

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

**Preguntas Respecto al Acuerdo o Este Aviso**

*Si tuviera Vd. alguna pregunta acerca de este acuerdo propuesto o este aviso, puede ponerse en contacto con los abogados que representan la clase de demandantes por teléfono (888) 843-5290 o por correo. Su dirección se encuentra más abajo en Sección VI.*

JOSE AYALA on behalf of himself and all )  
others similarly situated, )  
)  
Plaintiff, )  
v. )  
)  
NORM'S RESTAURANTS, a California )  
Corporation, and DOES 1 through 500, )  
Inclusive, )  
)  
Defendants. )  
\_\_\_\_\_ )

Case No.: 05CC00012

**NOTICE OF PENDENCY OF CLASS ACTION PROPOSED  
SETTLEMENT AND HEARING DATE FOR COURT  
APPROVAL**

Dept.: CX104

**TO ALL PERSONS EMPLOYED BY NORM'S RESTAURANTS IN CALIFORNIA AS A NON-EXEMPT HOURLY RESTAURANT EMPLOYEE AT ANY TIME BETWEEN JANUARY 21, 2001 AND \_\_\_\_\_, 2006 (the "Class Period").**

**YOU MAY GET MONEY FROM A CLASS ACTION SETTLEMENT.**

**PLEASE READ THIS NOTICE CAREFULLY, AS IT MAY AFFECT YOUR RIGHTS. YOU ARE NOT BEING SUED.  
HOWEVER, YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT.**

**I. INTRODUCTION**

This notice is to inform you of a proposed settlement of this class action brought against Defendant Norm's Restaurants (hereinafter "Norm's"). If you are or were a non-exempt hourly restaurant employee of Norm's at any of its California restaurants, at any time between January 21, 2001 and \_\_\_\_\_, 2006 ("Class Members"), you are a Class Member affected by the lawsuit.

The Orange County Superior Court (the "Court"), on \_\_\_\_\_, 2006, gave preliminary approval to the settlement of this lawsuit and ordered that this notice be sent to you. The Court has also scheduled a further hearing on \_\_\_\_\_, 2006, at \_\_\_\_\_, to determine if the settlement should be given final approval. This notice summarizes the proposed settlement and advises you of your right to file a claim with respect to the proposed settlement of the case, your right to opt out of the proposed settlement, and your right, in the event you do not want to participate in the settlement, to file an objection to the settlement with the Court.

**II. NATURE OF THE CASE**

On January 21, 2005, Plaintiff Jose Ayala ("Plaintiff") filed a Complaint alleging broadly that hourly paid employees who worked for Norm's in California during the Class Period were not paid all wages owed to them and not allowed to take meal periods and rest breaks as required by California law. Norm's denies each and all of the claims and contentions alleged by Plaintiff. Nevertheless, Norm's has concluded that further conduct of the lawsuit would be protracted and expensive, and that it is desirable that Plaintiff's claims be fully and finally settled in the manner and upon the terms and conditions set forth in the settlement. Please be advised that the Court has not ruled on the merits of Plaintiff's claims or Norm's' defenses.

**III. DEFINITION OF THE CLASS**

For settlement purposes, the Court has conditionally defined the "Class" as follows: All current and former non-exempt employees of Defendant Norm's Restaurants who were or are employed in the State of California between the dates January 21, 2001 and \_\_\_\_\_, 2006.

If you are included in the Class as defined above, the proposed settlement will affect your rights and obligations, and will entitle you to a monetary award, unless you opt out of the Class. To receive the monetary award, you must submit a valid and timely claim form. To opt out of the Class, see Section VIII.C below.

**IV. SUMMARY OF PROPOSED SETTLEMENT**

Subject to Court approval, the Class Representative (Plaintiff) acting on your behalf and Norm's have agreed upon a proposed settlement under which this case will be resolved without a trial. The settlement includes:

**A. Monetary Relief to the Class Members**

Norm's will pay a maximum of One Hundred and Twenty Five Thousand Dollars (\$125,000) in consideration for settlement of the action and related release and dismissal with prejudice of the class claims. Each Class Member that submits a valid and timely claim form, except for any such individuals who opt out of the Class by submitting timely and valid written requests for exclusion, shall receive a share of the total calculated based on the number of weeks worked during the Class Period (January 21, 2001 and \_\_\_\_\_, 2006). **It is currently estimated that a Payout Fund of \$60,000 will be available for distribution to the Class.**

**B. Distribution**

No later than sixty (60) days after the Effective Date, the Claims Administrator shall by first-class mail, send each Class Member that submits a valid and timely claim form, except for any such individuals who opt out of the Class by submitting timely and valid written requests for exclusion, a check in the amount determined by the distribution formula.

**C. Effective Date**

The Effective Date shall be the date when all of the following have occurred: (1) the Court has finally approved, signed, and entered the Settlement Agreement; (2) the Court has entered an Order and Judgment dismissing the Action with prejudice, with continuing jurisdiction limited to enforcing the Settlement Agreement; and (3) the time for appeal has either run without an appeal being filed or any appeal has been finally resolved.

**D. Service Payment for Class Representative**

In consideration for his services as the Class Representative, Plaintiff will receive a service payment in the amount of Five Hundred Dollars (\$500), subject to Court approval.

