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16 SUPERIOR COURT OF THE STATE OF CALIFORNIA

17 FOR THE COUNTY OF LOS ANGELES

19 JASON ALCIATORE, individually, and on
 20 behalf of other members of the general public
 similarly situated,

21 Plaintiff,

22 vs.

23 BRAGG INVESTMENT COMPANY, INC., a
 24 California corporation; and DOES 1 through 10,
 inclusive,

25 Defendants

Case No.: 19STCV18788

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

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

This Joint Stipulation of Class Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Jason Alciatore (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendant Bragg Investment Company, Inc. d/b/a Coastline Equipment (“Defendant”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

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

1. “Action” means *Alciatore v. Bragg Investment Company, Inc. d/b/a Coastline Equipment*, No. 19STCV18788 (Los Angeles County Superior Court).
2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Two Hundred Seventy Five Thousand Dollars (\$275,000). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Fifteen Thousand Dollars (\$15,000), subject to the Court’s approval. Defendant has agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.
3. “Class Counsel” means Capstone Law APC.
4. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator and Class Counsel within twenty (20) calendar days after Preliminary Approval of this Settlement. The Class List

1 will be formatted in Microsoft Office Excel and will include each Class Member's full name; last known
2 mailing address; Social Security number; the respective number of Workweeks that each Class Member
3 worked during the Class Period and PAGA Period; and any other relevant information needed to
4 calculate settlement payments.

5 5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendant
6 as a non-exempt, hourly employee in California at any time from May 30, 2015 through November 23,
7 2021.

8 6. "Class Period" means the period from May 30, 2015 through the date of Preliminary
9 Approval.

10 7. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff
11 in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for his
12 general release of claims. Subject to the Court granting final approval of this Settlement Agreement and
13 subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class
14 Representative Enhancement Payment of Ten Thousand Dollars (\$10,000).

15 8. "Court" means the Los Angeles County Superior Court.

16 9. "Defendant" means Defendant Bragg Investment Company, Inc. d/b/a Coastline
17 Equipment.

18 10. "Effective Date" means the later of: (i) if no timely objections are filed, or are withdrawn
19 prior to Final Approval, then the date of Final Approval; or (ii) if a Class Member files an objection to
20 the Settlement, the Effective Date shall be the sixty-fifth (65) calendar day after the date of Final
21 Approval, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an
22 objector, then the Effective Date will be the date of final resolution of that appeal (including any requests
23 for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement provided
24 that the final resolution does not result in a material alteration of the terms of this Settlement Agreement.

25 11. "Final Approval" means the date on which the Court enters an order granting final
26 approval of the Settlement Agreement.

27 12. "Gross Settlement Amount" means the Gross Settlement Amount of Eight Hundred
28 Twenty Five Thousand Dollars (\$825,000), to be paid by Defendant in full satisfaction of all Released

1 Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments,
2 Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the PAGA Settlement
3 Amount, and Settlement Administration Costs. This Gross Settlement Amount has been agreed to by
4 Plaintiff and Defendant based on the aggregation of the agreed-upon settlement value of individual
5 claims. In no event will Defendant be liable for more than the Gross Settlement Amount except as
6 otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to
7 Defendant. Defendant will be separately responsible for any employer payroll taxes required by law,
8 including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross
9 Settlement Amount.

10 13. "Individual Settlement Payment" means each Participating Class Member's and PAGA
11 Member's respective shares of the Net Settlement Fund and PAGA Fund.

12 14. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining
13 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the
14 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be
15 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to
16 Defendant.

17 15. "Notice of Objection" means a Class Member's valid and timely written objection to the
18 Settlement Agreement. For the Notice of Objection to be valid, it must include: (i) the objector's full
19 name, signature, address, and telephone number, (ii) a written statement of all grounds for the objection
20 accompanied by any legal support for such objection; (iii) copies of any papers, briefs, or other
21 documents upon which the objection is based; and (iv) a statement whether the objector intends to appear
22 at the final fairness hearing.

23 16. "Notice Packet" means the Notice of Class Action Settlement, substantially in the form
24 attached as Exhibit A.

25 17. "PAGA Members" means all persons who worked for Defendant as a non-exempt,
26 hourly employee in California at any time from May 30, 2018 through November 23, 2021.

