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13 DEL TACO LLC

14 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
15 **COUNTY OF ALAMEDA—UNLIMITED JURISDICTION**

17 **DEL TACO WAGE AND HOUR CASES**
18 **COORDINATION PROCEEDINGS**
19 **SPECIAL TITLE RULE (3.550)**

20 Included actions:

21 *Torrez v. Del Taco, LLC*
Case No. 21CV000111

22 *Chavez, et al. v. Del Taco, LLC*
23 Riverside County Superior Court Case No.
RIC1512246

24 *Ramirez v. Del Taco, LLC*
Case No. 19CV005228

25 *Cabral v. Del Taco, LLC*
26 Case No. 21CV005224

Judicial Council Coordination Proceeding
Case No. JCCP4904

[Assigned for all purposes to
Hon. Evelio Grillo, Dept. 21]

**STIPULATION OF CLASS ACTION AND
PAGA SETTLEMENT**

Action Filed: March 2, 2016
Trial Date: None Set

1 IT IS HEREBY STIPULATED, by and between Plaintiffs KAROLINA TORREZ,
2 TIMOTHY TAFOYA, RAINA CABRAL, VANESSA LOZANO, MAGDALENA CHAVEZ, and
3 IVAN ANDAYA, on the one hand, and Defendant DEL TACO, LLC (“Defendant” or “Del Taco”), on
4 the other hand, and subject to the approval of the Court, that the Actions (as defined below) are hereby
5 compromised and settled pursuant to the terms and conditions set forth in this Stipulation of Class
6 Action and PAGA Settlement (“Stipulation” or “Settlement”), and that the Court shall make and enter
7 judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the
8 definitions, recitals, and terms set forth herein which by this reference become an integral part of this
9 Stipulation.

10 DEFINITIONS

11 1. “Actions” means (a) the certified class action and representative action entitled
12 *Karolina Torrez v. Del Taco, LLC* in the Superior Court of California, County of Alameda (Case No.
13 21CV000111) and coordinated with the Del Taco Wage and Hour Cases (Case No. JCCP004904); (b)
14 the action entitled *Magdalena Chavez, et al. v. Del Taco, LLC*, filed by Plaintiffs Magdalena Chavez
15 and Elena Andaya in Riverside Superior Court on October 28, 2015 (Case No. RIC1512246) and
16 subsequently transferred to Alameda Superior Court and coordinated with the Del Taco Wage and
17 Hour Cases (Case No. JCCP004904); (c) the action entitled *Raina Cabral, et al. v. Del Taco, LLC*,
18 filed by Plaintiffs Raina Cabral and Vanessa Lozano in Los Angeles Superior Court on September 23,
19 2020 (Case No. 20STCV36305) and subsequently transferred to Alameda Superior Court (Case No.
20 21CV005224) and coordinated with the Del Taco Wage and Hour Cases (Case No. JCCP004904); and
21 (d) the action entitled *Jennifer Gossette, et al. v. Del Taco, LLC*, filed by Jennifer Gossette in Alameda
22 Superior Court on March 14, 2014 (Case No. RG14716936) and subsequently amended to add
23 Timothy Tafoya as a named plaintiff and coordinated with the Del Taco Wage and Hour Cases (Case
24 No. JCCP004904).

25 2. “Attorneys’ Fees and Costs” means reasonable attorneys’ fees for Plaintiffs’ Counsel’s
26 litigation and resolution of the Actions (not to exceed one-third (1/3) of the Gross Settlement
27 Amount), and Plaintiffs’ Counsel’s actual expenses and costs reasonably incurred in connection with
28 the Actions (not to exceed \$325,000.00).

1 3. “*Cabral/Lozano Action*” means the lawsuit entitled *Raina Cabral, et al. v. Del Taco,*
2 *LLC*, filed by Plaintiffs Raina Cabral and Vanessa Lozano in Los Angeles Superior Court on
3 September 23, 2020 (20STCV36305) and subsequently transferred to Alameda Superior Court (Case
4 No. 21CV005224) and coordinated with the Del Taco Wage and Hour Cases (Case No. JCCP004904).

5 4. “*Chavez/Andaya Action*” means the lawsuit entitled *Magdalena Chavez, et al. v. Del*
6 *Taco, LLC*, filed by Plaintiffs Magdalena Chavez and Elena Andaya in Riverside Superior Court on
7 October 28, 2015 (RIC1512246) and subsequently transferred to Alameda Superior Court and
8 coordinated with the Del Taco Wage and Hour Cases (Case No. JCCP004904).

9 5. “Class Counsel” means Matern Law Group, PC, including, but not limited to, Matthew
10 J. Matern, Dalia R. Khalili, Matthew W. Gordon, and Vanessa M. Rodriguez.

11 6. “Class Information” means information regarding Class Members that Del Taco shall
12 in good faith compile from its records and transmit in a secured manner to the Settlement
13 Administrator and which the Settlement Administrator shall agree to maintain in a secure manner.
14 Class Information shall be transmitted in electronic form and shall include: each Class Member’s full
15 name, last known address, Social Security number, Qualified Workweeks, and Qualified PAGA
16 Workweeks.

17 7. “Class Members” means all persons employed by Del Taco in the State of California as
18 a non-exempt employee at any time during the period from October 28, 2011 through November 12,
19 2021.

20 8. “Class Notice” means the Notice of Class Action and PAGA Settlement, substantially
21 in the form attached as **Exhibit 1**, which shall be subject to Court approval and which the Settlement
22 Administrator shall mail, in English and Spanish, to each Class Member and PAGA Group Member
23 explaining the terms of the Settlement.

24 9. “Class Period” means the period from October 28, 2011 through August 2, 2022.

25 10. “Class Representative Service Award” means the amount that the Court authorizes to
26 be paid to Plaintiff Torrez, in addition to Plaintiff Torrez’s Individual Settlement Payment and PAGA
27 Payment, in recognition of Plaintiff Torrez’s efforts and risks in prosecuting the *Torrez Action* on
28 behalf of the Class Members and PAGA Group Members and in recognition of the release of her

1 Released Claims.

2 11. “Complaint” means the operative complaint on file in the *Torrez* Action.

3 12. “Court” means the Superior Court of California for the County of Alameda.

4 13. “Defense Counsel” means Manatt, Phelps & Phillips, LLP, including Andrew L.
5 Satenberg and Ryan P. Patterson.

6 14. “Defendant” or “Del Taco” means Defendant Del Taco, LLC.

7 15. “Effective Date” means the later of: (a) if there are no objections to the Settlement, the
8 date upon which the Final Order and Judgment is entered by the Court; (b) if there are objections to
9 the Settlement, and if an appeal, review, or writ is not sought from the Judgment, the sixty-first (61st)
10 day after the date upon which the Judgment is entered; or (c) if an appeal, review, or writ is sought
11 from the Judgment, the date upon which all appellate and/or other proceedings resulting from the
12 appeal, review, or writ have been finally terminated in such a manner as to permit the Judgment to
13 take effect in substantially the form described herein.

14 16. “Employer’s Share of Payroll Taxes” means Del Taco’s portion of payroll taxes,
15 including, but not limited to FICA and FUTA, on the portion of the Individual Settlement Payments
16 that constitutes wages. The Employer’s Share of Payroll Taxes shall be paid separately from and in
17 addition to the Gross Settlement Amount.

18 17. “Final Approval Hearing” means the hearing to be conducted by the Court after the
19 filing by Plaintiffs of an appropriate motion and following appropriate notice to Class Members giving
20 Class Members an opportunity to request exclusion from the Settlement and to object to the
21 Settlement, at which time Plaintiffs shall request that the Court finally approve the fairness,
22 reasonableness, and adequacy of the terms and conditions of the Settlement, enter the Final Order and
23 Judgment, and take other appropriate action.

24 18. “Final Order and Judgment” means the order and judgment to be entered by the Court
25 upon granting final approval of the Settlement and this Stipulation as binding upon the Parties and
26 Participating Class Members.

27 19. “*Gossette/Tafoya* Action” means the lawsuit entitled *Jennifer Gossette, et al. v. Del*
28 *Taco, LLC*, filed by Jennifer Gossette in Alameda Superior Court on March 14, 2014 (Case No.

1 RG14716936) and subsequently amended to add Timothy Tafoya as a named plaintiff and coordinated
2 with the Del Taco Wage and Hour Cases (Case No. JCCP004904).

3 20. “Gross Settlement Amount” means the maximum amount Del Taco shall have to pay in
4 connection with this Settlement, by way of a common fund, which shall be inclusive of all Individual
5 Settlement Payments to Participating Class Members, the Attorneys’ Fees and Costs, the Settlement
6 Administration Costs, the Class Representative Service Award, the Named Plaintiff Service Awards,
7 and the PAGA Settlement Amount. No portion of the Gross Settlement Amount shall revert to
8 Defendant. Subject to Court approval and the terms of this Stipulation, the Gross Settlement Amount
9 Del Taco shall be required to pay is Fifty Million Dollars (\$50,000,000.00). The Employer’s Share of
10 Payroll Taxes shall be paid separately from and in addition to the Gross Settlement Amount.

11 21. “Individual Settlement Payment” means the proportionate amount payable from the Net
12 Settlement Amount to each Participating Class Member based on the formula set forth in this
13 Stipulation.

14 22. “Information Sheet” means the form that shall be prepared by the Settlement
15 Administrator and sent, in English and Spanish, to each Class Member and PAGA Group Member
16 setting forth his or her Qualified Workweeks, Qualified PAGA Workweeks, estimated Individual
17 Settlement Payment, and estimated PAGA Payment, substantially in the form attached as **Exhibit 2**.

18 23. “LWDA” means the California Labor and Workforce Development Agency.

19 24. “Named Plaintiff Service Awards” means the amounts that the Court authorizes to be
20 paid to Plaintiff Chavez, Plaintiff Andaya, Plaintiff Tafoya, Plaintiff Cabral, and Plaintiff Lozano, in
21 addition to their Individual Settlement Payment and PAGA Payment, in recognition of the release of
22 their Released Claims and their efforts and risks in prosecuting the Actions on behalf of the Class
23 Members and PAGA Group Members.

24 25. “Net Settlement Amount” means the Gross Settlement Amount, less the Attorneys’
25 Fees and Costs, the PAGA Settlement Amount, the Settlement Administration Costs, the Class
26 Representative Service Award, and the Named Plaintiff Service Awards.

27 26. “Notice Packet” means the packet of documents which shall be mailed to all Class
28 Members by the Settlement Administrator, including the Class Notice, the Request for Exclusion

1 Form, and the Information Sheet.

2 27. "PAGA" means the Labor Code Private Attorneys General Act of 2004, California
3 Labor Code § 2698, *et seq.*

4 28. "PAGA Group Members" means all persons employed by Del Taco in the State of
5 California as a non-exempt employee at any time during the PAGA Period.

6 29. "PAGA Payment" means the proportionate amount payable from the PAGA Settlement
7 Amount, less the amount paid directly to the LWDA, to each PAGA Group Member based on the
8 formula set forth in this Stipulation.

9 30. "PAGA Period" means the period from January 28, 2015 through August 2, 2022.

10 31. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
11 allocated to the resolution of PAGA claims in the *Torrez* Action. The PAGA Settlement Amount is
12 Two Million Dollars (\$2,000,000.00). One Million Five Hundred Thousand Dollars (\$1,500,000.00)
13 shall be paid by the Settlement Administrator directly to the LWDA. The remaining Five Hundred
14 Thousand Dollars (\$500,000.00) shall be proportionately distributed to PAGA Group Members as
15 their PAGA Payment based on the formula set forth in this Stipulation.

16 32. "Participating Class Members" means Plaintiffs and all other Class Members who do
17 not submit a valid and timely Request for Exclusion.

18 33. "Parties" means Plaintiffs and Defendant.

19 34. "Plaintiff Andaya" means Plaintiff Ivan Andaya in the *Chavez/Andaya* Action

20 35. "Plaintiff Cabral" means Plaintiff Raina Cabral in the *Cabral/Lozano* Action.

21 36. "Plaintiff Chavez" means Plaintiff Magdalena Chavez in the *Chavez/Andaya* Action.

22 37. "Plaintiff Lozano" means Plaintiff Vanessa Lozano in the *Cabral/Lozano* Action.

23 38. "Plaintiff Tafoya" means Plaintiff Timothy Tafoya in the *Gossette/Tafoya* Action.

24 39. "Plaintiff Torrez" means Plaintiff Karolina Torrez in the *Torrez* Action..

25 40. "Plaintiffs" means Plaintiffs Karolina Torrez, Magdalena Chavez, Ivan Andaya,
26 Timothy Tafoya, Raina Cabral, and Vanessa Lozano.

27 41. "Plaintiffs' Counsel" means Matern Law Group, PC, Solouki & Savoy, LLP, the
28 Spivak Law Firm, United Employees Law Group, and Setareh Law Group.

1 42. “Preliminary Approval Order” means the order to be issued by the Court approving and
2 authorizing the mailing of the Notice Packet by the Settlement Administrator, setting the date of the
3 Final Approval Hearing, and granting preliminary approval of the Settlement set forth in this
4 Stipulation, among other things.

5 43. “Qualified Workweeks” means the total number of weeks that a Participating Class
6 Member was employed by Del Taco as a non-exempt employee during the Class Period. Qualified
7 Workweeks will be calculated to exclude workweeks in which a Participating Class Member did not
8 perform any work but earned compensation for non-work time, including, but not limited to, disability
9 leave or other medical leave.

10 44. “Qualified PAGA Workweeks” means the total number of weeks that a PAGA Group
11 Member was employed by Del Taco as a non-exempt employee during the PAGA Period. Qualified
12 PAGA Workweeks will be calculated to exclude workweeks in which a PAGA Group Member did not
13 perform any work but earned compensation for non-work time, including, but not limited to, disability
14 leave or other medical leave.

