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17 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

18 **FOR THE COUNTY OF ORANGE – CENTRAL JUSTICE CENTER**

19 LEYDI MORALES, individually, and on behalf
20 of other members of the general public similarly
situated and on behalf of other aggrieved
21 employees pursuant to the California Private
Attorney Generals Act;

22 Plaintiff,

23 vs.

24 MASTROIANNI FAMILY ENTERPRISES
25 LTD., a California corporation; and DOES 1
through 100, inclusive,

26 Defendants.
27
28

Case No.: 30-2022-01286355-CU-OE-CJC

Honorable Melissa R. McCormick,
Department CX104

**AMENDED SETTLEMENT
STIPULATION**

Complaint Filed: October 14, 2022

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CLASS ACTION SETTLEMENT AGREEMENT

IT IS STIPULATED, by and among Plaintiff Leydi Morales, on behalf of herself and the Settlement Class Members on the one hand, and Defendant Mastroianni Family Enterprises, LTD (“MFE” or “Defendant”), on the other hand, subject to the approval of the Court, that the Action is hereby being compromised and settled pursuant to the terms and conditions set forth in this Class Action Settlement Agreement (“Agreement”), and subject to the definitions, recitals, and terms set forth herein, which by this reference become an integral part of this Agreement.

DEFINITIONS

- 1. “Action” means the case *Leydi Morales v. Mastroianni Family Enterprises, LTD*, Case No. 30-2022-01286355-CU-OE-CJC, filed on October 14, 2022, in Orange County Superior Court.
- 2. “Aggrieved Employees” means all current and former exempt and non-exempt employees of Defendants who worked in the State of California at any time during the PAGA Period.
- 3. “Class Counsel” means CollinsKim LLP and Lawyers for Justice, PC.
- 4. “Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action, and actual expenses and costs incurred in connection with the Action paid from the Gross Settlement Amount.
- 5. “Class Information” means information regarding Settlement Class Members that Defendant will in good faith compile from its records and provide to the Settlement Administrator. It shall be formulated as a Microsoft Excel spreadsheet and shall include: each Settlement Class Member’s full names; last known address; last known home telephone number; last known email address, Social Security Number, start date of employment; end date of employment; the total workweeks worked during the PAGA Period for each Aggrieved Employee; and the number of total hours worked by the Settlement Class Member as a non-exempt employee for Defendant during the Class Period (“Total Hours Worked.”)

1 6. “Class Notice” means the Notice of Pendency of Class Action Settlement and
2 Estimated Individual Settlement Payment, including a Request for Exclusion Form and Objection
3 Form (substantively in the form attached as **Exhibit 1**).

4 7. “Class Period” means the period from October 14, 2018, through October 23, 2023.

5 8. “Class Representative” means Leydi Morales, who will request to be appointed by
6 the Court as a representative of the Settlement Class Members.

7 9. “Class Representative Enhancement Award” means the amounts that the Court
8 authorizes to be paid to Plaintiff, in addition to her Individual Settlement Payments, in recognition
9 of their effort and risk in assisting with the prosecution of the Action.

10 10. “Complete and General Release” means upon the Release Effective Date and in
11 consideration of the payment to the Class Representative of the incentive awards of \$7,500,
12 Plaintiff hereby releases, acquits, and forever discharges Released Parties, and each and all of
13 them, of and from any and all obligations, debts, claims, liabilities, demands, and causes of action
14 of every kind, nature and description whatsoever, whether or not now known, suspected or
15 claimed, which she ever had, now has, or may hereafter acquire by reason, accruing from the
16 beginning of time until the date that the final approval of the Settlement is granted, including all
17 claims, known or unknown. The foregoing release shall be effective as a bar to any and all claims
18 of any character, nature or kind, known or unknown, suspected or unsuspected specified herein.
19 Class Representatives expressly waive any and all rights and benefits conferred upon them by the
20 provisions of Section 1542 of the California Civil Code or similar provisions of applicable law
21 which are as follows: A general release does not extend to claims that the creditor or releasing
22 party does not know or suspect to exist in his or her favor at the time of executing the release and
23 that, if known by him or her, would have materially affected his or her settlement with the debtor
24 or released party. Specifically excluded from this release, are any claims Plaintiff may have
25 arising out of or related to pregnancy disability discrimination or associated leaves of absence,
26 including but not limited to disability, pregnancy, and/or sex/gender discrimination, harassment,
27 and or retaliation claims under California’s Fair Employment and Housing Act, the Pregnancy
28 Disability Leave Law Act, and/or the California Family Rights Act, and claims for failure to

1 engage in the interactive process, and failure to accommodate, as well as any claims for workers
2 compensation, or other claims that cannot be waived by law.

3 11. "Court" means the Orange County Superior Court.

4 12. "Defendant" means Mastroianni Family Enterprises, LTD.

5 13. "Defense Counsel" means Scott & Whitehead.

6 14. "Effective Date" means either (a) the date sixty (60) days after the entry of the Final
7 Judgment and Order finally approving the Settlement, if no motion for reconsideration and no
8 appeal or other efforts to obtain review have been filed, or (b) in the event that a motion for
9 reconsideration, an appeal or other effort to obtain review of the Final Judgment and Order is filed,
10 the day sixty (60) days after such reconsideration, appeal or review has been finally concluded
11 and is no longer subject to review, whether by appeal, petition for rehearing, petition for review
12 or otherwise and the Settlement has not been materially modified. A "material modification" shall
13 not include any change to the Class Counsel Award, Class Representative Enhancement Award,
14 or amount awarded for Settlement Administration Costs. Notice of Final Judgment and Order
15 will be posted on a settlement website.

16 15. "Gross Settlement Amount" means \$1,295,000.00 (ONE MILLION TWO
17 HUNDRED NINETY FIVE THOUSAND DOLLARS AND ZERO CENTS).

18 16. "Individual PAGA Payment" means the amount payable from the PAGA Payment
19 to each Aggrieved Employee.

20 17. "Individual Settlement Payment" means the amount payable from the Net
21 Settlement Amount to each Settlement Class Member who does not submit a valid Request for
22 Exclusion from this Settlement.

23 18. "Net Settlement Amount" means the Gross Settlement Amount, less Class Counsel
24 Award, Class Representative Enhancement Award, PAGA Payment, and Settlement
25 Administrator Costs.

26 19. "Notice of Objection" means a Settlement Class Member's signed, written request
27 objecting to the Settlement, in the form attached hereto as **Exhibit 2**.

28

1 20. “PAGA Payment” means the \$75,000.00 (SEVENTY FIVE THOUSAND
2 DOLLARS AND ZERO CENTS) that the Parties have agreed to pay for the PAGA Released
3 Claims, which includes both the payment to be made to the Labor and Workforce Development
4 Agency (“LWDA”) in connection with the California Labor Code Private Attorneys General Act
5 of 2004 (Cal. Lab. Code §§ 2298, *et seq.*, “PAGA”), and the individual PAGA payment allocated
6 to each Aggrieved Employee.

7 21. “PAGA Period” is deemed to be any time during the period of October 14, 2021 to
8 October 23, 2023.

9 22. “PAGA Released Claims” by the Aggrieved Employees upon the Release Effective
10 Date will include and mean any and all PAGA claims that Plaintiff alleged against the Released
11 Parties, on behalf of Aggrieved Employees, based on the facts stated in the Complaint and in
12 Plaintiff’s LWDA notice letter, which include PAGA claims seeking civil penalties that are
13 premised upon: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure
14 to provide compliant meal periods and pay required meal period penalties; (d) failure to provide
15 compliant rest periods and pay required rest period penalties; (e) failure to reimburse business
16 expenses; (f) failure to timely pay wages each period and upon separation of employment; (g)
17 failure to provide accurate itemized wage statements; and (h) all other claims for civil penalties
18 recoverable under the Private Attorneys General Act Labor Code § 2698 *et seq.*, based on the
19 claims alleged in the Complaint and the LWDA notice letter. The PAGA Released Claims do not
20 release any Aggrieved Employee’s claims for wages or statutory penalties.

21 23. “Participating Class Member” means any Settlement Class Member who does not
22 opt out of the Settlement by submitting a valid and timely Request for Exclusion.

23 24. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either
24 Plaintiffs or Defendant.

25 25. “Payment Ratio” means the respective Total Workweeks Worked for each
26 Settlement Class Member divided by the sum of Total Workweeks Worked for all Settlement
27 Class Members.