**E. Attorneys' Fees and Expenses**

Subject to Court approval, Norm's shall pay Plaintiff's counsel their attorneys' fees and expenses in connection with their services performed and expenses incurred in this Action prior to the Effective Date, in the following amounts: (1) Thirty Seven Thousand, Five Hundred Dollars (\$37,500) in attorneys' fees; and (2) Two Thousand Dollars (\$2,000) in costs upon proof to the Court before payment is made, both of which amounts will be deducted from the settlement fund.

**V. RELEASE OF CLAIMS**

Unless you file an opt out notice pursuant to Section VIII below, you will be bound fully by the terms of the proposed settlement. Specifically, you will be deemed to have released any and all wage and hour claims, including but not limited to the claims that were alleged in the Complaint or that reasonably could have arisen out of the same facts alleged in the Complaint, including any Business and Profession Code §17200 claims, in connection with your employment with Norm's Restaurants, in California from January 21, 2001 through \_\_\_\_\_, 2006, including all claims for injunctive or equitable relief, monetary award, attorneys' fees and costs, punitive damages, and waiting time penalties.

The release will cover these claims even if the Class Member was not aware of the claims at the time of the settlement. With respect to the released claims only, each Class Member waives any and all rights or benefits under California Civil Code §1542, which provides:

**“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”**

**VI. COUNSEL**

**The following law firms have been designated by the Court as Class Counsel:**

Jose R. Garay  
JOSE GARAY, APLC  
2030 Main Street, Suite 1300  
Irvine, California 92614  
(949) 260-9193; Facsimile: (949) 260-9194

Roger Carter  
THE CARTER LAW FIRM

**The following attorneys are counsel for Norm's Restaurants**

Greg S. Labate  
Scott B. Lieberman  
SHEPPARD, MULLIN, RICHTER & HAMPTON LLP  
650 Town Center Drive, 4th Floor  
Costa Mesa, California 92626  
(714) 513-5100; Facsimile: (714) 513-5130

2030 Main Street, Suite 1300  
Irvine, California 92614  
(949) 260-4737; Facsimile: (949) 260-4754

**VII. HEARING ON PROPOSED SETTLEMENT**

A hearing to determine whether the proposed settlement is fair and reasonable and should be finally approved will be held on April 27, 2007, at 10:00 a.m., in the Courtroom of the Honorable Thierry Colaw, Superior Court for the County of Orange, Complex Civil, Department CX104, 751 West Santa Ana Blvd., Santa Ana, California. **It is not necessary for you to attend the hearing.**

**VIII. YOUR OPTIONS AS A CLASS MEMBER**

As a Class Member, you have three options available to you at this time:

**A. You must submit a claim form to participate in the monetary relief** of this settlement agreement by submitting a written Claim Form in the form attached as Exhibit "A" hereto by mailing your claim form to the Claims Administrator identified below. Your claim form must be postmarked on or before \_\_\_\_\_, 2006. If you submit a claim form, you will receive a check for your portion of the monetary award, subject to the Court's final approval of the settlement.

**Norm's Class Action Claims Administrator**  
**c/o Desmond, Marcello & Amster**  
P.O. Box 451999  
Los Angeles, CA 90045  
Phone: (310) 216-1400

**B. You may object to the proposed settlement** in writing. All written objections must be mailed to: Clerk of the Court, Department CX104, Orange County Superior Court, 751 West Santa Ana Blvd., Santa Ana, California 92701, with copies sent to all law firms identified above in Section VI, and be postmarked on or before \_\_\_\_\_, 2006. If you wish to object to the settlement, you or your attorney must notify the Clerk of the Court and the attorneys for the parties as described in Section VI of this notice.

**C. You may exclude yourself from the monetary relief** of this lawsuit by filing a written "opt out" statement in the Request For Exclusion From Class Form attached as Exhibit "B" hereto by mailing your opt out statement to the Claims Administrator identified above in Section VIII. Your opt out statement must be postmarked on or before \_\_\_\_\_, 2006. If you opt out of this lawsuit, you will have no right to receive any monetary award under the settlement, and you will not be bound by the release agreement in this action.

**IX. ADDITIONAL INFORMATION**

**A. Inspection of Pleadings/Other Records**

The pleadings and other records in this litigation, including complete copies of the Settlement Agreement, may be examined during regular court hours at the office of the Clerk of the Court, Orange County Superior Court, 751 West Santa Ana Blvd., Santa Ana, California, or you may obtain copies of any of these documents at your own expense by contacting the Clerk of the Court.

**B. Questions Regarding the Settlement or This Notice**

If you have any questions about the proposed settlement or this notice, you may contact Class Counsel by mail or telephone (888) 843-5290 at the address identified above in Section VI.

**C. Preguntas Respecto al Acuerdo o Este Aviso**

Si tuviera Ud. alguna pregunta acerca de este acuerdo propuesto o este aviso, puede ponerse en contacto con los abogados que representan la clase de demandantes por teléfono (888) 843-5290 o por correo. Su dirección se encuentra más arriba en Sección VI.

**D. Change of Address**

It is important for the parties to have your current address in order to be able to send you other mailings regarding the action. You should contact Class Counsel by mail to report any change of your address. Failure to report a change of address may result in a Class Member being barred from receiving the monetary benefits of the settlement.

**DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE. THE CLERK IS NOT ABLE TO PROVIDE ANY INFORMATION OR ADVICE REGARDING THIS NOTICE.**

**BY ORDER OF THE SUPERIOR COURT FOR THE COUNTY OF ORANGE.**

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