1 IN THE UNITED STATES DISTRICT COURT 2 3 4 JANE ROE, et al., 5 Plaintiffs, 6 7 SFBC MANAGEMENT, LLC, et al., 8 Defendants. 9 JANE ROES 1 AND 2, et al. 10 Plaintiffs, 11 v. 12 DÉJÀ VU SERVICES, INC., et al., 13 Defendants. 14 15 16 17 18 19 20 21 22 23 24 25 26 27

NORTHERN DISTRICT OF CALIFORNIA

Case No. 14-cv-03616-LB

Related Case No. 19-cv-03960-LB

AMENDMENT TO RELEASE AND SETTLEMENT AGREEMENT

The Honorable Laurel Beeler

LONG & LEVIT LLP 5 CALIFORNIA STREET 5TH FLOOR SAN FRANCISCO CALIFORNIA 94104

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Case No. 14-cv-03616-LB

On February 11, 2022, Plaintiffs in *Roe v. SFBSC Management, LLC*, Case 3:14-cv-03616-LB (the "San Francisco Action"), ¹ filed a motion for preliminary approval of a settlement reached by the parties in the San Francisco Action and in *Jane Roe 1 and 2 v. Deja Vu Services, Inc., et al.*, Case No. 19-cv-03960-LB (the "San Diego Action," together with the San Francisco Action being the "Actions"). San Francisco Action ECF No. 239. The motion for preliminary approval in the San Diego Action was filed on March 7, 2022. San Diego Action ECF No. 107. On February 25, 2022 and March 21, 2022, objections to the proposed settlement were filed by several class members represented by Lichten & Liss-Riordan, P.C.² *See*, San Francisco Action ECF No. 244; San Diego Action ECF No. 109.

After extensive negotiations between the parties, an agreement has been reached improve the terms of the proposed settlement, which will resolve the objections to the Release and Settlement Agreement in the Actions.

The amendments include a change to paragraph 9.1 of the Release and Settlement Agreement to extend the provision of the Enhanced Terms of Employment from one year to two years after the Final Approval Date, as follows:

9.1 Conversion of Class Members and Entertainers to Employees. As a result of the filing of the San Diego Action and settlement negotiations to resolve the same undertaken between and among the plaintiffs thereof and the Defendants, the Clubs agreed to convert all Class Members who were a party to a Dancer Contract with any one of the Clubs (and who desired to continue to Perform at that Club) to, and to treat all Entertainers who would be Performing in their facilities in the future as, employees in accordance with applicable law. Pursuant to this Settlement and a prior iteration of it in the San Diego Action memorialized as the San Diego Settlement, such conversion has already taken place, with the conversion process having been completed by November 16, 2018. For Settlement Class Members and for other Entertainers who commence or commenced Performing at a Club after the end of the Class Periods, their employment has been on monetary terms that are at least as favorable as

¹ Defined terms used throughout this Amendment to Release and Settlement Agreement have the same meaning as those defined terms in the Release and Settlement Agreement.

² Although they overlap, the groups of objectors in the San Francisco Roe Action and the San Diego Roe Action are not identical. The objectors in the San Francisco Roe Action are: Angelynn Hermes, Nichole Hughes, Devon Locke, Poohrawn Mehraban, Sarah Murphy, Penny Nunez, Elana Pera, Gypsy Vidal, Tiffany Zoumer, and Diana Tejada.

The objectors in the San Diego Roe Action are: Rashele Hamren, Angelynn Hermes, Nicole Hughes, Poohrawn Mehraban, Sarah Murphy, Penny Nunez, Elana Pera, and Gypsy Vidal.

specified for employee-Entertainers in the Limited National Settlement (§ 8.20 thereof, but with 40% dance fee commissions) for the Greater California Clubs and in the San Francisco Settlement (§139 thereof, but with 40% dance fee commissions) for the San Francisco Clubs (collectively, the "Enhanced Terms of Employment"); with these Enhanced Terms of Employment being available to those qualified individuals through at least the one (1) second (2nd) year anniversary after the Final Approval Date, subject to Section 9.10, which permits for conversion to non-employee status if permitted by changes in the law. In such case, the monetary compensation paid by the Clubs to qualified individuals shall not be less, if conversion occurs during such one (1) year period, than what would be afforded under the Enhanced Terms of Employment in this Section 9.1. Irrespective of anything contained in this Agreement to the contrary, the Enhanced Terms of Employment provided for in this Agreement and in the Limited National Settlement shall not be binding upon any legitimate third-party successor of any of the Defendants.

An additional improvement is that the Parties agree that, in addition to the Class Notices and Class Notice procedures set forth in the Settlement Agreement, the Settlement Administrator shall mail a reminder notice to Settlement Class Members no later than 90 days after the third installment payment, or Third Cash Payment (as outlined in Paragraphs 5.5 through 5.5.5), reminding Settlement Class Members to cash their Settlement Checks and advising that, if Settlement Class Members fail to timely cash their Settlement Checks, said monies will be delivered to the California State Controller's Unclaimed Property Fund with instructions as to how to search for and claim such funds.

