

1 HEATHER DAVIS, SBN 239372  
heather@protectionlawgroup.com  
2 AMIR NAYEBDADASH, SBN 232204  
amir@protectionlawgroup.com  
3 **PROTECTION LAW GROUP, LLP**  
237 California Street  
4 El Segundo, California 90245  
5 Telephone: (424) 290-3095  
Facsimile: (866) 264-7880

6 Attorneys for Plaintiff  
7 SANDRA WALLACE

8 RAUL E. ZERMENO, SBN 260731  
rzermeno@fisherphillips.com  
9 ANET DRAPALSKI, SBN 282086  
adrapalski@fisherphillips.com  
10 **FISHER & PHILLIPS, LLP**  
11 444 South Flower Street, Suite 1500  
Los Angeles, California 90071  
12 Telephone: (213) 330-4500  
13 Facsimile: (213) 330-4501

14 Attorneys for Defendants  
ALVARADO RESTAURANT GROUP, LLC;  
15 PALO ALTO, INC.; and PALO VERDE, INC.

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

17 **COUNTY OF LOS ANGELES**

19 SANDRA WALLACE, as an aggrieved  
20 employee and private attorney general,

21 Plaintiff,

22 vs.

23 ALVARADO RESTAURANT GROUP, LLC,  
a Colorado limited liability company; PALO  
24 ALTO, INC., a Colorado corporation; PALO  
VERDE, INC., a Colorado corporation; and  
25 DOES 1 through 50, inclusive,

26 Defendants.  
27  
28

Case No.: 20STCV26260

**REPRESENTATIVE ACTION**

**JOINT STIPULATION OF PAGA  
SETTLEMENT AND RELEASE OF  
CLAIMS**

*[Assigned for All Purposes to the  
Honorable Barbara A. Meiers, Dept. 12]*

Complaint Filed: July 13, 2020

Trial Date: None Set

1 This Joint Stipulation of PAGA Settlement and Release of Claims (“Settlement,”  
2 “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff  
3 SANDRA WALLACE (“Plaintiff”) and Defendants ALVARADO RESTAURANT GROUP, LLC,  
4 PALO ALTO, INC., and PALO VERDE, INC. (“Defendants”). Plaintiff and Defendants are  
5 collectively referred to herein as “the Parties.”

6 **DEFINITIONS**

7 The following definitions are applicable to this Settlement, in addition to other terms defined  
8 elsewhere in this Settlement:

9 1. “Superior Court” shall mean the Superior Court of California for the County of Los  
10 Angeles.

11 2. The “Action” shall mean the civil action entitled “*Wallace v. Alvarado Restaurant*  
12 *Group, LLC et al.*,” pending before the Superior Court of California, County of Los Angeles, Case  
13 No. 20STCV26260 and the Notice filed by Sandra Wallace on May 7, 2020, with the Labor  
14 Workforce Development Agency (“LWDA”) bearing No. LWDA-CM-785875-20.

15 3. “Plaintiff’s Counsel” shall mean the attorneys representing Plaintiff in the Action,  
16 Heather Davis, Esq. and Amir Nayebdadash, Esq. of Protection Law Group, LLP.

17 4. “Defense Counsel” shall mean the attorneys representing Defendants in the Action,  
18 Raul E. Zermeno, Esq. and Anet Drapalski, Esq. of Fisher & Phillips, LLP.

19 5. The “PAGA Period” shall mean the period of time commencing on May 9, 2019, and  
20 ending on July 5, 2021.

21 6. “PAGA Members” shall mean all current and former hourly-paid, non-exempt  
22 employees who were employed by Defendants in the state of California at any time during the  
23 PAGA Period.

24 7. “Aggrieved Employee List” means a complete list of all PAGA Members that  
25 Defendants will diligently and in good faith compile from their records and provide to the  
26 Settlement Administrator within fourteen (14) calendar days after approval of this Settlement. The  
27 Aggrieved Employee List will be formatted in a readable Microsoft Office Excel spreadsheet  
28 containing the following information for each PAGA Member: (1) full name; (2) last known home

1 address; (3) last known telephone number; (4) social security number; (5) start and end dates of  
2 active employment as a non-exempt employee of Defendants in the State of California; (6) total pay  
3 periods during the PAGA Period; and (8) any other information required by the Settlement  
4 Administrator in order to effectuate the terms of the Settlement.

5 8. "Settlement Administrator" shall mean Phoenix Settlement Administrators, a third-  
6 party administrator who shall administer the settlement in accordance with this Agreement and who  
7 was proposed by the Parties and appointed by the Superior Court to administer the Settlement.

8 9. "Plaintiff's Counsel Fees Payment" shall mean Seven Hundred and Eighty Seven  
9 Thousand Five Hundred Dollars and No Cents (\$787,500.00) subject to approval by the Superior  
10 Court as Plaintiff's Counsel's attorneys' fees incurred in connection with the Action, including fees  
11 incurred in pre-filing investigation, filing of the Action, and all related litigation activities, this  
12 Settlement, and all post-Settlement compliance procedures. Defendants have agreed not to oppose  
13 Plaintiff's Counsel's request for fees in the amount set forth above.

14 10. "Plaintiff's Counsel Litigation Costs Payment" shall mean the actual litigation  
15 expenses and/or costs expended by Plaintiff's Counsel subject to approval by the Superior Court  
16 incurred in connection with the Action, including pre-filing investigation, filing of the Action, and  
17 all related litigation activities, this Settlement, and all post-Settlement compliance procedures.  
18 Plaintiff's Counsel's costs are not to exceed Twenty Thousand Dollars and No Cents (\$20,000.00).  
19 Defendants have agreed not to oppose Plaintiff's Counsel's request for costs and expenses in the  
20 amount set forth above.

21 11. "Plaintiff's Representative Payment" shall mean the payment made to Plaintiff in her  
22 capacity as the PAGA representative to compensate her for prosecuting the Action, and performing  
23 work in support of the Action, in the amount of Seven Thousand Five Hundred Dollars and No  
24 Cents (\$7,500.00), subject to approval by the Superior Court.

25 12. "Settlement Administrator Payment" shall mean the payment to the Settlement  
26 Administrator for its fees and expenses in administering this Settlement in an amount not to exceed  
27 Nine Thousand Nine Hundred and Fifty Dollars and No Cents (\$9,950.00).

