

SETTLEMENT AGREEMENT

This Class Action and Private Attorneys General Act (“PAGA”) Settlement Agreement (“Settlement Agreement”) is made and entered into between Plaintiffs Amber Willis (“Willis”) and Andrew Padilla (“Padilla”) (together, Willis and Padilla are referred to herein as “Plaintiffs” or “Class Representatives”) on the one hand, individually and on behalf of the Class Members and PAGA Settlement Group Members (as defined below), and Defendants Toyota Motor North America, Inc. (“TMNA”) and Toyota Motor Sales, U.S.A., Inc. (“TMS”) (together, TMNA and TMS are referred to herein as “Toyota”) and Catapult Staffing Services, LLC (“Catapult”) (Toyota and Catapult are collectively referred to as “Defendants”). This Settlement Agreement is intended by Plaintiffs and Defendants to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined below), upon and subject to the terms and conditions herein, as follows:

1. Definitions.

As used herein, for the purposes of this Settlement Agreement only, the following terms shall be defined as set forth below:

- 1.1** “Actions” refers to the civil actions entitled: (1) *AMBER WILLIS, an individual, on behalf of herself and all others similarly situated, Plaintiff, vs. CATAPULT STAFFING SERVICES, LLC; TOYOTA MOTOR NORTH AMERICA, INC.; and DOES 1 to 25, inclusive, Defendants*, Case No. CIVSB240117, pending in the California Superior Court for the County of San Bernardino (the “Willis Action”) and the corresponding LWDA letter and (2) *ANDREW PADILLA, on behalf of himself and all others similarly situated, Plaintiff, vs. TOYOTA MOTOR SALES, U.S.A., INC.; and DOES 1 to 100, inclusive, Defendants*, Case No. CIVSB2402154, pending in the California Superior Court for the County of San Bernardino (the “Padilla Action”) and the LWDA letter sent by Padilla.
- 1.2** “Class” or “Class Members” refers to all current and former non-exempt employees employed by Toyota in California and all current and former non-exempt employees employed by Catapult at Toyota facilities in California at any time from January 3, 2020 for Toyota employees and from January 24, 2020 for Catapult employees through April 5, 2025 (the “Class Period”). The term “Class Member” refers to both Participating and Non-Participating Class Members, including Non-Participating Class Members who qualify as PAGA Settlement Group Members. The Class shall be an opt-out class. The Class shall not include those individuals who are named plaintiffs in the “*Reginald Gray, et al. Plaintiffs v. Toyota Motor Sales U.S.A., Inc.*” (Case No. 24STCV22409) matter currently pending in Los Angeles County Superior Court. There are approximately 130 individuals in that action.
- 1.3** “Class Member Address Search” means the Administrator’s investigation and search for Class Member and PAGA Settlement Group Member

mailing addresses using all reasonably available sources, methods, and means including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members or PAGA Settlement Group Members.

- 1.4 “Class Counsel” refers to Justin Hewgill of Employee Justice Legal Group, Ben Travis of Ben Travis Law, APC and Joseph Lavi and Vincent Granberry of Lavi & Ebrahimian, LLP.
- 1.5 “Class Counsel Fees and Costs Award” refers to costs incurred and attorneys’ fees sought by Class Counsel and agreed upon by the Parties for Class Counsel’s litigation and resolution of these Actions, subject to Court approval.
- 1.6 “Class Settlement Notice” or “Notice Packet” refers to the form of direct-mail notice to Class Members substantially in the form attached hereto as **Exhibit A**, as may be modified by the Court, entitled Notice of Settlement of Class Action And Final Approval Hearing.
- 1.7 “Class Period” refers to the period from January 3, 2020 for Toyota employees and from January 24, 2020 for Catapult employees through April 5, 2025. The Class Period shall be the Release Period for the Class.
- 1.8 “Class Representatives” refers to Amber Willis and Andrew Padilla.
- 1.9 “Final” means that the Settlement has been finally approved by the Court. The Settlement shall become “Effective” after it has become Final and (1) the Court of Appeals has rendered a final judgment affirming the Court’s final approval without material modification and the date for further appeal has passed without further appeal; (2) the Court of Appeals has rendered a final judgment affirming the Court’s final approval without material modification and the further appeals have been resolved without material modification of the final approval order; (3) the applicable date for seeking appellate review of the Court’s final approval of the Settlement has passed without a timely appeal or request for review having been made; or (4) upon the date the Settlement becomes Final if no objections to the Settlement have been filed.
- 1.10 “Final Approval Hearing” refers to the hearing at which the Court will make a final determination whether the terms of the Settlement Agreement are fair, reasonable, and adequate for the Class and meet all applicable requirements for approval.
- 1.11 “Final Approval Order” refers to the final order by the Court approving the Settlement following the Final Approval Hearing.
- 1.12 “Total Settlement Amount” (also referred to herein as “TSA”) refers to the maximum settlement payment Defendants shall be obligated to make,

except as provided in Paragraph 19 below: Three Million Eight Hundred Fifty Thousand Dollars And No Cents (\$3,850,000.00) plus all employer-side payroll taxes. The TSA shall include all Settlement Shares, the Court-approved Service Awards to the Class Representatives, the Court-approved Settlement Administration Costs, the Court-approved PAGA Civil Penalties, and the Court-approved Class Counsel Fees and Costs Award. The TSA is non-reversionary. Toyota shall be responsible for paying \$3,500,000 of the Total Settlement Amount, and Catapult shall be responsible for paying \$350,000.

