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 14 and INTERSTATE FOODS INC., a California corporation

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

18 MAYRA CRUZ, on behalf of herself and others
 19 similarly situated,

20 Plaintiff,

21 vs.

22 DAHAN INVESTMENTS INC., a California
 Corporation; and DOES 1 through 50, inclusive,

23 Defendants.
 24

Case No. BC657871

*[Assigned for all purposes to The Honorable
 Ann Jones, Dept. 11]*

**JOINT STIPULATION OF CLASS
 ACTION SETTLEMENT**

Action Filed: April 14, 2017

Trial Date: None set

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This Joint Stipulation of Class Action Settlement (“Joint Stipulation”) is made and entered by and between Mayra Cruz, in her individual capacity, as a class representative, and as a private attorney general (hereinafter referred to as “Plaintiff”) on one hand, and Defendants Dahan Investments, Inc., Interstate Foods, Inc., CAV Investments, Inc., and Carlos Velasco (hereinafter collectively referred to as “Defendants”), on the other hand. Subject to the Court’s approval, the above-referenced action is being compromised and settled under the terms and conditions set forth below. This Joint Stipulation will be binding on Plaintiff and the settlement class purported to be represented thereby, and Defendants, subject to the terms and conditions set forth below and the approval of the Court.

I. DEFINITIONS

To the extent any terms or phrases used in this Joint Stipulation are not specifically defined in this section (i.e., Section I), but are defined elsewhere in this Joint Stipulation, they are incorporated herein by reference.

“Action” means the above-entitled class action pending in the Superior Court of the State of California, County of Los Angeles.

“Settlement Class” or “Settlement Class Members” means all current and former non-exempt employees of Defendants, who worked in California during the Settlement Class Period.

“Settlement Class Member” means a single, current or former non-exempt employee of Defendants, who worked in California during the Settlement Class period.

“Settlement Class Counsel” means David Yeremian & Associates, Inc.

“Settlement Class Period” means the time from April 14, 2013 through December 31, 2019.

“Complaint” means the operative complaint filed in the Action and all amendments thereto.

“Defendants” means Dahan Investments, Inc., Interstate Foods, Inc., CAV Investments, Inc., and Carlos Velasco.

“Effective Date” means the date by which the Court’s order granting Final Approval of this Joint Stipulation becomes final. Such order becomes final upon the following events: (i) upon the Court issuing an order granting Final Approval of this Joint Stipulation if no objections to the

1 settlement are filed, or if an objection is filed but is withdrawn prior to the Court’s Final Approval
2 Hearing; or (ii) in the event there are written objections filed prior to the final approval hearing
3 which are not thereafter withdrawn prior to the hearing, the later of the following events: (a) the
4 day after the last day by which a notice of appeal of the order may be timely filed with the
5 California Court of Appeal, and none is filed; (b) if an appeal is filed and is finally disposed of by
6 ruling, dismissal, denial, or otherwise, the day after the last date for filing a request for further
7 review of the Court of Appeal’s decision passes and no further review is requested; (c) if an appeal
8 is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of
9 Appeal, and further review of the Court of Appeal’s decision is requested, the day after the request
10 for review is denied with prejudice and/or no further review of the order can be requested; or (d) if
11 review is accepted, the day the Supreme Court of the State of California affirms the Settlement.

12 “Final Approval” means the date upon which the Court enters an order granting approval of
13 this Joint Stipulation, after having determined that the settlement is fair, adequate, and reasonable
14 to the Settlement Class following notice to the Settlement Class and a hearing on the fairness of the
15 settlement.

16 “Final Approval Hearing” means the final hearing held to ascertain the fairness,
17 reasonableness, and adequacy of the Joint Stipulation, after which the Court will enter its order
18 approving the Joint Stipulation finally.

19 “MOA” means the Memorandum of Agreement executed by the Parties at the conclusion of
20 the August 13, 2019 mediation with Hon. Howard Broadman (Ret.).

21 “Opt-Out” means all persons who timely and validly request exclusion from the Settlement
22 Class.

23 “Parties” means Plaintiff and Defendants.

24 “Preliminary Approval” means the court order preliminarily approving this Joint
25 Stipulation.

26 “Preliminary Approval Hearing” means the hearing held on the motion for preliminary
27 approval of the Joint Stipulation.

