

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

HUMBERTO PICENO, individually, and on behalf of all
other similarly situated current and former employees of
TACOS MEXICO, INC.,

Plaintiffs,

vs.

TACOS MEXICO, INC., a California corporation, and DOES
1 through 100, inclusive,

Defendants.

CASE NO. BC 322566

NOTICE OF PENDENCY AND SETTLEMENT OF
CLASS ACTION; SETTLEMENT HEARING; CLAIM,
CONSENT, AND EXCLUSION PROCEDURES

**ATTENTION: EMPLOYEES OF TACOS MEXICO, INC.,
AND TACOS MEXICO RESTAURANTS**

TO: ALL PERSONS WHO, AT ANY TIME FROM OCTOBER 6, 2000 TO APRIL 1, 2004, WERE EMPLOYED AT A RESTAURANT IN CALIFORNIA OWNED AND OPERATED BY TACOS MEXICO, INC.; OR WHO, AT ANY TIME FROM OCTOBER 6, 2000, TO SEPTEMBER 30, 2005, WERE EMPLOYED BY A TACOS MEXICO RESTAURANT IN CALIFORNIA NOT OWNED AND OPERATED BY TACOS MEXICO INC.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY LITIGATION NOW PENDING IN THE ABOVE-ENTITLED COURT.

YOU ARE HEREBY NOTIFIED that there is now pending in the Superior Court of the State of California, County of Los Angeles, an action ("the Litigation") on behalf of all persons who were employed on an hourly basis at a Tacos Mexico Restaurant in California owned and operated by Tacos Mexico, Inc., at any time between October 6, 2000 and April 1, 2004; and, on behalf of all persons who were employed on an hourly basis at a Tacos Mexico Restaurant in California not owned and operated by Tacos Mexico, Inc., at any time between October 6, 2000 and September 30, 2005.

The Plaintiffs in the Litigation allege that Tacos Mexico, Inc. violated provisions of California Labor and Wage and Hour law by failing to pay overtime wages for time worked in excess of 8 hours per day, or 40 hours per week. The Defendant denies all of the allegations made by Plaintiffs in the complaint. The Defendant specifically denies that it violated California Labor law or Wage and Hour law or any related statute or regulation.

This Notice is provided for the purpose of informing you of:

1. The pendency of the Litigation;
2. The conditional certification of two classes of which you may be a member;
3. The proposed Settlement of the Litigation;
4. The procedure for making a claim pursuant to the settlement; and,
5. Your right to, and procedures for, exclusion from the classes.

The two classes certified by the Court are as follows:

Class A: All full-time (36 hours per week or more) hourly-paid employees of Tacos Mexico, Inc., from October 6, 2000 to April 1, 2004, for whom Tacos Mexico, Inc. has employment records;

Class B: All full-time (36 hours per week or more) hourly-paid employees of Tacos Mexico Restaurants in California, which were not operated by Tacos Mexico, Inc., from October 6, 2000, to September 30, 2005, who are able to establish their status as employees during the relevant time period.

The Court has given preliminary approval to settlement of the Litigation, which provides for the establishing of a fund in the amount of \$265,000.00 for payment of Class A claims, and \$50,000.00 for payment of Class B claims. The settlement provides that each person submitting a timely, valid claim, will receive a share of his or her respective fund in proportion to the claimant's percentage of the total wages earned by members of the class during the relevant time period. The amount to be received by each individual will depend upon the total amount of wages earned by that individual, and will vary from claimant to claimant. The settlement also provides for payment of an incentive award of \$10,000.00 to each of the four class representatives, and for attorneys fees not to exceed \$250,000.00 to Class Counsel.

Members of the Plaintiff Classes will not be personally responsible for any attorneys fees or costs of the Litigation unless they retain their own counsel, in which case such class members will be responsible for their own attorneys fees and costs.

If you are a member of, *and wish to remain*, a member of either Class A or Class B, you must complete and return the enclosed Claim Form, which must be post-marked no later than 60 days from the date of mailing of this Notice. If you fail to complete and return the Claim Form within the foregoing time, you will be barred from participating in the settlement.

