

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

IMPORTANT LEGAL NOTICE

Jose Martinez v. Gordo Taqueria #1, Inc., et al.
Superior Court for the County of Alameda, Case No. RG16842777

THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT MAY AFFECT YOU

YOU ARE NOT BEING SUED

TO: ALL PERSONS CURRENTLY OR FORMERLY EMPLOYED BY GORDO TAQUERIA IN CALIFORNIA AS NON-EXEMPT HOURLY EMPLOYEES, INCLUDING PREP COOKS, LINE COOKS, BURRITO-MAKERS, DISHWASHERS, AND MANAGERS, AT ANY TIME FROM DECEMBER 16, 2012 TO SEPTEMBER 24, 2017 (“CLASS MEMBERS” or the “CLASS”).

1. Why Did I Receive This Notice?

A proposed settlement has been reached in a lawsuit that may affect your rights.

This lawsuit is against Gordo Taqueria #1, Inc. (2252 Clement Street, San Francisco), Gordo Taqueria #2, Inc. (1239 9th Avenue, San Francisco), Gordo Taqueria #3, Inc. (1423 Solano Avenue, Albany), Gordo Taqueria #5, Inc. (2989 College Avenue, Berkeley), Gordo Taqueria #6, Inc. (5450 Geary Boulevard, San Francisco), Gordo Taqueria #7 (2404 Telegraph Avenue, Berkeley), Dick Yamagami and Manuel Hernandez (collectively “Gordo Taqueria”). Jose Martinez (“Plaintiff”) was formerly employed by Gordo Taqueria as a dishwasher and prep cook. He brought this class action lawsuit on behalf of himself and the Class Members against Gordo Taqueria.

You are receiving this notice because according to Gordo Taqueria’s records, you worked for one or more of the six Gordo Taqueria locations in the Bay Area at some time between December 16, 2012 and September 24, 2017 (“Class Period”). This means you are a potential Class Member, and you have a right to know about the proposed settlement. This notice explains the lawsuit, the proposed settlement, your legal rights, what payments may be available, and how to receive them.

2. What Is the Lawsuit About?

Plaintiff filed a proposed class action lawsuit on behalf of himself and the Class. Plaintiff claims that Gordo Taqueria violated the law by:

- (1) Failing to distribute all earned tips to employees for up to a year, and also using tips to pay for business expenses;
- (2) Failing to pay overtime and/or double-time premium rates;
- (3) Scheduling Plaintiff and Class Members at different locations in order to avoid the payment of overtime and/or double-time hours;
- (4) Failing to provide a second off-duty, uninterrupted meal period on days in which Plaintiff and Class Members worked more than ten hours;
- (5) Failing to authorize and permit rest periods;
- (6) Failing to provide paid sick leave or inform employees of their right to paid sick leave;
- (7) Failing to compensate for all earned wages due either upon termination or within 72 hours of quitting without notice;
- (8) Failing to provide accurate wages statements including all legally required information; and
- (9) Failing to keep basic required payroll and time records.

Plaintiff sought unpaid wages and gratuities, interest, and penalties, as well as attorneys’ fees and costs for himself and Class Members.

Gordo Taqueria denies Plaintiffs’ allegations. **The Court has not made any decision about the claims in this lawsuit.** By issuing this Notice, the Court is not suggesting either side would win or lose if this case went to trial.

3. What Is a Class Action?

A class action is a legal proceeding where one or more persons sue not just for themselves, but for other people who have similar claims (forming a “class” or a group of people).

4. Background of Settlement

Plaintiff’s lawyers (“Class Counsel”) have conducted extensive investigation and discovery and reached a settlement with Gordo Taqueria after extensive negotiations with the assistance of a neutral mediator.

Plaintiff and the attorneys for both sides believe the settlement is fair, reasonable, and adequate, and in the best interests of the Class Members considering the uncertain outcome, risks, costs, and time involved in further litigation, trial, and possible appeals.

5. What Are the Terms of the Proposed Settlement?

Gordo Taqueria has agreed to pay \$690,000.00 (“Settlement Fund”) to settle this case. This money is used to pay the Settlement Administrator to finalize the settlement, the California Labor and Workforce and Development Agency, the Plaintiff for his service to the Class (“Class Representative Service Award”), and Class Counsel’s fees and costs. The remainder of the Settlement Fund after paying these costs and expenses is the Net Settlement Fund that will be distributed to Class Members.

6. How Much Will My Settlement Payment Be?

Your payment will be distributed from the Net Settlement Fund. The Net Settlement amount will be distributed on a pro rata basis to each of the Settlement Class Members, based on the formula created by both parties. Your payment will be calculated based upon your last hourly rate during the Class Period, the number of hours worked during the Class Period, number of hours worked during the period in which Plaintiff alleges that all hours worked were paid at the regular pay rate (“Regular Pay Period”), and whether you separated your employment with Gordo Taqueria during the Class Period.

If you disagree with your estimated Settlement Payment, you may challenge the information used to calculate your Settlement Payment and provide evidence establishing that you should be owed a different Settlement Payment using the challenge procedure provided in the Settlement Share Form. The Settlement Administrator will evaluate the evidence you submit and resolve the dispute.

7. When Will I Receive My Payment and What Do I Have To Do?

Class Members who do not opt out will receive payments within 30 days after final court approval of the Settlement and after all rights to appeal or review are exhausted or any appeal or review has been resolved in favor of the Settlement.

You must cash your check within 90 days of when the check is issued. The check will be void after 90 days, and the Settlement provides that money will be redistributed to other Class Members in certain circumstances.

You do not pay any out-of-pocket costs for participating in the Settlement.