15 45. “Released Claims” with respect to the Participating Class Members (other than
16 Plaintiffs) means any and all claims, demands, rights, liabilities, and/or causes of action that were
17 pleaded or could have been pleaded based upon the factual allegations set forth in the Complaint and
18 arising at any time during the Class Period, including claims for (1) Failure to Provide Required Meal
19 Periods (Cal. Lab. Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 5-2001, § 11); (2)
20 Failure to Provide Required Rest Periods (Cal. Lab. Code §§ 226.7, 512, IWC Wage Order No. 5-
21 2001, § 12); (3) Failure to Provide Overtime Wages (Cal. Lab. Code §§ 510, 1194, 1198; IWC Wage
22 Order No. 5-2001, § 3); (4) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 1194, 1197; IWC
23 Wage Order No. 5-2001, § 4); (5) Failure to Pay All Wages Due (Cal. Lab. Code §§ 201, 202, 203,
24 204, 221, 225.5); (6) Failure to Maintain Required Records (Cal. Lab. Code §§ 226, 1174; IWC Wage
25 Order No. 5-2001, § 7); (7) Failure to Furnish Accurate Itemized Statements (Cal. Lab. Code § 226;
26 IWC Wage Order No. 5-2001, § 7); (8) Failure to Indemnify Employees for Necessary Expenditures
27 Incurred in Discharge of Duties (Cal. Lab. Code §§ , 221, 225.5, 2802); and (9) Unfair and Unlawful
28 Business Practices (Cal. Bus. & Prof. Code § 17200, *et seq.*).

1 46. “Released Claims,” with respect to Plaintiffs only, means any and all claims, demands,
2 rights, liabilities, and/or causes of action, of any form whatsoever, relating to or arising from
3 Plaintiffs’ employment with Del Taco during the Class Period, including, but not limited to: any and
4 all wage-and-hour claims arising under the laws of the State of California, including, without
5 limitation, statutory, constitutional, contractual, and/or common law claims for wages, damages,
6 restitution, unreimbursed expenses, equitable relief, penalties, liquidated damages, and/or punitive
7 damages (including, without limitation, claims under any applicable Industrial Welfare Commission
8 Wage Order, the California Private Attorneys General Act, or any other provision of the California
9 Labor Code); Title VII of the Civil Rights Act of 1964; 42 U.S.C. § 1981; the Americans With
10 Disabilities Act; Sections 503 and 504 of the Rehabilitation Act of 1973; the Family and Medical
11 Leave Act; the Employee Retirement Income Security Act; the California Unfair Competition Law
12 (Cal. Bus. & Prof. Code § 17200 *et seq.*); the California Fair Employment and Housing Act; any state,
13 civil, or statutory laws, including, but not limited to, any and all human rights laws and laws against
14 discrimination; any other federal, state, or local statutes, codes, or ordinances; and any common law,
15 contract law, or tort law cause of action. Plaintiffs expressly waive the protections of California Civil
16 Code § 1542, which reads as follows:

17 A general release does not extend to claims that the creditor or releasing party does not know
18 or suspect to exist in his or her favor at the time of executing the release and that, if known by
19 him or her, would have materially affected his or her settlement with the debtor or released
20 party.

21 47. “Released PAGA Claims” means all claims for civil penalties under PAGA for
22 members of the PAGA Group that were or could have been recovered during the PAGA Period for the
23 Labor Code violations identified in Plaintiff Torrez’s Complaint and pre-filing letter to the LWDA,
24 including meal and rest period violations, unpaid wages, unpaid overtime, off-the-clock work, wage
25 statement violations, failure to reimburse necessary expenses, failure to keep required records, waiting
26 time penalties, and failure to pay all wages due upon termination and/or any other claims/relief
27 available under Labor Code §§ 201, 202, 203, 204, 210, 218.6, 221, 225.5, 226, 226.3, 226.7, 510,
28 512, 558, 1174, 1174.5, 1194, 1197, 1198, and 2802.

1 48. “Released Parties” means Del Taco and its respective present or former parent
2 companies, subsidiaries, affiliates, predecessors, successors, joint venturers, joint employers, and all
3 owners, officers, directors, managers, employees, partners, shareholders, insurers, attorneys and
4 agents, and any other assigns, legal representatives, and persons or entities acting in concert with or
5 affiliated with any of them.

6 49. “Request for Exclusion Form” means the form which shall be sent, in English and
7 Spanish, by the Settlement Administrator to each Class Member with the Notice Packet and by which
8 Class Members may elect to be excluded from the Settlement, substantially in the form attached hereto
9 as **Exhibit 3**.

10 50. “Response Deadline” means the date forty-five (45) days after the Settlement
11 Administrator mails the Notice Packets to Class Members and the last date on which Class Members
12 may submit a Request for Exclusion or objection to the Settlement.

13 51. “Settlement” means the final and complete disposition of the Action pursuant to this
14 Stipulation.

15 52. “Settlement Administration Costs” means the reasonable costs and fees of
16 administration of this Settlement to be paid to the Settlement Administrator from the Gross Settlement
17 Amount, not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00), including, but not limited
18 to: (i) translation of Notice Packets into Spanish; (ii) conducting a search based upon the National
19 Change of Address database to update address information of Class Members and PAGA Group
20 Members; (iii) printing and mailing and re-mailing (if necessary) of Notice Packets to Class Members
21 and PAGA Group Members; (iv) performing a skip trace or other automated search to locate any
22 updated address information for Class Members and PAGA Group Members whose Class Notice is
23 returned as undeliverable; (v) establishing a class website, which will make available for download a
24 copy of the Settlement, the Class Notice (in English and Spanish), the Request for Exclusion Form (in
25 English and Spanish), the Complaint, and the Preliminary Approval Order;; (vi) computing the amount
26 of and distributing Individual Settlement Payments, PAGA Payments, the Class Representative
27 Service Award, the Named Plaintiff Service Awards, and the Attorneys’ Fees and Costs; (vii)
28 processing and validating Requests for Exclusion; (viii) establishing a Qualified Settlement Fund, as

1 defined by the Internal Revenue Code; (ix) calculating and remitting to the appropriate government
2 agencies all employer and employee payroll tax obligations arising from the Settlement and preparing
3 and submitting filings required by law in connection with the payments required by the Settlement; (x)
4 providing weekly updates to Plaintiffs' Counsel and Defense Counsel regarding the administration of
5 the Settlement; and (xi) providing declarations to the Court as necessary regarding the administration
6 of the Settlement; and (xii) posting the Final Order and Judgment on the class website. The Parties
7 and the Settlement Administrator agree to treat the Gross Settlement Amount as a "qualified
8 settlement fund" within the meaning of Treasury Regulation § 1.468B-1 from the earliest possible
9 date, and the Settlement Administrator, as administrator of the Qualified Settlement Fund within the
10 meaning of Treasury Regulation § 1.468B-2(k)(3), shall be responsible for timely preparing and filing
11 tax returns for the Qualified Settlement Fund or any other necessary documentation, making any
12 advisable or necessary elections to carry out the provisions of this paragraph, and paying from the
13 Qualified Settlement Fund any and all taxes, including any interest or penalties thereon owed with
14 respect to the Qualified Settlement Fund, to the extent necessary. All taxes arising with respect to the
15 income, if any, earned by the Qualified Settlement Fund (including any taxes that may be imposed
16 upon Del Taco with respect to any income earned by the Qualified Settlement Fund for any period
17 during which the Qualified Settlement Fund does not qualify as a "qualified settlement fund" for
18 federal or state income tax purposes) and any expenses and costs incurred in connection with the
19 payment of taxes pursuant to this paragraph (including, without limitation, expenses of tax attorneys
20 and/or accountants and mailing, administration, and distribution costs and expenses related to the
21 filing or failure to file all necessary or advisable tax returns (the "Tax Expenses")) shall be paid out of
22 the Qualified Settlement Fund. Del Taco shall not have any liability or responsibility for the taxes or
23 the Tax Expenses beyond any portion of the Qualified Settlement Fund that is allocated to the payment
24 thereof. The Settlement Administrator shall timely and properly file all informational and other tax
25 returns necessary or advisable with respect to the Qualified Settlement Fund and the distributions and
26 payments therefrom, including, without limitation, the tax returns described in Treasury Regulation §
27 1.468B-2(k), and to the extent applicable, Treasury Regulation § 1.468B-2(1). Such tax returns shall
28 be consistent with the terms herein and in all events shall reflect that all taxes on the income earned by

1 the Qualified Settlement Fund shall be paid out of the Qualified Settlement Fund. The Settlement
2 Administrator shall also timely pay taxes and Tax Expenses out of the Qualified Settlement Fund to
3 the extent necessary and is authorized to withdraw from the Qualified Settlement Fund amounts
4 necessary to pay taxes and Tax Expenses. The Parties hereto agree to cooperate with the Settlement
5 Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary
6 to carry out the provisions of this Stipulation. Neither the Parties nor their counsel shall have any
7 responsibility or liability for the acts or omissions of the Settlement Administrator.

8 53. "Settlement Administrator" means ILYM Group, Inc.

9 54. "*Torrez Action*" means the lawsuit entitled *Karolina Torrez v. Del Taco, LLC*, filed by
10 Plaintiff Karolina Torrez in Los Angeles Superior Court on March 2, 2016 (Case No. BC612437) and
11 subsequently transferred to Alameda Superior Court (Case No. 21CV000111) and coordinated with
12 the Del Taco Wage and Hour Cases (Case No. JCCP004904).

13 55. "Total Qualified Workweeks" means the total number of Qualified Workweeks worked
14 by all Participating Class Members during the Class Period.

15 56. "Total Qualified PAGA Workweeks" means the total number of Qualified PAGA
16 Workweeks worked by all PAGA Group Members during the PAGA Period.

17 **RECITALS**

18 57. Procedural History. On March 11, 2014, Jennifer Gossette ("Gossette") filed a putative
19 class action against Del Taco in Alameda Superior Court (Case No. RG14716936) alleging a variety
20 of wage and hour claims, including failure to provide meal periods, failure to pay hourly wages, failure
21 to indemnify employees, failure to provide accurate wage statements, failure to pay wages without
22 discount, and unfair competition. On July 16, 2014, Plaintiff Tafoya filed a putative class action and
23 PAGA action against Del Taco in San Bernardino Superior Court (Case No. CIVDS1410517) alleging
24 similar causes of action, including failure to pay employees for all hours worked, failure to indemnify
25 employees, failure to provide accurate wage statements, unfair competition, and civil penalties under
26 PAGA. Gossette and Plaintiff Tafoya stipulated to allow Plaintiff Tafoya to join Gossette's case and,
27 on December 11, 2014, Gossette filed a Second Amended Complaint which named Plaintiff Tafoya as
28 an additional named plaintiff and alleged the following causes of action: (1) failure to provide meal

1 periods; (2) failure to pay hourly wages; (3) failure to indemnify; (4) failure to provide accurate
2 written wage statements; (5) failure to pay wages without discount; (6) unfair competition; (7) waiting
3 time penalties; and (8) civil penalties under PAGA.

4 58. On May 1, 2015, pursuant to Labor Code § 2699.3, Plaintiffs Chavez and Andaya
5 provided written notice to the LWDA and Del Taco of the specific provisions of the Labor Code
6 Plaintiffs Chavez and Andaya allege Del Taco violated. On October 28, 2015, Plaintiffs Chavez and
7 Andaya filed the *Chavez/Andaya* Action, a representative action under PAGA against Del Taco in
8 Riverside Superior Court (Case No. RIC1512246), alleging violations of the Labor Code based on (1)
9 failure to provide meal breaks; (2) failure to provide rest breaks; (3) failure to pay all hours worked;
10 (4) failure to provide accurate wage statements; (5) failure to indemnify; (6) private attorney general
11 act; and (7) unfair business practices.

12 59. Pursuant to Labor Code § 2699.3, on January 11, 2016, Plaintiff Torrez provided
13 written notice to the LWDA and Del Taco of the specific provisions of the Labor Code Plaintiff Torrez
14 alleges Del Taco violated. On March 2, 2016, Plaintiff Torrez filed the *Torrez* Action, a putative class
15 action and representative action against Del Taco in Los Angeles Superior Court (Case No.
16 BC612437), alleging the following causes of action: (1) failure to provide meal periods; (2) failure to
17 provide rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) waiting
18 time penalties; (6) failure to maintain required records; (7) failure to furnish accurate itemized wage
19 statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of
20 duties; (9) unfair and unlawful business practices; and (10) civil penalties under PAGA.

21 60. On December 6, 2016, Del Taco submitted a Petition for Coordination to the Chair of
22 the Judicial Council, seeking to coordinate the *Gossette/Tafoya* Action, the *Chavez* Action, and the
23 *Torrez* Action. On March 22, 2017, Del Taco's Petition for Coordination was granted and the three
24 cases were coordinated in Alameda Superior Court as the Del Taco Wage and Hour Cases (Case No.
25 JCCP004904).

26 61. On December 23, 2019, the Court issued an order granting the petition for coordination
27 of an add-on case: *Ramirez v. Del Taco, LLC* (Los Angeles Superior Court Case No. BC600435, filed
28 on November 9, 2015).

1 62. On February 14, 2020 the Court granted Del Taco’s motion to dismiss Plaintiff
2 Gossette’s claims in the *Gossette/Tafoya* Action based on the violation of the five-year rule under
3 Code of Civil Procedure § 583.310. On September 18, 2020, the Court granted Del Taco’s motion to
4 dismiss Plaintiff Tafoya and the *Gossette/Tafoya* Action in its entirety on the same grounds.

5 63. On November 24, 2020, Plaintiff Torrez filed a motion for class certification in the
6 *Torrez* Action.

7 64. On January 27, 2021, Gossette and Plaintiff Tafoya filed a Notice of Appeal regarding
8 the February 14, 2020 and September 18, 2020 orders in the *Gossette/Tafoya* Action (Court of Appeal
9 Case No. A162082).