If you are a member of, *and wish to be excluded from* the Plaintiff Classes, you must timely deliver a written request for exclusion to all of the following addresses:

The Court:

Clerk of the Court, Department 16
Los Angeles County Superior Court
111 North Hill Street
Los Angeles, California 90012

Class Counsel:

Counsel, Tacos Mexico Litigation
RASTEGAR & MATERN, ATTORNEYS AT LAW, A P.C.
1010 Crenshaw Boulevard, Suite 100
Torrance, California 90501
(310) 218-5500

Defense Counsel:

Counsel, Tacos Mexico Litigation
SHEPPARD MULLIN RICHTER & HAMPTON LLP
333 South Hope Street, Suite 48th Floor
Los Angeles, California 90071-1448

Claims Administrator:

Tacos Mexico Litigation
c/o Desmond, Marcello & Amster
P.O. Box 451999
Los Angeles, CA 90045

Such request must refer to Piceno v. Tacos Mexico, Inc., Los Angeles County Superior Court Case No. BC 322566, provide the name, address, and telephone number of the person requesting exclusion, and clearly state that such person requests exclusion from the Plaintiff Classes.

A request will not be deemed timely, and you will not be excluded from the Plaintiff Classes unless the request is actually received by the Clerk of the Court, Class Counsel, Defense Counsel, and the Claims Administrator within 30 days of the date of mailing of this Notice. If you fail to exclude yourself from the class, you will be bound by the settlement agreement, regardless of whether or not you elected to participate in the settlement by timely submitting a Claim Form. (I.e., if you fail to submit a Claim Form, and fail to exclude yourself from the Classes, you will be barred from participating in the settlement, and you will also lose any right to pursue your claims independently of the Litigation). If you validly and timely request exclusion from the Plaintiff Classes, you will be excluded from the Plaintiff Classes and will not be bound by the settlement.

If you do not submit a timely exclusion and you are a member of the class established by the Court, you will be forever barred from asserting any rights, claims, or causes of action of whatever kind or nature with respect to matters which are or could have been the subject of this case. The terms of the settlement and the effect that this case has on your rights is governed by the Settlement Agreement filed with the Court and, in the event of any conflicts between this notice and the Settlement Agreement, the terms of the Settlement Agreement shall govern.

A Final Settlement Approval Hearing will be scheduled in Department 16 of the above-entitled Court, located at 111 North Hill Street, Los Angeles, California 90012. If you wish to object to the settlement and timely follow the procedures below, you will be provided with notice of the Final Settlement Approval Hearing. You may object to this settlement by delivering a written statement objecting to the settlement to all of the following, at the addresses above: The Court, Class Counsel, and Defense Counsel. Such objection must be received by the Court, Class Counsel, and Defense Counsel no later than 30 days from the date of mailing of this Notice. No Class Member shall be entitled to be heard at the Final Settlement Approval Hearing (whether individually or through separate counsel), or to object to the settlement, and no written objections or briefs submitted by any Class Member shall be received or considered by the Court at the Final Settlement Approval Hearing, unless written notice of the Class Members intention to appear at the hearing, and copies of any written objections or briefs, shall have been delivered to the Court, Class Counsel, and Defense Counsel no later than 30 days following the mailing of this Notice.

You may direct any questions you have concerning the matters contained in this Notice to Class Counsel at the address and telephone number provided above.

The pleadings and other records in this Litigation may be examined and copied during the regular business hours of the Court between 8:30 a.m. and 4:30 p.m. in the Civil Records Department of the Central District Courthouse, located at 111 North Hill Street, Los Angeles, California 90012.

IT IS ILLEGAL FOR ANY EMPLOYER TO RETALIATE AGAINST YOU FOR MAKING A CLAIM OR OTHERWISE PARTICIPATING IN THIS CLASS ACTION.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK.

BY ORDER OF THE LOS ANGELES COUNTY SUPERIOR COURT
HONORABLE RITA MILLER