28 13. "Pay Period" shall mean any pay period in which a PAGA Member received

1 payment from Defendants as an hourly-paid, non-exempt employee.

2 14. "Individual Pay Periods" shall mean the number of Pay Periods for an individual  
3 PAGA Member.

4 15. "Gross Settlement Amount" shall mean the Gross Settlement Amount of Two  
5 Million Two Hundred Fifty Thousand Dollars and No Cents (\$2,250,000.00) payable by Defendants  
6 as provided by this Settlement Agreement.

7 16. Defendants represent that as of May 6, 2021, the number of Pay Periods worked by  
8 the PAGA Members is 48,000. Should the qualifying Pay Periods worked by the PAGA Members  
9 during the PAGA Period ultimately increases by more than 15% (i.e., by more than 7,200 Pay  
10 Periods), Defendants shall increase the Gross Settlement Amount on a *pro rata* basis equal to the  
11 percentage increase in the number of Pay Periods worked by the PAGA Members above 15%. For  
12 example, if the number of Pay Periods increases by 16% to 55,680 Pay Periods, the Gross  
13 Settlement Amount will increase by 1%.

14 17. "Net Settlement Amount" shall mean the Gross Settlement Amount, less (i) the  
15 Plaintiff's Representative Payment approved by the Superior Court; (ii) the Plaintiff's Counsel Fees  
16 Payment approved by the Superior Court; (iii) the Plaintiff's Counsel Litigation Costs Payment  
17 approved by the Superior Court; (iv) the Settlement Administrator Payment approved by the  
18 Superior Court; and (v) any other fees or expenses (other than Plaintiff's Counsel Fees Payment and  
19 Plaintiff's Counsel Litigation Costs Payment) incurred in implementing the terms and conditions of  
20 this Settlement Agreement as approved by the Superior Court.

21 18. "LWDA Payment" shall mean the payment to the California Labor and Workforce  
22 Development Agency ("LWDA") constituting seventy-five percent (75%) of the Net Settlement  
23 Amount.

24 19. "PAGA Payment" shall mean the remaining twenty-five percent (25%) of the Net  
25 Settlement Amount to be distributed on a *pro rata* basis based upon the number of Pay Periods  
26 worked by each PAGA Member.

27 20. "PAGA Payment Share" shall mean the value of each PAGA Member's share of the  
28 PAGA Payment as provided by this Settlement Agreement.

1           21.     “PAGA Notice” shall mean the Notice of Settlement and Approval, a sample of  
2 which is attached hereto as **Exhibit A**. The PAGA Notice shall further contain (i) a PAGA  
3 Member’s first and last name, (ii) last known address, (iii) last the PAGA Member’s Individual Pay  
4 Periods; and (vi) the PAGA Member’s individual share of the PAGA Payment.

5           22.     “Effective Date” shall mean the later of the following: (a) if no timely objections are  
6 filed or if all objections are withdrawn, the date upon which the Court enters approval of the  
7 settlement; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such  
8 appeal being filed; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of  
9 any such appeal in a way that does not alter the terms of the settlement.

10          23.     “Judgment” shall mean the order granting approval of the Settlement, granting  
11 approval of the PAGA Notice, and entering judgment by the Superior Court that the Parties  
12 anticipate will be entered following a hearing for approval of the Settlement in this Action.

13          24.     “Released Parties” or “Defendants” means Defendants Alvarado Restaurant Group,  
14 LLC, Palo Alto, Inc., and Palo Verde, Inc. as named by Plaintiff in the operative complaint, and  
15 their past, present, and/or future direct and/or indirect officers, directors, members, managers,  
16 employees, agents, representatives, attorneys, insurers, partners, investors, shareholders,  
17 administrators, parent companies, subsidiaries, related companies, including, but not limited to  
18 Alvarado Holdings, LLC, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

19          25.     “Released Claims” means any and all claims for the recovery of civil penalties,  
20 attorneys’ fees and costs permissible under PAGA which Plaintiff and/or the Aggrieved Employees  
21 had, or may claim to have against the Released Parties arising out of the violation alleged in the  
22 Action, including unpaid straight and overtime wages (including any work off the clock), failure to  
23 provide reporting time pay, failure to pay employees all minimum wages and overtime wages owed  
24 including by failing to pay all overtime and double time at the correct regular rate of pay, failure to  
25 provide compliant meal and rest breaks, failure to pay them all premium wages owed for short, late,  
26 or missed meal and rest periods, failure to pay all wages owed at discharge or resignation; failure to  
27 timely pay wages within the times permissible under Labor Code section 204; failure to provide  
28 complete and accurate wage statements; failure to keep complete and accurate payroll records;

1 failure to reimburse necessary business related expenses and internet service; violations of Labor  
2 Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197,  
3 1197.1, 1198, 2800, 2802. This release shall apply to claims arising during the PAGA period.

4 **RECITALS**

5 26. On May 7, 2020, Plaintiff's Counsel, on behalf of Plaintiff and PAGA Members,  
6 gave written notice to the LWDA of the Labor Code violations Defendants are alleged to have  
7 violated ("PAGA Letter").

8 27. On July 13, 2020, Plaintiff commenced the Action against Defendants by filing a  
9 Complaint in the Superior Court. In the Complaint, Plaintiff, on behalf of herself and all others  
10 similarly situated, alleged a cause of action for Civil Penalties pursuant to the Private Attorneys'  
11 General Act ("PAGA").

12 28. In connection with the Action, and in order to work toward a mediated resolution  
13 without the time and expense of formal discovery, the Parties produced voluminous documents and  
14 data (including, by Defendants, human resources documents and policies, time records, and payroll  
15 data during the PAGA Period) which were reviewed, investigated, and analyzed by Plaintiff's  
16 Counsel.

17 29. On May 6, 2021, the Parties in the Action participated in a full day of mediation  
18 before an experienced employment and class action mediator, Marc Feder, Esq., which resulted in a  
19 settlement of the Action (the "Mediation").

20 30. Throughout the Action, Defendants have denied, and continue to deny, any  
21 wrongdoing in regard to the alleged violations.