10 65. On March 19, 2021, the Court entered an order granting the petition for coordination of
11 an add-on case: *Cabral v. Del Taco, LLC* (Los Angeles Superior Court Case No. 20STCV36305, filed
12 on September 23, 2020).

13 66. On May 24, 2021, Gossette filed a notice of abandonment of her portion of the appeal
14 filed on January 27, 2021 in the *Gossette/Tafoya* Action.

15 67. On November 12, 2021, the Court issued an order granting in part Plaintiff Torrez’s
16 motion for class certification and certifying the class defined as: “All current and former non-exempt
17 employees of Del Taco, LLC, in the State of California at any time during the period from March 11,
18 2010, through the date of the order granting class certification.”

19 68. On May 3, 2022, the Court issued an order granting Del Taco’s motion to limit the
20 scope of the class period to March 2, 2012 through November 12, 2021.

21 69. On May 24, 2022, Class Counsel and Del Taco’s counsel participated in a full-day
22 mediation with Jeffrey Krivis, but were unable to reach a settlement. Thereafter, Plaintiff Torrez and
23 Del Taco agreed to continue to engage in settlement discussions with the assistance of Jeffrey Krivis.

24 70. On June 3, 2022, Class Counsel and Del Taco’s counsel participated in a second day of
25 mediation with Jeffrey Krivis and agreed to a settlement in principle. On June 4, 2022, Plaintiff
26 Torrez and Del Taco fully executed a Settlement Memorandum of Understanding, subject to entering
27 into a more comprehensive long-form settlement agreement.

28 71. On October 25, 2022, the parties in the *Chavez/Andaya* Action filed a Joint Stipulation

1 to Substitute Ivan Andaya as Successor in Interest of Deceased Plaintiff Elena Andaya.

2 72. Benefits of Settlement to Plaintiffs and Class Members. Plaintiffs and Plaintiffs’
3 Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiffs’
4 disputes in the Actions through trial and through any possible appeals. Plaintiffs also have taken into
5 account the uncertainty and risks of the outcome of further litigation, and the difficulties and delays
6 inherent in such litigation. Plaintiffs and Plaintiffs’ Counsel are also aware of the burdens of proof
7 necessary to establish liability for the claims asserted in the Action, both generally and in response to
8 Del Taco’s defenses thereto, and the difficulties in establishing damages, penalties, restitution and
9 other relief sought in the Actions. Plaintiffs and Plaintiffs’ Counsel also have taken into account Del
10 Taco’s agreement to enter into a settlement that confers substantial benefits upon the Class Members,
11 PAGA Group Members, and the LWDA. Based on the foregoing, Plaintiffs and Plaintiffs’ Counsel
12 have determined that the Settlement set forth in this Stipulation is fair, adequate, and reasonable, and is
13 in the best interests of all Class Members and the State of California.

14 73. Del Taco’s Reasons for Settlement. Del Taco has concluded that any further defense of
15 the Action would be protracted and expensive for all Parties. Substantial amounts of Del Taco’s time,
16 energy, and resources have been, and unless this Settlement is completed, shall continue to be, devoted
17 to the defense of the claims asserted by Plaintiffs. Del Taco has also taken into account the risks of
18 further litigation in reaching its decision to enter into this Settlement. Even though Del Taco continues
19 to contend that it is not liable for any of the claims alleged by Plaintiffs in the Actions, Del Taco has
20 agreed, nonetheless, to settle in the manner and upon the terms set forth in this Stipulation and to put
21 to rest the claims alleged in the Actions. Del Taco has asserted and continues to assert that the claims
22 alleged by Plaintiffs have no merit and do not give rise to any liability, damages, restitution, penalties
23 or other payments. This Stipulation is a compromise of disputed claims. Nothing contained in this
24 Stipulation, no documents referred to herein, and no action taken to carry out this Stipulation, shall be
25 construed or used as an admission by or against Del Taco as to the merits or lack thereof of the claims
26 and allegations asserted in the Actions. Del Taco contends that it has complied with all applicable
27 state, federal, and local laws.

1 **TERMS OF SETTLEMENT**

2 NOW THEREFORE, in consideration of the mutual covenants, promises, and agreements set
3 forth herein, the Parties agree, subject to the Court’s approval, as follows:

4 74. **Binding Settlement.** This Settlement shall bind the Parties, all Participating Class
5 Members, Plaintiffs’ Counsel, and Defense Counsel, subject to the terms and conditions hereof and the
6 occurrence of the Effective Date.

7 75. **Tax Liability.** The Parties make no representations as to the tax treatment or legal
8 effect of the payments specified herein, and Class Members are not relying on any statement or
9 representation by the Parties, Plaintiffs’ Counsel or Defense Counsel in this regard. Participating
10 Class Members understand and agree that they shall be responsible for the payment of all taxes and
11 other government levies assessed on the payments specified herein, if any, and shall hold the Parties,
12 Plaintiffs’ Counsel, and Defense Counsel free and harmless from and against any claims resulting
13 from the treatment of such payments as non-taxable, including the treatment of such payments as not
14 subject to withholding or deduction for payroll and employment taxes.

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

1 77. Preliminary Approval of Settlement. After this Stipulation is fully executed, Plaintiffs
2 shall move the Court to enter the Preliminary Approval Order and set a Final Approval Hearing date.
3 The Parties agree to work diligently and cooperatively to have this Settlement presented to the Court
4 for preliminary approval. The Preliminary Approval Order shall provide for, among other things, the
5 Notice Packet to be sent to Class Members as specified herein. If for any reason this Settlement
6 Agreement is not approved or is terminated, in whole or in part, the Parties shall revert to the
7 respective positions they held prior to entering into the Settlement Agreement.

8 78. Release by Plaintiffs and Other Participating Class Members: Upon the Settlement
9 Administrator’s receipt of the total Gross Settlement Amount and the Employer’s Share of Payroll
10 Taxes, Plaintiffs and all other Participating Class Members shall be deemed to have released their
11 respective Released Claims against the Released Parties.

12 “Released Parties” means Del Taco and its respective present and former parent companies,
13 subsidiaries, affiliates, predecessors, successors, joint venturers, joint employers, and all owners,
14 officers, directors, managers, employees, partners, shareholders, insurers, attorneys and agents, and
15 any other assigns, legal representatives, and persons or entities acting in concert with or affiliated with
16 any of them.

17 “Released Claims” with respect to the Participating Class Members (other than Plaintiffs)
18 means any and all claims, demands, rights, liabilities, and/or causes of action that were pleaded or
19 could have been pleaded based upon the factual allegations set forth in the Complaint and arising at
20 any time during the Class Period, including claims for (1) Failure to Provide Required Meal Periods
21 (Cal. Lab. Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 5-2001, § 11); (2) Failure to
22 Provide Required Rest Periods (Cal. Lab. Code §§ 226.7, 512, IWC Wage Order No. 5-2001, § 12);
23 (3) Failure to Provide Overtime Wages (Cal. Lab. Code §§ 510, 1194, 1198; IWC Wage Order No. 5-
24 2001, § 3); (4) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 1194, 1197; IWC Wage Order No.
25 5-2001, § 4); (5) Failure to Pay All Wages Due (Cal. Lab. Code §§ 201, 202, 203, 204); (6) Failure to
26 Maintain Required Records (Cal. Lab. Code §§ 226, 1174; IWC Wage Order No. 5-2001, § 7); (7)
27 Failure to Furnish Accurate Itemized Statements (Cal. Lab. Code § 226; IWC Wage Order No. 5-2001,
28 § 7); (8) Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties

1 (Cal. Lab. Code §§ 221, 225.5, 2802); and (9) Unfair and Unlawful Business Practices (Cal. Bus. &
2 Prof. Code § 17200, *et seq.*).

3 “Released Claims,” with respect to Plaintiffs only, means any and all claims, demands, rights,
4 liabilities, and/or causes of action, of any form whatsoever, relating to or arising from Plaintiffs’
5 employment with Del Taco during the Class Period, including but not limited to: any and all wage-
6 and-hour claims arising under the laws of the State of California, including, without limitation,
7 statutory, constitutional, contractual, and/or common law claims for wages, damages, restitution,
8 unreimbursed expenses, equitable relief, penalties, liquidated damages, and/or punitive damages
9 (including, without limitation, claims under any applicable Industrial Welfare Commission Wage
10 Order, the California Private Attorneys General Act, or any other provision of the California Labor
11 Code); Title VII of the Civil Rights Act of 1964; 42 U.S.C. § 1981; the Americans With Disabilities
12 Act; Sections 503 and 504 of the Rehabilitation Act of 1973; the Fair Credit Reporting Act; the Family
13 and Medical Leave Act; the Employee Retirement Income Security Act; the California Unfair
14 Competition Law (Cal. Bus. & Prof. Code § 17200 *et seq.*); the California Fair Employment and
15 Housing Act; any state, civil, or statutory laws, including, but not limited to, any and all human rights
16 laws and laws against discrimination; any other federal, state, or local statutes, codes, or ordinances;
17 and any common law, contract law, or tort law cause of action. Plaintiffs expressly waives the
18 protections of California Civil Code § 1542, which reads as follows:

19 **“A general release does not extend to claims that the creditor or releasing party**
20 **does not know or suspect to exist in his or her favor at the time of executing the**
21 **release and that, if known by him or her, would have materially affected his or her**
22 **settlement with the debtor or released party.”**

23 Notwithstanding the provisions of section 1542, and for the purpose of implementing a full and
24 complete release and discharge of all of their Released Claims, Plaintiffs expressly acknowledge that
25 this Settlement is intended to include in its effect, without limitation, all Released Claims which
26 Plaintiffs do not know or suspect to exist in their favor at the time of execution hereof, and that the
27 Settlement contemplates the extinguishment of all such Released Claims.
28

1 79. Release of PAGA Claims. Upon the Settlement Administrator’s receipt of the total
2 Gross Settlement Amount and the Employer’s Share of Payroll Taxes, Plaintiffs, PAGA Group
3 Members, and the State of California shall be deemed to have released their respective Released
4 PAGA Claims against the Released Parties.

5 “Released PAGA Claims” means all claims for civil penalties under PAGA for members of the
6 PAGA Group that were or could have been recovered during the PAGA Period for the Labor Code
7 violations identified in Plaintiff Torrez’s Complaint and pre-filing letter to the LWDA, including meal
8 and rest period violations, unpaid wages, unpaid overtime, off-the-clock work, wage statement
9 violations, failure to reimburse necessary expenses, failure to keep required records, waiting time
10 penalties, and failure to pay all wages due upon termination and/or any other claims/relief available
11 under Labor Code §§ 201, 202, 203, 204, 210, 218.6, 221, 225.5, 226, 226.3, 226.7, 510, 512, 558,
12 1174, 1174.5, 1194, 1197, 1198, and 2802.

13 80. Settlement Administration.

14 a. Within fifteen (15) days of entry of the Preliminary Approval Order, Del Taco
15 shall provide the Settlement Administrator with the Class Information for purposes of mailing the
16 Notice Packets to Class Members.

17 i. Notice by First Class U.S. Mail. Upon receipt of the Class Information, the
18 Settlement Administrator shall perform a search based on the National Change of Address Database
19 maintained by the United States Postal Service to update and correct any known or identifiable address
20 changes. Within fifteen (15) days after receiving the Class Information from Del Taco as provided
21 herein, the Settlement Administrator shall mail copies of the Notice Packet, in English and Spanish, to
22 all Class Members and PAGA Group Members via regular First Class U.S. Mail. The Settlement
23 Administrator shall exercise its best judgment to determine the current mailing address for each Class
24 Member. The address identified by the Settlement Administrator as the current mailing address shall
25 be presumed to be the most current mailing address for each Class Member. The Parties agree that
26 this procedure for notice provides the best practical notice to Class Members and fully complies with
27 due process. Within fifteen (15) days after receiving the Class Information from Del Taco, the
28 Settlement Administrator shall establish a class website, which will make available for download a

1 copy of the Settlement, the Class Notice (in English and Spanish), the Request for Exclusion Form (in
2 English and Spanish), the Complaint, and the Preliminary Approval Order.

3 ii. Undeliverable Notice Packets. Any Notice Packet returned to the
4 Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to
5 the forwarding address affixed thereto. If no forwarding address is provided, the Settlement
6 Administrator shall promptly attempt to determine a correct address by the use of skip-tracing, or other
7 type of automated search, using the name, address and/or Social Security number of the Class Member
8 involved, and shall then perform a re-mailing to the Class Member whose Notice Packet was returned
9 as non-delivered, assuming another mailing address is identified by the Settlement Administrator.
10 Class Members who are sent a re-mailed Notice Packet shall have their Response Deadline extended
11 by fifteen (15) days from the date the Settlement Administrator re-mails the Notice Packet. If these
12 procedures are followed, notice to Class Members shall be deemed to have been fully satisfied, and if
13 the intended recipient of the Notice Packet does not receive the Notice Packet, the intended recipient
14 shall nevertheless remain a Participating Class Member and shall be bound by all terms of the
15 Settlement and the Final Order and Judgment.

16 iii. Determination of Individual Settlement Payments. The Settlement
17 Administrator shall determine the eligibility for, and the amounts of, each Individual Settlement
18 Payment under the terms of this Stipulation. If a Participating Class Member disputes any aspect of
19 his or her Individual Settlement Payment or number of Qualified Workweeks, that Participating Class
20 Member may submit supporting evidence to the Settlement Administrator as explained in the
21 Information Sheet. Defendant's records regarding the number of Qualified Workweeks will be
22 presumed correct, unless the Participating Class Member provides documentation to the Settlement
23 Administrator that establishes otherwise. The Settlement Administrator will evaluate the evidence
24 submitted by the Participating Class Member and will make the final decision as to the number of
25 Qualified Workweeks that should be applied and/or the Individual Settlement Payment to which the
26 Participating Class Member may be entitled. The Settlement Administrator's determination of the
27 eligibility for and amount of each Individual Settlement Payment shall be binding upon the Class
28 Member and the Parties, yet subject to review by Plaintiffs' Counsel, Defense Counsel, and the Court.