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“Released Claims” means all claims for wages, damages, unpaid costs, penalties, liquidated damages, benefits, fringes, interest, attorneys’ fees, litigation costs, restitution, or equitable relief, which Plaintiff, the Settlement Class, and/or any Settlement Class Member had, or may claim to have, against any of the Released Parties, that were pled or could have been pled based upon the factual allegations set forth in the operative Complaint during the Settlement Class Period. The Released Claims include all claims pled, or that could have been pled, based on the factual allegations in the operative complaint or any amendments thereto. In addition, Plaintiff will generally release all claims of any type, known and unknown, including a waiver of the protections of California Civil Code §1542.

“Released Parties” means Defendants and all of their past and present owners, officers, directors, shareholders, employees, agents, assigns, attorneys, insurers, parent companies, subsidiaries, and affiliates, including but not limited to, Dahan Investments, Inc., Interstate Foods, Inc., CAV Investments, Inc., and Carlos Velasco, and their respective predecessors, successors, and assigns, without limitation.

“Settlement Administrator” means CPT Group, Inc.

“Settlement Administrator’s Fees” means all fees, costs, and expenses relating to the administration of the settlement in this Action, including without limitation, printing and mailing Settlement Class Notice Forms, calculating and determining payments and percentages, regularly updating counsel on the status of administration, and the accounting and maintenance of the Settlement Fund Account.

“Settlement Fund Account” means the bank account established under this Joint Stipulation from which all monies payable under this Joint Stipulation shall be paid, as set forth herein.

“Maximum Settlement Amount” means up to \$500,000 that Defendants will pay in the aggregate to resolve this Action, on a non-reversionary basis. The Maximum Settlement Amount is all-inclusive. The following costs will be deducted from the Maximum Settlement Amount: (1) attorney’s fees (Defendants shall not oppose Settlement Class Counsel’s request for attorney’s fees, not to exceed 35%, or \$175,000.00 of the Maximum Settlement Amount); (2) litigation expenses (Defendants shall not oppose Settlement Class Counsel’s request for reasonable litigation expenses

1 of no more than \$22,500); (3) an enhancement award to the named Plaintiff (Defendants shall not
2 oppose the requested enhancement award of \$7,500 to the named Plaintiff in exchange for her
3 execution of a settlement agreement and general release, including a Civil Code § 1542 waiver);
4 (4) costs of administration that shall not exceed \$17,000; and (5) \$10,000 for penalties under
5 California Labor Code §§ 2699 et seq. (“PAGA”). Defendants’ corporate payroll tax obligation
6 shall be paid in addition to the Maximum Settlement Amount.

7 The “Net Settlement Amount” will equal the net amount available for payment of claims to
8 Settlement Class Members after deducting the above-referenced costs from the Maximum
9 Settlement Amount.

10 **II. PRE-TRIAL PROCEEDINGS AND NEGOTIATIONS**

11 A. Discovery, Investigation, and Research

12 The Parties investigated facts and law throughout the Action. Investigation included the
13 exchange of information under formal and informal discovery, including expert witness
14 consultations. It also included preparing for and attending two separate private mediation sessions
15 with wage and hour class action mediators Hon. Michael Latin (Ret.) and Hon. Howard Broadman
16 (Ret.). The Parties also investigated relevant law as applied to the facts of this case, potential
17 defenses, and damages claimed by Plaintiff on behalf of herself and the Settlement Class.
18 Discovery largely focused on Plaintiff’s allegations that Settlement Class Members were not
19 provided with all meal and rest periods under California law, received improper wage statements,
20 and were not paid all owed and due wages upon separation of employment. Discovery included
21 Settlement Class Members’ time records, the relevant policies and practices of Defendants, and
22 class data regarding the applicable claims. The Parties conducted their own evaluations of the
23 potential recoveries based on the claims alleged in the Action, including expert witness
24 consultations.

25 B. Allegations of the Settlement Class Representative and Benefits of Settlement

26 This Joint Stipulation was reached after arm’s length bargaining by the Parties with the
27 assistance of an experienced mediator, and after Settlement Class Counsel thoroughly reviewed all
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available evidence. The information exchanged between the Parties allowed them to assess the merits of the claims and defenses, and to reach a compromise of the issues.

Plaintiff and Settlement Class Counsel all contend the claims asserted in the Action have merit. However, they also acknowledge the expense and delay of continued litigation. Settlement Class Counsel has considered the uncertain outcome and risk of litigation, and the difficulties and delays inherent in such litigation. Settlement Class Counsel also considered the potential difficulty of maintaining the Action as a class action and the likelihood of appeals.