28 26. “Plaintiff” and “Class Representatives” means Leydi Morales.

1 27. “Preliminary Approval Order” means the date upon which the Court grants
2 Plaintiff’s Motion for Preliminary Approval.

3 28. “Release Effective Date” means the date Defendant has provided the Gross
4 Settlement Amount to the Settlement Administrator.

5 29. “Released Claims” for Participating Class Members other than Plaintiffs means any
6 and all claims, causes of action, rights, liabilities, penalties, demands, damages, debts, accounts,
7 duties, Costs (other than those Costs required to be paid pursuant to this Settlement Agreement),
8 against the Released Parties that are pled in the Operative Complaint and that arise from the facts
9 alleged in Plaintiffs’ Operative Complaint during the Class Period. Specifically, this includes
10 Defendant’s alleged violation of the California Labor Code for, *inter alia*, failure to pay overtime
11 and minimum wages, provide meal and rest periods and associated premium payments, timely pay
12 wages during employment and upon termination, provide compliant wage statements, maintain
13 complete and accurate payroll records, and reimburse necessary business-related expenses, as well
14 as all claims for failure to pay minimum wage, failure to pay overtime wages, failure to provide
15 meal and rest periods, failure to issue accurate itemized wage statements, and Defendant’s alleged
16 unfair business practices in violation of California Business and Professions Code sections 17200,
17 *et seq.* stemming from the foregoing alleged California Labor Code violations. Class Member’s
18 Released Claims will be effective upon Defendant’s providing the Gross Settlement Amount to
19 the Settlement Administrator.

20 30. “Released Parties” means Defendant Mastroianni Family Enterprises, LTD.

21 31. “Request for Exclusion” means the Form attached hereto as **Exhibit 3**, and means
22 a Settlement Class Member’s signed, written request to be excluded or “opt out” of the Settlement.

23 32. “Response Deadline” means the date sixty (60) calendar days after the Settlement
24 Administrator mails the Notice of Settlement to Settlement Class Members and the last date on
25 which Settlement Class Members may postmark written Requests for Exclusion of a Notice of
26 Objection the Settlement. For Settlement Class Members who are sent re-mailed Class Notices
27 or who submit a dispute, the “Extended Response Deadline” shall mean fifteen (15) calendar days
28 from the date the Settlement Administrator re-mails the Notice of Settlement to Class Members.

1 The Extended Response Deadline is the last date on which Settlement Class Members who are
2 sent re-mailed Class Notices may postmark written Requests for Exclusion or a Notice of
3 Objection to the Settlement.

4 33. “Settlement” means the disposition of the Action pursuant to this Agreement.

5 34. “Settlement Administration Costs” means the amount to be paid to the Settlement
6 Administrator from the Gross Settlement Amount for administration of the Settlement.

7 35. “Settlement Administrator” means CPT Group, the entity agreed to by the Parties,
8 subject to Court approval, which will perform the duties of, among other things: (i) mailing the
9 Notice Packet to Class Members; (ii) tracking returned Opt-Out Forms and Objection Forms; (iii)
10 notifying the Parties of determinations regarding contested Objection Forms and Opt-Out Forms
11 consistent with this Agreement; (iv) issuing payments; and, (v) completing any required tax
12 paperwork. The Parties each represent that they do not have any financial interest in the Settlement
13 Administrator or otherwise have a relationship with the Settlement Administrator that could create
14 a conflict of interest.

15 36. “Settlement Class Members” means all current and former non-exempt employees
16 of Defendant who worked for Defendant in California during the relevant PAGA and/or Class
17 Period.

18 37. “Total Workweeks Worked” means the number of workweeks worked by
19 Settlement Class Members during the Class Period.

20 38. “Void Date” means the date by which any checks issued to Participating Class
21 Members shall become void (i.e. the 181st day after mailing).

22 **RECITALS**

23 39. On October 14, 2022, Plaintiff filed the instant putative class action lawsuit
24 against Defendant on behalf of all current and former non-exempt employees who worked for
25 Defendant within the State of California since October 14, 2018 (“Complaint”). Plaintiff had
26 previously, on August 10, 2022, provided written notice by certified mail to the Labor
27 Workforce Development Agency and Defendant of the specific provisions of the California
28 Labor Code that Plaintiff asserted Defendant violated (“PAGA Letter”),

1 40. On December 2, 2022, Defendant filed its Answer to the Complaint.

2 41. Plaintiff served an initial round of written discovery on Defendant on January 5,
3 2023. Thereafter, the Parties agreed to mediate this Action, stay formal discovery, and exchange
4 informal discovery in advance of mediation. After reviewing documents regarding Defendant's
5 wage-and-hour policies and practices, and analyzing Defendant's time and pay records, Class
6 Counsel was able to evaluate the risks of continued litigation and prepared damages
7 models/analysis prior to mediation. Class Counsel also investigated the applicable law
8 regarding the claims and defenses asserted in the litigation.

9 42. On June 8, 2023, the Parties participated in a full day, private mediation with
10 Kristin Rizzo, an experienced class action mediator. After lengthy negotiations, Ms. Rizzo
11 ultimately tendered a mediator's proposal to the Parties, which the Parties ultimately accepted.
12 The material terms of the settlement proposal are encompassed within this Settlement
13 Agreement.

14 43. Plaintiffs and her counsel believe this Litigation is meritorious based on
15 applicable law or an extension thereof. Based on investigation and evaluation, Class Counsel
16 believes the Settlement is fair, reasonable, and adequate and is in the best interests of the
17 Settlement Class Members in light of all known facts and circumstances, including the risk of
18 significant delay, the defenses that could be asserted by Defendant both to certification and on
19 the merits, trial risk, and appellate risk.

20 44. Defendant has also actively investigated the facts surrounding the claims brought
21 by Plaintiffs on behalf of the putative class, and actively and aggressively defended themselves
22 from said claims. Defendant denies any liability or wrongdoing of any kind associated with the
23 claims alleged. Defendant further asserts that it has complied with all applicable provisions of
24 California statutory and common law and have a good faith belief based on existing law that its
25 practices were, and are, in compliance.

26 45. Final Approval of this Settlement shall, as more specifically discussed herein,
27 resolve all claims which were or reasonably could have been alleged in the Complaint, with the
28 exception of any claims which might be retained by the respective Settlement Class Members

1 who exclude themselves from the Settlement. The Parties agree to cooperate and take all steps
2 necessary and appropriate to obtain preliminary and final approval of this Settlement, and to
3 effectuate its terms.

4 46. Each of the forgoing Recitals is incorporated into this Agreement as if fully set
5 forth in the body of the Agreement.

6 **TERMS OF SETTLEMENT**

7 47. Class Certification. The Parties stipulate and agree to the certification of this
8 Action for purposes of this Settlement only. The Parties further stipulate and agree to the
9 appointment of Plaintiffs as Class Representatives and the appointment of Plaintiff's Counsel as
10 Class Counsel, for purposes of this Settlement only. Should the Settlement not become final and
11 effective as herein provided, class certification shall immediately be set aside and the Settlement
12 Class immediately decertified. The Parties' willingness to stipulate to class certification as part
13 of the Settlement shall have no bearing on, and shall not be admissible in or considered in
14 connection with, the issue of whether a class should be certified in a non-settlement context in this
15 Action and shall have no bearing on, and shall not be admissible or considered in connection with,
16 the issue of whether a class should be certified in any other lawsuit.

17 48. Settlement Consideration.

18 a. Defendant's total monetary obligation under this Settlement is the Gross Settlement
19 Amount of \$1,295,000.00. This is an "all in" number that includes, without limitation, all
20 monetary benefits and payments for the Settlement Class Members, the Class Representative
21 Enhancement Awards, the Class Counsel Award, the PAGA Payment, the Settlement
22 Administration Costs, and all other claims for interest, fees and costs. Under no circumstances
23 shall Defendant be required to pay anything more than the Gross Settlement Amount, except that
24 Defendant will separately pay the employer payroll taxes due for the wage payments under this
25 Settlement. In no event shall Defendant be liable for making any payments under this Settlement,
26 or for providing any relief to the Settlement Class Members, before the Effective Date of this
27 Agreement. This is a non-reversionary settlement.