After further consultation with the Settlement Administrator, it is estimated the Administrative Costs of the settlement will be \$150,000 instead of \$90,000, and the parties agree to amend Paragraphs 2.54 and 5.2(a)(iv) to reflect this updated estimate. The Administrative Costs shall be paid from the Cash Pool—specifically, from the Initial Cash Pool Deposit set forth in Paragraph 5.3(b), which is being held in the trust of account of Defendants' attorney Bradley Shafer of Shafer & Associates P.C. pending preliminary approval of the Settlement and this Court's appointment of the Settlement Administrator. Nothing in this Amendment to Release and Settlement Agreement shall be construed as increasing the amount of the Cash Pool Defendants have agreed to pay under the Settlement Agreement.

Finally, the parties agree that Class Counsel will pay \$50,000.00 from the Attorneys'

Fees and Expenses Award to the law firm Lichten & Liss-Riordan, P.C. related to the attorneys' fees and costs incurred in their representation of objectors to the earlier proposed settlements in the San Diego Action and the San Francisco Action, which included a successful appeal to the Ninth Circuit. The portion of the Cash Pool payable to Settlement Class Members shall not be reduced by any fees or costs paid to Lichten & Liss-Riordan, P.C. from the Attorneys' Fees and Expenses Award; rather, such fees and/or costs shall be paid by Class Counsel to Lichten & Liss-Riordan P.C. from the Attorneys' Fees and Expenses Award to Class Counsel. The timing of any such fee and/or cost payments to the Lichten & Liss-Riordan firm shall be governed by Paragraphs 5.5 through 5.5.5 of the Settlement Agreement.

The parties further agree: (a) to file a supplement to the motion for preliminary approval pursuant to FRCP 23(e)(3) to identify the amendments to the settlement agreement described herein; (b) pursuant to FRCP 23(e)(5)(B)(i) the parties will seek Court approval of their settlement; and (c) all objectors represented by Lichten & Liss-Riordan, P.C. shall formally withdraw their objections and/or opposition to the prior version of the Release and Settlement Agreement (San Francisco Action ECF No. 244 and San Diego Action ECF No. 109) and, if approved, will opt-out of the Settlement in the Actions.

Class Counsel and Defense Counsel expressly represent that they have fully informed their clients who signed the Release and Settlement Agreement of the terms of this Amendment to Release and Settlement Agreement and its effect on the Release and Settlement Agreement and have their consent and authority to enter into this Amendment to Release and Settlement Agreement on their behalf, and that Class Counsel, Defense Counsel, and their clients who signed the Release and Settlement Agreement agree to be bound by the terms of this Amendment to Release and Settlement Agreement. Class Counsel and Defense Counsel further agree that this Amendment to Release and Settlement agreement shall be enforceable pursuant to California Code of Civil Procedure § 664.6.

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1	Dated: June 1, 2022	LONG & LEVIT LLP
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3		/s/ Shane M. Cahill
5		DOUGLAS J. MELTON, SBN 161353 SHANE M. CAHILL, SBN 227972 Attorneys for Defendants
6		SFBSC MANAGEMENT, LLC and the SAN FRANCISCO NIGHTCLUBS
7		
8	Dated: June 1, 2022	THE TIDRICK LAW FIRM LLP
9		
10		/s/ Joel B. Young STEVEN G. TIDRICK, SBN 224760
11		JOEL B. YOUNG, SBN 236662 Attorneys for Plaintiffs JANE ROES 1-21
12		in Case No. 14-cv-03616-LB
13	Dated: June 1, 2022	SOMMERS SCHWARTZ, P.C.
14		
15		/s/ Jason J. Thompson
16		JASON J. THOMPSON JESSE YOUNG
17		Attorneys for Plaintiffs JANE ROE NO. 1 and 2 in Case No. 19-cv-03960-LB
18	Dated: June 1, 2022	NELSON MULLINS
19		
20		/s/ Tammara N. Bokmuller
22		TAMMARA N. BOKMULLER Attorneys for Defendants Déjà Vu Services, Inc.,
23		Harry Mohney, Grapevine Entertainment, Inc. d/b/a Déjà Vu Showgirls; Nite Life East, LLC
24		d/b/a Little Darlings; Coldwater, LLC d/b/a Deja Vu Showgirls; 3610 Barnett Ave., LLC d/b/a
25		Adult Superstore; Jolar Cinema of San Diego, Ltd. d/b/a Jolar Cinema Showgirls; Showgirls of San
26		Diego, Inc. d/b/a Deja Vu Showgirls; Stockton Enterprises, LLC d/b/a Deja Vu Showgirls; Cathay
27		Entertainment, Inc.; and, Eyefull, Inc. d/b/a Déjà Vu Showgirls in JANE ROE NO. 1 and 2 in Case No. 19-cv-03960-LB
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T LLP		5 Case No. 14-cv-03616-LE
4	AMENDMENT 4854-1092-8408, v. 1	TO RELEASE AND SETTLEMENT AGREEMENT

LONG & LEVIT 465 CALIFORNIA STREE 5TH FLOOR SAN FRANCISCO CALIFORNIA 94104

1	Dated: June 1, 2022	PITT MCGEHEE PALMER & RIVERS, P.C.
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3		/s/ Megan A. Bonanni
4		MEGAN A. BONANNI Co-Class Counsel for Plaintiffs JANE ROE NO. 1
5		and 2 in Case No. 19-cv-03960-LB
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