Settlement Class Counsel determined this Joint Stipulation confers substantial benefit to the Settlement Class and respectfully submits that an independent review by the Court will confirm this conclusion. Settlement Class Counsel has determined that this Joint Stipulation is in the best interests of Plaintiff and the Settlement Class Members.

C. Defendants’ Denials of Wrongdoing and Benefits of Settlement

Defendants generally deny all claims alleged in the Action and further deny class treatment is appropriate for any purpose other than this settlement. Defendants contend they complied with all applicable laws, whether California or federal law. It is Defendants’ position that if litigation continued, class certification would not be granted, or if it were, that it would be reversed. Defendants also contend that the named Plaintiff is not an adequate class representative, her claims are not typical of the Settlement Class Members, and individual issues predominate over common ones. However, Defendants have concluded that further litigation would be protracted and expensive. Thus, Defendants have determined that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions herein.

D. Intent of the Settlement

This Joint Stipulation intends to achieve the following: (1) entry of an order approving the Joint Stipulation and granting the monetary relief set forth herein; (2) entry of judgment on Plaintiff’s alleged claims; and (3) discharge of Released Parties from liability for all Released Claims.

1 **III. PROCEDURAL ISSUES**

2 A. Preliminary Approval

3 Settlement Class Counsel will submit this Joint Stipulation to the Court with a Motion for
4 Preliminary Approval of Class Action Settlement. Defendants will not oppose the Motion for
5 Preliminary Approval of Class Action Settlement.

6 B. Settlement Administrator

7 The Settlement Administrator will handle: (1) preparing, printing, and mailing
8 simultaneously the Notice of Class Action Settlement in substantially the same form as the attached
9 **Exhibit 1** (the “Notice Packet”) in both English and Spanish; (2) receiving and reviewing any Opt-
10 Outs; (3) calculating payments under the settlement; (4) handling inquiries from Settlement Class
11 Members concerning the Notice Packet; (5) resolving any workweek disputes; (6) providing
12 weekly status reports to Defendants’ counsel and Class Counsel regarding the mailings, Opt-Outs,
13 and settlement payments; (7) distributing settlement payments to Settlement Class Members and
14 payment to other parties under the terms of this Joint Stipulation; (8) providing due diligence
15 declarations for submission to the Court, as needed; (9) printing and providing Settlement Class
16 Members and Plaintiff with tax forms as required under this Joint Stipulation and applicable law,
17 and providing copies of the same to Defendants; (10) translating the Notice Packet and Reminder
18 Card to Spanish; (11) sending, and/or responding to submissions of Opt-Outs, or contact
19 information updates; and (12) such other tasks as the Parties mutually agree or the Court orders the
20 Settlement Administrator to perform.

21 The Settlement Administrator will skip trace and re-mail all returned, undeliverable mail
22 within seven calendar days of receiving notice the mailing was undeliverable. The Settlement
23 Administrator will also handle payments to Plaintiff for his Enhancement Payment, payment of
24 Settlement Class Counsel’s attorney’s fees and costs as approved by the Court, and payment of
25 PAGA penalties to the LWDA.

26 Settlement Administrator’s Fees are to be paid from the Maximum Settlement Amount.

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1 C. Notice to Settlement Class Members

2 If the Court grants Preliminary Approval, notice will be provided to Settlement Class
3 Members as follows:

4 Within ten (10) calendar days of Preliminary Approval, Defendants will provide the
5 Settlement Administrator with the following information about each Settlement Class Member: (1)
6 name; (2) last known mailing address and telephone number; (3) social security number; (4) dates
7 of employment; and (5) total workweeks worked during the Covered Period. The Settlement
8 Administrator will confirm workweek calculations.

9 Within ten (10) calendar days after the Settlement Administrator’s receipt of the Settlement
10 Class data, it will mail the Notice Packet to Settlement Class Members via first-class regular U.S.
11 mail.

12 Prior to mailing, the Settlement Administrator will perform a search based on the National
13 Change of Address Database for information to update and correct any known or identifiable
14 address changes. Efforts to locate updated address for undeliverable notices will continue for forty-
15 five (45) calendar days from the date the Notice Packet is first mailed to Opt-Out of the Class. If a
16 new address is obtained by way of a returned Notice Packet, then the Settlement Administrator will
17 promptly forward the original Notice Packet to the updated address via first-class regular U.S.
18 mail, indicating on the original packet the date of such re-mailing. If no forwarding address is
19 provided, the Settlement Administrator shall promptly attempt to determine a correct address by
20 the use of skip-tracing, or other type of automated search, using the name, address and/or Social
21 Security number of the Class Member involved, and shall then perform a re-mailing to the Class
22 Member whose Notice Packet was returned as non-deliverable, assuming another mailing address
23 is identified by the Settlement Administrator.