22 31. The Settlement described in this Settlement Agreement represents a compromise and  
23 settlement of highly disputed claims. Nothing in this Settlement is intended or will be construed as  
24 an admission by Defendants that Plaintiff's claims in the Action have any merit or that it has any  
25 liability to Plaintiff, PAGA Members, or the State on those claims, or as an admission by Plaintiff  
26 that Defendants' defenses in Action have any merit. This Settlement is intended to fully, finally, and  
27 forever compromise, release, resolve, discharge, and settle the released claims subject to the terms  
28 and conditions set forth in this Settlement.

1           32.     Based on its own thorough, independent investigation and evaluation of this case,  
2 Plaintiff’s Counsel is of the opinion that the Settlement of the Action with Defendants for the  
3 consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and in the  
4 best interest of PAGA Members in light of all known facts and circumstances, including the risk of  
5 significant costs and delay, the defenses asserted by Defendants including the risks of adverse  
6 determinations on the merits, and numerous potential appellate issues. Although Defendants  
7 contend that they have no liability in the Action, Defense Counsel shares Plaintiff’s Counsel’s belief  
8 that the Settlement represents a fair and adequate settlement given the respective risks associated  
9 with the case.

10           33.     Based on the foregoing Recitals, the Parties agree as follows:

11     **PROCEDURE FOR APPROVING SETTLEMENT**

12           34.     **Motion for Approval of Settlement by the Superior Court.** Plaintiff will move the  
13 Superior Court for an order granting approval of the Settlement and approving the PAGA Notice  
14 (attached as **Exhibit A** to this Stipulation) (“Motion for Approval”).

15           35.     At the hearing on the Motion for Approval, the Parties anticipate that they will  
16 jointly appear, support the granting of the Motion for Approval, and obtain an order granting  
17 approval of the Settlement, and granting approval of the PAGA Notice.

18           36.     Should the Superior Court require any amendments to this Settlement Agreement or  
19 the Motion for Approval, the Parties agree to work jointly to resolve any issues in order to secure  
20 the Superior Court’s approval.

21           37.     In the event that the Court does not finally approve the Settlement as provided herein  
22 then this Settlement Agreement, and any documents generated to bring it into effect, will be null  
23 and void, and the Parties will be returned to their original respective positions. If the Court does not  
24 approve the payment of the Net Settlement Amount as described in this Agreement, the Parties  
25 agree to meet and confer to address the Court’s concerns.

26           38.     Upon approval of the Settlement by the Superior Court, the Parties will present for  
27 the Superior Court’s approval and entry a Proposed Final Order and Judgment. The entry of the  
28 Order and Judgment shall permanently bar all PAGA Members from prosecuting against

1 Defendants all Released Claims as set forth in the Release contained in this Settlement Agreement.

2 39. **PAGA Notice.** After the Superior Court enters its order granting approval, every  
3 PAGA Member will be provided with the PAGA Notice (in English and Spanish) which will  
4 include the PAGA Notice completed to reflect the order granting approval of the Settlement and the  
5 PAGA Member’s information as follows:

6 (a) **Within fourteen (14) calendar days after approval of the Settlement,**  
7 **Defendants will provide to the Settlement Administrator the “Aggrieved Employee List”** containing  
8 the following information for each PAGA Member: (1) full name; (2) last known home address; (3)  
9 last known telephone number; (4) social security number; (5) start and end dates of active  
10 employment as a non-exempt employee of Defendants in the State of California; (6) total pay  
11 periods during the PAGA Period; and (8) any other information required by the Settlement  
12 Administrator in order to effectuate the terms of the Settlement. This is a material term of the  
13 Settlement, and if Defendants fail to comply, Plaintiff shall have the right to void the Settlement.

14 (b) If a PAGA Notice is returned by the U.S. Postal Service because of an  
15 incorrect address, the Settlement Administrator will promptly, and not later than five (5) calendar  
16 days from receipt of the returned packet, search for a more current address for the PAGA Member  
17 and re-mail the PAGA Notice to the PAGA Member. The Settlement Administrator will use the  
18 Aggrieved Employee List and otherwise work with Defense Counsel or utilize its own resources  
19 such as skip traces to find a more current address. The Settlement Administrator will be responsible  
20 for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee, to  
21 trace the mailing address of any PAGA Member for whom a PAGA Notice is returned by the U.S.  
22 Postal Service. These reasonable steps shall include the tracking of all undelivered mail; performing  
23 address searches for all mail returned without a forwarding address; and promptly re-mailing to  
24 PAGA Members for whom new addresses are found.

25 40. **Funding of the Gross Settlement Amount.** Within fourteen (14) calendar days of  
26 **the Effective Date, Defendants will deposit the Gross Settlement Amount into a Qualified**  
27 **Settlement Fund (“QSF”) to be established by the Settlement Administrator.**

28 41. **Payment of PAGA Payment Shares.** The Settlement Administrator shall pay to



1 each PAGA Member his or her PAGA Payment Share by sending a check in the appropriate amount  
2 to the PAGA Member at the address indicated in the Aggrieved Employee List. Such payment, with  
3 the PAGA Notice, shall be sent by the Settlement Administrator via U.S. Mail within fourteen (14)  
4 calendar days of its receipt of the Gross Settlement Amount from Defendants.

5       42.     **Uncashed PAGA Payment Share Checks.** Any checks paid to PAGA Members  
6 shall be negotiable for one hundred eighty (180) calendar days from the date of their issuance. A  
7 PAGA Member must cash his or her PAGA Payment Share check within one hundred eighty (180)  
8 calendar days after it is mailed to him or her. If a check remains uncashed after one hundred eighty  
9 (180) calendar days from the initial mailing, or if a check is returned to the Settlement  
10 Administrator as undeliverable during the one hundred eighty-day period, the Settlement  
11 Administrator shall take all reasonable efforts to identify the PAGA Member's correct address,  
12 including the performance of a "skip-trace." If an updated address can be identified, the Settlement  
13 Administrator shall issue another check to the PAGA Member and mail it to the PAGA Member at  
14 his or her updated address. If an updated address for the PAGA Member cannot be identified, if a  
15 reissued check is once again returned to the Settlement Administrator as undeliverable, or if the  
16 reissued check remains uncashed after one hundred eighty (180) calendar days, the Settlement  
17 Administrator will keep an accounting of such funds and shall give notice to the Parties of the total  
18 balance of uncashed PAGA Payment Shares. A PAGA Member who fails to negotiate or receive  
19 their PAGA Payment Share check despite the procedures described above shall nevertheless remain  
20 bound by the Settlement and the releases contained herein.