1 In the absence of fraud or gross negligence, Del Taco's records shall be given the presumption of
2 accuracy. If the Settlement Administrator is unable to resolve the dispute, the Court may make an
3 ultimate decision with respect to the Class Member's number of Qualified Workweeks and Individual
4 Settlement Payment amount.

5 iv. Determination of PAGA Payments. The Settlement Administrator shall
6 determine the eligibility for, and the amounts of, each PAGA Payment under the terms of this
7 Stipulation. If a PAGA Group Member disputes any aspect of his or her PAGA Payment or number of
8 Qualified PAGA Workweeks, that PAGA Group Member may submit supporting evidence to the
9 Settlement Administrator as explained in the Information Sheet. The Settlement Administrator will
10 evaluate the evidence submitted by the PAGA Group Member and will make the final decision as to
11 the number of Qualified PAGA Workweeks that should be applied and/or the PAGA Payment to
12 which the PAGA Group Member may be entitled. The Settlement Administrator's determination of
13 the eligibility for and amount of each PAGA Payment shall be binding upon the PAGA Group
14 Members and the Parties, yet subject to review by Plaintiffs' Counsel, Defense Counsel, and the Court.
15 In the absence of fraud or gross negligence, Defendant's records shall be given the presumption of
16 accuracy. If the Settlement Administrator is unable to resolve the dispute, the Court may make an
17 ultimate decision with respect to the PAGA Group Member's number of Qualified PAGA Workweeks
18 and PAGA Payment amount.

19 v. Disputes Regarding Administration of Settlement. Any dispute not
20 resolved by the Settlement Administrator concerning the administration of the Settlement shall be
21 resolved by the Court.

22 b. Exclusions. The Class Notice shall explain that Class Members who wish to
23 exclude themselves from the Settlement must submit a Request for Exclusion Form to the Settlement
24 Administrator by the Response Deadline. The Request for Exclusion: (1) must contain the name and
25 address of the person requesting exclusion; (2) must be signed by the Class Member; and (3) must be
26 postmarked or emailed to the Settlement Administrator no later than the Response Deadline at the
27 specified street address or email address. Subject to review by Class Counsel, Defense Counsel, and
28 the Court, the date of the postmark on the return mailing envelope on the Request for Exclusion or the

1 date of the emailed Request for Exclusion to the Settlement Administrator shall be the exclusive
2 means used by the Settlement Administrator to determine whether a Class Member has timely
3 requested exclusion from the Settlement. Any Class Member who timely and properly requests to be
4 excluded from the Settlement shall not be entitled to any benefits under the Settlement and shall not be
5 bound by the terms of the Settlement, nor shall the Class Member have any right to object to the
6 Settlement or appeal from the entry of the Final Order and Judgment. Class Members who do not
7 submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound by
8 all terms of the Settlement and the Final Order and Judgment entered in this Action if the Settlement is
9 finally approved by the Court. No later than ten (10) days after the Response Deadline, the Settlement
10 Administrator shall provide counsel for the Parties with a complete list of all Class Members who
11 submitted a timely and valid Request for Exclusion. The Settlement Administrator shall authenticate
12 all Request for Exclusion Forms it receives as attachments to a declaration submitted concurrently
13 with Plaintiffs' motion for final approval of the Settlement. A Class Member who is also a PAGA
14 Group Member and requests exclusion from the Settlement will still be entitled to a PAGA Payment.
15 PAGA Group Members shall not be entitled to exclude themselves from the Settlement with respect to
16 the Released PAGA Claims.

17 c. Objections. The Class Notice shall state that Class Members who wish to object
18 to the Settlement shall submit to the Settlement Administrator a written brief or statement of objection
19 ("Notice of Objection") by the Response Deadline. The Notice of Objection must (1) state the full
20 name of the Class Member; (2) be signed by the Class Member; (3) state the grounds for the objection;
21 and (4) be postmarked or emailed to the Settlement Administrator's specified address or email address
22 by the Response Deadline. Plaintiffs' Counsel shall ensure that any written objection submitted to the
23 Settlement Administration will be filed concurrently with the final approval papers. Class Members or
24 their attorneys may also appear at the Final Approval Hearing to object to the Settlement, whether or
25 not they have objected in writing or notified the Parties that they intend to appear. If a Class Member
26 does not submit a written objection or appear at the Final Approval Hearing to object, either personally
27 or through counsel, such objection shall be deemed waived, unless otherwise ordered by the Court. At
28 no time shall any of the Parties, Plaintiffs' Counsel, or Defense Counsel seek to solicit or otherwise

1 encourage or discourage Class Members to file and serve a Notice of Objection or appeal from the
2 Final Order and Judgment.

3 d. Monitoring and Reviewing Settlement Administration. The Parties have the
4 right to monitor and review the administration of the Settlement to verify that the monies allocated
5 under the Settlement are distributed in a correct amount, as provided for in this Stipulation.

6 e. Best Efforts. The Parties agree to use their best efforts to carry out the terms of
7 this Settlement.

8 81. Funding and Allocation of Gross Settlement Amount. Class Members shall not be
9 required to submit a claim in order to receive a share of the Net Settlement Amount, and no portion of
10 the Gross Settlement Amount shall revert to Defendant. The Gross Settlement Amount and the
11 Employer's Share of Payroll Taxes shall be paid by Del Taco to the Settlement Administrator in two
12 equal installments. The first payment shall be made within twenty-one (21) days after the Effective
13 Date. The second payment shall be made within ninety (90) days after the first payment is made. Del
14 Taco shall provide the Gross Settlement Amount to the Settlement Administrator in any feasible
15 manner, including, but not limited to, by way of a wire transfer. In no event shall there be any
16 distribution from the Gross Settlement Amount until after the Effective Date and all conditions
17 precedent specified in this Stipulation have been completely satisfied. If this Settlement is not finally
18 approved by the Court in full, or is terminated, rescinded, canceled or fails to become effective for any
19 reason, or if the Effective Date does not occur, then no Gross Settlement Amount shall be paid.

20 a. Increase in Gross Settlement Amount. Del Taco estimates that there are
21 approximately 50,047 Class Members who worked approximately 3,556,736 workweeks during the
22 period of October 28, 2011 through November 12, 2021. If the number of Class Members exceeds
23 50,047 by more than seven and one-half percent (7.5%) or if the number of Qualified Workweeks in
24 the Class Period exceeds 3,556,736 by more than seven and one-half percent (7.5%), Del Taco shall
25 have the option to: (1) decrease the scope of the Class Period, such that it ends on November 12, 2021;
26 (2) decrease the scope of the Class Period as necessary, so that the number of Class Members and
27 number of Qualified Workweeks do not exceed seven and one-half percent (7.5%) of the estimates
28 provided (i.e., 50,047 Class Members and/or 3,556,736 Qualified Workweeks), but in no event shall

1 the end of the Class Period be decreased to a date earlier than November 12, 2021; or (3) increase the
2 Gross Settlement Amount by a proportionate percentage for all additional Class Members and/or
3 Qualified Workweeks above the original estimates (i.e., 50,047 Class Members and/or 3,556,736
4 Qualified Workweeks).

5 b. Individual Settlement Payments. Individual Settlement Payments shall be paid
6 by the Settlement Administrator from the Net Settlement Amount and shall be paid pursuant to the
7 formula set forth herein. Individual Settlement Payments shall be mailed by the Settlement
8 Administrator by regular First Class U.S. Mail to each Participating Class Member's last known
9 mailing address within 15 days after the Settlement Administrator is provided with the total Gross
10 Settlement Amount. Individual Settlement Payments shall be allocated as follows: 20% as wages
11 subject to all applicable tax withholdings, 80% as non-wages not subject to payroll tax withholdings.
12 The Settlement Administrator shall issue an IRS Form W-2 to Plaintiffs and each Participating Class
13 Member for the portion of the Individual Settlement Payment allocated as wages and subject to all
14 applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs
15 and each Participating Class Member for the portion of the Individual Settlement Payment allocated as
16 non-wages and not subject to payroll tax withholdings. Plaintiffs and all Participating Class Members
17 who receive a payment of any kind from the Gross Settlement Amount agree to timely pay in full all
18 federal, state, and local taxes owed on such payments, with the exception of the Employer's Share of
19 Payroll Taxes.

20 i. Each Participating Class Member's Individual Settlement Payment shall
21 be calculated solely by the Settlement Administrator according to the following formula: Del Taco
22 shall provide the Settlement Administrator with the Total Qualified Workweeks; the Settlement
23 Administrator shall then (1) divide the Net Settlement Amount by the Total Qualified Workweeks and
24 then (2) multiply each Participating Class Member's number of Qualified Workweeks by the result in
25 Step 1 to obtain the amount of each Participating Class Member's Individual Settlement Payment.
26 The Individual Settlement Payment will be reduced by any required legal deductions for each
27 Participating Class Member.

28 ii. Individual Settlement Payments shall be made by check and shall be

1 made payable to each Participating Class Member as set forth in this Stipulation.

2 iii. The back of each check issued to Participating Class Members shall state
3 as follows: “My signature hereon constitutes my declaration, under penalty of perjury, that I am the
4 individual to whom this check was made payable and serves as my full and complete release of all
5 ‘Released Claims’ as described more fully in the Stipulation of Class Action and PAGA Settlement.”

6 iv. If an Individual Settlement Payment check remains uncashed after One
7 Hundred Eighty (180) days from issuance, the Settlement Administrator shall void the check. The
8 Settlement Administrator shall report to the Court the total amount that was actually paid to
9 Participating Class Members after the uncashed checks have been voided. When the report is
10 submitted to the Court, Plaintiff shall request the Court to amend the Judgment, pursuant to California
11 Code of Civil Procedure § 384, to direct the Settlement Administrator to pay the sum of the unclaimed
12 class member funds, plus any interest that has accrued thereon, in equal amounts to Emotional Health
13 Association d/b/a/ SHARE!, a nonprofit organization that operates two community self-help support
14 group centers in Los Angeles, California, and to California Association of Food Banks, an anti-hunger,
15 pro food bank nonprofit organization that works with 41 member food banks in California and is
16 headquartered in Oakland, California. In such event, the Participating Class Members who did not
17 cash their Individual Settlement Payment check within One Hundred Eighty (180) days from the date
18 of mailing shall nevertheless remain bound by the Settlement as set forth in this Stipulation.

19 c. PAGA Payments. PAGA Payments shall be paid by the Settlement
20 Administrator from the Gross Settlement Amount. One Million Five Hundred Thousand Dollars
21 (\$1,500,000.00) shall be paid by the Settlement Administrator directly to the LWDA within fifteen
22 (15) days the Settlement Administrator is provided with the total Gross Settlement Amount. PAGA
23 Group Members’ PAGA Payments shall be paid by the Settlement Administrator pursuant to the
24 formula set forth herein. PAGA Payments shall be mailed by the Settlement Administrator by regular
25 First Class U.S. Mail to each PAGA Group Member’s last known mailing address within fifteen (15)
26 days after the Settlement Administrator is provided with the total Gross Settlement Amount. PAGA
27 Payments shall be allocated as non-wage penalties not subject to payroll tax withholdings. The
28 Settlement Administrator shall issue an IRS Form 1099 to each PAGA Group Member for his or her

1 PAGA Payment.

2 i. Each PAGA Group Member's PAGA Payment shall be calculated solely
3 by the Settlement Administrator according to the following formula: Del Taco shall provide the
4 Settlement Administrator with the Total Qualified PAGA Workweeks; the Settlement Administrator
5 shall then (1) divide Five Hundred Thousand Dollars (\$500,000.00) by the Total Qualified PAGA
6 Workweeks and then (2) multiply each PAGA Group Member's number of Qualified PAGA
7 Workweeks by the result in Step 1 to obtain the amount of each PAGA Group Member's PAGA
8 Payment.

9 ii. PAGA Payments shall be made by check and shall be made payable to
10 each PAGA Group Member as set forth in this Stipulation.

11 iii. If a PAGA Group Member's PAGA Payment check remains uncashed
12 after One Hundred Eighty (180) days from the date of mailing, the Settlement Administrator shall void
13 the check. The Settlement Administrator shall report to the Court the total amount that was actually
14 paid to PAGA Group Members after the uncashed checks have been voided. When the report is
15 submitted to the Court, Plaintiff shall request the Court to amend the Judgment to direct the Settlement
16 Administrator to pay the sum of the unclaimed PAGA Group Member funds, plus any interest that has
17 accrued thereon, in equal amounts to Emotional Health Association d/b/a/ SHARE!, a nonprofit
18 organization that operates two community self-help support group centers in Los Angeles, California,
19 and to California Association of Food Banks, an anti-hunger, pro food bank nonprofit organization
20 that works with 41 member food banks in California and is headquartered in Oakland, California. In
21 such event, the PAGA Group Members who did not cash their PAGA Payment check within One
22 Hundred Eighty (180) days from the date of mailing shall nevertheless remain bound by the Settlement
23 as set forth in this Stipulation.

24 iv. Individual Settlement Payments and PAGA Payments shall be issued to
25 Participating Class Members in one check.

26 d. Individual Settlement Payments Do Not Trigger Employment Relationship or
27 Additional Benefits. All monies received by Participating Class Members under the Settlement which
28 are attributable to wages shall constitute income to such Participating Class Members solely in the

1 year in which such monies actually are received by the Participating Class Members. It is expressly
2 understood and agreed that the receipt of Individual Settlement Payments shall not entitle any
3 Participating Class Member to additional compensation or benefits under any collective bargaining
4 agreement or under any bonus, contest or other compensation or benefit plan or agreement in place
5 during the period covered by the Settlement, nor shall it entitle any Participating Class Member to any
6 increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the
7 Parties that Individual Settlement Payments provided for in this Stipulation are the sole payments to be
8 made by Del Taco to Participating Class Members in connection with this Settlement, with the
9 exception of Plaintiffs and PAGA Group Members, and that the Participating Class Members are not
10 entitled to any new or additional compensation or benefits as a result of having received the Individual
11 Settlement Payments.