8. What Are My Legal Rights and Options Under the Settlement?

Do Nothing	If you do nothing, you will receive a payment under the Settlement if the Court grants final approval of the Settlement. You will release all claims covered by the Settlement. You do not have to do anything to receive a payment.
Exclude Yourself or “Opt Out”	If you "opt out," you will NOT receive any money and you will not release your claims against Gordo Taqueria. To request to be excluded from the Settlement, you <u>must</u> mail a written, signed request to be excluded from the Settlement to the Settlement Administrator, at the address below, on or before March 1, 2019. Any request for exclusion not postmarked on or before March 1, 2019 will be void unless the Court agrees to review the late exclusion.
Object to the Settlement	Any Class Member may object to the Settlement. If you wish to object, you must do so in writing and must state the basis for your objection(s). To object, you <u>must</u> prepare an objection, <u>sign it</u> , and submit it to the Settlement Administrator at the address below. Any objection not filed or postmarked on or before March 1, 2019 will be void unless the Court agrees to review the late objection.

9. What if I Have Questions?

If you have questions, please contact Class Counsel or the Settlement Administrator.

Class Counsel: LEGAL AID AT WORK Carole Vigne Katherine Fiester 180 Montgomery Street, Suite 600 San Francisco, CA 94104 (415) 864-8848	Settlement Administrator: Martinez v. Gordo Taqueria #1, Inc. et al. P.O. Box 26170 Santa Ana, CA 92799 (888) 369-3780
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DO NOT CONTACT THE COURT OR THE ATTORNEYS FOR GORDO TAQUERIA FOR INFORMATION REGARDING THE SETTLEMENT OR THE CLAIM PROCESS.

10. Who Is the Settlement Administrator?

The Settlement Administrator is a company hired by the Parties to administer the Settlement. The parties have agreed to use Simpluris, Inc. as the Settlement Administrator.

The Settlement Administrator's duties include calculating settlement payments, processing challenges, objections and exclusions, making payments to the Class Members, and answering any questions you may have. The costs of administering the Settlement, which are estimated to be no more than \$12,000.00, will be deducted from the Settlement.

11. How Will the Lawyers and the Representative for the Class Be Paid?

Class Counsel will request Court approval for reimbursement of actual litigation costs up to \$10,000, and payment of attorneys' fees of up to no more than 25% of the total Settlement Fund, after the litigation costs have been deducted. The Court decides whether or not to award the attorneys' fees and costs requested. The attorneys' fees are for legal services provided, and to be provided, to the Class.

Class Counsel will also ask the Court to approve a Class Representative Service Award of \$10,000 to the named Plaintiff, Jose Martinez, for his time and willingness to accept the risks of bringing this case. This award would be in addition to the amount he is owed under the settlement as a Class Member.

12. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

A Final Fairness Hearing will be held before the Honorable Brad Seligman on April 2, 2019, at 3:00 p.m. in Department 23 of the Alameda County Superior Court, located at 1221 Oak Street, 4th Floor, Oakland, California 94612, to determine whether the proposed Settlement is fair, reasonable, and adequate. The hearing may be continued without further notice.

You do not need to appear at this hearing unless you wish to object to the Settlement. If you have sent a written objection, you may appear at the hearing if you choose to do so.

13. What Is Being Released as Part of the Settlement?

If the Court grants Final Approval to the settlement, the Class Members who have not opted out will fully release Gordo Taqueria from liability for any claims that were asserted or could be asserted based on the facts alleged in the Second Amended Complaint in the Class Action. Released claims include all claims under California law related to failure to pay all owed gratuities and in a timely manner, failure to pay overtime and double-time wages for overtime and double-time hours worked, failure to provide meal periods, failure to authorize and permit rest periods, failure to provide paid sick leave, failure to provide accurate wage statements, failure to keep accurate payroll records, and waiting time penalties.

All of the released claims just mentioned expressly include any and all penalties established by the Private Attorneys General Act for any of the claims just described. In addition to releasing the claims just mentioned against Gordo Taqueria, Class Members who do not opt out will also release claims against Gordo Taqueria's former and current parents ("parent" is a legal term referring to a relationship between two companies), subsidiaries, affiliated corporations, officers, directors, employees, partners, shareholders and agents; and any other successors, assigns, or legal representatives.

14. Can I Be Retaliated Against for Participating in the Settlement?

The law prohibits Gordo Taqueria from retaliating against employees for exercising their rights under the law. Therefore, Gordo Taqueria cannot fire you, demote you, harass you, classify you as ineligible for rehire, or retaliate against you in any other way because you choose to participate in the Settlement.

15. Getting More Information about the Settlement

This Notice contains a summary of the basic terms of the settlement. For the precise terms, you may review the Settlement Agreement.

The pleadings and other records in this litigation, including the Settlement Agreement, may be examined online on the Alameda County Superior Court's website, known as DomainWeb, at <https://publicrecords.alameda.courts.ca.gov/PRS/>. After arriving at the website, click the "Search By Case Number" link, then enter RG16842777 as the case number and click "SEARCH." Images of every document filed in the case may be viewed through the "Register of Actions" at a minimal charge.

You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings. You may also contact the Settlement Administrator by phone at (888) 369-3780 and Class Counsel at the number listed above.

The Settlement Agreement, this Class Notice, and other important documents related to this case and Settlement, are also available at: www.gordotaqueriasettlement.com.

IMPORTANT:

- 1. If you move or change your address, send the Settlement Administrator your new address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Settlement Payment.**
- 2. It is strongly recommended that you keep a copy of any challenge, request for exclusion and/or objection that you submit, and proof of timely mailing until after the Final Approval hearing.**