24 A returned Notice Packet will be forwarded only once by the Settlement Administrator.
25 Upon completion of these steps by the Settlement Administrator, Defendants will be deemed to
26 have satisfied its obligation to provide notice of the class settlement to Settlement Class Members.
27 Such persons will be bound by all terms of the Joint Stipulation (including the release) and the
28 Court’s order and final judgment, unless they validly Opt-Out of the Class.

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Settlement Class Members will have forty-five (45) calendar days from the date the Notice Packet is first mailed to Opt-Out of the Class.

Unless a Settlement Class-Member opts-out of the Settlement Class, the Settlement Class Member will be bound by all terms of the Joint Stipulation (including the release), and the Court’s order and final judgment.

D. Procedure for Opting Out of the Settlement Class

Settlement Class Members who wish to exclude themselves from the Settlement Class must mail the Settlement Administrator a request for exclusion from the Settlement Class in writing within forty-five (45) calendar days after the date the Notice Packet was mailed (the “Settlement Class Member Exclusion Deadline”), unless the Court orders otherwise. All requests for exclusion must be made in writing, signed by the Settlement Class Member, and must be submitted by postal mail. The delivery date is deemed to be the date the Opt-Out request is deposited in the U.S. Mail as evidenced by the postmark.

A request to be excluded from the Settlement Class will be deemed valid only if the Settlement Class Member provided their name and address by the Settlement Class Member Exclusion Deadline. The written request to be excluded from the Settlement Class must indicate the Settlement Class Member’s intent to be excluded from the Settlement.

Any Settlement Class Member who timely opts-out will not be entitled to recovery under the settlement and will not be bound by the settlement, judgment, or order in this Action. Nor can they object, appeal, or comment on the settlement. Settlement Class Members who fail to properly submit an Opt-Out will be bound by all the terms of this Joint Stipulation, and any judgment and order entered in the Action.

The Settlement Administrator will provide counsel for the Parties with weekly updates about Settlement Class Members who submit Opt-Out requests.

E. Procedure for Disputing Workweeks

The Settlement Administrator’s determination of eligibility for, and the amounts of, any settlement payment under this Joint Stipulation will be conclusive, final, and binding on all Parties, including all Settlement Class Members. To dispute the number of workweeks with which they

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have been credited, a Settlement Class Member must timely produce evidence to the Settlement Administrator showing that the workweek information is inaccurate by the Settlement Class Member Exclusion Deadline. The delivery date is deemed to be the date the dispute is deposited in the U.S. Mail as evidenced by the postmark. The Settlement Administrator shall decide the dispute. Defendant’s records will be presumed correct, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and will make the final decision on the merits of the dispute. The Settlement Administrator may ask Defendants to produce the personnel and payroll files of the Settlement Class Member disputing their credited workweeks in order for the Settlement Administrator to resolve the dispute.

F. Procedure for Objecting to Settlement

Any Settlement Class Member who seeks to object to the settlement may serve a copy of the objection to the Settlement Administrator at CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606. All objections must be served within forty-five (45) calendar days of first mailing of the Class Notice. Settlement Class Members who do not serve written objections or appear at the Final Approval Hearing to explain their objection(s) shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement.

G. Final Approval

At the Final Approval Hearing, Settlement Class Counsel will move the Court for the entry of judgment under Rule 3.769(h) of the California Rules of Court, incorporating the Joint Stipulation. Settlement Class Counsel will seek approval of the Joint Stipulation as being fair, adequate, and reasonable to the Settlement Class Members. Class Counsel and Defendants’ counsel will submit to the Court such pleadings and evidence as required for the Court’s determination. If the Court grants final approval of the Settlement, the Settlement Administrator shall post notice of final judgment on its website within seven (7) calendar days of entry of the Judgment.

IV. SETTLEMENT TERMS

A. Maximum Settlement Amount and Minimum Settlement Payments

To settle the claims arising out of the facts, circumstances, and primary rights in the Action, Defendants will pay up to the aggregate Maximum Settlement Amount on an all-inclusive, non-

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reversionary basis. Defendants will not be required to contribute additional sums to fund the settlement or otherwise resolve this action.