21       43.     The funds represented by PAGA Payment Share checks remaining uncashed for  
22 more than one hundred eighty (180) calendar days after issuance shall be voided and then shall be  
23 transmitted to the Controller of the State of California to be held pursuant to the Unclaimed  
24 Property Law, California Code of Civil Procedure § 1500, *et seq.* in the names of those PAGA  
25 Members who did not cash their checks until such time they claim their property. After the  
26 expiration of the 180-calendar day check cashing period, as outlined above, the Settlement  
27 Administrator shall begin the process of transferring the funds in accordance with California Code  
28 of Civil Procedure §§ 1500-1582 and the timing requirements set forth by the Office of the State

1 Controller. The Parties agree that this disposition results in no “unpaid residue” under California  
2 Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to the LWDA and  
3 PAGA Members, whether or not all PAGA Members cash their settlement checks.

4 **SETTLEMENT TERMS AND CONDITIONS**

5 44. **PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the  
6 Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Member within  
7 ten (10) calendar days after Defendants provide the Settlement Administrator with the Aggrieved  
8 Employee List. The PAGA Payment Share for each PAGA Member will be calculated as follows,  
9 understanding that the formulas below do not constitute an admission by either Party, and are  
10 intended only to provide a practical means to simplify and administer the claims process:

11 (a) **Number of PAGA Members and Pay Periods.** Defendants shall determine  
12 the total number of PAGA Members and the aggregate number of Pay Periods for those PAGA  
13 Members during the PAGA Period. This information shall be provided to the Settlement  
14 Administrator along with the Aggrieved Employee List as described above.

15 (b) **Calculation of the Pay Period Value.** The Settlement Administrator shall  
16 determine the value of a Pay Period (“Pay Period Value”) by taking the PAGA Payment amount  
17 (i.e., 25% of the Net Settlement Amount) and dividing it by the sum of all PAGA Members’ Pay  
18 Periods.

19 (c) **Calculation of PAGA Payment Shares.** The Settlement Administrator shall  
20 assign to each PAGA Member a PAGA Payment Share which shall be equal to the Pay Period  
21 Value multiplied by each PAGA Member’s Individual Pay Periods. Upon calculation of the PAGA  
22 Members’ PAGA Payment Shares, the Settlement Administrator shall furnish to Plaintiff’s Counsel  
23 and Defense Counsel a worksheet containing a list of employee identification numbers for the  
24 PAGA Members with their corresponding Individual Pay Periods and PAGA Payment Shares.

25 45. **Taxes and Withholdings.** Each PAGA Payment Share is intended to settle the  
26 PAGA Members’ claims for civil penalties arising under PAGA. Accordingly, one hundred percent  
27 (100%) of each PAGA Payment Share shall represent civil penalties. The PAGA Payment Share  
28 shall be paid to the PAGA Member in full without deductions or withholdings, and the Settlement

1 Administrator shall issue an IRS Form 1099 to each PAGA Member for that amount. Each PAGA  
2 Member shall be individually responsible for their own share of applicable income tax withholdings  
3 and deductions for his or her PAGA Payment Share.

4 46. **Total Payment Amount.** In no event will Defendants be required to pay more than  
5 the Gross Settlement Amount for distribution to the Plaintiff, Plaintiff’s Counsel, PAGA Members,  
6 LWDA, Settlement Administrator, or for any other costs or expenses not otherwise enumerated.

7 47. **Payments to Plaintiff, Plaintiff’s Counsel and Others.** Subject to the terms and  
8 conditions of this Settlement, the Settlement Administrator will make the following payments out of  
9 the Gross Settlement Amount as follows:

10 (a) **To Plaintiff:** In addition to her PAGA Payment Share, Plaintiff will apply to  
11 the Superior Court for a Plaintiff’s Representative Payment in an amount not to exceed Seven  
12 Thousand Five Hundred Dollars and No Cents (\$7,500.00). Defendants will not oppose Plaintiff’s  
13 Representative Payment. The Settlement Administrator will pay the Plaintiff’s Representative  
14 Payment approved by the Superior Court out of the Gross Settlement Amount. Payroll tax  
15 withholding and deductions will not be taken from the Plaintiff’s Representative Payment and an  
16 IRS Form 1099 will be issued to Plaintiff for this payment.

17 (b) **To Plaintiff’s Counsel:** Plaintiff’s Counsel will apply to the Superior Court  
18 for the Plaintiff’s Counsel Fees Payment in an amount not to exceed Seven Hundred and Eighty  
19 Seven Thousand Five Hundred Dollars and No Cents (\$787,500.00), or thirty-five percent (35%) of  
20 the Gross Settlement Amount. Plaintiff’s Counsel will also submit to the Superior Court a  
21 memorandum of costs for the Plaintiff’s Counsel **Litigation Costs Payment** in an amount not to  
22 exceed Twenty Thousand Dollars and No Cents (\$20,000.00) as requested reasonable costs incurred  
23 in the Action to be paid from the Gross Settlement Amount. Defendants will not oppose these  
24 requests. The costs and fees provided under the Settlement Agreement and approved by the Court  
25 shall be the total costs and attorneys’ fees recoverable in the Action. Plaintiff’s Counsel shall not  
26 seek additional costs or fees arising from the litigation of the Action. The Settlement Administrator  
27 will pay the amounts approved by the Superior Court out of the Gross Settlement Amount.  
28 Withholding and deductions will not be taken from the Plaintiff’s Counsel Fees Payment or

1 Plaintiff's Counsel Litigation Costs Payment and one or more IRS Forms 1099 will be issued to  
2 Plaintiff's Counsel with respect to those payments.

3 (c) **To the Settlement Administrator:** The Settlement Administrator will be  
4 paid from the Gross Settlement Amount its reasonable fees and expenses as approved by the  
5 Superior Court, which are estimated to be Nine Thousand Nine Hundred and Fifty Dollars and No  
6 Cents (\$9,950.00).