27 18. "PAGA Period" means the period from May 30, 2018 through the date of Preliminary
28 Approval.

1 19. “PAGA Settlement Amount” means the amount that the Parties have agreed to pay to
2 the Labor and Workforce Development Agency (“LWDA”) and PAGA Members in connection with
3 Plaintiff’s claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698,
4 *et seq.*, “PAGA”) (“PAGA Settlement”). The Parties have agreed that Thirty Thousand Dollars
5 (\$30,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to
6 PAGA, Seventy-Five Percent (75%), or Twenty Two Thousand Five Hundred Dollars (\$22,500), of the
7 PAGA Settlement Amount will be paid to the LWDA (“LWDA Payment”), and Twenty-Five Percent
8 (25%), or Seven Thousand Five Hundred Dollars (\$7,500), of the PAGA Settlement will be disbursed to
9 PAGA Members, and regardless of whether they request to be excluded from the Settlement Class.

10 20. “Parties” means Plaintiff and Defendant collectively.

11 21. “Participating Class Members” means all Class Members who do not submit timely and
12 valid Requests for Exclusion.

13 22. “Plaintiff” means Plaintiff Jason Alciatore.

14 23. “Preliminary Approval” means the date on which the Court enters an order granting
15 preliminary approval of the Settlement Agreement.

16 24. “Released Class Claims” means all claims, rights, demands, liabilities, and causes of
17 action, arising from, or related to, the same set of operative facts as those set forth in the operative
18 complaint during the Class Period, including: (i) all claims for unpaid overtime; (ii) all claims for meal
19 and rest break violations; (iii) all claims for unpaid minimum wages; (iv) all claims for the failure to
20 timely pay wages upon termination; (v) all claims for the failure to timely pay wages during
21 employment; (vi) all claims for the failure to reimburse for necessary business expenses; (vii) all claims
22 for wage statement violations; and (viii) all claims asserted through California Business & Professions
23 Code §§ 17200, *et seq.*

24 25. “Released PAGA Claims” means all claims asserted through California Labor Code §§
25 2698, *et seq.*, that arise out of or are related to the Released Class Claims during the PAGA Period
26 including all claims that were included in Plaintiff’s notice(s) to the LWDA.

27 26. “Released Parties” means Defendant, its past or present officers, directors, shareholders,
28 employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and

1 reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and
2 attorneys, if any.

3 27. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a
4 request to be excluded from the Settlement Class. The Request for Exclusion must: (i) set forth the name,
5 address, telephone number and last four digits of the Social Security Number of the Class Member
6 requesting exclusion; (ii) be signed by the Class Member; (iii) be returned to the Settlement
7 Administrator; (iv) clearly state that the Class Member does not wish to be included in the Settlement;
8 and (v) be faxed or postmarked on or before the Response Deadline.

9 28. "Response Deadline" means the deadline by which Class Members must postmark or
10 fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the
11 calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement
12 Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of
13 the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a
14 Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on
15 which the U.S. Postal Service is open.

16 29. "Settlement Administration Costs" means the costs payable from the Gross Settlement
17 Amount to the Settlement Administrator for administering this Settlement, including, but not limited to,
18 printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross
19 Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The
20 Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary,
21 any such costs in excess of the amount represented by the Settlement Administrator as being the
22 maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of
23 approximately 250 Class Members, the Settlement Administration Costs are currently estimated to be
24 Eight Thousand Dollars (\$8,000).

25 30. "Settlement Administrator" means ILYM Group, Inc., or any other third-party class
26 action settlement administrator agreed to by the Parties and approved by the Court for the purposes of
27 administering this Settlement. The Parties each represent that they do not have any financial interest in
28 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that

1 could create a conflict of interest.

2 31. "Workweeks" means weeks in which the Class Member worked at least one day based
3 on Defendant's records during the Class Period. The Workweeks will be calculated by taking the
4 number of days of employment for each Class Member during the Class Period, subtracting days on
5 leave of absence or weeks in which the Class Member did not perform any work (if any), dividing by
6 seven (7), and rounding up to the nearest whole number. All Class Members will be credited with at least
7 one Workweek during the Class Period, and all PAGA Members will be credited with at least one
8 Workweek during the PAGA Period.