All Settlement Class Members will be eligible to participate in the settlement including those that previously accepted an individual settlement payment from Defendants during the pendency of this litigation. Settlement Class Members will receive a pro-rata share of the Net Settlement Amount under a workweek formula, as set forth below.

B. Establishment of Settlement Fund Account

Within seven (7) calendar days of Final Approval, the Settlement Administrator will establish the Settlement Fund Account in a non-interest bearing transaction account at a FDIC-insured institution designated by Defendants with at least one branch in California so that Defendants can within fourteen (14) calendar days of final approval wire the Maximum Settlement Amount and Defendants’ corporate payroll tax obligation.

C. Allocation of Settlement Proceeds

The Maximum Settlement Amount is inclusive of and will be allocated as follows:

- i. The Fee Award, which is the amount the Court awards to Settlement Class Counsel for their attorney fees, in an amount not exceeding 35% (\$175,000.00) of the Maximum Settlement Amount;
- ii. The Cost Award, which is the amount the Court awards to Settlement Class Counsel for their reasonable litigation costs;
- iii. The Enhancement Award, which comprises the amount the Court awards to the named Plaintiff as Settlement Class representative, in an amount not exceeding \$7,500;
- iv. The Settlement Administrator’s Fees, as approved by the Court;
- v. PAGA penalties in an amount not to exceed \$10,000 (75% of which will go to the LWDA and 25% to Settlement Class Members who submit valid claims);
- vi. The Payout Fund, which is the total money available for payout to Settlement Class Members after deducting the above amounts;

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vii. Payment to Settlement Class Members shall be 80% penalties and interest, and 20% wages;

D. Distribution of Settlement Proceeds

The Settlement Administrator will keep Defendants’ counsel and Settlement Class Counsel apprised of all distributions from the Settlement Fund Account. No person will have any claim against Defendants, Defendants’ counsel, Plaintiff, Settlement Class Counsel, or the Settlement Administrator based on distributions and payments made under this Joint Stipulation. Distribution of the Maximum Settlement Amount will be as follows:

1. Initial Payment

Within fourteen (14) calendar days after the Effective Date, the Settlement Administrator will pay the Fee Award, the Cost Award, the Incentive Award, the payment to the LWDA, and the Settlement Administrator’s Fees, based on how the Court rules at the Final Approval Hearing. The remainder of the Maximum Settlement Amount, known as the Payout Fund or the Net Settlement Amount, will be calculated and distributed as set forth below.

2. Payout to Settlement Class Members

The Settlement Administrator will calculate the individual settlement payments to Settlement Class Members. These payments will be calculated by assigning a certain dollar value to each week Settlement Class Members worked during the Settlement Class Period. The dollar value of each week will be calculated by dividing the aggregate value of the Payout Fund by the total number of weeks worked by the Settlement Class Members during the Settlement Class Period. Partial weeks will be rounded up to the nearest full week. A Settlement Class Member’s individual settlement payment will be determined by multiplying the number of weeks worked during the Settlement Class Period by the dollar value of each week.

The Settlement Class Members’ settlement payments will be apportioned as follows: 20% as wages, 80% for interest and for penalties (the “Wage Portion”). The amounts paid as wages shall be subject to all tax withholdings customarily made from employee’s wages and all other authorized and required withholdings and shall be reported by W-2 forms. The Settlement Administrator will issue the appropriate federal and state tax forms (IRS Forms W-2 and 1099s)

1 and, subject to Defendants’ oversight and approval, the Settlement Administrator shall (1) withhold
2 from the Wage Portion all payroll and income taxes required by law to be withheld and/or paid on
3 behalf of both the employer and the employee from its distributions to the Settlement Class, and (2)
4 remit the same to the appropriate government agencies.

5 The settlement payments to Settlement Class Members will be paid within twenty-one (21)
6 calendar days after the Effective Date.

7 E. Uncashed Checks

8 Any checks issued to Settlement Class Members shall be negotiable for at least 180
9 calendar days. The proceeds from any uncashed checks will be paid to the California State
10 Controller’s Unclaimed Property division to be held pursuant to the Unclaimed Property Law,
11 California Civil Code § 1500 et seq. after the expiration of the 180-calendar day period and stop-
12 payment orders shall issue regarding the uncashed checks. Regardless of whether the checks are
13 cashed, this Agreement will be binding on every Settlement Class Member who does not timely
14 Opt Out. The Parties agree that this disposition results in no “unpaid residue” under California
15 Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement
16 Class Members, whether or not they all cash their Settlement Checks. Therefore, Defendants will
17 not be required to pay any interest on said amounts.