7 (d) **Distribution of the Net Settlement Amount:** As part of their Motion for  
8 Approval, the Parties will jointly apply to the Superior Court to approve the distribution of the Net  
9 Settlement Amount to the LWDA and PAGA Members. Seventy-five percent (75%) of the Net  
10 Settlement Amount shall be distributed to the LWDA ("LWDA Payment"). The remaining 25% of  
11 the Net Settlement Amount shall be distributed to the PAGA Members on a *pro rata* basis based  
12 upon the number of pay periods worked by each PAGA Member ("PAGA Payment").

13 48. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court  
14 to appoint Phoenix Settlement Administrators, a qualified and experienced administrator based in  
15 California where the Action is venued, to serve as the Settlement Administrator, which, as a  
16 condition of appointment, will agree to be bound by this Settlement Agreement with respect to the  
17 performance of its duties and its compensation. The Settlement Administrator's duties will include  
18 (i) calculating PAGA Payment Shares; (ii) preparing, translating, printing, and mailing the PAGA  
19 Notice to all PAGA Members; (iii) using reasonable measures to contact all PAGA Members,  
20 including conducting a National Change of Address search on all PAGA Members before mailing  
21 the PAGA Notice to each PAGA Member's address; (iv) re-mailing the PAGA Notice to the PAGA  
22 Member's new address for those PAGA Members whose address had changed; (v) setting up a toll-  
23 free telephone number to receive calls from PAGA Members; (vi) issuing the checks to effectuate  
24 the payments due under the Settlement; (vii) using reasonable measures to deliver issued checks to  
25 PAGA Members, including use of a "skip-trace" for undeliverable checks; and (viii) otherwise  
26 administering the Settlement pursuant to this Settlement Agreement. The Settlement Administrator  
27 will have the final authority to resolve all disputes concerning the calculation of a PAGA Member's  
28 PAGA Payment Share, subject to the terms set forth in this Settlement Agreement. The Settlement

1 Administrator's reasonable fees and expenses are estimated to be Nine Thousand Nine Hundred and  
2 Fifty Dollars and No Cents (\$9,950.00) and will be paid out of the Gross Settlement Amount, as set  
3 forth herein, subject to Court approval.

4 **RELEASE OF CLAIMS**

5       49.     **Released Claims.** Upon the Effective Date, PAGA Members, without the need to  
6 manually sign a release document, in exchange for the consideration recited in this Settlement  
7 Agreement, on behalf of himself or herself, shall and does hereby fully and finally release  
8 Defendants as named by Plaintiff in the operative complaint, and the Released Parties, from any and  
9 all claims for the recovery for civil penalties, attorneys' fees and costs permissible under PAGA  
10 which Plaintiff and/or the PAGA Members had, or may claim to have, against Defendants and the  
11 Released Parties, arising out of the violations alleged in the Action, including unpaid straight and  
12 overtime wages (including any work off-the-clock), failure to provide reporting time pay, failure to  
13 pay employees all minimum wages and overtime wages owed including by failing to pay all  
14 overtime and double time at the correct regular rate of pay, failure to provide compliant meal and  
15 rest breaks, failure to pay them all premium wages owed for short, late or missed meal and rest  
16 periods, failure to pay all wages owed at discharge or resignation; failure to timely pay wages  
17 within the times permissible under Labor Code section 204; failure to provide complete and  
18 accurate wage statements; failure to keep complete and accurate payroll records; failure to  
19 reimburse necessary business-related expenses and internet service; violations of Labor Code  
20 Sections 201, 202, 203, 204, 226(a), 226.2, 226.3, 226.7, 510, 512(a), 551, 552, 1174(d),  
21 1194,1197, 1197.1, 1198, 2800, and 2802 (the "Released Claims"). Following the funding of the  
22 Gross Settlement Amount, all PAGA Members will release the Released Parties from the Released  
23 Claims that accrued during the PAGA Period. PAGA Members cannot opt out of or object to the  
24 Release. The State of California and the LWDA will also release Released Parties from the  
25 Released Claims that accrued during the PAGA Period.

26       50.     The Released Claims expressly exclude all claims made by PAGA Members for  
27 individual wage claims, vested benefits, wrongful termination, unemployment insurance, disability,  
28 social security, workers' compensation, claims while classified as exempt, and claims outside of the

1 PAGA Period.

2 51. **Plaintiff's General Release of Claims.** Upon the Effective Date, in exchange for the  
3 consideration set forth in this Settlement Agreement, Plaintiff will agree to the additional following  
4 General Release: In consideration of Defendants' promises and agreements as set forth herein,  
5 Plaintiff hereby releases all claims related to her employment or alleged employment with the  
6 Defendants or the Released Parties including all claims alleged in the Action, and all claims known  
7 and unknown, without exception, except as may be prohibited by law.

8 52. **Plaintiff's Waiver of California Civil Code § 1542.** Upon the funding of the Gross  
9 Settlement Amount, in exchange for the consideration set forth in this Settlement Agreement,  
10 Plaintiff also agrees to expressly waive the provisions of California Civil Code § 1542, which  
11 provides as follows:

12  
13 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS  
14 WHICH THE CREDITOR OR RELEASING PARTY DOES NOT  
15 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT  
16 THE TIME OF EXECUTING THE RELEASE AND THAT, IF  
17 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY  
18 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR  
19 OR RELEASED PARTY.

20 Plaintiff's general release and waiver of California Civil Code §1542 shall cover the time  
21 period from the start of her employment with Defendants up to the Effective Date. This release  
22 general release and waiver of California Civil Code §1542 by Plaintiff is not intended to release any  
23 claims that cannot be waived or released as a matter of law, including specifically, without  
24 limitation, any claim under the California workers' compensation statute.

25 **MISCELLANEOUS PROVISIONS**

26 53. **Effect on Other Benefit Plans.** The payment of PAGA Payment Shares made to  
27 PAGA Members under this Settlement will not be used to calculate any additional benefits under  
28 any benefit plans to which any PAGA Member may be eligible, including, but not limited to profit-  
sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans,  
PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement

1 Agreement will not affect any rights, contributions, or amounts to which any PAGA Member may  
2 be entitled under any benefit plans.

3       **54. No Prior Assignments.** The Parties and their counsel represent, covenant, and  
4 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to  
5 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,  
6 action, cause of action or right herein released and discharged.