12 e. Class Representative Service Award and Named Plaintiff Service Awards.

13 Subject to Court approval, Plaintiff Torrez shall be paid a Class Representative Service Award not to
14 exceed Twenty Thousand Dollars (\$20,000.00), or any lesser amount as awarded by the Court, for her
15 efforts and risks in prosecuting the *Torrez* Action on behalf of Class Members and PAGA Group
16 Members and for releasing her Released Claims. Subject to Court approval, Plaintiff Chavez, Plaintiff
17 Andaya, Plaintiff Tafoya, Plaintiff Cabral, and Plaintiff Lozano shall each be paid a Named Plaintiff
18 Service Award not to exceed Ten Thousand Dollars (\$10,000.00), or any lesser amount as awarded by
19 the Court, for their efforts and risks in prosecuting their respective Actions on behalf of Class
20 Members and PAGA Group Members and for releasing their Released Claims. Del Taco agrees not to
21 oppose or object to these requests if Plaintiffs comply with the terms of this Stipulation. The Class
22 Representative Service Award and the Named Plaintiff Service Awards shall be paid to Plaintiffs from
23 the Gross Settlement Amount no later than fifteen (15) days after the Settlement Administrator
24 receives the total Gross Settlement Amount. The Settlement Administrator shall issue an IRS
25 Form 1099 to Plaintiff Torrez for the Class Representative Service Award and to Plaintiffs Chavez,
26 Andaya, Tafoya, Cabral, and Lozano for the Named Plaintiff Service Awards. Plaintiffs shall be
27 solely and legally responsible to pay any and all applicable taxes on their respective Class
28 Representative Service Award and Named Plaintiff Service Awards and shall hold harmless Del Taco,

1 Plaintiffs' Counsel, and Defense Counsel from any claim or liability for taxes, penalties, or interest
2 arising as a result of payment of the Class Representative Service Award and Named Plaintiff Service
3 Awards. The Class Representative Service Award and the Named Plaintiff Service Awards shall be
4 made in addition to Plaintiffs' Individual Settlement Payments and PAGA Payments. Any amount
5 requested by Plaintiffs for the Class Representative Service Award and the Named Plaintiff Service
6 Awards and not awarded by the Court shall become part of the Net Settlement Amount and shall be
7 distributed to Participating Class Members as part of their Individual Settlement Payments.

8 f. Attorneys' Fees and Costs. Subject to Court approval, Plaintiffs' Counsel shall
9 be entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (33 1/3%) of the
10 Gross Settlement Amount, which amounts to Sixteen Million Six Hundred Sixty-Six Thousand Six
11 Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$16,666,666.67). The award of attorneys' fees will
12 be divided among Plaintiffs' Counsel as follows: ninety-six percent (96.0%) to Matern Law Group, PC
13 as Class Counsel in the *Torrez* Action; three percent (3.0%) to Solouki & Savoy, LLP as plaintiffs'
14 counsel in the *Chavez/Andaya* action; and one percent (1.0%) to the Spivak Law Firm, United
15 Employees Law Group, and Setareh Law Group, collectively, as plaintiffs' counsel in the
16 *Gossette/Tafoya* Action and the *Cabral/Lozano* Action. Of the one percent (1.0%) of the attorneys'
17 fees award allocated to plaintiffs' counsel in the *Gossette/Tafoya* Action and the *Cabral/Lozano*
18 Action, Setareh Law Group will receive fifty percent (50.0%) and the Spivak Law Firm and United
19 Employees Law Group will divide the remaining fifty percent (50.0%), with the Spivak Law Firm
20 receiving seventy-five (75.0%) of this portion and United Employees Law Group receiving twenty-
21 five percent (25.0%). In the event that the Court awards attorneys' fees in an amount less than that set
22 forth herein, then the respective share of attorneys' fees to Plaintiffs' Counsel shall be reduced on a
23 pro rata basis. Plaintiffs' Counsel agree to direct the Administrator to pay the award of attorneys' fees
24 in a manner consistent with the terms of this Agreement. This Agreement concerning the division of
25 attorneys' fees shall not operate to increase the total fee charged by Plaintiffs' Counsel to their
26 respective clients. This Agreement constitutes the entire agreement between Plaintiffs' Counsel
27 regarding the division of attorneys' fees in the Actions and it supersedes all prior agreements,
28 negotiations, and understandings with respect to the division of attorneys' fees between Plaintiffs'

1 Counsel. The signatures of Plaintiffs below shall signify their agreement and consent to this division
2 of attorneys' fees in accordance with Rule 1.5.1 of the California Rules of Professional Conduct. In
3 addition, subject to Court approval, Plaintiffs' Counsel shall be entitled to an award of actual costs
4 associated with Plaintiffs' Counsel's prosecution of the Actions in an amount not to exceed Three
5 Hundred Twenty-Five Thousand Dollars (\$325,000.00). Plaintiffs' Counsel shall each provide the
6 Settlement Administrator with a properly completed and signed IRS Form W-9 in order for the
7 Settlement Administrator to process the Attorneys' Fees and Costs approved by the Court. Del Taco
8 shall not oppose or object to Plaintiffs' Counsel's request for Attorneys' Fees and Costs that complies
9 with the terms of this Stipulation. In the event the Court awards Plaintiffs' Counsel less than Sixteen
10 Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents
11 (\$16,666,666.67) in attorneys' fees and/or less than Three Hundred Twenty-Five Thousand Dollars
12 (\$325,000.00) in costs, the difference shall become part of the Net Settlement Amount and shall be
13 distributed to Participating Class Members as part of their Individual Settlement Payments. Plaintiffs'
14 Counsel shall be paid any Court-approved attorneys' fees and costs no later than fifteen (15) days after
15 the Settlement Administrator receives the total Gross Settlement Amount. Plaintiffs' Counsel shall be
16 solely and legally responsible to pay all applicable taxes on the Attorneys' Fees and Costs. The
17 Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs' Counsel for the Attorneys' Fees
18 and Costs. This Settlement is not conditioned upon the Court awarding Plaintiffs' Counsel any
19 particular amount of attorneys' fees or costs.

20 g. Settlement Administration Costs. The Settlement Administrator shall be paid
21 from the Gross Settlement Amount for the Settlement Administration Costs, which are estimated not
22 to exceed One Hundred Fifty Thousand Dollars (\$150,000.00). Any portion of the estimated or
23 designated Settlement Administration Costs that are not in fact required to fulfill the total settlement
24 administration costs shall become part of the Net Settlement Amount. Prior to Plaintiffs filing a
25 motion for final approval of this Settlement, the Settlement Administrator shall provide the Parties
26 with a statement detailing the Settlement Administration Costs to date. The Parties agree to cooperate
27 in the settlement administration process and to make all reasonable efforts to control and minimize
28 Settlement Administration Costs.

1 i. The Parties each represent they do not have any financial interest in the
2 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
3 could create a conflict of interest.

4 ii. The Settlement Administrator shall keep the Parties timely apprised of
5 the performance of all Settlement Administrator responsibilities required by the Settlement. The
6 Settlement Administrator shall be authorized to establish a Qualified Settlement Fund (“QSF”)
7 pursuant to IRS rules and regulations in which the Gross Settlement Amount shall be placed and from
8 which payments required by the Settlement shall be made.

9 iii. The Settlement Administrator shall be entitled to withdraw from the
10 QSF its Settlement Administration Costs no earlier than fifteen (15) days after it receives the total
11 Gross Settlement Amount.

12 h. Internal Revenue Code § 162(f). The Parties agree that the Gross Settlement
13 Amount is not, and is not intended to be, made as a payment with respect to a penalty or a punishment
14 of the type or kind contemplated by Internal Revenue Code § 162(f), except for the PAGA Settlement
15 Amount, which is comprised of civil penalties payable to the LWDA. With the exception of the
16 PAGA Settlement Amount, no governmental entity is directly or indirectly a recipient of any portion
17 of the payments made pursuant to this Settlement, and no governmental entity has any interest or
18 involvement of any type or kind in the Claims hereby settled. The Gross Settlement Amount is not
19 made or received with the intention of avoiding or reducing any liability to a governmental entity of
20 any type or kind.

21 82. Final Settlement Approval Hearing and Entry of Final Order and Judgment. Upon
22 expiration of the Response Deadline, a Final Approval Hearing shall be held to determine whether to
23 grant final approval of the Settlement, including determining the amounts properly payable for: (i) the
24 Attorneys’ Fees and Costs; (ii) the Class Representative Service Award; (iii) the Named Plaintiff
25 Service Awards; (iv) the Settlement Administration Costs; and (v) the PAGA Settlement Amount.
26 Prior to the Final Approval Hearing, the Settlement Administrator shall provide a written report or
27 declaration to the Parties describing the process and results of the administration of the Settlement to
28 date, which report or declaration shall be filed by Plaintiffs with the Court prior to the Final Approval

1 Hearing. If the Court grants final approval of the Settlement, the Settlement Administrator shall post
2 notice of final judgment on its website within ten (10) calendar days of entry of the Final Order and
3 Judgment.

4 83. Dismissal of *Gossette/Tafoya* Action, *Chavez* Action, and *Cabral/Lozano* Action. If (a)
5 the Court grants final approval of the Settlement and enters the Final Order and Judgment in the
6 *Torrez* Action, and (b) Del Taco fully funds the Gross Settlement Amount and the Employer's Share
7 of Payroll Taxes to the Settlement Administrator, then Plaintiff Tafoya in the *Gossette/Tafoya* Action,
8 Plaintiffs Chavez and Andaya in the *Chavez/Andaya* Action, and Plaintiffs Cabral and Lozano in the
9 *Cabral/Lozano* Action shall file a request for dismissal, pursuant to rule 3.770 of the California Rules
10 of Court, of all causes of action in their respective lawsuits against Del Taco within ten (10) court days
11 after the Settlement Administrator receives the Gross Settlement Amount and the Employer's Share of
12 Payroll Taxes.

13 84. Nullification of Settlement. In the event: (i) the Court does not enter the Preliminary
14 Approval Order; (ii) the Court does not grant final approval of the Settlement; (iii) the Court does not
15 enter the Final Order and Judgment; or (iv) the Settlement does not become final for any other reason,
16 this Stipulation shall be rendered null and void, any order or judgment entered by the Court in
17 furtherance of this Settlement shall be treated as void from the beginning and this Stipulation, along
18 with the Settlement Memorandum of Understanding, and any documents related to it shall not be used
19 by any Class Member or Plaintiffs' Counsel to support any claim or request for class certification in
20 the Actions, and shall not be used in any other civil, criminal, or administrative action against Del
21 Taco or any of the other Released Parties. Any Settlement Administration Costs already incurred by
22 the Settlement Administrator shall be paid to the Settlement Administrator by the Parties, who shall
23 split the cost equally. In the event an appeal is filed from the Court's Final Order and Judgment, or
24 any other appellate review is sought, administration of the Settlement shall be stayed pending final
25 resolution of the appeal or other appellate review. Any fees incurred by the Settlement Administrator
26 prior to it being notified of the filing of an appeal from the Court's Final Order and Judgment, or any
27 other appellate review, shall be paid to the Settlement Administrator by the Parties, who shall split the
28 cost equally.

1 85. No Admission by Del Taco. Del Taco denies all claims and allegations alleged in the
2 Actions and denies all wrongdoing whatsoever. Neither this Stipulation, nor any of its terms and
3 conditions, nor any of the negotiations connected with it, is a concession or admission, and none shall
4 be used against Del Taco as an admission or indication with respect to any allegation or claim of any
5 fault, concession, or omission by Del Taco or that class certification is proper under the standard
6 applied to contested certification motions. As part of this Settlement, Del Taco shall not be required to
7 enter into any consent decree nor shall Del Taco be required to agree to any provision for injunctive or
8 prospective relief. The Parties further agree that this Stipulation will not be admissible in this or any
9 other proceeding as evidence that either (i) a class was properly certified or (ii) Del Taco is liable to
10 Plaintiffs or any Class Member or PAGA Group Member, other than according to the terms of this
11 Stipulation.

12 86. No Publicity. Neither the Parties, nor their counsel, shall seek publicity or press
13 coverage in connection with this settlement, or discuss the settlement on their website. However, the
14 Parties can respond to inquiries from the press with respect to the settlement.

15 87. Exhibits and Headings. The terms of this Stipulation include the terms set forth in any
16 attached Exhibits, which are incorporated by this reference as though fully set forth herein. The
17 Exhibits to this Stipulation are an integral part of the Settlement. The descriptive headings of any
18 paragraphs or sections of this Stipulation are inserted for convenience of reference only.

19 88. Interim Stay of the Actions and Extension of Time to Bring the *Torrez* Action to Trial.
20 The Parties agree to stay and to request that the Court stay all proceedings in the Actions, except such
21 proceedings necessary to implement and complete the Settlement and enter the Final Order and
22 Judgment. Del Taco and Plaintiff Torrez further agree that, pursuant to Code of Civil Procedure §
23 583.330(a), the time beginning on June 3, 2022 to the date on which the Court grants final approval of
24 the Settlement, or the date on which the Court issues an order declining to grant preliminary or final
25 approval of the Settlement, shall not be included in computing the five-year period specified in Code
26 of Civil Procedure § 583.310 for the *Torrez* Action.

27 89. Amendment or Modification. This Stipulation may be amended or modified only by a
28 written instrument signed by counsel for all Parties or their successors-in-interest.

