et seq.*, as related to
20 the above claims.
21

22 **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

- 23 1. Individual Class Payments. The Administrator will calculate Individual Class
24 Payments by (a) dividing the Net Settlement Amount by the total number of
25 Workweeks worked by all Participating Class Members, and (b) multiplying the
26 result by the number of Workweeks worked by each individual Participating Class
27 Member.
28 2. Individual PAGA Payments. The Administrator will calculate Individual PAGA

1 Payments by (a) dividing \$2,000.00 by the total number of PAGA Pay Periods
2 worked by all Aggrieved Employees and (b) multiplying the result by the number of
3 PAGA Period Pay Periods worked by each individual Aggrieved Employee.

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

11
12 You need to support your challenge by sending copies of pay stubs or other records.
13 The Administrator will accept WCI's calculation of Workweeks and/or Pay Periods
14 based on WCI's records as accurate unless you send copies of records containing
15 contrary information. You should send copies rather than originals because the
16 documents will not be returned to you. The Administrator will resolve Workweek
17 and/or Pay Period challenges based on your submission and on input from Class
18 Counsel (who will advocate on behalf of Participating Class Members) and WCI's
19 Counsel. The Administrator's decision is final. You can't appeal or otherwise
20 challenge its final decision.

21
22 **5. HOW WILL I GET PAID?**

- 23 1. Participating Class Members. The Administrator will send, by U.S. mail, a single
24 check to every Participating Class Member (i.e., every Class Member who doesn't
25 opt-out) including those who also qualify as Aggrieved Employees. The single
26 check will combine the Individual Class Payment and the Individual PAGA
27 Payment.
28 2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a

1 single Individual PAGA Payment check to every Aggrieved Employee who opts out
2 of the Class Settlement (i.e., every Non-Participating Class Member).

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

7
8 **6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

9 Submit a written and signed letter with your name, present address, telephone number, and
10 a simple statement that you do not want to participate in the Settlement. The Administrator will
11 exclude you based on any writing communicating your request be excluded. Be sure to personally
12 sign your request, identify the Action as *Quiroz v. Wentwood Companies, Inc.*, LASC Case No.
13 21STCV42830, and include your identifying information (full name, address, telephone number,
14 approximate dates of employment, and social security number for verification purposes). You must
15 make the request yourself. If someone else makes the request for you, it will not be valid. **The**
16 **Administrator must be sent your request to be excluded by _____, or it will be**
17 **invalid.** Section 9 of the Notice has the Administrator's contact information.

18
19 **7. HOW DO I OBJECT TO THE SETTLEMENT?**

20 Only Participating Class Members have the right to object to the Settlement. Before
21 deciding whether to object, you may wish to see what Plaintiff and WCI are asking the Court to
22 approve. At least 16 days before the _____ Final Approval Hearing, Class Counsel
23 and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things,
24 the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and
25 Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation
26 expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award.
27 Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice)
28 will send you copies of these documents at no cost to you. You can also view them on the

1 Administrator's Website _____ (url) _____ or the Court's
 2 website _____ (url) _____.

3 A Participating Class Member who disagrees with any aspect of the Agreement, the Motion
 4 for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to
 5 object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class
 6 Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the**
 7 **Administrator is _____**. Be sure to tell the Administrator what you object to, why
 8 you object, and any facts that support your objection. Make sure you identify the Action *Quiroz v.*
 9 *Wentwood Companies, Inc.*, LASC Case No. 21STCV42830 and include your name, current
 10 address, telephone number, and approximate dates of employment for [WCI] and sign the
 11 objection. Section 9 of this Notice has the Administrator's contact information.

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

18 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

19 You can, but don't have to, attend the Final Approval Hearing on _____
 20 at (time) in Department 9 of the Los Angeles Superior Court, located at 312 North Spring
 21 Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final
 22 Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel,
 23 Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and
 24 Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either
 25 personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's
 26 website for the most current information.

27 It's possible the Court will reschedule the Final Approval Hearing. You should check the
 28 Administrator's website _____ beforehand or contact

1 Class Counsel to verify the date and time of the Final Approval Hearing.

2
3 **9. HOW CAN I GET MORE INFORMATION?**

4 The Agreement sets forth everything WCI and Plaintiff have promised to do under the
5 proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement
6 documents is to go to _____ (specify entity) _____’s website
7 at _____ (url) _____. You can also telephone or send an
8 email to Class Counsel or the Administrator using the contact information listed below, or consult
9 the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and
10 entering the Case Number for the Action, Case No. 21STCV42830. You can also make an
11 appointment to personally review court documents in the Clerk’s Office at the Stanley Mosk
12 Courthouse by calling (213) 830-0800.

13 **DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION**
14 **ABOUT THE SETTLEMENT.**

15 Class Counsel:
16 Kane Moon
17 Allen Feghali
18 Julie Sohyun Oh
19 **MOON LAW GROUP, PC**
1055 West Seventh Street, Suite 1880

18 Settlement Administrator:
19 Name of Company: ILYM Group, Inc.
20 Email Address: <<to be inserted by admin>>
21 Mailing Address: <<to be inserted by admin>>
22 Telephone: <<to be inserted by admin>>
23 Fax Number: <<to be inserted by admin>>

23 **10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

24 If you lose or misplace your settlement check before cashing it, the Administrator will
25 replace it as long as you request a replacement before the void date on the face of the original
26 check. If your check is already void you should consult the State of California Unclaimed Property
27 Fund for instructions on how to retrieve the funds
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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.