7       **55. Continued Jurisdiction.** After entry of the Judgment, the Superior Court will have  
8 continuing jurisdiction over the Action and the Settlement solely for purposes of addressing: (i) the  
9 interpretation and enforcement of the terms of the Settlement, (ii) settlement administration matters,  
10 and (iii) such post-dismissal matters as may be appropriate under court rules or as set forth in this  
11 Settlement.

12       **56. Stay of Litigation.** The Parties agree that upon the signing of this Agreement, the  
13 continuing litigation of this action shall be stayed absent any filings necessary to obtain approval of  
14 the settlement and the time to bring this action to trial shall be extended pending the outcome of the  
15 settlement process.

16       **57. Integrated Agreement.** After this Settlement is signed and delivered by all Parties  
17 and their counsel, this Settlement and its exhibits will constitute the entire agreement between the  
18 Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties,  
19 covenants, or inducements have been made to any Party concerning this Settlement or its exhibits  
20 other than the representations, warranties, covenants, and inducements expressly stated in this  
21 Settlement and its exhibits.

22       **58. Amendment or Modification of Agreement.** This Settlement Agreement may be  
23 amended or modified only by a written instrument signed by counsel for all Parties or their  
24 successors-in-interest and approved by the Court.

25       **59. Waiver of Certain Appeals.** The Parties agree to waive appeals; except, that either  
26 Party may appeal any court order that materially modifies the Settlement Agreement's terms.

27       **60. Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant  
28 and represent they are expressly authorized by the Parties whom they represent to negotiate this

1 Settlement Agreement and to take all appropriate action required or permitted to be taken by such  
2 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other  
3 documents required to effectuate the terms of this Settlement Agreement. The Parties and their  
4 counsel will cooperate with each other and use their best efforts to affect the implementation of the  
5 Settlement. If the Parties are unable to reach agreement on the form or content of any document  
6 needed to implement the Settlement, or on any supplemental provisions that may become necessary  
7 to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve  
8 such disagreement.

9       **61. Settlement Binding on Successors and Assigns.** This Settlement Agreement will be  
10 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as  
11 previously defined.

12       **62. California Law Governs.** All terms and conditions of this Settlement and its  
13 exhibits will be governed by and interpreted according to the laws of the State of California.

14       **63. Execution and Counterparts.** This Settlement Agreement is subject only to the  
15 execution of all Parties. However, the Settlement Agreement may be executed in one or more  
16 counterparts. All executed counterparts and each of them, including facsimile and scanned copies of  
17 the signature page, will be deemed to be one and the same instrument provided that counsel for the  
18 Parties will exchange among themselves original signed counterparts. **Acknowledgement that the**  
19 **Settlement is Fair and Reasonable.** The Parties and their respective counsel believe and warrant  
20 that this Settlement is a fair, reasonable, and adequate settlement of the Action and have arrived at  
21 this Settlement after arms-length negotiations by experienced counsel, taking into account all  
22 relevant factors, current and potential.

23       **64. Invalidity of Any Provision.** Before declaring any provision of this Agreement  
24 invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible  
25 consistent with applicable precedents so as to define all provisions of this Agreement valid and  
26 enforceable.

27       **65. Captions.** The captions of any section or paragraph of this Agreement are inserted  
28 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of



1 the provisions of this Agreement.

2         **66. Waiver.** No waiver of any condition or covenant contained in this Settlement  
3 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to  
4 imply or constitute a further waiver by such party of the same or any other condition, covenant,  
5 right or remedy.

6         **67. Enforcement Action.** In the event that one or more of the Parties institutes any legal  
7 action or other proceeding against any other Party or Parties arising out of that other Party's or  
8 Parties' breach of this Agreement, the successful Party or Parties will be entitled to recover from the  
9 unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees  
10 incurred in connection with any enforcement actions.

11         **68. Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms  
12 and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly  
13 against one Party than another merely by virtue of the fact that it may have been prepared by  
14 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations  
15 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

16         **69. Representation by Counsel.** The Parties acknowledge that they have been  
17 represented by counsel throughout all negotiations that preceded the execution of this Agreement,  
18 and that this Agreement has been executed with the consent and advice of counsel and reviewed in  
19 full. The Parties further acknowledge that they have had an opportunity to consult with their counsel  
20 regarding the fairness and reasonableness of this Settlement.

21         **70. Cooperation and Execution of Necessary Documents.** The Parties will cooperate  
22 in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of  
23 this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of  
24 any document needed to implement the Settlement, or on any supplemental provisions that may  
25 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of  
26 the Court to resolve such disagreement.

27         **71. Voluntary Agreement.** The Parties acknowledge that they have entered into this  
28 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress,

1 or undue influence of any Party, and not in reliance on any promises, representations, or statements  
2 made by the other Parties other than those contained in this Settlement Agreement. Each of the  
3 Parties hereto expressly waives any right she/they might ever have to claim that this Settlement  
4 Agreement was in any way induced by fraud.

5         **72. Binding Agreement.** The Parties warrant that they understand and have full  
6 authority to enter into this Settlement, and further intend that this Settlement Agreement will be  
7 fully enforceable and binding on all Parties and agree that it will be admissible and subject to  
8 disclosure in any proceeding to enforce its terms.

9         **73. Non-Admission of Liability.** The Parties enter into this Agreement to resolve the  
10 dispute that has arisen between them and to avoid the burden, expense and risk of continued  
11 litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, they  
12 have violated any federal, state, or local law; violated any regulations or guidelines promulgated  
13 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any  
14 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged  
15 in any other unlawful conduct with respect to their employees. Neither this Agreement, nor any of  
16 its terms or provisions, nor any of the negotiations connected with it, shall be construed as an  
17 admission or concession by Defendants of any such violations or failures to comply with any  
18 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this  
19 Agreement and its terms and provisions shall not be offered or received as evidence in any action or  
20 proceeding to establish any liability or admission on the part of Defendants or to establish the  
21 existence of any condition constituting a violation of, or a non-compliance with, federal, state, local  
22 or other applicable law.

23         **74. Neutral Employment Reference:** In the event that any potential or future employers  
24 of Plaintiff request a reference regarding Defendants' employment of Plaintiff, Defendants shall  
25 only provide Plaintiff's dates of employment, job titles during employment, and final rate of pay.  
26 Defendants shall not refer to the Action or this Settlement.