1 90. Entire Agreement. This Stipulation and any attached Exhibits constitute the entire
2 agreement between the Parties, and no oral or written representations, warranties, or inducements have
3 been made to Plaintiffs or Del Taco concerning this Stipulation or its Exhibits other than the
4 representations, warranties, and covenants contained and memorialized in this Stipulation and its
5 Exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding on
6 the Parties.

7 91. Authorization to Enter Into Settlement Agreement. Plaintiffs' Counsel and Defense
8 Counsel warrant and represent they are expressly authorized by the Parties whom they represent to
9 negotiate this Stipulation and to take all appropriate action required or permitted to be taken by such
10 Parties pursuant to this Stipulation to effectuate its terms, and to execute any other documents required
11 to effectuate the terms of this Stipulation. The Parties, Plaintiffs' Counsel, and Defense Counsel shall
12 cooperate with each other and use their best efforts to effectuate the implementation of the Settlement.
13 In the event the Parties are unable to reach agreement on the form or content of any document needed
14 to implement the Settlement, or on any supplemental provisions that may become necessary to
15 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court and/or
16 mediator Jeffrey Krivis to resolve such disagreement. The person signing this Stipulation on behalf of
17 Del Taco represents and warrants that he/she is authorized to sign this Stipulation on behalf of Del
18 Taco. Plaintiffs represent and warrants that they are authorized to sign this Stipulation and that they
19 have not assigned any claim, or part of a claim, covered by this Settlement to a third party. The Parties
20 have cooperated in the drafting and preparation of this Stipulation. Hence, in determining the meaning
21 of the words in this Stipulation, the language shall not be construed against any of the Parties.


22 92. Binding on Successors and Assigns. This Stipulation shall be binding upon, and inure
23 to the benefit of, the successors and assigns of the Parties, if any.

24 93. California Law Governs. All terms of this Stipulation and the Exhibits hereto shall be
25 governed by and interpreted according to the laws of the State of California, without giving effect to
26 any law that would cause the laws of any jurisdiction other than the State of California to be applied.

27 94. Counterparts. This Stipulation may be executed in one or more counterparts. All
28 executed counterparts and each of them shall be deemed to be one and the same instrument.

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Dated: November 08, 2022


Karolina Torrez (Nov 8, 2022 11:07 PST)

Plaintiff KAROLINA TORREZ

Dated: _____, 2022

Plaintiff MAGDALENA CHAVEZ

Dated: _____, 2022

Plaintiff IVAN ANDAYA

Dated: _____, 2022

Plaintiff TIMOTHY TAFOYA

Dated: _____, 2022

Plaintiff RAINA CABRAL

Dated: _____, 2022

Plaintiff VANESSA LOZANO

Dated: _____, 2022

Defendant DEL TACO, LLC

By: _____
Insert Name

Title: _____

APPROVED AS TO FORM AND CONTENT:

Dated: November 9, 2022

MATERN LAW GROUP, PC

By: 

MATTHEW J. MATERN
DALIA R. KHALILI
MATTHEW W. GORDON
Attorneys for Plaintiff
KAROLINA TORREZ and the Certified Class

1 Dated: _____, 2022

Plaintiff KAROLINA TORREZ

2

3 Dated: 11/7/2022
_____, 2022

DocuSigned by:
Magdalena Chavez
21483A6B3AA64AC

Plaintiff MAGDALENA CHAVEZ

4

5 Dated: 11/4/2022
_____, 2022

DocuSigned by:
Ivan Andaya
EE66A0C0D0D24F9...

Plaintiff IVAN ANDAYA

6

7 Dated: _____, 2022

Plaintiff TIMOTHY TAFOYA

8

9 Dated: _____, 2022

Plaintiff RAINA CABRAL

10

11 Dated: _____, 2022

Plaintiff VANESSA LOZANO

12

13 Dated: _____, 2022

Defendant DEL TACO, LLC

14

By: _____
Insert Name

15

Title: _____

16

17 **APPROVED AS TO FORM AND CONTENT:**

18

19 Dated: _____, 2022

MATERN LAW GROUP, PC

20

By: _____

21

MATTHEW J. MATERN
DALIA R. KHALILI
MATTHEW W. GORDON
Attorneys for Plaintiff
KAROLINA TORREZ and the Certified Class

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Dated: _____, 2022

Plaintiff KAROLINA TORREZ

Dated: _____, 2022

Plaintiff MAGDALENA CHAVEZ

Dated: _____, 2022

Plaintiff IVAN ANDAYA

11 / 07 / 2022
Dated: _____, 2022



Plaintiff TIMOTHY TAFOYA

11 / 07 / 2022
Dated: _____, 2022



Plaintiff RAINA CABRAL

11 / 08 / 2022
Dated: _____, 2022



Plaintiff VANESSA LOZANO

Dated: _____, 2022

Defendant DEL TACO, LLC

By: _____
Insert Name

Title: _____

APPROVED AS TO FORM AND CONTENT:

Dated: _____, 2022

MATERN LAW GROUP, PC

By: _____
MATTHEW J. MATERN
DALIA R. KHALILI
MATTHEW W. GORDON
Attorneys for Plaintiff
KAROLINA TORREZ and the Certified Class

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Dated: _____, 2022

Plaintiff KAROLINA TORREZ

Dated: _____, 2022

Plaintiff MAGDALENA CHAVEZ

Dated: _____, 2022

Plaintiff IVAN ANDAYA

Dated: _____, 2022

Plaintiff TIMOTHY TAFOYA

Dated: _____, 2022

Plaintiff RAINA CABRAL

Dated: _____, 2022

Plaintiff VANESSA LOZANO

Dated: 11/8/2022, 2022

DocuSigned by:
Jack Tang

Defendant DEL TACO, LLC

By: Jack Tang

Insert Name
General Counsel
Title: _____

APPROVED AS TO FORM AND CONTENT:

Dated: _____, 2022

MATERN LAW GROUP, PC

By: _____
MATTHEW J. MATERN
DALIA R. KHALILI
MATTHEW W. GORDON
Attorneys for Plaintiff
KAROLINA TORREZ and the Certified Class

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Dated: 11/7/2022, 2022

SOLOUKI & SAVOY, LLP

By: 

SHOHAM J. SOLOUKI
GRANT J. SAVOY
Attorneys for Plaintiffs
MAGDALENA CHAVEZ and IVAN ANDAYA

Dated: _____, 2022

THE SPIVAK LAW FIRM

By: _____

DAVID G. SPIVAK
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

UNITED EMPLOYEES LAW GROUP

By: _____

WALTER HAINES
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

SETAREH LAW GROUP

By: _____

SHAUN SETAREH
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

MANATT, PHELPS & PHILLIPS, LLP

By: _____

ANDREW L. SATENBERG
Attorneys for Defendant
DEL TACO, LLC

401777040.1

1 Dated: _____, 2022

SOLOUKI & SAVOY, LLP

2
3 By: _____

4 SHOHAM J. SOLOUKI
5 GRANT J. SAVOY
6 Attorneys for Plaintiffs
7 MAGDALENA CHAVEZ and IVAN ANDAYA

8 11 / 07 / 2022

9 Dated: _____, 2022

THE SPIVAK LAW FIRM

10 By:  _____

11 DAVID G. SPIVAK
12 Attorneys for Plaintiffs
13 TIMOTHY TAFOYA, RAINA CABRAL, and
14 VANESSA LOZANO

15 Dated: _____, 2022

UNITED EMPLOYEES LAW GROUP

16 By: _____

17 WALTER HAINES
18 Attorneys for Plaintiffs
19 TIMOTHY TAFOYA, RAINA CABRAL, and
20 VANESSA LOZANO

21 Dated: _____, 2022

SETAREH LAW GROUP

22 By: _____

23 SHAUN SETAREH
24 Attorneys for Plaintiffs
25 TIMOTHY TAFOYA, RAINA CABRAL, and
26 VANESSA LOZANO

27 Dated: _____, 2022

MANATT, PHELPS & PHILLIPS, LLP

28 By: _____

ANDREW L. SATENBERG
Attorneys for Defendant
DEL TACO, LLC

401777040.1

1 Dated: _____, 2022

SOLOUKI & SAVOY, LLP

2
3 By: _____

4 SHOHAM J. SOLOUKI
5 GRANT J. SAVOY
6 Attorneys for Plaintiffs
7 MAGDALENA CHAVEZ and IVAN ANDAYA

8
9 Dated: _____, 2022

THE SPIVAK LAW FIRM

10
11 By: _____

12 DAVID G. SPIVAK
13 Attorneys for Plaintiffs
14 TIMOTHY TAFOYA, RAINA CABRAL, and
15 VANESSA LOZANO

16
17 Dated: November 8, 2022

UNITED EMPLOYEES LAW GROUP

18
19 By:  _____

20 WALTER HAINES
21 Attorneys for Plaintiffs
22 TIMOTHY TAFOYA, RAINA CABRAL, and
23 VANESSA LOZANO

24
25 Dated: _____, 2022

SETAREH LAW GROUP

26
27 By: _____

28 SHAUN SETAREH
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

MANATT, PHELPS & PHILLIPS, LLP

By: _____

ANDREW L. SATENBERG
Attorneys for Defendant
DEL TACO, LLC

401777040.1

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Dated: _____, 2022

SOLOUKI & SAVOY, LLP


By: _____

SHOHAM J. SOLOUKI
GRANT J. SAVOY
Attorneys for Plaintiffs
MAGDALENA CHAVEZ and IVAN ANDAYA

11 / 07 / 2022

Dated: _____, 2022

THE SPIVAK LAW FIRM

By:  _____

DAVID G. SPIVAK
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

UNITED EMPLOYEES LAW GROUP

By: _____

WALTER HAINES
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: 11/9, 2022

SETAREH LAW GROUP

By:  _____

SHAUN SETAREH
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

MANATT, PHELPS & PHILLIPS, LLP

By: _____

ANDREW L. SATENBERG
Attorneys for Defendant
DEL TACO, LLC

401777040.1

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Dated: _____, 2022

SOLOUKI & SAVOY, LLP

By: _____

SHOHAM J. SOLOUKI
GRANT J. SAVOY
Attorneys for Plaintiffs
MAGDALENA CHAVEZ and IVAN ANDAYA

Dated: _____, 2022

THE SPIVAK LAW FIRM

By: _____

DAVID G. SPIVAK
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

UNITED EMPLOYEES LAW GROUP

By: _____

WALTER HAINES
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: _____, 2022

SETAREH LAW GROUP

By: _____

SHAUN SETAREH
Attorneys for Plaintiffs
TIMOTHY TAFOYA, RAINA CABRAL, and
VANESSA LOZANO

Dated: November 9, 2022

MANATT, PHELPS & PHILLIPS, LLP

By:  _____

ANDREW L. SATENBERG
Attorneys for Defendant
DEL TACO, LLC

401777040.1

EXHIBIT 1

NOTICE OF PROPOSED CLASS ACTION AND PAGA SETTLEMENT

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

***TORREZ v. DEL TACO, LLC*
CASE NO. 21CV000111**

A court authorized this notice. This is not a solicitation from a lawyer.

ATTENTION: IF YOU HAVE BEEN EMPLOYED BY DEL TACO, LLC AS A NON-EXEMPT EMPLOYEE IN CALIFORNIA AT ANY TIME DURING THE PERIOD BEGINNING OCTOBER 28, 2011 AND ENDING ON NOVEMBER 12, 2021, YOU ARE ENTITLED TO A SHARE OF A PROPOSED CLASS ACTION SETTLEMENT.

TO UNDERSTAND YOUR RIGHTS, PLEASE READ THIS NOTICE CAREFULLY.

A proposed settlement (the “Settlement”) has been reached in the certified class action lawsuit entitled *Karolina Torrez v. Del Taco, LLC* (Alameda Superior Court Case No. 21CV000111) (the “Torrez Action”) and the lawsuits entitled *Magdalena Chavez, et al. v. Del Taco, LLC* (Riverside Superior Court Case No. RIC1512246) (the “Chavez/Andaya Action”), *Jennifer Gossette, et al. v. Del Taco, LLC* (Alameda Superior Court Case No. RG14716936) (the “Gossette/Tafoya Action”), and *Raina Cabral, et al. v. Del Taco, LLC* (Alameda Superior Court Case No. 21CV005224) (the “Cabral/Lozano Action”) (collectively, the “Actions”). The purpose of this Notice of Proposed Class Action and PAGA Settlement (“Notice”) is to briefly describe the Actions and to inform you of your rights and options in connection with the Actions and the proposed Settlement.

The Settlement will resolve all claims in the Actions related to allegations that Del Taco, LLC (“Del Taco” or “Defendant”) (1) failed to provide required meal periods; (2) failed to provide required rest periods; (3) failed to pay overtime wages; (4) failed to pay minimum wages; (5) failed to pay all wages due to discharged and quitting employees; (6) failed to maintain required records; (7) failed to furnish accurate itemized wage statements; (8) failed to indemnify employees for necessary expenditures incurred in the discharge of duties; and (9) engaged in unfair business practices. The Settlement will also resolve claims against Del Taco for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”) based on the foregoing alleged violations of the California Labor Code. Del Taco denies all of the claims in the Actions and maintains that it has complied with all applicable laws. Del Taco has entered into the Settlement solely for purposes of resolving the Actions.

The Settlement provides for Individual Settlement Payments based upon the number of weeks you worked for Del Taco in California as a non-exempt employee during the period from October 28, 2011 through August 2, 2022, as well as PAGA Payments based upon the number of weeks you worked for Del Taco in California as a non-exempt employee during the period from January 28, 2015 through August 2, 2022. A “non-exempt employee” means an hourly paid employee who is eligible for overtime pay.

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezvdeltaco.com]

SETTLEMENT PAYMENT UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE, UNLESS YOU TIMELY REQUEST TO BE EXCLUDED FROM THE SETTLEMENT.