28 b. Plaintiff will pursue a Class Representative Enhancement Award in the amount of

1 \$7,500.00. Defendant agrees not to oppose Plaintiff's application for such enhancement award.
2 The Class Representative Enhancement Award awarded by the Court shall be paid from the Gross
3 Settlement Amount. If the Court awards less than the full Class Representative Enhancement
4 Award, then the unawarded funds shall become part of the Net Settlement Amount to be
5 distributed to Participating Class Members.

6 c. Plaintiff agrees to seek Class Counsel Awards and costs from the Court not to exceed 35%
7 of the Gross Settlement Amount (\$453,250.00) for fees and \$26,700.00 for costs, allocated as
8 follows:

9 i. \$316,912.50 to CollinsKim, LLP (up to \$294,612.50 in fees plus up
10 to \$22,800 in costs)

11 ii. \$162,537.50 to Lawyers for Justice, PC (up to \$158,637.50 in fees
12 plus up to \$3,900 in costs)

13 Defendant agrees not to oppose Plaintiff's application for such a Class Counsel Award.
14 Any Class Counsel Awards awarded by the Court shall be paid from the Gross Settlement Amount.
15 If the Court awards less than the full Class Counsel Awards, then the unawarded funds shall
16 become part of the Net Settlement Amount to be distributed to Participating Class Members.

17 d. Plaintiffs agree to seek a PAGA Payment of \$75,000. 75% of the PAGA Payment shall be
18 paid to the Labor and Workforce Development Agency, and the remaining 25% shall be paid to
19 the Aggrieved Employees on a pay period basis, which will be treated entirely as civil penalties
20 and shall be reported as required on an IRS form 1099. Defendant agrees not to oppose Plaintiff's
21 request for the PAGA Payment or to oppose the 75%/25% allocation of the PAGA Payment. The
22 PAGA Payment shall be paid from the Gross Settlement Amount. If the Court awards less than
23 the full PAGA Payment, then the unawarded funds shall become part of the Net Settlement
24 Amount to be distributed to Participating Class Members. Class Counsel shall give proper notice
25 to the LWDA of the Settlement.

26 e. The Settlement Administrator agrees that its expenses to administer the Settlement shall
27 not exceed \$18,900. The Settlement Administration Costs shall be paid from the Gross Settlement
28 Amount. Any Settlement Administration Costs not actually incurred by the Settlement

1 Administrator shall become part of the Net Settlement Amount to be distributed to Participating
2 Class Members. In the event the Release Effective Date does not occur, any portion of the
3 Settlement Administrator costs already incurred by the Settlement Administrator shall be paid by
4 Plaintiff and Defendant equally. However, if Defendant elects to terminate the Settlement
5 pursuant to Paragraph 50.b. below, then Defendant shall be responsible for all reasonable
6 Settlement Administrator Costs incurred by the Settlement Administrator as of that date. Any
7 dispute relating to the Settlement Administrator's ability and need to perform its duties shall be
8 referred to the Court if it cannot be resolved by the Parties. The Settlement Administrator shall
9 regularly and accurately report to the Parties, in written form when requested, on the substance of
10 the work performed. If the claims administration costs are less than the approved amount, then the
11 remaining funds shall become part of the Net Settlement Amount to be distributed to Participating
12 Class Members.

13 f. The Individual Settlement Payments shall be calculated on a pro-rata, workweeks worked
14 basis. Specifically, the Payment Ratio for each Participating Class Member will be multiplied by
15 the Net Settlement Amount to yield the Individual Settlement Payment amount.

16 g. The Settlement Administrator shall calculate the Individual Settlement Payments based on
17 the Class Information provided to the Settlement Administrator by Defendant. The Settlement
18 Administrator shall allocate 15% of each Individual Settlement Payment to settlement of wage
19 claims, 45% of each Individual Settlement Payment to settlement of claims for statutory penalties,
20 and 40% of each Individual Settlement Payment to interest.

21 h. In exchange for the consideration provided by Defendant, Plaintiff, individually, and on
22 behalf of her heirs, estates, trustees, executors, administrators, representatives, agents, successors
23 and assigns, and anyone claiming through them or acting or purporting to act on their behalf, agree
24 to provide the Complete and General Release of the Released Parties.

25 i. In exchange for the consideration provided by Defendant, Participating Class Members,
26 individually and on behalf of their heirs, estates, trustees, executors, administrators,
27 representatives, agents, successors, and assigns, and anyone claiming through them or acting or
28 purporting to act on their behalf, agree to forever release, discharge, hold harmless, and covenant

1 not to sue each and all of the Released Parties for the Participating Class Members' Released
2 Claims.

3 j. In exchange for the consideration provided by Defendants, Aggrieved Employees shall
4 completely release and discharge the Released Parties from the PAGA Released Claims for the
5 PAGA Period.

6 k. As of the Release Effective Date, Plaintiff and Participating Class Members shall be
7 permanently barred and enjoined from initiating, asserting, or prosecuting against the Released
8 Parties in any federal or state court or tribunal any and all claims released under this Settlement.

9 49. Preliminary Approval.

10 a. Upon execution of this Amended Settlement Agreement, Plaintiff shall submit a
11 supplemental declaration in support of the motion for preliminary approval of the Settlement to the
12 Court.

13 b. The Parties stipulate to the form of, and agree to submit to the Court for its consideration,
14 this Settlement Agreement and the Notice of Pendency of Class Action Settlement and Estimated
15 Individual Settlement Payment (**Exhibit 1**), the Objection Form (**Exhibit 2**), and the Request for
16 Exclusion Form (**Exhibit 3**).

17 c. The Proposed Order shall:

18 i. Conditionally certify the Class and the Class Claims;

19 ii. Conditionally appoint Plaintiff and Class Counsel as representatives and of the
20 Settlement Class;

21 iii. Appoint CPT Group as the Settlement Administrator, and order the Settlement
22 Administrator to provide notice of the settlement as outlines below;

23 iv. Confirm that the procedure for distributing the Class Notice (discussed below) (i)
24 constituted the best practicable notice; (ii) constituted notice that was reasonably
25 calculated, under the circumstances, to apprise Class Members of the pendency of
26 the Action, and their right to exclude themselves from or object to the proposed
27 settlement and to appear at the Final Approval Hearing; (iii) was reasonable and
28 constituted due, adequate, and sufficient notice to all persons entitled to receive

1 notice; and (iv) met all applicable requirements of due process, and any other
2 applicable rules or law;

3 v. Order that the preliminary approval of the Settlement, certification of the
4 Settlement Class Members and the Class Claims, and all actions associated with
5 them, are undertaken on the condition that they shall be vacated if the Settlement
6 Agreement is terminated or disapproved in whole or in part by the Court, or any
7 appellate court and/or other court of review in which event the Settlement
8 Agreement and the fact that it was entered into shall not be offered, received, or
9 construed as an admission or as evidence for any purpose, including but not limited
10 to an admission by any Party of liability or non-liability or the certifiability of a
11 litigation class or the appropriateness of maintaining a representative action.

12 d. The motion for preliminary approval shall request: that the Final Approval Hearing and
13 any determination on the request for a Class Counsel Award and Class Representative
14 Enhancement Awards be set no earlier than twenty-one (21) days after the Exclusion/Objection
15 deadline; that Plaintiff be permitted to file her motion for final approval no later than fourteen (14)
16 days before the Final Approval Hearing.

17 e. At the same time that Plaintiff files her motion for preliminary approval, Class Counsel
18 will notify the LWDA that the Parties have filed a motion for preliminary approval of settlement
19 of a PAGA claim.

20 50. Procedure for Providing Notice of Settlement.

21 a. Defendant has already provided the Settlement Administrator with the Class Information
22 for purposes of sending the Class Notice to Class Members.

23 b. No more than fourteen (14) calendar days after the Court's approval of Plaintiff's Motion
24 for Preliminary Approval, the Settlement Administrator shall send the Class Notice to the Class
25 Members via U.S. Mail.

26 c. The Class Notice will inform Class Members that, unless they request to be excluded from
27 the Settlement, they will become Participating Class Members; they will receive Individual
28 Settlement Payments under the Agreement; and they are bound by the release of the Participating

1 Class Members' Released Claims. The Class Notice and all accompanying documents will be in
2 English and translated into Spanish. The Class Notice will also identify the website url for the
3 settlement website where Class Members may obtain additional information about the settlement.

4 d. The Class Notice will inform Class Members of their right to request exclusion from the
5 Settlement and the procedure for doing so.

6 e. The Class Notice will inform Class Members of their right to object to the Settlement and
7 the procedure for doing so.