18 F. Fee Award

19 Defendants will not oppose a request for attorney fees up to one-third (\$175,000.00) of the
20 Maximum Settlement Amount. Defendants will not be obligated to pay any attorney fees of
21 Settlement Class Counsel, Plaintiff, or Settlement Class Members above this amount. Settlement
22 Class Counsel’s attorney fee application will be submitted with supporting documentation and
23 heard during the Final Approval Hearing. The Fee Award will be determined by the Court.

24 G. Costs Award

25 Defendants will not oppose a request for reasonable litigation expenses of no more than
26 \$22,500. Defendants will not be obligated to pay any costs of Settlement Class Counsel, Plaintiff,
27 or Settlement Class Members above the amount approved by the Court. Settlement Class Counsel’s
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1 request for costs must be submitted with its fee application and with supporting documentation,
2 and heard during the Final Approval Hearing. The Costs Award will be determined by the Court.

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4 H. Incentive Award

5 Defendants will not object to an enhancement award of \$7,500 to the named Plaintiff.
6 Defendants will not be obligated to pay any enhancement award in the Action above this amount.
7 The Incentive Award will be considered miscellaneous income. The Settlement Administrator will
8 issue a Form 1099, and any other tax forms, to Plaintiff relating to this award. The Incentive Award
9 will be determined by the Court.

10 I. Settlement Administrator’s Fees

11 The Parties agree settlement administration costs will be deducted from the Maximum
12 Settlement Amount, subject to approval by the Court.

13 J. PAGA Penalties

14 The Parties agree to allocate \$10,000 of the Maximum Settlement Amount to the resolution
15 of all claims for penalties under PAGA. Under Labor Code § 2699(i), 75% of that amount will be
16 paid to the LWDA. This amount will be paid within fourteen (14) calendar days after the Effective
17 Date. The other 25% will remain part of the settlement funds.

18 V. **RELEASE OF CLAIMS BY THE SETTLEMENT CLASS**

19 Upon the Court’s final approval of the settlement, and except as to such rights or claims as
20 may be created by the settlement, Plaintiff and Class Members who have not effectively opted-out
21 of the settlement as described below, fully release and discharge Dahan Investments, Inc.,
22 Interstate Foods, Inc., CAV Investments, Inc., and Carlos Velasco, and all of their past and present
23 owners, officers, directors, shareholders, employees, agents, assigns, attorneys, insurers, parent
24 companies, subsidiaries, and affiliates, and their respective predecessors, successors, and assigns,
25 without limitation (“Released Parties”) of and from all claims for wages, damages, unpaid costs,
26 penalties, liquidated damages, benefits, fringes, interest, attorneys’ fees, litigation costs, restitution,
27 or equitable relief, which Plaintiff, the Class, and/or any Class Member had, or may claim to have,
28 against any of the Released Parties, that were pled or could have been pled based upon the factual
allegations set forth in the operative Complaint from April 14, 2013 through December 31,

1 2019(“Settlement Class Period”) as set forth in this Action (“Released Claims”). These claims
 2 include without limitation: (1) failure to pay all regular wages, minimum wages and overtime
 3 wages due, including wages for alleged non-productive time; (2) failure to provide proper meal
 4 periods and rest, and to properly provide premium pay in lieu thereof; (3) failure to provide
 5 complete, accurate or properly formatted wage statements; (4) waiting time penalties; (5) failure to
 6 reimburse necessary business expenses; (6) violation of California Business and Professions Code
 7 §§ 17200, *et seq.*; (7) violations of PAGA and related claims for penalties; (8) any other claims or
 8 penalties under the wage and hour laws pleaded in the Action; and (9) all damages, penalties,
 9 interest and other amounts recoverable under said claims, causes of action or legal theories of
 10 relief. The period of the Release shall extend to the limits of the Settlement Class Period. The res
 11 judicata effect of the judgment will be the same as that of the Release. Defendants shall be entitled
 12 to a release of Released Claims which occurred during the Settlement Class Period only during
 13 such time that the Settlement Class Member was classified as non-exempt, and expressly excluding
 14 all other claims, including claims for vested benefits, wrongful termination, unemployment
 15 insurance, disability, social security, workers’ compensation, claims while classified as exempt,
 16 and claims outside of the Settlement Class Period.