OVERVIEW OF YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
DO NOTHING	You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the <i>Torrez</i> Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against the Released Parties involving the Released Claims for the period beginning on October 28, 2011 and ending on August 2, 2022. If you are a PAGA Group Member, you will also receive a PAGA Payment. You will be mailed a settlement check at the address where this Notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).
EXCLUDE YOURSELF	The only way for you to be part of any other lawsuit against the Released Parties involving the Released Claims for the period beginning on October 28, 2011 and ending on August 2, 2022 is to submit a valid Request for Exclusion to the Settlement Administrator postmarked or emailed no later than [+45 days after date of mailing] . If you submit a valid Request for Exclusion, you will <u>not</u> receive an Individual Settlement Payment, but you will receive a PAGA Payment if you are a PAGA Group Member.
OBJECT	If you wish to object to the Settlement, you must submit a written Objection and supporting papers to the Settlement Administrator that is postmarked or emailed no later than [+45 days after date of mailing] . You may also object by appearing at the Final Approval Hearing described in Section 17 below. This option is available only if you do <u>not</u> exclude yourself.

These rights and options, and how to exercise them, are explained in more detail in this notice.

The Court handling the Actions still has to decide whether to grant final approval of the Settlement. Settlement payments will be issued only if the Court grants final approval of the Settlement.

Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this Notice.

BASIC INFORMATION

1. Why did I get this Notice?

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezvdeltaco.com]

On [insert preliminary approval date], the Superior Court of California, County of Alameda (“the Court”) preliminarily approved a class action settlement on behalf of all persons employed by Del Taco in California as a non-exempt employee at any time during the period of October 28, 2011 through November 12, 2021 (“Class Members”). According to Del Taco’s records, you are a Class Member. This notice explains the Actions, the Settlement, and your legal rights.

The Actions are known as *Karolina Torrez v. Del Taco, LLC*, Alameda Case No. 21CV000111 (the “Torrez Action”), *Magdalena Chavez, et al. v. Del Taco, LLC*, Riverside Case No. RIC1512246 (the “Chavez/Andaya Action”), *Jennifer Gossette, et al. v. Del Taco, LLC*, Alameda Case No. RG14716936 (the “Gossette/Tafoya Action”), and *Raina Cabral, et al. v. Del Taco, LLC*, Alameda Case No. 21CV005224 (the “Cabral/Lozano Action”), and they are pending in the Superior Court of California for the County of Alameda as part of the Del Taco Wage and Hour Cases (Case No. JCCP004904) (the “Actions”). Karolina Torrez, Magdalena Chavez, Ivan Andaya, Timothy Tafoya, Raina Cabral, and Vanessa Lozano are the Plaintiffs, and Del Taco, LLC is the Defendant.

2. What are the Actions about?

The Actions generally involve claims under California’s wage and hour laws. Plaintiffs are former non-exempt employees of Del Taco. Plaintiffs allege that Del Taco did not provide proper meal periods and rest periods, failed to pay overtime wages and minimum wages, failed to pay all wages due at separation, failed to furnish accurate itemized wage statements, failed to reimburse necessary business expenses, and violated California’s Business and Professions Code. As a result, Plaintiffs allege that they and the Class Members are entitled to recover unpaid wages, meal and rest period premiums, unpaid reimbursements, interest, and statutory and civil penalties. Del Taco denies that it engaged in any wrongful conduct or that it violated the law in any way, and believes that Plaintiffs and the Class Members were properly compensated and provided compliant meal and rest breaks. However, Plaintiffs believe that the Settlement is fair, adequate, and reasonable, and that it is in the best interest of the Class Members.

3. Why is this lawsuit a class action?

In a class action, one or more people called a “plaintiff” sues on behalf of people who have similar alleged claims. All of these people are a “class” or “class members.” The Court resolves the issues for all class members, except for those who exclude themselves from the class. On November 12, 2021, the Honorable Evelio Grillo entered an order granting in part Plaintiff Karolina Torrez’s motion for class certification in the *Torrez* Action.

4. Who is in the Settlement Class?

“Class Members” or “Class” means all persons employed by Del Taco in the State of California as a non-exempt employee at any time during the period from October 28, 2011 through November 12, 2021. “PAGA Group Members” means all persons employed by Del Taco in the State of California as a non-exempt employee at any time during the period from January 28, 2015 through August 2, 2022 (the “PAGA Period”).

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezvdeltaco.com]

5. Why is there a settlement?

After conducting substantial investigation and discovery, including analysis of Del Taco's policies, timekeeping records, and payroll records, both sides agreed to the Settlement to avoid the cost and risk of further litigation. The Settlement does not mean that any laws were broken. Del Taco denies all of the claims asserted in the Actions and denies that it has violated any laws. Plaintiffs and their lawyers think the Settlement is in the best interests of all Class Members.

THE SETTLEMENT BENEFITS—WHAT YOU GET

6. What does the settlement provide?

Under the terms of the Settlement, Del Taco agrees to pay a Gross Settlement Amount of Fifty Million Dollars (\$50,000,000.00). Deducted from this Gross Settlement Amount will be sums approved by the Court for attorneys' fees (not to exceed \$16,666,666.67, or one-third of the Gross Settlement Amount), attorneys' litigation costs (not to exceed \$325,000.00), a Class Representative Service Award not to exceed \$20,000.00 to Plaintiff Torrez for her services and risks in prosecuting the *Torrez* Action on behalf of the Class Members, a Named Plaintiff Service Award not to exceed \$10,000.00 each to Plaintiffs Magdalena Chavez, Ivan Andaya, Timothy Tafoya, Raina Cabral, and Vanessa Lozano for a total of \$50,000 for their services and risks in prosecuting the Actions on behalf of Class Members and PAGA Group Members, the PAGA Settlement Amount (i.e., a payment of One Million Five Hundred Thousand Dollars (\$1,500,000.00) to the State of California Labor and Workforce Development Agency ("LWDA") for alleged civil penalties and a Five Hundred Thousand Dollar (\$500,000.00) *pro rata* distribution to PAGA Group Members as their PAGA Payment), and the fees and expenses of the Settlement Administrator, ILYM Group, Inc. (estimated not to exceed \$150,000.00), which will result in a maximum amount payable by Del Taco for distribution to Class Members who do not opt out (the "Net Settlement Amount"). Del Taco's share of payroll taxes will be paid separately from and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Del Taco.

The Net Settlement Amount will be distributed to Class Members who do not opt out of the Settlement ("Participating Class Members") on a *pro rata* basis, based upon the number of workweeks ("Qualified Workweeks") that each Participating Class Member was employed by Del Taco as a non-exempt employee in California during the period from October 28, 2011 through August 2, 2022 (the "Class Period"). To determine a Participating Class Member's estimated settlement payment ("Individual Settlement Payment"), the Net Settlement Amount will be divided by the total number of Qualified Workweeks worked by all Participating Class Members during the Class Period, and this result will be multiplied by the number of Qualified Workweeks worked by that Participating Class Member, according to the following formula:

[Net Settlement Amount ÷ Total Qualified Workweeks for all Participating Class Members] x Participating Class Member's Individual Qualified Workweeks = estimated Individual Settlement Payment.

Class Members' Individual Settlement Payments will be reduced by any required legal deductions. No benefit, including but not limited to pension benefits and/or 401(k), shall

increase or accrue as a result of any payment made as a result of this Settlement. “Qualified Workweeks” will be calculated to exclude workweeks in which a Participating Class Member did not perform any work but earned compensation for non-work time such as disability leave or other medical leave.

The Parties recognize that the Class Members’ Individual Settlement Payments are for wages, interest, and penalties. The Parties agree that 20% of the Individual Settlement Payments shall be reported as wages subject to all applicable tax withholdings on IRS Form W-2 and its state and local equivalents, and 80% shall be reported as non-wages not subject to payroll tax withholdings on IRS Form 1099 and its state and local equivalents.

The Parties are neither providing tax advice nor legal advice, nor making representations regarding tax obligations or consequences, if any, related to any settlement amounts to be paid to the Participating Class Members. Each Participating Class Member will assume any tax obligations or consequences that may arise from any settlement amount paid to him or her and should consult with a tax expert if he or she has any questions. Each Participating Class Member’s *pro rata* distribution amount prior to legal deductions will be reduced by the amount of any required payroll-related deductions.

PAGA Group Members will also receive a PAGA Payment. “PAGA Payment” means the amount payable from the PAGA Settlement Amount to each PAGA Group Member. “PAGA Settlement Amount” means the portion of the Gross Settlement Amount allocated to the resolution of PAGA claims in the *Torrez* Action. The PAGA Settlement Amount is Two Million Dollars (\$2,000,000.00). One Million Five Hundred Thousand Dollars (\$1,500,000.00) shall be paid by the Settlement Administrator directly to the LWDA. The remaining Five Hundred Thousand Dollars (\$500,000.00) shall be distributed on a *pro rata* basis to PAGA Group Members as their PAGA Payment. PAGA Payments shall be allocated as non-wage penalties not subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each PAGA Group Member for his or her PAGA Payment. Each PAGA Group Member’s PAGA Payment shall be calculated solely by the Settlement Administrator according to the following formula: Del Taco shall provide the Settlement Administrator with the Total Qualified PAGA Workweeks; the Settlement Administrator shall then (1) divide Five Hundred Thousand Dollars (\$500,000.00) by the Total Qualified PAGA Workweeks and then (2) multiply each PAGA Group Member’s number of Qualified PAGA Workweeks by the result in Step 1 to obtain the amount of each PAGA Group Member’s PAGA Payment. “Qualified PAGA Workweeks” means the total number of weeks that a PAGA Group Member was employed by Del Taco as a non-exempt employee during the PAGA Period. Qualified PAGA Workweeks will be calculated to exclude workweeks in which a PAGA Group Member did not perform any work but earned compensation for non-work time such as disability leave or other medical leave.

To the extent any Participating Class Member or PAGA Group Member disputes any aspect of his or her payment, number of Qualified Workweeks, or number of Qualified PAGA Workweeks, that Participating Class Member or PAGA Group Member must produce supporting evidence to the Settlement Administrator. Del Taco’s records will be presumed determinative.

After the Settlement becomes final, the Class Representative Service Award to Plaintiff Torrez, the Named Plaintiff Service Awards to Plaintiffs Chavez, Andaya, Tafoya, Cabral, and Lozano, the payment to Plaintiffs' Counsel for their awarded attorneys' fees and costs, the PAGA Payments, and the Individual Settlement Payments to Participating Class Members will be distributed within 15 calendar days after Del Taco provides the Settlement Administrator with the total Gross Settlement Amount. The Gross Settlement Amount shall be paid by Del Taco to the Settlement Administrator in two equal installments. The first payment shall be made within 21 calendar days after the "Effective Date." "Effective Date" means the latter of: (a) if there are no objections to the Settlement, the date upon which the Judgment is entered by the Court; (b) if there are objections to the Settlement, and if an appeal, review, or writ is not sought from the Judgment, the sixty-first (61st) day after the date upon which the Judgment is entered; or (c) if an appeal, review, or writ is sought from the Judgment, the date upon which all appellate and/or other proceedings resulting from the appeal, review, or writ have been finally terminated in such a manner as to permit the Judgment to take effect in substantially the form described herein. The second payment shall be made within ninety (90) days after the first payment is made.

7. What am I giving up in exchange for the settlement benefits?

In exchange for the consideration provided, and upon the funding of the total Gross Settlement Amount and Del Taco's share of applicable payroll taxes to the Settlement Administrator, Plaintiffs and each Participating Class Member who does not submit a valid Request for Exclusion (defined in response to Question 10 below) will release Del Taco and its respective present and former parent companies, subsidiaries, affiliates, predecessors, successors, joint venturers, joint employers, and all owners, officers, directors, managers, employees, partners, shareholders, insurers, attorneys and agents, and any other assigns, legal representatives, and persons or entities acting in concert with or affiliated with any of them (collectively, the "Released Parties") from any and all claims, demands, rights, liabilities, and/or causes of action that were pleaded or could have been pleaded based upon the factual allegations set forth in the operative complaint in the *Torrez* Action and arising at any time during the Class Period, including claims for (1) Failure to Provide Required Meal Periods (Cal. Lab. Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 5-2001, § 11); (2) Failure to Provide Required Rest Periods (Cal. Lab. Code §§ 226.7, 512, IWC Wage Order No. 5-2001, § 12); (3) Failure to Provide Overtime Wages (Cal. Lab. Code §§ 510, 1194, 1198; IWC Wage Order No. 5-2001, § 3); (4) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 1194, 1197; IWC Wage Order No. 5-2001, § 4); (5) Failure to Pay All Wages Due (Cal. Lab. Code §§ 201, 202, 203, 204); (6) Failure to Maintain Required Records (Cal. Lab. Code §§ 226, 1174; IWC Wage Order No. 5-2001, § 7); (7) Failure to Furnish Accurate Itemized Statements (Cal. Lab. Code § 226; IWC Wage Order No. 5-2001, § 7); (8) Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties (Cal. Lab. Code §§ 221, 225.5, 2802); and (9) Unfair and Unlawful Business Practices (Cal. Bus. & Prof. Code § 17200, *et seq.*) (collectively, the "Released Claims").

In addition, upon the Settlement Administrator's receipt of the total Gross Settlement Amount and Del Taco's share of applicable payroll taxes, Plaintiffs, PAGA Group Members, and the State of California shall be deemed to have released their respective Released PAGA Claims against the Released Parties. "Released PAGA Claims" means all claims for civil penalties under PAGA for members of the PAGA Group that were or could have been recovered during

the PAGA Period for the Labor Code violations identified in Plaintiff Torrez’s operative complaint and pre-filing letter to the LWDA, including meal and rest period violations, unpaid wages, unpaid overtime, off-the-clock work, wage statement violations, failure to reimburse necessary expenses, failure to keep required records, waiting time penalties, and failure to pay all wages due upon termination and/or any other claims/relief available under Labor Code §§ 201, 202, 203, 204, 210, 218.6, 221, 225.5, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1198, and 2802.