9 TERMS OF AGREEMENT

10 Plaintiff, on behalf of himself and the Settlement Class, and Defendant agree as follows:

11 32. Funding of the Gross Settlement Amount. Defendant will make a one-time deposit of
12 the Gross Settlement Amount of Eight Hundred Twenty Five Thousand Dollars (\$825,000) into a
13 Qualified Settlement Account to be established by the Settlement Administrator. Defendant will pay the
14 employer's share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will
15 be used for: (i) Individual Settlement Payments; (ii) the LWDA Payment; (iii) the Class Representative
16 Enhancement Payment; (iv) Attorneys' Fees and Costs; and (v) Settlement Administration Costs.
17 Defendant will deposit the Gross Settlement Amount and the employer's share of payroll taxes within
18 thirty (30) calendar days of the Effective Date ("Funding Date").

19 33. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or
20 motion by Class Counsel for Attorneys' Fees and Costs of not more than Two Hundred Seventy Five
21 Thousand Dollars (\$275,000), plus the reimbursement of all out-of-pocket costs and expenses associated
22 with Class Counsel's litigation and settlement of the Action (including expert/consultant fees,
23 investigations costs, etc.), not to exceed Fifteen Thousand Dollars (\$15,000), both of which will be paid
24 from the Gross Settlement Amount.

25 34. Class Representative Enhancement Payment. In exchange for a general release, and in
26 recognition of his effort and work in prosecuting the Action on behalf of Class Members, Defendant
27 agrees not to oppose or impede any application or motion for a Class Representative Enhancement
28 Payment of Ten Thousand Dollars (\$10,000). The Class Representative Enhancement Payment will be

1 paid from the Gross Settlement Amount and will be in addition to Plaintiff's Individual Settlement
2 Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to pay any and
3 all applicable taxes on the Class Representative Enhancement Payment.

4 35. Settlement Administration Costs. The Settlement Administrator will be paid for the
5 reasonable costs of administration of the Settlement and distribution of payments from the Gross
6 Settlement Amount, which is currently estimated to be Eight Thousand Dollars (\$8,000). These costs,
7 which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting
8 on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Notice
9 Packets via U.S. Mail, calculating and distributing the Gross Settlement Amount, and providing
10 necessary reports and declarations.

11 36. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount
12 of Thirty Thousand Dollars (\$30,000) from the Gross Settlement Amount will be designated for
13 satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Twenty Two
14 Thousand Five Hundred Dollars (\$22,500), of this sum will be paid to the LWDA and Twenty-Five
15 Percent (25%), or Seven Thousand Five Hundred Dollars (\$7,500), will be paid to PAGA Members in
16 proportion to the number of Workweeks worked during the PAGA Period.

17 37. No Right to Exclusion or Objections by Representative Action Members. Because this
18 settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a
19 Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no
20 PAGA Member has the right to exclude himself or herself from the PAGA Settlement. PAGA Members
21 will be bound by the terms of the Settlement Agreement, upon its approval by the Court, regardless of
22 whether he or she cashes any payment received as a result of this Settlement. The Parties also agree that
23 no PAGA Member has the right to object to the terms of the Settlement Agreement.

24 38. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating
25 Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendant.

26 39. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No
27 portion of the PAGA Fund will revert to or be retained by Defendant.

28 40. Individual Settlement Payment Calculations. Individual Settlement Payments will be

1 calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of
2 Workweeks a Class Member worked during the Class Period and PAGA Period. Defendant will
3 calculate the total number of Workweeks worked by each Class Member/PAGA Member during the
4 Class Period/PAGA Period, and the aggregate total number of Workweeks worked by all Class
5 Members/PAGA Members during the Class Period/PAGA Period. Specific calculations of Individual
6 Settlement Payments will be made by the Settlement Administrator as follows:

7 40(a) Payments from the Net Settlement Fund. To determine each Class
8 Member's estimated "Individual Settlement Payment" from the Net
9 Settlement Fund, the Settlement Administrator will use the following
10 formula: The Net Settlement Fund will be divided by the aggregate total
11 number of Workweeks, resulting in the "Workweek Value." Each Class
12 Member's "Individual Settlement Payment" will be calculated by
13 multiplying each individual Class Member's total number of Workweeks by
14 the Workweek Value. The Individual Settlement Payment will be reduced
15 by any required deductions for each Participating Class Member as
16 specifically set forth herein, including employee-side tax withholdings or
17 deductions. The entire Net Settlement Fund will be disbursed to all Class
18 Members who do not submit timely and valid Requests for Exclusion. If
19 there are any valid and timely Requests for Exclusion, the Settlement
20 Administrator shall proportionately increase the Individual Settlement
21 Payment for each Participating Class Member according to the number of
22 Workweeks worked, so that the amount actually distributed to the
23 Settlement Class equals 100% of the Net Settlement Fund.