27         **75. No Publicity.** Plaintiff and Plaintiff's Counsel agree that they have not and will not  
28 publish the Settlement in any form of media. Plaintiff's Counsel shall not report the settlement in

1 any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff  
2 or the Settlement on their website, and shall not contact any reporters or media regarding the  
3 Settlement. However, Plaintiff’s Counsel is authorized to make disclosures to the Court and the  
4 LWDA, the PAGA Members, the Settlement Administrator, and for any other reason necessary to  
5 effectuate obtaining the approval of the settlement or the administration thereof. Notwithstanding  
6 the foregoing, Plaintiff’s Counsel may include the settlement (and/or a summary of the settlement)  
7 in future declarations filed in support of Plaintiff’s Counsel’s experience and/or adequacy in PAGA  
8 representative actions and/or class actions. Nothing in the provision is intended to violate  
9 California Rules of Professional Conduct Rule 5.6.

10       76.     **Assignment.** None of the rights, commitments, or obligations recognized under this  
11 Agreement may be assigned by any Party, PAGA Member, Plaintiff’s Counsel, or Defendants’  
12 Counsel without the express written consent of each other Party and their respective counsel hereto.  
13 The representations, warranties, covenants, and agreements contained in this Agreement are for the  
14 sole benefit of the Parties under this Agreement and shall not be construed to confer any right or to  
15 avail any remedy to any other person.

16       77.     **Counterparts.** This Agreement, and any amendments hereto, may be executed in  
17 any number of counterparts and any Party and/or their respective counsel hereto may execute any  
18 such counterpart, each of which when executed and delivered shall be deemed to be an original and  
19 all of which counterparts taken together shall constitute but one and the same instrument. It shall  
20 not be necessary in making proof of this Agreement or any counterpart hereof to produce or account  
21 for any of the other counterparts. A facsimile, scanned or digital signature, including but not limited  
22 to DocuSign shall be treated as an original signature for all purposes.

23  
24  
25  
26  
27  
28

[SIGNATURES ON FOLLOWING PAGE]

1 APPROVED AS TO FORM AND CONTENT:

2

3 DATED: 11/15/2021 \_\_\_\_\_

**PLAINTIFF SANDRA WALLACE**

4

DocuSigned by:  
*SWallace*  
CECB7E110EBA4E6 \_\_\_\_\_

5

6

7 DATED: \_\_\_\_\_

**DEFENDANT ALVARADO RESTAURANT  
GROUP, LLC**

8

9

By: \_\_\_\_\_

10

Its: \_\_\_\_\_

11

12 DATED: \_\_\_\_\_

**DEFENDANT PALO ALTO, INC.**

13

14

By: \_\_\_\_\_

15

Its: \_\_\_\_\_

16

17 DATED: \_\_\_\_\_

**DEFENDANT PALO VERDE, INC.**

18

19

By: \_\_\_\_\_

20

Its: \_\_\_\_\_

21

22

23

24

25

26

27

28

1 APPROVED AS TO FORM AND CONTENT:

2

3 DATED: \_\_\_\_\_

**PLAINTIFF SANDRA WALLACE**

4

5 \_\_\_\_\_

6

7 DATED: November 23, 2021

**DEFENDANT ALVARADO RESTAURANT  
GROUP, LLC**

8

9

By: *Robert M. Lamb*

10

Its: Member

11

12

DATED: November 23, 2021

**DEFENDANT PALO ALTO, INC.**

13

14

By: *Robert M. Lamb*

15

Its: Chairman

16

17

DATED: November 23, 2021

**DEFENDANT PALO VERDE, INC.**

18

19

By: *Robert M. Lamb*

20

Its: Chairman

21

22

23

24

25

26

27

28

1 APPROVED AS TO FORM ONLY:

2

3 DATED: November 15, 2021

**PROTECTION LAW GROUP LLP**

4

5

By:



\_\_\_\_\_  
Heather Davis, Esq.  
Amir Nayebdadash, Esq.

6

7

Attorney for Plaintiff  
SANDRA WALLACE

8

9

10 DATED: \_\_\_\_\_

**FISHER & PHILLIPS, LLP**

11

12

By:

\_\_\_\_\_  
Raul E. Zermeno, Esq.  
Anet Drapalski, Esq.

13

14

Attorneys for Defendants  
ALVARADO RESTAURANT GROUP, LLC;  
PALO ALTO, INC.; and PALO VERDE, INC.

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

APPROVED AS TO FORM ONLY:

DATED: \_\_\_\_\_

**PROTECTION LAW GROUP LLP**

By: \_\_\_\_\_

Heather Davis, Esq.  
Amir Nayebdadash, Esq.

Attorney for Plaintiff  
SANDRA WALLACE

DATED: November 23, 2021

**FISHER & PHILLIPS, LLP**



By: \_\_\_\_\_

Raul E. Zermeno, Esq.  
Anet Drapalski, Esq.

Attorneys for Defendants  
ALVARADO RESTAURANT GROUP, LLC;  
PALO ALTO, INC.; and PALO VERDE, INC.

# **Exhibit A**



|||||

<<PSA ID>>

<<First Last>>

<<Address>>

<<City, State, Zip, Country>>

Name/Address Changes (if any):

\_\_\_\_\_

**NOTICE OF REPRESENTATIVE ACTION SETTLEMENT**

**If you are or were an hourly-paid, non-exempt employee of Alvarado Restaurant Group, LLC, Palo Alto, Inc., and/or Palo Verde, Inc. at any time between May 9, 2019, and July 5, 2021, you are entitled to receive money from a Settlement brought under the Private Attorneys General Act of 2004 (PAGA).**

*A court approved this notice. This is not a solicitation from a lawyer. You are not being sued.*

**1. Why should you read this notice?**

A settlement (the “Settlement”) has been reached in a representative action lawsuit entitled *Sandra Wallace v. Alvarado Restaurant Group, LLC et al.*, Los Angeles County Superior Court Case No. 20STCV26260 (the “Action” or “Lawsuit”). The Defendants in the Action are Alvarado Restaurant Group, LLC, Palo Alto, Inc., and Palo Verde, Inc. (referred to as “Defendants”). The Action was brought by a former employee of Defendants on behalf of the State of California and all alleged “PAGA Members,” defined as all current and former hourly-paid, non-exempt employees who were employed by Defendants in the state of California at any time between May 9, 2019, and July 5, 2021 (“PAGA Period”).