17 **VI. RELEASE OF CLAIMS BY PLAINTIFF**

18 Upon the Effective Date, Plaintiff will be deemed to have generally released the Released
 19 Parties of and from any and all claims of any type, known and unknown, with the exception of
 20 those claims that may not be released herein as a matter of law.

21 Plaintiff’s releases set forth herein include a waiver of all rights under California Civil Code
 22 section 1542, which includes a release of any and all claims of any type, known and unknown,
 23 against the Released Parties. Civil Code section 1542 provides:

24 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
 25 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
 26 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,**
 27 **WHICH IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY**
 28 **AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED**
PARTY.

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Upon the Effective Date, Plaintiff being aware of said Civil Code section, agrees to expressly waive any rights she may have thereunder, as well as under any other statute or common law principles of similar effect. Plaintiff understands and acknowledges that the significance and consequence of this waiver of California Civil Code Section 1542 is that even if Plaintiff should eventually suffer additional damages arising out of the matters or claims referred to in this Action, Plaintiff will not be able to make any claim for those damages. Further, Plaintiff acknowledges that she intends these consequences even as to claims for damages that may exist as of the date of the Effective Date but which she does not know exist, and which, if known by her, would materially affect her decision to execute this release, regardless, of whether her lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

VII. NULLIFICATION OF THE JOINT STIPULATION

If (a) the Court should for any reason fail to approve this Joint Stipulation in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter a judgment in the Action, or (c) the judgment is reversed, modified, or declared or rendered void, this Joint Stipulation will be null and void, and neither this Joint Stipulation, nor any of the related negotiations or proceedings, will be of any force or effect, and all Parties will stand in the same position, without prejudice, as if the Joint Stipulation and MOA had not been entered into or filed. Invalidation of any material portion of this Joint Stipulation will invalidate this Joint Stipulation in its entirety, unless the Parties subsequently agree in writing that the remaining provisions of the Joint Stipulation are to remain in full force and effect.

If the number of Settlement Class Members who submit valid Opt-Outs reaches 10%, Defendants may rescind this Joint Stipulation. If Defendants rescind, they must do so in writing to Settlement Class Counsel and Defendants will be responsible for settlement administration costs. If the total Settlement Class Members increase by more than 15% as set forth in the Joint Stipulation, then there shall be a corresponding pro-rata increase in the Maximum Settlement Amount. There were approximately 802 Settlement Class Members as of September 2019.

1 **VIII. DUTIES OF THE PARTIES**

2 A. Mutual Full Cooperation

3 The Parties agree to cooperate to accomplish and implement the terms of this Joint
4 Stipulation. Such cooperation will include, but is not necessarily limited to, execution of such other
5 documents and taking such other actions as may be reasonably necessary to fulfill the terms of this
6 Joint Stipulation. The Parties will use their best efforts, including all efforts contemplated by this
7 Joint Stipulation and any other efforts that may become necessary by court order, or otherwise, to
8 effectuate this Joint Stipulation and the terms set forth herein. As soon as practicable after
9 execution of this Joint Stipulation, Settlement Class Counsel, with the cooperation of Defendants
10 and their counsel, will try to secure Preliminary Approval and Final Approval.

11 B. Duty to Support and Defend the Settlement

12 The Parties agree the settlement is fair, adequate, and reasonable and will so represent to
13 the Court. In addition, the mediator (Hon. Howard R. Broadman (Ret.)) may execute a declaration
14 supporting the settlement, and the Court may contact the mediator to discuss the settlement and
15 whether or not the settlement is fair, adequate, and reasonable. The Parties agree to abide by all
16 terms of the Joint Stipulation in good faith and to support the Joint Stipulation fully, and to use
17 their best efforts to defend this settlement from any legal challenge, whether by appeal or collateral
18 attack.

19 **IX. MISCELLANEOUS PROVISIONS**

20 A. No Media Comments or Publicity

21 If contacted by the media, the Parties and Settlement Class Counsel will merely inform
22 them that the case has been resolved, and refer them to the public filings. In addition, there shall be
23 no publicity sought or undertaken whatsoever with regard to the Action or the terms of this Joint
24 Stipulation. In this regard, Plaintiff and Settlement Class Counsel agree that they will not engage in
25 any advertising or distribute any marketing materials relating to the settlement of this case in any
26 manner that identifies Defendants, including but not limited to any postings on any websites
27 maintained by Settlement Class Counsel. Neither Plaintiff nor Settlement Class Counsel will
28 discuss the terms or the fact of the settlement with third parties other than (1) their immediate

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family members, (2) their respective accountants or lawyers as necessary for tax purposes; or (3) other Settlement Class Members. However, Settlement Class Counsel may identify this Settlement in other matters to demonstrate their adequacy as counsel in such other matters.