24 40(b) Payments from the PAGA Fund. To determine each PAGA Member's
25 estimated "Individual PAGA Settlement Payment," the Settlement
26 Administrator will use the following formula: The PAGA Fund will be
27 divided by the aggregate total number of Workweeks during the PAGA
28 Period, resulting in the "PAGA Workweek Value." Each PAGA Member's

1 “Individual Settlement Payment” will be calculated by multiplying each
2 individual PAGA Member’s total number of Workweeks during the PAGA
3 Period by the PAGA Workweek Value. The entire PAGA Fund will be
4 disbursed to all PAGA Members.

5 41. No Credit Toward Benefit Plans. The Individual Settlement Payments made to
6 Participating Class Members under this Settlement, as well as any other payments made pursuant to this
7 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any
8 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)
9 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.
10 Rather, it is the Parties’ intention that this Settlement Agreement will not affect any rights, contributions,
11 or amounts to which any Class Members may be entitled under any benefit plans.

12 42. Administration Process. The Parties agree to cooperate in the administration of the
13 Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in
14 administration of the Settlement.

15 43. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval,
16 Defendant will provide the Class List to the Settlement Administrator and to Class Counsel.

17 44. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class
18 List from Defendant, the Settlement Administrator will mail a Notice Packet to all Class Members via
19 regular First-Class U.S. Mail.

20 45. Confirmation of Contact Information in the Class Lists. Prior to mailing, the Settlement
21 Administrator will use the Class List to perform a search based on the National Change of Address
22 Database for information to update and correct for any known or identifiable address changes. Any
23 Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response
24 Deadline will be re-sent promptly via regular First-Class U.S. Mail to the forwarding address affixed
25 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet.
26 The Settlement Administrator will maintain proof of the re-mailing and any and all forwarding
27 address(es) obtained for purposes of re-mailing. If no forwarding address is provided, the Settlement
28 Administrator will promptly attempt to determine the correct address using a skip-trace, or other search

1 using the name, address and/or Social Security number of the Class Member involved, and will then
2 perform a single re-mailing. Those Class Members who receive a re-mailed Notice Packet, whether by
3 skip-trace or by request, will have either (i) an additional fifteen (15) calendar days from the date of re-
4 mailing or (ii) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an
5 objection to the Settlement. Notice Packets returned a second time will be deemed undeliverable.

6 46. Notice Packets. All Class Members will be mailed a Notice Packet. Each Notice Packet
7 will provide: (i) information regarding the nature of the Action; (ii) a summary of the Settlement's
8 principal terms; (iii) the Settlement Class and PAGA Member definitions; (iv) the total number of
9 Workweeks each respective Class Member and PAGA Member worked for Defendant during the Class
10 Period and PAGA Period; (v) each Class Member's and PAGA Member's estimated Individual
11 Settlement Payment and the formula for calculating Individual Settlement Payments; (vi) the dates which
12 comprise the Class Period and PAGA Period; (vii) instructions on how to submit Requests for Exclusion
13 or Notices of Objection; (viii) the deadlines by which the Class Member must postmark or fax Request
14 for Exclusions, or postmark Notices of Objection to the Settlement; and (ix) the claims to be released.

15 47. Disputed Information on Notice Packets. Class Members will have an opportunity to
16 dispute the information provided in their Notice Packets. To the extent Class Members dispute the
17 number of Workweeks on record, Class Members may produce evidence to the Settlement
18 Administrator showing that such information is inaccurate. Defendant's records will be presumed
19 correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the Parties
20 will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, and will
21 be decided within ten (10) business days after the Response Deadline.

22 48. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
23 requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The
24 Settlement Administrator will mail the Class Member a cure letter within three (3) business days of
25 receiving the defective submission to advise the Class Member that his or her submission is defective
26 and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have
27 until (i) the Response Deadline or (ii) fifteen (15) calendar days from the date of the cure letter,
28 whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for

1 Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

2 49. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the
3 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement
4 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the
5 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request
6 for Exclusion has been timely submitted.