8 f. The Class Notice shall include a statement as to the number of workweeks worked during
9 the Class Period attributable to the Class Member as well as an explanation for how the workweeks
10 worked will be used to calculate the Individual Settlement Payments. The Class Notice shall also
11 include a statement as to how the Aggrieved Employee's individual's portion of the PAGA
12 Payment was calculated.

13 g. Prior to mailing the Class Notice, the Settlement Administrator shall process the Class
14 Information list against the National Change of Address ("NCOA" Database maintained by the
15 United States Postal Service ("USPS")). It shall be conclusively presumed that if the Notice Packet
16 is not returned as "undeliverable," the Settlement Class Member received the Notice Packet.

17 h. With respect to Notice Packets that are returned as undeliverable, if a forwarding address
18 is provided by the USPS, the Settlement Administrator shall re-mail the Notice Packet within three
19 (3) business days. If a Notice Packet is "undeliverable" and no forwarding address is provided,
20 the Settlement Administrator shall employ standard skip-tracing to obtain updated address
21 information and shall re-mail the Notice Packet to those Settlement Class Members. All re-
22 mailings to skip-traced Settlement Class Members shall be promptly performed during the notice
23 and opt-out period and must be completed no later than ten (10) days prior to the Response
24 Deadline.

25 i. To the extent that Class Counsel becomes aware of new contact information for any
26 Settlement Class Member, Class Counsel shall promptly communicate that information to the
27 Settlement Administrator. Within two (2) business days of receiving such information, the
28 Settlement Administrator shall cause a Notice Packet to be mailed to the Settlement Class

1 Member's updated address.

2 j. The Parties agree that the procedures set forth in this Section comply with all due process
3 requirements, constitutes reasonable and the best practicable notice under the circumstances, and
4 constitute an appropriate and sufficient effort to locate current addresses for Class Members such
5 that no additional efforts to do so shall be required. Any Class Members who fail to receive the
6 Notice of Settlement after these procedures have been followed will nonetheless be bound by this
7 Settlement.

8 k. At least twenty-one (21) days before the Final Approval Hearing, the Settlement
9 Administrator shall provide a declaration of due diligence confirming: its dissemination of the
10 Class Notice in accordance with the notice procedures of this Agreement; all attempts by the
11 Settlement Administrator to locate Class Members; the number of delivered and undeliverable
12 Class Notices; the number of objections received (and copies of same); and the number of requests
13 for exclusion received (but not copies of same). Class Counsel shall be responsible for filing the
14 due diligence declaration with the Court.

15 51. Workweeks Worked Disputes and Distribution

16 a. Each Settlement Class Member will have the opportunity, should they disagree with
17 Defendant's records regarding the number of Workweeks credited to them during the applicable
18 Settlement Class Period and pay periods during the PAGA Period as stated in the Notice, to
19 provide documentation and/or an explanation postmarked or to be received by the Settlement
20 Administrator by the Response Deadline in support of his or her claim of a different number of
21 Workweeks and/or pay periods. If there is a dispute related to the number of Class Period
22 workweeks or PAGA pay periods, the Settlement Administrator will consult with Class Counsel
23 and Defendant's counsel to determine whether an adjustment is warranted. The Settlement
24 Administrator will provide an initial resolution to any dispute related to the number of Class Period
25 workweeks or PAGA pay periods, which will be subject to review by the Court. If the Settlement
26 Administrator is unable to resolve a dispute related to the number of Workweeks, the Parties will
27 submit the dispute to the Court for resolution.

28

1 b. Within fifteen (15) business days of the Response Deadline, the Settlement Administrator
2 shall provide a spreadsheet to Class Counsel and to Defendant’s Counsel that contains information
3 sufficient to determine: the amount proposed to be paid to each Participating Class Member and
4 Aggrieved Employee, and the names, addresses, and last four digits of the Social Security
5 Numbers of any Settlement Class Members who opted-out of the Settlement. The Settlement
6 Administrator will keep originals, including postmarked envelopes of all documents associated
7 with disputes over the credited Workweeks and make copies of them available to Defendant and/or
8 Class Counsel upon reasonable request.

9 c. Defendant will provide the Settlement Administrator with the Gross Settlement Amount
10 by bank wire within fourteen (14) calendar days of the Effective Date. The Settlement
11 Administrator will maintain the funds in an account that enables the funds to accrue interest.
12 Within five (5) calendar days from receipt of the funds, the Settlement Administrator shall then
13 disburse the funds under the Settlement, as approved by the Court.

14 d. Class Counsel shall deliver to the Settlement Administrator written instructions that
15 describe the manner and mode of payment of such Attorneys’ Fees and Costs, and a fully-executed
16 Form W-9 with respect to the entity(ies) to whom the Attorneys’ Fees and Costs shall be paid.
17 The Settlement Administrator will issue to Class Counsel an IRS Form 1099 for such amounts
18 paid for attorneys’ fees under this Settlement. Notwithstanding the foregoing, Class Counsel shall
19 not apply for, and shall not be awarded, attorneys’ fees and/or costs in any amounts that are in
20 excess of the amounts set forth in this Agreement.

21 e. Payments to Participating Class Members, Aggrieved Employees, Class Counsel, the Class
22 Representatives, and the California Labor and Workforce Development Agency shall be made by
23 the Settlement Administrator within five (5) calendar days from the Settlement Administrator’s
24 receipt of the Gross Settlement Amount from Defendant. The claims administrator shall conduct
25 a skip trace on any checks that are returned as undeliverable.

26 f. The Settlement Administrator shall be responsible for calculating and timely paying any
27 and all payroll tax deductions to be withheld from the portion of the Individual Settlement
28 Payments apportioned as wages to the appropriate tax authorities, as required under this

1 Agreement and applicable law. This includes any and all applicable taxes, whether traditionally
2 the responsibility of employer or employee. The Settlement Administrator's responsibilities
3 include the following: (a) filing all Federal, state and local employment tax returns, tax
4 withholding returns, and any other tax returns associated with the taxes, (b) timely and proper
5 filing of all required Federal, state and local information returns (e.g., 1099s, W-2s, etc.) with the
6 appropriate taxing authorities, and (c) completion of any other steps necessary for compliance
7 with any tax obligations of the settlement fund under Federal, state and/or local law. To verify the
8 Settlement Administrator's compliance with the foregoing withholding and reporting
9 requirements, as soon as administratively practicable, the Settlement Administrator shall furnish
10 Class Counsel and Defendant's Counsel with copies of all filed tax returns and information returns
11 (including all 1099 and W-2 information returns) upon request, and a final accounting adequate
12 to demonstrate full compliance with all tax withholding, payment, deposit and reporting
13 obligations.

14 f. Each party to this Agreement acknowledges and agrees that (1) no provision of this
15 Agreement, and no written communication or disclosure between or among the Parties or their
16 attorneys and other advisers, is or was intended to be, nor shall any such communication or
17 disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United
18 States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the Acknowledging
19 Party (a) has relied exclusively upon his, her or its own, independent legal and tax advisers for
20 advice (including tax advice) in connection with this Agreement, (b) has not entered into this
21 Agreement based upon the recommendation of any other party or any attorney or advisor to any
22 other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney
23 or adviser to any other party to avoid any tax penalty that may be imposed on the Acknowledging
24 Party; and (3) no attorney or adviser to any other party has imposed any limitation that protects
25 the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such
26 limitation is legally binding) upon disclosure by the Acknowledging Party of the tax treatment or
27 tax structure of any transaction, including any transaction contemplated by this Agreement.
28

1 g. Notice of entry of final judgement will be provided to the Class Members through the
2 settlement website.

3 52. Procedure for Requesting Exclusion.

4 a. Class Members who wish to exclude themselves from (or “opt out” of) the Settlement must
5 submit timely, written requests for exclusion. To be effective, the request for exclusion must
6 submitted on the Request for Exclusion Form or sending a written exclusion request in similar
7 form, which must include: the Class Member’s name, address, and telephone number; the name
8 and case number of this case; a clear and unequivocal statement that the individual wishes to be
9 excluded from the Settlement; and the Class Member’s signature, either of which must be
10 postmarked by the Response Deadline. The date of the postmark on the envelope containing the
11 request for exclusion shall be the exclusive means used to determine whether a request for
12 exclusion has been timely submitted. Requests for exclusion must be exercised individually by a
13 Class Member. Attempted collective group, class, or subclass requests for exclusions shall be
14 ineffective and disregarded by the Settlement Administrator.