HOW TO GET A SETTLEMENT PAYMENT

8. How do I get a settlement payment?

You will automatically receive an Individual Settlement Payment in exchange for which, whether or not you cash or deposit the payment, you will be bound by all terms of the Settlement and any Final Judgment entered in the *Torrez* Action if the Settlement receives final approval by the Court, and you will give up your rights to be part of any other lawsuit against the Released Parties involving the Released Claims arising during the Class Period. You will be mailed a settlement check at the address where this notice was mailed (unless you timely provide a forwarding address to the Settlement Administrator).

Additionally, if you are a PAGA Group Member, you will also receive a PAGA Payment, regardless of whether you submit a Request for Exclusion Form. Your Individual Settlement Payment and PAGA Payment will be issued in one check.

9. When will I get my check?

Checks will be mailed to Participating Class Members and PAGA Group Members eligible to receive benefits under the Settlement after the Court grants “final approval” of the Settlement. If the judge approves the settlement after a hearing on **[insert date]** (see “The Court’s Final Approval Hearing” below), there may be appeals. If there are any appeals, resolving them could take some time, so please be patient. Please also be advised that you will only have 180 days from the date that the check is issued to cash it. If you do not cash your check within 180 days of the date of its issuance, your Individual Settlement Payment and/or PAGA Payment shall be voided, and your share of the settlement proceeds will be distributed in equal amounts to Emotional Health Association d/b/a/ SHARE!, a nonprofit organization that operates two community self-help support group centers in Los Angeles, California, and to California Association of Food Banks, an anti-hunger, pro food bank nonprofit organization that works with 41 member food banks in California and is headquartered in Oakland, California. In such event, you will nevertheless remain bound by the Settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I ask the Court to exclude me from the Settlement Class?

If you do not wish to participate in the Settlement, you must complete and send a timely Request for Exclusion Form. The Request for Exclusion Form must be fully completed, signed, dated and mailed by First Class U.S. Mail, or the equivalent, postmarked no later than **[+45 days from**

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezvdeltaco.com]

date of mailing to:

INSERT SETTLEMENT ADMIN INFO

The Request for Exclusion Form may also be emailed to the Settlement Administrator at **[insert email address]** no later than **[+45 days from date of mailing]**. Requests for Exclusion that do not include all required information and/or that are not timely submitted will be deemed null, void, and ineffective, subject to Court approval. Class Members who fail to submit a valid and timely Request for Exclusion Form on or before **[+45 days from date of mailing]** shall be bound by all terms of the Settlement and any Final Judgment entered in the *Torrez* Action if the Settlement is approved by the Court.

11. If I exclude myself, can I get anything from the settlement?

Not unless you are also a PAGA Group Member. If you exclude yourself now, you will not get anything from the Settlement unless you are a PAGA Group Member. If you ask to be excluded, you will not receive an Individual Settlement Payment and you will not be bound by the Settlement, but you will still receive a PAGA Payment if you are a PAGA Group Member.

12. If I don't exclude myself, can I sue later?

No. Unless you exclude yourself, you give up the right to sue the Released Parties for the Released Claims arising during the Class Period. You must exclude yourself from the Settlement Class to start or continue your own lawsuit.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court has appointed the following lawyers to serve as Class Counsel for the Class Members:

MATERN LAW GROUP, PC
Matthew J. Matern, Esq.
Matthew W. Gordon, Esq.
Vanessa M. Rodriguez, Esq.
1230 Rosecrans Avenue, Suite 200
Manhattan Beach, CA 90266
Phone: (310) 531-1900
Facsimile: (310) 531-1901

14. How will the costs of the lawsuit and the settlement be paid?

Subject to court approval, Del Taco agrees to pay, as part of the Gross Settlement Amount, up to Sixteen Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$16,666,666.67) in attorneys' fees plus actual litigation costs and expenses (not to exceed \$325,000.00) to Plaintiffs' Counsel in the Actions. The Court may award less than these amounts. If lesser amounts are awarded, the difference will be returned to the Net Settlement Amount.

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezvdeltaco.com]

In addition, and subject to Court approval, Del Taco also agrees to pay, as part of the Gross Settlement Amount, up to Twenty Thousand Dollars (\$20,000.00) to Plaintiff Torrez as a Class Representative Service Award for her services and risks in prosecuting the *Torrez* Action as a Class Representative on behalf of the Class Members and PAGA Group Members, and up to Ten Thousand Dollars (\$10,000.00) each to Plaintiffs Magdalena Chavez, Ivan Andaya, Timothy Tafoya, Raina Cabral, and Vanessa Lozano, for a total of Fifty Thousand Dollars (\$50,000.00), as Named Plaintiff Service Awards for their services and risks in prosecuting the Actions on behalf of Class Members and PAGA Group Members. Subject to Court approval, Del Taco also agrees to pay One Million Five Hundred Thousand Dollars (\$1,500,000.00) to the LWDA for alleged civil penalties. Del Taco also agrees to pay, as part of the Gross Settlement Amount, the Settlement Administrator's costs and fees associated with administering the Settlement, estimated not to exceed One Hundred Fifty Thousand Dollars (\$150,000.00). The Court may award less than these amounts. If lesser amounts are awarded, the difference will be included in the Net Settlement Amount and will be available for distribution to Participating Class Members.

OBJECTING TO THE SETTLEMENT

15. How do I object to the Settlement?

Any Class Member who does not submit a Request for Exclusion may object to the proposed Settlement, or any portion thereof, by completing a written objection ("Notice of Objection"). The Notice of Objection must be signed and mailed by regular U.S. Mail, postmarked no later than **[+45 days from date of mailing]**, to the Settlement Administrator at the following address:

[Settlement Administrator]
[insert info]

The Notice of Objection may also be emailed to the Settlement Administrator at **[insert email address]** no later than **[+45 days from date of mailing]**. The Notice of Objection must (1) state the full name of the Class Member; (2) be signed by the Class Member; (3) state the grounds for the objection; and (4) must be postmarked by **[+45 days from date of mailing]** to the Settlement Administrator at the specified address above or emailed to the Settlement Administrator at **[insert email address]** no later than **[+45 days from date of mailing]**. If you wish to appear at the Court's Final Approval Hearing (see response to Question 17 below) and orally present your objection to the Court, you may do so whether or not you submitted a Notice of Objection to the Settlement Administrator. Any Class Member who submits a Notice of Objection or appears at the Final Approval Hearing to submit an oral objection remains eligible to receive monetary compensation from the Settlement. A Settlement Class Member who submits a Request for Exclusion may not object to the proposed Settlement.

16. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Court you do not like something about the Settlement. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class.

THE COURT'S FINAL APPROVAL HEARING

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezvdeltaco.com]

The Court will hold a hearing to decide whether to approve the Settlement. You may attend the hearing and you may ask to speak, but you don't have to.

17. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing on **[insert time/date]** in Department 21 at the Superior Court of California for the County of Alameda, located at **1221 Oak Street, Oakland, California 94612**. At this hearing, the Court will consider whether the Settlement is fair, adequate, and reasonable. If there are objections, the Court will consider them. The Court will also decide how much to pay Plaintiffs' Counsel and Plaintiffs. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the judge may have. But you are welcome to come. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed or emailed your written objection to the Settlement Administrator on time, the Court will consider it. You may also pay another lawyer to attend on your behalf, but it is not required. Class Counsel will not represent you in connection with any objection.

19. May I speak at the hearing?

If you wish to appear at the Final Approval Hearing and orally present your objection to the Court, you may do so regardless of whether or not you submitted a written objection.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you do nothing, you will automatically receive an Individual Settlement Payment and PAGA Payment, if applicable, as described above and you will be bound by the release of Released Claims against the Released Parties.

GETTING MORE INFORMATION

21. How do I get more information?

This notice summarizes the Settlement. More details are in the Settlement. You may contact Class Counsel or the Settlement Administrator for more information or visit the case website at **[www.torrezdeltaco.com]**.

[Settlement Administrator]
[insert info]

PLEASE DO NOT CONTACT THE COURT FOR MORE INFORMATION ABOUT THE SETTLEMENT.

QUESTIONS? Call xxx-xxx-xxx or visit [www.torrezdeltaco.com]

EXHIBIT 2

INFORMATION SHEET

Superior Court of the State of California, County of Alameda *Torrez v. Del Taco, LLC, Case No. 21CV000111*

Calculation of Individual Settlement Payments: Each Class Member who does not properly request to be excluded from the Settlement will receive a share of the Net Settlement Amount, based upon the number of weeks that he or she was employed by Defendant Del Taco, LLC (“Del Taco”) as a non-exempt employee in California during the period from October 28, 2011 through August 2, 2022 (“Qualified Workweeks”). Individual Settlement Payments will be calculated as follows:

Del Taco will provide the Settlement Administrator with the total number of Qualified Workweeks worked by all Participating Class Members (“Total Qualified Workweeks”). Then, the Settlement Administrator will (1) divide the Net Settlement Amount by the Total Qualified Workweeks, resulting in a value for each workweek worked by Participating Class Members, and then (2) multiply each Participating Class Member’s number of Qualified Workweeks by the result in (1) to obtain the estimated amount of the Participating Class Member’s Individual Settlement Payment.

Calculation of PAGA Payments: Each person who was employed by Del Taco during the period from January 28, 2015 through August 2, 2022 (“PAGA Group Members”), will also receive a PAGA Payment, based upon the number of weeks that he or she actually worked for Del Taco as a non-exempt employee in California during the period from January 28, 2015 through August 2, 2022 (“Qualified PAGA Workweeks”). PAGA Payments will be calculated as follows:

Del Taco will provide the Settlement Administrator with the total number of Qualified PAGA Workweeks worked by all PAGA Group Members (“Total Qualified PAGA Workweeks”). Then, the Settlement Administrator will (1) divide Five Hundred Thousand Dollars (\$500,000.00) by the Total Qualified PAGA Workweeks, resulting in a value for each workweek worked by PAGA Group Members, and then (2) multiply each PAGA Group Member’s number of Qualified PAGA Workweeks by the result in (1) to obtain the estimated amount of the PAGA Group Member’s PAGA Payment.

Please note that your Individual Settlement Payment and PAGA Payment will be issued in one check.

Your Workweeks and Estimated Payment:

According to Del Taco’s records, you worked <<Workweeks>> Qualified Workweeks during the Class Period and <<Workweeks>> Qualified PAGA Workweeks during the PAGA Period.

Based upon your number of Qualified Workweeks and Qualified PAGA Workweeks, **your estimated Individual Settlement Payment is <<EstSettPayment>> and your estimated PAGA Payment is <<EstSettPayment>>**. Please note that this is only an estimate; your actual payment may be greater or smaller than the amount reported above.

Procedure for Disputing Information: If you wish to dispute the number of Qualified Workweeks and/or Qualified PAGA Workweeks attributed to you as listed above, you must mail or email a letter to the Settlement Administrator stating the reasons why you dispute your number of Qualified Workweeks and/or Qualified PAGA Workweeks and provide any supporting documentation that you have (e.g., paystubs). Your letter should also include the estimated number of weeks that you claim to have performed work for Del Taco as a non-exempt employee in California during the time period from October

28, 2011 through August 2, 2022 and during the time period from January 28, 2015 through August 2, 2022.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the address listed below by First Class U.S. Mail, postmarked no later than **[Response Deadline]**.

[Administrator] Address] [City, State Zip]

You may also email a letter stating the reasons why you dispute your number of Qualified Workweeks and/or Qualified PAGA Workweeks and provide supporting documentation to the Settlement Administrator at **[insert email address]** no later than **[Response Deadline]**. Del Taco's records regarding the number of Qualified Workweeks and number of Qualified PAGA Workweeks will be presumed correct, unless you provide documentation to the Settlement Administrator that establishes otherwise. The Settlement Administrator will evaluate the evidence submitted by you and will make the final decision as to the number of Qualified Workweeks and Qualified PAGA Workweeks that should be applied and/or the Individual Settlement Payment to which you may be entitled.

EXHIBIT 3

REQUEST FOR EXCLUSION FORM

**Superior Court of the State of California, County of Alameda
Torrez v. Del Taco, LLC, et al., Case No. 21CV000111**

If you want to receive an Individual Settlement Payment, you should not fill out this form; you are not required to do anything at this time. This form is to be used only if you want to exclude yourself from the Settlement.

If you exclude yourself from the Settlement: (1) you will not receive any payments or benefits under the Settlement, unless you are a PAGA Group Member, and your non-PAGA portion of the Settlement will be distributed to the other Participating Class Members; (2) you will not be able to object to the Settlement; (3) you will not be bound by the Settlement if it is ultimately approved by the Court; and (4) you may pursue any claims which are asserted in the Actions that you have against Del Taco, LLC (“Del Taco”) by filing your own lawsuit.

To be excluded from the Settlement, complete this Request for Exclusion Form and mail it to the Settlement Administrator at the address listed below, postmarked no later than [Response Deadline], or email it to the Settlement Administrator at [insert email address] no later than [Response Deadline].

[Administrator Address] [City, State Zip] [Email Address]
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Request for Exclusion

I hereby certify that I am or was employed by Del Taco as a non-exempt employee in California for some period of time during the Class Period of October 28, 2011 through November 12, 2021.

I have received the Notice of Class Action and PAGA Settlement (“Notice”) in the Action, and I request to be excluded from the Settlement. I understand that by submitting this Request for Exclusion Form, I will not receive any money or other benefits under the Settlement, unless I am a PAGA Group Member, and I will not be bound by the Settlement, including the release of Released Claims, as described in the Notice and in the Settlement Agreement on file with the Court.

Please print legibly:

Full Name: _____

Street Address: _____

City, State, Zip Code: _____

Signature of Class Member (or Legal Representative): _____

Date: _____