7 50. Escalator. If the number of Class Members covered by the Settlement as of the date of
8 Preliminary Approval is greater than Two Hundred and Fifty (250), then Defendant will proportionally
9 increase the Gross Settlement Amount according to the following formula: Proportionally Increased
10 Gross Settlement Amount = Total Number of Class Members ÷ 250 × \$825,000.

11 51. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member
12 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid
13 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class
14 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the
15 Settlement.

16 52. Releases by Participating Class Members. Upon the Funding Date, and except as to such
17 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,
18 together and individually, on their behalf and on behalf of their respective heirs, executors,
19 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released
20 Parties, or any of them, from each of the Released Class Claims during the Class Period.

21 53. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or
22 claims as may be created by this Settlement Agreement, each PAGA Member, together and individually,
23 on their behalf and as the representative acting as proxy or agent of the LWDA, a State of California
24 Executive Branch Agency, and on behalf of their respective heirs, executors, administrators, agents, and
25 attorneys, shall fully and forever release and discharge all of the Released Parties, or any of them, from
26 each of the Released PAGA Claims during the PAGA Period.

27 54. Defendant's Right to Rescind. In the event that more than fifteen percent (15%) of Class
28 Members submit valid and timely Requests for Exclusion, or the number of Class Members whose share

1 of the Net Settlement Fund is Five Percent (5%) or more, Defendant will have the right to rescind and
2 terminate the Settlement without prejudice to its pre-settlement positions and defenses in the Action.
3 Should the 15% threshold for opt-outs be exceeded, the Settlement Administrator shall notify counsel for
4 all parties via email immediately. If Defendant rescinds the Settlement, then Defendant will be
5 responsible for all Settlement Administration Costs incurred to the date of rescission.

6 55. Objection Procedures. To object to the Settlement Agreement, a Class Member may
7 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response
8 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by
9 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be
10 deemed to have waived all objections to the Settlement and will be foreclosed from making any
11 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the
12 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
13 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class
14 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a
15 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for
16 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the
17 Class Member shall not participate in or be bound by the Settlement.

18 56. Certification Reports Regarding Individual Settlement Payment Calculations. The
19 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly report that
20 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to
21 the Settlement, and whether any Class Member has submitted a challenge to any information contained
22 in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties
23 any updated reports regarding the administration of the Settlement Agreement as needed or requested.

24 57. Distribution Timing of Individual Settlement Payments. Within ten (10) calendar days
25 of the Funding Date, the Settlement Administrator will issue payments to: (i) Participating Class
26 Members and PAGA Members; (ii) the LWDA; (iii) Plaintiff; and (iv) Class Counsel. The Settlement
27 Administrator will also issue a payment to itself for Court-approved services performed in connection
28 with the Settlement.

1 58. Un-cashed Settlement Checks. Funds represented by Individual Settlement Payment
2 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for
3 more than one hundred and eighty (180) calendar days after issuance will be tendered to Working
4 Wardrobes. The Parties do not have a connection to or a relationship with Working Wardrobes that
5 could reasonably create the appearance of impropriety as between the selection of Working Wardrobes
6 as the recipient of the unclaimed residuals and the interests of the Settlement Class.

7 59. Certification of Completion. Upon completion of administration of the Settlement, the
8 Settlement Administrator will provide a written declaration under oath to certify such completion to the
9 Court and counsel for all Parties.

10 60. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
11 be allocated as follows: (i) Twenty-Five Percent (25%) of each Individual Settlement Payment will be
12 allocated as wages for which IRS Forms W-2 will be issued; and (ii) Seventy-Five (75%) will be
13 allocated as non-wages for which IRS Forms 1099-MISC will be issued.

14 61. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
15 will be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members, and Class
16 Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to
17 this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes
18 and penalties to the appropriate government authorities.

19 62. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect
20 of the payments called for hereunder, and Plaintiff and Participating Class Members are not relying on
21 any statement, representation, or calculation by Defendant or by the Settlement Administrator in this
22 regard.

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

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

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

22 65. Nullification of Settlement Agreement. In the event that: (i) the Court does not finally
23 approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other
24 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null
25 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
26 likewise be treated as void from the beginning.