15 b. If more than 10% of Class Members opt out of the Settlement, Defendant at its sole and
16 absolute discretion may elect to rescind and revoke the entire Settlement Agreement by sending
17 written notice to Class Counsel that it revokes the Settlement within 30 days after expiration of
18 the opt out period.

19 c. All Class Members who do not opt out shall be bound by this Agreement, and all of their
20 claims shall be dismissed with prejudice and released as provided for herein.

21 d. Notwithstanding the submission of a timely request for exclusion, Class Members will still
22 be bound by the settlement and release of the PAGA Claims or remedies under the Judgment
23 pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009) and will receive their portion of the
24 PAGA Payment.

25 53. Procedure for Objecting.

26 a. Settlement Class Member who does not opt out of the Settlement and wishes to object to
27 the Settlement may either present their objection at the Final Approval Hearing or submit to the
28 Settlement Administrator a timely and valid Objection Form or written brief or statement of

1 objection (together, “Objection”). The Objection must: (1) state the full name of the Participating
2 Class Member; (2) be signed by the Participating Class Member; and (3) be postmarked by the
3 Response Deadline and returned to the Settlement Administrator at the address specified on the
4 Notice. With the motion for final approval, Plaintiffs will present a full report to the Court on all
5 exclusions and objections received. Settlement Class Members who validly opt-out of the
6 Settlement may not submit an Objection to the Settlement and any Objection they submit will not
7 be valid.

8 b. Class Members who object to the proposed Settlement shall remain Settlement Class
9 Members and shall be deemed to have voluntarily waived their right to pursue an independent
10 remedy against Defendant and the Released Parties. To the extent any Class Member objects to
11 the Settlement, and such objection is overruled in whole or in part, those Class Members will be
12 forever bound by the Final Approval order and Judgment.

13 54. Motion for Final Approval

14 a. Promptly after the Exclusion/Objection Deadline, Plaintiff shall file a motion requesting
15 final approval of the Settlement, the entry of which is a material condition of this Settlement.

16 b. The Final Approval Order shall adjudge that, among other things:

17 i. The Settlement Administrator has fulfilled its initial notice and reporting duties under
18 the Settlement and that the Class Notice: (i) constituted the best practicable notice; (ii)
19 constituted notice that was reasonably calculated, under the circumstances, to apprise
20 Settlement Class Members of the pendency of the Action, and their right to exclude
21 themselves from or object to the proposed settlement and to appear at the Final
22 Approval Hearing; (iii) was reasonable and constituted due, adequate, and sufficient
23 notice to all persons entitled to receive notice; and (iv) met all applicable requirements
24 of due process, and any other applicable rules or law.

25 ii. The Settlement as fair, reasonable, and adequate;

26 iii. Plaintiff and Class Counsel may adequately represent the Class Members for the
27 purpose of entering into and implementing the Settlement;
28

- 1 iv. The Settlement Administrator is to execute the distribution of proceeds pursuant to the
2 terms of this Settlement;
- 3 v. The Final Approval Order and Judgment of dismissal shall be final and entered
4 forthwith;
- 5 vi. Without affecting the finality of the Final Approval Order and Judgment, the Court
6 retains continuing jurisdiction over Plaintiff, Defendant, and the Class Members as to
7 all matters concerning the administration, consummation, and enforcement of this
8 Settlement Agreement;
- 9 vii. As of the Final Approval Date, the Plaintiff, Participating Class Members, and their
10 legally authorized representatives, heirs, estates, trustees, executors, administrators,
11 principals, beneficiaries, representatives, agents, assigns, and successors, and/or
12 anyone claiming through them or acting or purporting to act for them or on their behalf,
13 regardless of whether they have received actual notice of the proposed Settlement, have
14 conclusively compromised, settled, discharged, and provided: the Complete and
15 General Release (in the case of Plaintiff); and the release of Released Claims (in the
16 case of the Participating Class Members) against Defendant and the Released Parties,
17 and are bound by the provisions of the Settlement;
- 18 viii. Notwithstanding the submission of a timely request for exclusion, Class Members are
19 still bound by the settlement and release of the PAGA Claims or remedies under the
20 Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009), as requests for
21 exclusion do not apply to the PAGA Claims, and further affirms that the State's claims
22 for civil penalties pursuant to PAGA are also extinguished;
- 23 ix. This Settlement Agreement and the Final Approval order and Judgment to be binding
24 on, and have *res judicata* and preclusive effect in, all pending and future lawsuits or
25 other proceedings that encompass Plaintiff's and Settlement Class Members' claims
26 released herein, and that are maintained by or on behalf of Plaintiff and the Settlement
27 Class Members and/or their heirs, estates, trustees, executors, administrators,
28

1 principals, beneficiaries, representatives, agents, assigns, and successors, and/or
2 anyone claiming through them or acting or purporting to act for them or on their behalf;

3 x. Plaintiff and the Settlement Class Members are permanently barred from filing,
4 commencing, prosecuting, intervening in, or participating (as class members or
5 otherwise) in any other lawsuit or administrative, regulatory, arbitration, or other
6 proceeding in any jurisdiction based on the claims released herein;

7 xi. The Settlement provided for herein, and any proceedings undertaken pursuant thereto,
8 are not, and should not in any event be offered, received, or construed as evidence of,
9 a presumption, concession, or an admission by any Party of liability or non-liability or
10 of the certifiability or non-certifiability of a litigation class or collective, or that PAGA
11 representative claims may validly be pursued; provided, however, that reference may
12 be made to this Settlement in such proceedings as may be necessary to effectuate the
13 provisions of this Settlement;

14 xii. The Action is dismissed with prejudice;

15 xiii. The Parties, without further approval from the Court, are authorized to agree to and
16 adopt such amendments, modifications, and expansions of this Agreement, including
17 all Exhibits hereto, as (i) shall be consistent in all material respects with the Final
18 Approval order; (ii) do not limit the rights of Participating Class Members; and (iii)
19 contains such other and further provisions consistent with the terms of this Settlement
20 Agreement to which the Parties expressly consent in writing.

21 c. At the Final Approval Hearing, Class Counsel may also request entry of an Order
22 approving the Class Counsel Award and the Class Representative Enhancement Awards to
23 Plaintiff. Any such Class Counsel Award or Class Representative Enhancement Award shall be
24 paid exclusively from the Gross Settlement Amount. In no event shall any Released Party
25 otherwise be obligated to pay for any attorneys' fees and expenses or Class Representative
26 Enhancement Awards. The disposition of Class Counsel's application for a Class Counsel Award,
27 and for Class Representative Enhancement Awards, is within the sound discretion of the Court
28 and is not a material term of this Settlement Agreement, and it is not a condition of this Settlement

1 Agreement that such application be granted. Any disapproval or modification of such application
2 by the Court shall not (i) affect the enforceability of the Settlement Agreement, (ii) provide any
3 of the Parties with the right to terminate the Settlement Agreement, or (iii) increase the
4 consideration any Released Party pays in connection with the Settlement. Released Parties shall
5 have no liability to Plaintiffs or Class Counsel arising from any claim regarding the division of
6 any attorneys' fee/litigation cost award between and among Class Counsel.

7 d. If any portion of the Net Settlement Amount cannot be evenly distributed to the Settlement
8 Class Members, or if any the Individual Settlement Payments are not cashed after the Void Date,
9 then within thirty (30) days after the Void Date, the Settlement Administrator shall void the checks
10 and shall pay such unallocated and unclaimed funds to the California State Controller's Office in
11 the name of the Class Member.

12 e. Upon completion of administration of the Settlement, the Settlement Administrator will
13 provide a written declaration under oath to certify such completion to the Court and counsel for
14 all Parties. Class Counsel shall file the declaration with the Court to confirm full satisfaction of
15 the Settlement.

16 f. Participating Class Members are not eligible to receive any compensation other than the
17 Individual Settlement Payment.

18 g. The Individual Settlement Payments cashed by Participating Class Member shall be
19 reported by the Settlement Administrator to the applicable governmental authorities on IRS Forms
20 W-9 and/or 1099 (if required). The Parties agree all Individual Settlement Payments will be
21 allocated as follows: 15% to settlement of wage claims; 45% to settlement of claims for statutory
22 penalties; and 40% to settlement of claims for interest. The portions allocated to the Class
23 Representative Enhancement Award shall be reported on IRS Form 1099s by the Settlement
24 Administrator. The Settlement Administrator shall be responsible for issuing copies of all IRS
25 Forms for the Plaintiffs and Participating Class Members.