B. Waiver of Appeals

The Parties and Settlement Class Members agree to waive any appellate rights; provided, however, Plaintiff may appeal any reduction in the attorney’s fees and/or cost award.

C. No Admission of Liability

This Joint Stipulation is not an admission of liability by Defendants or any of the Released Parties and Defendants and the Released Parties expressly deny any such liability. Each of the Parties has entered into this Settlement Stipulation with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

D. Non-Disparagement

Plaintiff and Settlement Class Counsel agree not to publicly disparage Defendants or any of the Released Parties.

E. Construction

The Parties agree this Joint Stipulation resulted from lengthy, intensive, arm’s-length negotiations, and it is not to be construed for or against any party for any reason.

F. Choice of Law

This Joint Stipulation is intended to and will be governed by the laws of California, without regard to conflicts of law principles. The Court will retain continuing jurisdiction to enforce the settlement.

G. Captions and Interpretations

Paragraph titles, or captions contained herein are inserted as a matter of convenience and for reference only, and in no way define, limit, extend, or describe the scope of this Joint Stipulation or any provision thereof.

H. Modification

This Joint Stipulation may not be changed, altered, or modified, except in writing signed by counsel for the Parties and approved by the Court. This Joint Stipulation may not be discharged

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except by performance under its terms or by a writing signed by the Parties.

I. Integration Clause

All prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written, between the Parties are merged herein. No rights under this Joint Stipulation may be waived except in writing.

J. Successors and Assigns

This Joint Stipulation will be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, successors, and assigns.

K. Settlement Class Counsel Signatories

Because the Settlement Class Members are so numerous, the Parties agree it is impossible or impractical to have each Settlement Class Member sign this Joint Stipulation. This Joint Stipulation may be executed on behalf of the Settlement Class by Settlement Class Counsel and the named Plaintiff.

L. Plaintiff’s Waiver of Right to be Excluded or Object

Named Plaintiff agrees not to Opt-Out of the Settlement Class and agrees not to object to any terms of this Joint Stipulation. Non-compliance by Plaintiff with this paragraph will be void and of no force or effect. Any such request for exclusion or objection by Plaintiff will therefore be void and of no force or effect.

M. Execution in Counterparts

This Joint Stipulation will become effective upon its execution by all of the undersigned. The Parties may execute this Joint Stipulation in counterparts and transmitted by mail, facsimile or email, and execution of counterparts will have the same force and effect as if all Parties signed the same instrument.


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PLAINTIFF/SETTLEMENT CLASS REPRESENTATIVE AND SETTLEMENT CLASS


COUNSEL

DATED: February 20, 2020

DocuSigned by:

By: _____
8A8E6AE917BA4E6...
Plaintiff Mayra Cruz

DATED: February 20, 2020

DAVID YEREMIAN & ASSOCIATES, INC.

By:  _____
David Yerman
Roman Shkodnik
Attorney for Plaintiff and the Settlement

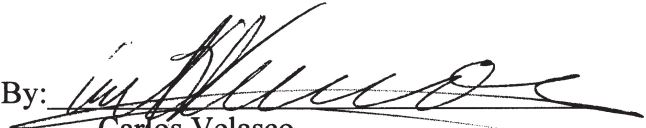
Class

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DEFENDANTS AND COUNSEL FOR DEFENDANTS

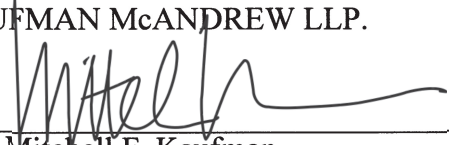
DATED: February 24, 2020

By: 
Carlos Velasco

In his individual capacity and as authorized to sign on behalf of Defendants

DATED: February 25, 2020

KAUFMAN McANDREW LLP.

By: 
Mitchell F. Kaufman
Stephen F. McAndrew
Attorneys for Defendants DAHAN
INVESTMENTS INC., a California
corporation and INTERSTATE FOODS
INC., a California corporation, CAV
INVESTMENTS, INC., a California
corporation, and CARLOS VELASCO