27 66. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request
28 the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order

1 for: (i) conditional certification of the Settlement Class for settlement purposes only, (ii) preliminary
2 approval of the proposed Settlement Agreement, (iii) setting a date for a final fairness hearing. The
3 Preliminary Approval Order will provide for the Notice Packet to be sent to all Class Members as
4 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this
5 Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed
6 Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting
7 all documents necessary to obtain preliminary approval and will provide copies of the same to counsel
8 for Defendant for their review at least 48 hours prior to filing those documents with the Court.

9 67. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
10 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the
11 Court's permission, a final fairness hearing will be conducted to determine if the Settlement Agreement
12 is fair, reasonable and adequate and otherwise satisfies the standards for Final Approval of the Settlement
13 Agreement along with the amounts properly payable for: (i) Attorneys' Fees and Costs; (ii) the Class
14 Representative Enhancement Payment; (iii) Individual Settlement Payments; (iv) the LWDA Payment;
15 (v) all Settlement Administration Costs. The final fairness hearing will not be held earlier than thirty (30)
16 calendar days after the Response Deadline. Class Counsel will be responsible for drafting all documents
17 necessary to obtain Final Approval and will provide copies of the same to counsel for Defendant along
18 with any proposed Judgment or Final Approval Order for their review at least 48 hours prior to filing
19 those documents with the Court. Class Counsel will also be responsible for drafting the attorneys' fees
20 and costs application to be heard at the final approval hearing.

21 68. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the
22 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its
23 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of
24 addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement
25 administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or
26 as set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement
27 Administrator's website.

28 69. Release by Plaintiff. Upon the Funding Date, in addition to the claims being released by

1 all Participating Class Members, Plaintiff will release and forever discharge the Released Parties, to the
2 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted and not
3 asserted, which Plaintiff has or may have against the Released Parties as of the date of execution of this
4 Settlement Agreement. Plaintiff understands that he may later discover claims or facts that may be
5 different from, or in addition to, those that he now knows or believes to exist regarding the subject matter
6 of the release contained herein, and which, if known at the time of signing this Settlement Agreement,
7 may have materially affected this agreement and Plaintiff's decision to enter into it and grant the release
8 contained herein. Nevertheless, the Plaintiff intends to and does fully, finally, and forever settle and
9 release all claims that now exist, may exist, or previously existed, as set out in the release contained
10 herein, whether known or unknown, foreseen or unforeseen, or suspected or unsuspected, and the release
11 given herein is and will remain in effect as a complete release, notwithstanding the discovery or
12 existence of such additional or different facts. Upon the Effective Date, Plaintiff waives any right or
13 claim that might arise as a result of such different or additional claims or facts. To the extent the
14 foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of
15 other applicable law may apply, Plaintiff expressly acknowledges being informed by his attorneys, and
16 that he is familiar with, Section 1542 of the Civil Code of the State of California, and waives any and all
17 rights and benefits conferred upon him by the provisions of Section 1542 of the California Civil Code or
18 similar provisions of applicable law which are as follows:

19 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
20 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
21 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE
22 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
23 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
24 PARTY.

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

28 71. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the

1 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
2 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section
3 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is
4 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and
5 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
6 contradict the terms of this Settlement Agreement.

7 72. Amendment or Modification. No amendment, change, or modification to this Settlement
8 Agreement will be valid unless in writing and signed, either by the Parties or their counsel.

9 73. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
10 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
11 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
12 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
13 effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each
14 other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to
15 reach agreement on the form or content of any document needed to implement the Settlement, or on any
16 supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties
17 may seek the assistance of the Court to resolve such disagreement.

18 74. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
19 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

20 75. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto
21 will be governed by and interpreted according to the laws of the State of California.

22 76. Execution and Counterparts. This Settlement Agreement is subject only to the execution
23 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
24 executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned
25 copies of the signature page, will be deemed to be one and the same instrument.

26 77. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
27 Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this
28 Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account

1 all relevant factors, present and potential. The Parties further acknowledge that they are each represented
2 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
3 fairness and reasonableness of this Settlement.

4 78. Invalidity of Any Provision. Before declaring any provision of this Settlement
5 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
6 possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement
7 valid and enforceable.