26 h. Payments and tax reporting by the Settlement Administrator in the manner described above
27 shall be deemed conclusive of compliance with this Settlement Agreement as to all Participating
28 Class Members. No Participating Class Members shall have any claim against the Plaintiff, Class

1 Counsel, Defendant, Defendant's counsel or the Settlement Administrator for distributions made
2 substantially in accordance with this Settlement Agreement and/or orders of the Court. No
3 Participating Class Members shall have any claim against Defendant, the Released Parties or Class
4 Counsel relating to distributions made under this Settlement.

5 55. Effect of Disapproval, Cancellation or Termination of Settlement Agreement.

6 a. If the Court does not approve the Settlement as set forth in this Settlement Agreement, or
7 if the Court enters the Judgment and appellate review is sought, and on such review, the entry of
8 Judgment is vacated, modified in any way, or reversed, or if the Final Approval order does not
9 otherwise become Final, then this Settlement Agreement shall be cancelled and terminated, unless
10 all Parties, in their sole discretion within thirty (30) days from the date such ruling becomes final,
11 provide written notice to all other Parties hereto of their intent to proceed with the Settlement
12 under the terms of the Judgment as it may be modified by the Court or any appellate court.

13 b. In the event that: (i) the Settlement is not approved, is overturned, or is materially modified
14 by the Court or on appeal, (ii) the Judgment does not become Final, or (iii) this Settlement
15 Agreement is terminated, cancelled, or fails to become effective for any reason, then: (a) the
16 Parties stipulate and agree the Settlement, the Class Information, and all documents exchanged
17 and filed in connection with the Settlement shall be treated as inadmissible mediation
18 communications under Cal. Evid. Code §§ 1115 et seq., (b) the Settlement shall be without force
19 and effect upon the rights of the Parties hereto, and none of its terms shall be effective or
20 enforceable, with the exception of this Paragraph, which shall remain effective and enforceable;
21 (c) the Parties shall be deemed to have reverted to their respective status prior to execution of this
22 Agreement; (d) all Orders entered in connection with the Settlement, including the certification of
23 the California Settlement Class Members and the California Class Claims, FLSA Settlement
24 Collective Members and FLSA Collective Claims, shall be vacated without prejudice to any
25 Party's position on the issue of class certification, the issue of amending the complaint, or any
26 other issue, in this Action or any other action, and the Parties shall be restored to their litigation
27 positions existing on the date of execution of this Agreement; and (e) the Parties shall proceed in
28 all respects as if the Settlement Agreement and related documentation and orders had not been

1 executed, and without prejudice in any way from the negotiation or fact of the Settlement or the
2 terms of the Settlement Agreement. The Settlement, all documents, orders, and evidence relating
3 to the Settlement, the fact of their existence, any of their terms, any statement or report concerning
4 the Settlement Agreement, its existence, or their terms, any negotiations, proceedings, acts
5 performed, or documents executed pursuant to or in furtherance of the Settlement Agreement shall
6 not be admissible in any proceeding, and shall not be offered, received, or construed as evidence
7 of a presumption, concession, or an admission of liability, of unenforceability of any arbitration
8 agreement, of the certifiability of a litigation class, or otherwise used by any Person for any
9 purpose whatsoever, in any trial of this Action or any other action or proceedings.

10 56. Additional Provisions

11 a. All of the Exhibits to this Agreement are an integral part of the Settlement and are
12 incorporated by reference as though fully set forth herein.

13 b. Unless otherwise noted, all references to “days” in this Agreement shall be to calendar
14 days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal
15 legal holiday, such date or deadline shall be on the first business day thereafter.

16 c. This Agreement supersedes all prior negotiations and agreements and may be amended or
17 modified only by a written instrument signed by counsel for all Parties or the Parties’ successors-
18 in-interest.

19 d. The Parties reserve the right, subject to the Court’s approval, to make any reasonable
20 extensions of time that might be necessary to carry out any of the provisions of this Agreement.
21 Such extensions must be in writing to be enforceable.

22 e. The Parties to the Settlement Agreement agree that the terms of the Settlement were
23 negotiated at arm’s length and in good faith by the Parties, resulted from an arm’s-length
24 mediation session facilitated by Kristin Rizzo, and reflect a settlement that was reached voluntarily
25 based upon adequate information and sufficient discovery and after consultation with experienced
26 legal counsel.

27 f. The waiver by one Party of any breach of this Settlement Agreement by any other Party
28 shall not be deemed a waiver of any other prior or subsequent breach of this Settlement Agreement.

1 g. This Settlement Agreement, including its Exhibits, constitutes the entire agreement among
2 the Parties, and no representations, warranties, or inducements have been made to any Party
3 concerning this Settlement Agreement or its Exhibits, other than the representations, warranties,
4 and covenants contained and memorialized in this Settlement Agreement and its Exhibits.

5 h. This Settlement Agreement may be executed in one or more counterparts. All executed
6 counterparts and each of them shall be deemed to be one and the same instrument provided that
7 counsel for the Parties to this Settlement Agreement shall exchange among themselves original
8 signed counterparts.

9 i. The Parties hereto and their respective counsel agree that they will use their best efforts to
10 obtain all necessary approvals of the Court required by this Settlement Agreement.

11 j. This Settlement Agreement shall be binding upon and shall inure to the benefit of the
12 successors and assigns of the Parties hereto, including any and all Released Parties and any
13 corporation, partnership, or other entity into or with which any Party hereto may merge,
14 consolidate, or reorganize.

15 k. This Settlement Agreement shall not be construed more strictly against one Party than
16 another merely because of the fact that it may have been prepared by counsel for one of the Parties,
17 it being recognized that because of the arm's-length negotiations resulting in the Settlement
18 Agreement, all Parties hereto have contributed substantially and materially to the preparation of
19 the Settlement Agreement.

20 l. Except where this Settlement Agreement itself provides otherwise, all terms, conditions,
21 and Exhibits are material and necessary to this Settlement Agreement and have been relied upon
22 by the Parties in entering into this Settlement Agreement.

23 m. This Settlement Agreement shall be governed by California law. Any action based on this
24 Settlement Agreement, or to enforce any of its terms, shall be venued in the Orange County
25 Superior Court, which shall retain jurisdiction over all such disputes. All Parties to this Settlement
26 Agreement shall be subject to the jurisdiction of said Court for all purposes related to this
27 Settlement Agreement. This Paragraph relates solely to the law governing this Settlement
28 Agreement and any action based thereon, and nothing in this Paragraph shall be construed as an

1 admission or finding that California law applies to the Released Claims of any Plaintiff or Class
2 Member who resides outside the State of California.

3 n. The Court shall retain continuing and exclusive jurisdiction over the Parties to this
4 Settlement Agreement for the purpose of the administration and enforcement of this Settlement
5 Agreement.


6 o. The headings used in this Settlement Agreement are for the convenience of the reader only,
7 and shall not affect the meaning or interpretation of this Settlement Agreement.

8 p. In construing this Settlement Agreement, the use of the singular includes the plural (and
9 vice-versa) and the use of the masculine includes the feminine (and vice-versa).

10
11 Date: _____
12 Leydi Morales

13
14 Date: _____
15 Mastroianni Family Enterprises, LTD

16
17 Agreed as to form.

18 Date: April 4, 2024
19
20 By: 
21 TAE KIM
22 Attorneys for Plaintiff Leydi Morales

23 Date: **SCOTT & WHITEHEAD**
24
25 By: _____
26 Nancy Whitehead
27 Michael J. Rossiter
28 Attorneys for Defendant, Mastroianni
Enterprises, LTD

1 admission or finding that California law applies to the Released Claims of any Plaintiff or Class
2 Member who resides outside the State of California.

3 n. The Court shall retain continuing and exclusive jurisdiction over the Parties to this
4 Settlement Agreement for the purpose of the administration and enforcement of this Settlement
5 Agreement.

6 o. The headings used in this Settlement Agreement are for the convenience of the reader only,
7 and shall not affect the meaning or interpretation of this Settlement Agreement.

8 p. In construing this Settlement Agreement, the use of the singular includes the plural (and
9 vice-versa) and the use of the masculine includes the feminine (and vice-versa).

10
11 Date: 03 / 27 / 2024 *Leydi Morales*
12 Leydi Morales

13
14 Date: _____
15 Mastroianni Family Enterprises, LTD

16
17 Agreed as to form.