The Court has granted approval of the settlement amount to be paid by Defendants for settlement of the Action for civil penalties under PAGA.

Defendants’ employment records indicate that you meet the definition of PAGA Member. The Court directed that this Notice be sent to all PAGA Members to inform you about the case and your rights.

This Notice explains the Lawsuit, the Settlement, your legal rights, what benefits are available.

**2. What is this Lawsuit about?**

On July 13, 2020, Plaintiff Sandra Wallace filed a representative action complaint against Defendants alleging several violations of California wage and hour laws. Plaintiff filed the Action as a Private Attorney General on behalf of the State and sought penalties on behalf of herself, the State, and all current and former hourly-paid, non-exempt employees of Defendants within the PAGA Period. Plaintiff alleges that Defendants owed penalties under California’s Private Attorneys General Act of 2004, California Labor Code §§ 2698-2699.5 (“PAGA”). In agreeing to this settlement, Defendants do not admit to any wrongdoing or that they are liable in any way for any civil penalties under PAGA.

### 3. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendants. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees will receive compensation. Plaintiff and Plaintiff's attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all PAGA Members.

### 4. What are the terms of the Settlement?

Defendant will pay Two Million Two Hundred and Fifty Thousand Dollars and Zero Cents (\$2,250,000.00) to settle the Action (the "Gross Settlement Amount"). The Gross Settlement Amount includes: (a) all PAGA Payment Shares to PAGA Members; (b) Plaintiff's Representative Payment; (c) Plaintiff's Counsel's attorneys' fees and costs; (d) a payment to the California Labor and Workforce Development Agency ("LWDA") for civil penalties brought under PAGA; and (e) the reasonable fees and costs of the Settlement Administrator.

The Court has approved the following payments from the Gross Settlement Amount:

- Plaintiff's Counsel's fees of Seven Hundred and Eighty-Seven Thousand Five Hundred Dollars and Zero Cents (\$787,500.00);
- Plaintiff's Counsel's out-of-pocket litigation costs of [REDACTED] Dollars and Zero Cents (\$ [REDACTED].00);
- Settlement Administration Costs for the third-party Settlement Administrator of up to Nine Thousand Nine Hundred and Fifty Dollars and Zero Cents (\$9,950.00); and
- Plaintiff's Representative Payment of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) in recognition of her time and service in pursuing the Action and in fulfilling her obligation.

After these costs are deducted the remaining money (the "Net Settlement Amount") will be split between the LWDA and PAGA Members. The law requires that 75% of the Net Settlement Amount, or [REDACTED] Dollars and Zero Cents (\$ [REDACTED].00), be paid to the LWDA. The remaining 25% of the Net Settlement Amount, or [REDACTED] Dollars and Zero Cents (\$ [REDACTED].00) ("PAGA Payment"), will be paid out to the PAGA Members. No portion of the Gross Settlement Amount will be returned to Defendants.

### 5. How much am I receiving?

Each PAGA Member will receive a *pro rata* share of the PAGA Payment based on the number of pay periods the PAGA Member worked for Defendants as an hourly-paid, non-exempt employee during the PAGA Period. Any pay period in which a PAGA Member worked at least one day shall be counted as a pay period.

To calculate a PAGA Member's PAGA Payment Share, the PAGA Payment will be divided by the aggregate total number of pay periods of all PAGA Members, resulting in the "Pay Period Value." Each PAGA Member's PAGA Payment Share will be calculated by multiplying each individual PAGA Member's total number of pay periods by the Pay Period Value.

Your Compensable Pay Periods are: <<PayPeriods>>

Your PAGA Payment Share is: \$<<Est.PAGAPaymentAmt>>

All settlement payments are subject to taxation. Each PAGA Payment Share will be allocated as follows: 100% as penalties that will not be subject to deductions and withholdings. Each PAGA Member will receive an IRS Form-1099 for his or her PAGA Payment Share, unless the PAGA Member's PAGA Payment Share is \$600 or less.

The Settlement checks will be able to be cashed for 180 days after they are issued. After 180 days, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for more than 180 days after issuance shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500, *et seq.* in the names of those PAGA Members who did not cash their Settlement checks until such time they claim their property.

## **6. What claims are being released by the Settlement?**

A Judgment has been entered by the Court. Upon funding of the Gross Settlement Amount, all PAGA Members have released the Released Parties from the Released Claims for the PAGA Period, which is defined as the period of time between May 9, 2019, and July 5, 2021.

The Released Parties are defined as Defendants and their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, related companies, including, but not limited to Alvarado Holdings, LLC, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The Released Claims are defined as any and all claims for the recovery for civil penalties, attorneys' fees and costs permissible under PAGA which Plaintiff and/or the PAGA Members had, or may claim to have, against Released Parties, arising out of the violations alleged in the Complaint or the PAGA Notice, including unpaid straight and overtime wages (including any work off-the-clock), failure to provide reporting time pay, failure to pay employees all minimum wages and overtime wages owed including by failing to pay all overtime and double time at the correct regular rate of pay, failure to provide compliant meal and rest breaks, failure to pay them all premium wages owed for short, late or missed meal and rest periods, failure to pay all wages owed at discharge or resignation; failure to timely pay wages within the times permissible under Labor Code section 204; failure to provide complete and accurate wage statements; failure to keep complete and accurate payroll records; failure to reimburse necessary business-related expenses and internet service; violations of Labor Code Sections 201, 202, 203, 204, 226(a), 226.2, 226.3, 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802.

Claims of PAGA Members, if any, for individual wage claims, vested benefits, wrongful termination, unemployment insurance, disability benefits, social security, workers' compensation, claims while classified as exempt, and claims outside of the PAGA Period are not encompassed within the definition of "Released Claims." PAGA Members cannot opt out of or object to the foregoing PAGA Release.

**If you have questions, you can call the Settlement Administrator at**                     

PLEASE DO NOT TELEPHONE THE COURT ABOUT THIS SETTLEMENT  
They will not be able to assist you.