8 79. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
9 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may
10 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,
11 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

12 80. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
13 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not
14 approved, the stipulation to certification will be void. The Parties further agree that certification for
15 purposes of the Settlement is not an admission that class action certification is proper under the standards
16 applied to contested certification motions and that this Settlement Agreement will not be admissible in
17 this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant
18 is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

19 81. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute
20 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
21 entering into this Settlement, Defendant does not admit, and specifically denies, that it violated any
22 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
23 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached
24 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with
25 respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any
26 of the negotiations connected with it, will be construed as an admission or concession by Defendant of
27 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to
28 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be

1 offered or received as evidence in any action or proceeding to establish any liability or admission on the
2 part of Defendant or to establish the existence of any condition constituting a violation of, or a non-
3 compliance with, federal, state, local or other applicable law.

4 82. No Public Comment or Publicity: The Parties and their counsel agree that they will not
5 issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any
6 communication with the press about the fact, amount or terms of the Settlement. Class Counsel agrees
7 that it will not advertise or otherwise refer to this settlement on its website, any social media, microblogs,
8 blog or any other comparable medium.

9 83. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement
10 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or
11 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

12 84. Enforcement Actions. In the event that one or more of the Parties institutes any legal
13 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement
14 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
15 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including
16 expert witness fees incurred in connection with any enforcement actions.

17 85. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
18 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
19 more strictly against one party than another merely by virtue of the fact that it may have been prepared
20 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
21 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

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

26 87. All Terms Subject to Final Court Approval. All amounts and procedures described in
27 this Settlement Agreement herein will be subject to final Court approval.

28 88. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good


1 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
2 Settlement Agreement.

3 89. Binding Agreement. The Parties warrant that they understand and have full authority to
4 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully
5 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in
6 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
7 otherwise might apply under federal or state law.

8 **READ CAREFULLY BEFORE SIGNING**

9
10
11 Dated: 4/18/2022


PLAINTIFF

DocuSigned by:


Jason Alciatore

12
13
14
15 Dated: 3/15/2022

**DEFENDANT BRAGG INVESTMENT
COMPANY, INC. D/B/A COASTLINE
EQUIPMENT**

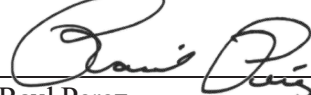
DocuSigned by:


Buck Baird of Authorized Signatory

16
17
18 **APPROVED AS TO FORM**

19
20 Dated: 4/18/2022

CAPSTONE LAW APC


By: 

Raul Perez

Attorneys for Plaintiff Jason Alciatore

21
22
23
24 Dated: 03/16/2022

**ATKINSON, ANDELSON, LOYA, RUUD &
ROMO**

By: 

Amber S. Healy

Attorneys for Defendant Bragg Investment Company,
Inc. d/b/a Coastline Equipment

Exhibit A

Alciatore v. Bragg Investment Company, Inc. d/b/a Coastline Equipment, No. 19STCV18788
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF LOS ANGELES
NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT
You are not being sued. This notice affects your rights. Please read it carefully

To: All persons who worked for Defendant Bragg Investment Company, Inc. d/b/a Coastline Equipment (“Defendant”) as a non-exempt, hourly employee in California at any time from May 30, 2015 through [November 23, 2021, or the date of Preliminary Approval, whichever is earlier] (“Class Members”).

All persons who worked for Defendant as a non-exempt, hourly employee in California at any time from May 30, 2018 through [November 23, 2021, or the date of Preliminary Approval, whichever is earlier] (“PAGA Members”).

On _____, the Honorable Carolyn B. Kuhl of the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendant’s records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.** All checks will be negotiable for 180 days, after which funds represented by uncashed checks will be tendered to Working Wardrobes.

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the settlement will be held at ____:00 __.m. on _____, 2021 in Department 12 of the Los Angeles County Superior Court located at 312 North Spring Street, Los Angeles, California 90012.

You are not required to attend the hearing, but if you wish to attend, you may attend the hearing telephonically (remotely), which can be set up through LA Court Connect (www.lacourt.org/lacc/). A prescheduled appointment is currently necessary to review any documents in the clerk’s office.