18 Date: **COLLINS KIM LLP**
19
20 By: _____
21 TAE KIM
22 *Attorneys for Plaintiff Leydi Morales*

23 Date: **SCOTT & WHITEHEAD**
24
25 By: _____
26 Nancy Whitehead
27 Michael J. Rossiter
28 *Attorneys for Defendant, Mastroianni Enterprises, LTD*

1 admission or finding that California law applies to the Released Claims of any Plaintiff or Class
2 Member who resides outside the State of California.

3 n. The Court shall retain continuing and exclusive jurisdiction over the Parties to this
4 Settlement Agreement for the purpose of the administration and enforcement of this Settlement
5 Agreement.

6 o. The headings used in this Settlement Agreement are for the convenience of the reader only,
7 and shall not affect the meaning or interpretation of this Settlement Agreement.

8 p. In construing this Settlement Agreement, the use of the singular includes the plural (and
9 vice-versa) and the use of the masculine includes the feminine (and vice-versa).

10

11 Date:

Leydi Morales

12

13

14 Date:

✓ 4-01-2024

✓ 
Mastroianni Family Enterprises, LTD

15

16

17 Agreed as to form.

18 Date: April 1, 2024

COLLINS KIM LLP

19

20

By:

TAE KIM
Attorneys for Plaintiff Leydi Morales

21

22

23 Date: April 4, 2024

SCOTT & WHITEHEAD

24

25

By:



Nancy Whitehead
Michael J. Rossiter
*Attorneys for Defendant, Mastroianni
Enterprises, LTD*

26

27

28

EXHIBIT 1

NOTICE OF CLASS ACTION AND PRIVATE ATTORNEY GENERAL ACT SETTLEMENT

Leydi Morales v. Mastroianni Family Enterprises, LTD
Orange County Superior Court Case No. 30-2022-01286355-CU-OE-CJC

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU WORKED FOR MASTROIANNI FAMILY ENTERPRISES, LTD AS A NON-EXEMPT EMPLOYEE IN CALIFORNIA AT ANY TIME BETWEEN October 14, 2018 AND October 23, 2023, THIS CLASS ACTION AND PRIVATE ATTORNEY GENERAL ACT (“PAGA”) SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action and PAGA lawsuit entitled *Morales v. Mastroianni Family Enterprises, Ltd*, Orange County Superior Court Case No. 30-2022-01286355-CU-OE-CJC (the “Action”). The purpose of this Notice of Class Action and PAGA Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action.

A hearing concerning the Settlement (the “Settlement Hearing”) will be held before the Hon. Melissa R. McCormick on [REDACTED], 2024 at [REDACTED] in Department CX104 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701, to determine whether the Settlement is fair, adequate and reasonable.

THE CLASS ACTION:

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST EXCLUSION FROM THE SETTLEMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS CLASS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Class and will receive an Individual Settlement Payment. You will also give up the right to pursue a separate legal action against Mastroianni Family Enterprises, LTD. (“Defendant”) and affiliated persons and entities, as explained more fully below.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	You have the option to pursue separate legal action against Defendant about the claims in this lawsuit. If you choose to do so, you must exclude yourself, in writing, from the Settlement. As a result, you will not receive any benefits under the Settlement.
OBJECT	To object to the Settlement, you must submit a written statement explaining why you do not like the Settlement or explain your objections in person at the Settlement Hearing. This option is available only if you do not exclude yourself from the Settlement.

Who is affected by this proposed Class Action Settlement?

The Court has certified, for settlement purposes only, the following class (the “Class”):

All persons employed by Defendant as non-exempt employees in California at any time during the period from October 14, 2018 to October 23, 2023, (the “Class Period”).

THE PAGA ACTION:

IF YOU ARE AN AGGRIEVED EMPLOYEE, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT OF THE PAGA ACTION SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, REGARDLESS OF WHETHER YOU CASH YOUR CHECK OR NOT. YOU CANNOT OPT OUT OF THE PAGA ACTION SETTLEMENT.

Who is affected by this proposed PAGA Action Settlement?

Aggrieved Employees are defined as:

All persons employed by Defendant as non-exempt employees in California at any time during the period from October 14, 2021 to October 23, 2023 (the “PAGA Period”).

If you were employed by Defendant during the PAGA Period, you are an Aggrieved Employee.

What is this case about?

In the Action, plaintiff Leydi Morales (“Plaintiff”) alleges on behalf of herself and the Settlement Class Members the following claims against Defendant: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business practices; and (10) penalties under the Labor Code Private Attorneys General Act (“PAGA”), as a representative action. Plaintiff seeks unpaid wages, statutory penalties, restitution, interest, attorneys’ fees, and costs. Plaintiff also seeks civil penalties under PAGA for the forgoing claims on behalf of the State of California and all Aggrieved Employees.

Defendant denies all liability and is confident it has strong legal and factual defenses to these claims.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff also believes the Settlement is in the best interests of all Settlement Class Members and Aggrieved Employees.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

Tae Kim
CollinsKim, LLP
515 South Flower Street, 18th Floor
Los Angeles, California 90071
213-314-0238

Defense Counsel

Michael J. Rossiter
Nancy Rader Whitehead
Scott & Whitehead
4675 MacArthur Court, Suite 1240
Newport Beach, CA 92660
(949) 222-0166

Arby Aiwazian
Tara Zabehi

Margaux Gundzik
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, CA 91203
(818) 265-1020

What are the Settlement terms?

Subject to final Court approval, Defendant will pay \$1,295,000.00 (the “Gross Settlement Amount”) for: (a) Individual Settlement Payments to Settlement Class Members who do not request to be excluded from the Settlement (“Participating Class Members”); (b) the Court-approved Class Representative Enhancement Award to Plaintiff; (c) the Court-approved attorneys’ fees and costs to Class Counsel; (d) the costs of administering the Settlement; and (e) the payment to be paid to the California Labor and Workforce Development Agency (“LWDA”) and Aggrieved Employees for the PAGA claims (“PAGA Payment”).

Class Counsel Attorneys’ Fees and Costs, Class Representative Enhancement Award, Settlement Administration Costs and PAGA Payment. Class Counsel will ask the Court to award attorneys’ fees up to \$453,250.00 (thirty five percent of the Gross Settlement Amount) and reimbursement of actual and reasonable costs incurred in the Action not to exceed \$26,700.00. In addition, Class Counsel will ask the Court to authorize a Class Representative Enhancement Award payment of up to \$7,500.00 to Plaintiff for her effort in prosecuting the Action on behalf of the Class and Aggrieved Employees. The Parties estimate the cost of administering the Settlement will not exceed \$18,900. In addition, \$75,000.00 will be allocated to penalties under PAGA, of which 75%, or \$56,250.00, will be paid to the LWDA, and the remaining 25%, or \$18,750.00, will be distributed to Aggrieved Employees. Any amounts not requested or awarded by the Court or not incurred will be included in the Net Settlement Amount and will be distributed to Participating Class Members, as set forth above.

Individual Settlement Payments for the Class Action. After deduction from the Gross Settlement Amount for Class Counsel’s attorneys’ fees and costs, the Class Representative Service Award to Plaintiff, the PAGA Payment, and the costs of administering the Settlement, there will be a Net Settlement Amount. From the Net Settlement Amount, each Participating Class Member will receive an Individual Settlement Payment. The Net Settlement Amount shall be divided pro rata among all Participating Class Members based on the total number of weeks worked during the Class Period.

Individual PAGA Payments. In addition, all Aggrieved Employees shall receive a pro rata share of the portion of the PAGA Payment allocated to Aggrieved Employees based on the number of pay periods worked during PAGA Period.

If an Individual Settlement Payment check and/or Individual PAGA Payment check remains uncashed after 180 days from issuance, the Settlement Administrator will pay over the amount represented by the check to the State Controller’s Office Unclaimed Property Fund, with the identity of the Class Members or Aggrieved Employees to whom the funds belong. The Class Member and Aggrieved Employee will remain bound by the terms of the Settlement and all Court orders.

For tax reporting purposes, the Individual Settlement Payments to Participating Class Members will be allocated 15% as wages and 45% as statutory penalties, and 40% to interest. The wage portion of the Individual Settlement Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable payroll taxes from the wage portion of the Individual Settlement Payments. The Individual PAGA Payment will be allocated as civil penalties and not subject to tax withholding.