Please note that face masks and/or facial coverings are required and mandatory at all times to enter any courthouse or courtroom and must be worn covering the nose and mouth. This policy applies to attorneys, parties, witnesses, court staff, Judges, Commissioners, vendors and the general public. The only exceptions to this policy will be for a documented medical condition or excuse, or an ADA accommodation approved by the Court. If an exception is granted, admittance into the courthouse may be restricted to a specific time of the day. If necessary, the time allotted for any granted exception may require the individual to wait until later in the day or schedule an appointment for admittance. Visit http://www.lacourt.org/pdf/recovery_social_distancing.pdf for more information about the Court’s social distancing protocol.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

Summary of the Litigation

Plaintiff Jason Alciatore, on his behalf and on behalf of other current and former non-exempt employees, alleges that Defendant violated California state labor laws as a result of its alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) reimburse for necessary business expenses; and (5) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On August 23, 2021, the parties participated in a mediation with Eve Wagner, an experienced and well-respected class action mediator. With Ms. Wagner’s guidance, the parties were able to negotiate a complete settlement of Plaintiff’s claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendant has denied, and continues to deny the factual and legal allegations in the case and believes that it has valid defenses to Plaintiff’s claims. By agreeing to settle, Defendant is not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendant has agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendant have agreed to settle the underlying class claims in exchange for a gross settlement amount of \$825,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$10,000 to Jason Alciatore for his services on behalf of the class, and for a release of all claims arising out of his employment with Defendant; (3) \$275,000 in attorneys’ fees and up to \$15,000 in litigation costs and expenses; (4) a \$30,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), inclusive of a \$22,500 payment to the California Labor and Workforce Development Agency (“LWDA”) in connection with the PAGA, and a \$7,500 payment (“PAGA Fund”) to all PAGA Members; and (5) reasonable Settlement Administrator’s fees and expenses currently estimated at \$10,000. After deducting the above payments, a total of approximately \$_ will be allocated to Class Members who do not opt out of the Settlement Class (“Net Settlement Fund”). Additionally, all PAGA Members will receive a proportional share of the \$7,500 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendant will calculate the total number of Workweeks worked by each Class Member from May 30, 2015 through [the date of Preliminary Approval] (“Class Period”) and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member’s estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks, resulting in the “Workweek Value.” Each Class Member’s share of the Net Settlement Fund will be calculated by multiplying each individual Class Member’s total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member’s share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendant’s records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$____.

Payments from PAGA Fund. Defendant will calculate the total number of Workweeks worked by each PAGA Member from May 30, 2018 through [the date of Preliminary Approval] (“PAGA Period”) and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member’s estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks, resulting in the “PAGA Workweek Value.” Each PAGA Member’s share of the PAGA Fund will be calculated by multiplying each individual Participating PAGA Member’s total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he or she submits a valid Request for Exclusion.

According to Defendant’s records, you worked during the PAGA Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$____.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$ _____. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____
Fax No. _____

If you dispute the information stated above, Defendant’s records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 25% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 75% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, you will be deemed to have released or waived the Released Class Claims and Released PAGA Claims:

Released Class Claims: All claims, rights, demands, liabilities, and causes of action, arising from, or related to, the same set of operative facts as those set forth in the operative complaint during the Class Period, including: (i) all claims for unpaid overtime; (ii) all claims for meal and rest break violations; (iii) all claims for unpaid minimum wages; (iv) all claims for the failure to timely pay wages upon termination based on the preceding claims; (v) all claims for the failure to timely pay wages during employment based on the preceding claims; (vi) all claims for the failure to reimburse for necessary business expenses; (vii) all claims for wage statement violations based on the preceding claims; and (viii) all claims asserted through California Business & Professions Code §§ 17200, *et seq.*

Released PAGA Claims: All claims asserted through California Labor Code §§ 2698, *et seq.*, that arise out of or are related to the Released Class Claims during the period from May 30, 2018 through [the date of Preliminary Approval].

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator
c/o _____

The Request for Exclusion must be postmarked or faxed not later than _____, 2021. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2021, your Request for Exclusion will be rejected, and you will be included in the settlement class.

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- You will, however, release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the Settlement Administrator at [administrator’s address].

All written objections must be received by the Settlement Administrator by no later than _____ 2021. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of Los Angeles and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel:

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: 1 (888) 569-3741

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT’S ATTORNEYS WITH INQUIRIES.