The Parties and their attorneys do not make any representations concerning the tax consequences of this Settlement or your participation in it and are unable to offer tax advice. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement.

How much will my payment be?

Defendant's records reflect that you worked <<>> weeks during the Class Period. Based on this information, your estimated Individual Settlement Payment will be <<>>.

Defendant's records reflect that you worked <<>> pay periods during the PAGA Period. Based on this information, your estimated Individual PAGA Payment will be <<>>.

If you wish to challenge the weeks worked, or the pay periods worked above, then you must submit a written, signed challenge along with supporting documents, to the Settlement Administrator provided in this Notice by <<>>. The Settlement Administrator, in consultation with counsel for both parties, will determine whether an adjustment is warranted. The Court may review any dispute decision made by the Settlement Administrator.

What claims are being released by the proposed Settlement?

Release by Participating Class Members. Upon Defendant providing the Gross Settlement Amount to the Settlement Administrator, Plaintiff and all Participating Class Members shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, causes of action, rights, liabilities, penalties, demands, damages, debts, accounts, duties, Costs (other than those Costs required to be paid pursuant to this Settlement Agreement), against the Released Parties that are pled in the Operative Complaint and that arise from the facts alleged in Plaintiffs' Operative Complaint during the Class Period. Specifically, this includes Defendant's alleged violation of the California Labor Code for, *inter alia*, failure to pay overtime and minimum wages, provide meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses, as well as all claims for failure to pay minimum wage, failure to pay overtime wages, failure to provide meal and rest periods, failure to issue accurate itemized wage statements, and Defendant's alleged unfair business practices in violation of California Business and Professions Code sections 17200, *et seq.* stemming from the foregoing alleged California Labor Code violations.

Release by Aggrieved Employees. Upon Defendant providing the Gross Settlement Amount to the Settlement Administrator, all Aggrieved Employees shall be deemed to have released the Released Parties from any and all PAGA claims that Plaintiff alleged against the Released Parties, on behalf of Aggrieved Employees, based on the facts stated in the Complaint and in Plaintiff's LWDA notice letter, which include PAGA claims seeking civil penalties that are premised upon: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide compliant meal periods and pay required meal period penalties; (d) failure to provide compliant rest periods and pay required rest period penalties; (e) failure to reimburse business expenses; (f) failure to timely pay wages each period and upon separation of employment; (g) failure to provide accurate itemized wage statements; and (h) all other claims for civil penalties recoverable under the Private Attorneys General Act Labor Code § 2698 *et seq.*, based on the claims alleged in the Complaint and the LWDA notice letter. The PAGA Released Claims do not release any Aggrieved Employee's claims for wages or statutory penalties and arising at any time during the PAGA Period.

The "Released Parties" means Defendant Mastroianni Family Enterprises, LTD.

What are my options in this matter?

For the Class Action, you have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive an Individual Settlement Payment; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement, as explained below.

OPTION A. Remain in the Settlement Class. If you wish to remain in the Class and be eligible to receive an Individual Settlement Payment, **you do not need to take any action.** By remaining in the

Class, you consent to the release of claims as described above. If you remain in the Class, you will be represented at no cost by Class Counsel.

Object to the Settlement: If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you must appear at the Settlement Hearing to explain your objection or submit a written brief or statement of objection (“Notice of Objection”) to the Settlement Administrator. You may use the attached form. Otherwise, the Notice of Objection must: (1) state your full name; (2) state the grounds for the objection; (3) be signed by you; and (4) be postmarked on or before [redacted], 2024 and returned to the Settlement Administrator at the following address:

CPT
Morales v. Mastroianni Family Enterprises, LTD Settlement
P.O. Box [redacted]
[City], [State] [Zip]

You can also hire an attorney at your own expense to represent you in your objection. You may appear at the final approval hearing to object to the settlement, even if you have not submitted a written objection form. Any Class Member who does not object in writing or at the Settlement Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of claims as set forth above, unless the Settlement is not finally approved by the Court.**

OPTION B. Request Exclusion from the Settlement. If you do not want to be part of the Settlement, you must submit a written request to be excluded from the Settlement (“Request for Exclusion”). In order to be valid, you may use the attached form or by sending a written exclusion request in a form similar to the attached Request for Exclusion Form, which must include (1) your full name, address, and telephone number and the last four digits of your Social Security Number (for identification purposes only); (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Morales v. Mastroianni Family Enterprises, LTD*; (3) be signed by you; and (4) be postmarked on or before [redacted], 2024 and returned to the Settlement Administrator at the following address:

CPT
Morales v. Mastroianni Family Enterprises, LTD Settlement
P.O. Box [redacted]
[City], [State] [Zip]

If you do not submit a valid Request for Exclusion, you will be deemed a Participating Class Member and you will be bound by the release of claims as described above and all other terms of the Settlement. If you submit a valid Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefit as a result of the Action and Settlement and will not be entitled to or permitted to object to the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, on [redacted], 2024 at [redacted] in Department CX104 of the Orange County Superior Court. The Settlement Hearing may be continued without further notice to Class Members. You are not required to attend the Settlement Hearing to receive an Individual Settlement Payment.

If the Court grants final approval of the Settlement, notice of final judgment will be posted on the Settlement Administrator’s website (www.mastroiannisettlement.com) within seven (7) calendar days after entry of the Final Order and Judgment.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More information can be found at www.mastroianisettlement.com. More details are in the Amended Settlement Agreement, which can be found on the settlement website. You may also request a copy of the Settlement Agreement from Class Counsel, at the address and telephone number listed above. Additional documents including the complaint, the PAGA notice letter, and settlement documents will also be available on the settlement website. If you have further questions regarding the Settlement, you may also contact the Settlement Administrator at 1-XXX-XXX or visit the Court's website at www.occourts.org and entering the Case Number located on the first page of this notice.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS SETTLEMENT.

EXHIBIT 2

NOTICE OF OBJECTION TO CLASS ACTION SETTLEMENT

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

Leydi Morales v. Mastroianni Family Enterprises, LTD

Case No. 30-2022-01286355-CU-OE-CJC

INSTRUCTIONS

IF YOU WISH TO OBJECT TO THE SETTLEMENT DESCRIBED IN THE ACCOMPANYING NOTICE, PLEASE COMPLETE THIS FORM.

You have a right to object to the Settlement, or any of its terms. In order to object, you must not have submitted a Request for Exclusion Form. If you choose to object, you must complete this form and send the signed form no later than [DATE] to Morales v. *Mastroianni Family Enterprises, TLD, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606*. Alternatively, you may submit a written exclusion request in similar form to the contents of this Notice of Objection form. You may appear at the final approval hearing to object to the settlement, even if you have not submitted this written objection form.

- 1) NAME:
- 2) ADDRESS:
- 3) TELEPHONE NUMBER:
- 4) LAST FOUR OF YOUR SOCIAL SECURITY NUMBER AND/OR EMPLOYEE IDENTIFICATION NUMBER:
- 5) DATES OF EMPLOYMENT WITH COMPANY:

I HEREBY CONFIRM THAT I WANT TO OBJECT TO THE SETTLEMENT.

- 8) DATE:
- 9) SIGNATURE:

EXHIBIT 3

**REQUEST FOR EXCLUSION FROM CLASS ACTION
SETTLEMENT**

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

Leydi Morales v. Mastroianni Family Enterprises, LTD

Case No. 30-2022-01286355-CU-OE-CJC

It is my decision not to participate in the above-referenced litigation. I confirm that I have received the Notice of Proposed Class Action Settlement, and related documents, which describe the settlement and provide information concerning the Settlement Fairness and Approval Hearing in the above-referenced litigation. I have decided to be excluded from the Class and not participate in the proposed settlement. I understand and acknowledge that by signing and submitting this form that I will **not** receive any money from the settlement. Requesting exclusion from the Class Action Settlement will not exclude Aggrieved Employees from the settlement of the Private Attorneys General Act claims that are part of this settlement.

Dated:_, 2024

Signature

Last four digits of Social Security Number

Type or print name

Telephone number

All other names used during employment with Defendant

Email address

Street address

Dates of employment with Defendant

City, state and zip code

This document, or an otherwise acceptable written request for exclusion (opt-out) must be postmarked no later than [date] and it must be sent, via regular U.S. mail, or the equivalent, to:

Morales v. Mastroianni Family Enterprises, LTD
c/o Settlement Administrator CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Telephone: 1-888-636-3998