- 1.13** “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.14** “LWDA Payment” means the \$75,000 amount the Parties have agreed to pay the Labor and Workforce Development Agency (“LWDA”) in connection with the settlement of Plaintiff’s PAGA claims, representing 75% of the PAGA Payment.
- 1.15** “Net Settlement Amount” (also referred to herein as “NSA”) shall be defined as the TSA minus the Court-approved Service Awards to the Class Representatives, the Court-approved Settlement Administration Costs, the Court-approved Class Counsel Fees and Costs Award, and the PAGA Civil Penalties. The NSA is the maximum amount that shall be available for distribution to and on behalf of Class Members as Settlement Shares.
- 1.16** “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Settlement Administrator a valid and timely Request for Exclusion.
- 1.17** “Operative Complaint” refers to the Amended Combined Complaint to be filed in the Willis Action or the Padilla Action as described Paragraph 3.1 below.
- 1.18** “PAGA” means the California Labor Code Private Attorneys General Act, Cal. Lab. Code § 2698 *et seq.*
- 1.19** “PAGA Civil Penalties” means the \$100,000 amount the Parties have agreed to allocate to the resolution of any PAGA Settlement Group Member’s claims arising under PAGA. Under PAGA, 75% of the PAGA Civil Penalties will be paid to the LWDA (the “LWDA Payment”). The remaining 25% of the PAGA Payment will be distributed to PAGA Settlement Group Members (the “PAGA Employee Amount”).
- 1.20** “PAGA Employee Amount” means the \$25,000 amount the Parties have agreed to pay the PAGA Settlement Group Members in connection with the settlement of their claims under PAGA, representing 25% of the PAGA Civil Penalties.

- 1.21** “PAGA Payment” refers to the pro rata share of the PAGA Employee Amount payable to each PAGA Settlement Group Member, calculated pursuant to the formula described in Paragraph 6.2.2 below. All PAGA Settlement Group Members, including those who opt out of the class portion of this Settlement, will receive a PAGA Payment.
- 1.22** “PAGA Period” refers to the period from June 12, 2024 through the end of the Class Period for Toyota, and from December 14, 2022 through the end of the Class Period for Catapult.
- 1.23** “PAGA Settlement Group Members” refers to all Class Members employed by Toyota from June 12, 2024 through the end of the Class Period and all Class Members employed by Catapult from December 14, 2022 through the end of the Class Period.
- 1.24** “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.25** “Parties” refers to Plaintiffs and Defendants collectively.
- 1.26** “Plaintiffs’ Released Claims” are those claims defined in Paragraph 12.3 that are released solely by Plaintiffs against the Released Parties.
- 1.27** “Preliminary Approval” refers to the date the Court grants preliminary approval of the Settlement.
- 1.28** “Preliminary Approval Order” refers to the Court’s Order granting Preliminary Approval of the Settlement.
- 1.29** “Released Class Claims” are those claims defined in Paragraph 12.1 that are released by Participating Class Members.
- 1.30** “Released PAGA Claims” are those claims defined in Paragraph 12.2 that are released by PAGA Settlement Group Members.
- 1.31** “Released Parties” means: Defendants and any present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and their related persons and entities.
- 1.32** “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement in accordance with Paragraph 15 and its subparagraphs.
- 1.33** “Response Deadline” refers to a date that is 45 calendar days after the date that the Notice Packet is initially mailed to Class Members and PAGA Settlement Group Members, and is the deadline by which any Class

Member may postmark his or her Objection to the Settlement, Request for Exclusion from the Settlement, or workweek and/or pay period dispute, subject to any extensions as provided in Paragraph 13.3.6 below.

- 1.34** “Service Awards” refers to the Court’s award of a monetary payment to Plaintiffs, to be paid from the Total Settlement Amount, for their services as Class Representatives as described in Paragraph 8 and in return for Plaintiffs’ release of claims as set forth in Paragraph 12.3.
- 1.35** “Settlement” refers to the settlement of the Actions on behalf of the Class under the terms and conditions set forth in this Settlement Agreement.
- 1.36** “Settlement Administration Costs” refers to the costs that the Parties agree to pay the Settlement Administrator, subject to Court approval, for its fees and costs to perform the notice, claims administration, and distribution functions further described in this Settlement Agreement. The Parties anticipate that the Settlement Administration Costs will not exceed \$18,000.
- 1.37** “Settlement Administrator” or “Administrator” refers to the third-party administrator mutually selected by the parties, subject to Court approval, to perform the notice, claims administration, and distribution functions further described in this Settlement Agreement. The Parties agree to use Simplus, subject to Court approval. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 1.38** “Settlement Payment” means, collectively, the Settlement Share (if any) and PAGA Payment (if any) payable to each Class Member under the terms of the Settlement.
- 1.39** “Settlement Share” means each Participating Class Member’s pro rata share of the Net Settlement Amount, calculated pursuant to the formula described in Paragraph 6.1.1 below.

2. Procedural History, Recitals, Filing of First Amended Complaint.

- 2.1** On or about January 3, 2024, Padilla filed a Class Action Complaint.
- 2.2** Padilla’s Class Action Complaint alleged causes of action for: (1) failure to pay wages for all hours worked; (2) failure to pay overtime wages; (3) failure to authorize or permit meal periods; (4) failure to authorize or permit rest periods; (5) failure to provide complete and accurate wage statements; (6) failure to timely pay final wages and (7) unfair business practices.
- 2.3** On or about March 11, 2024, Padilla also filed a PAGA Complaint in San Bernardino Superior Court asserting a claim under PAGA for civil penalties

for the same Labor Code violations alleged in the Class Action Complaint (Case No. CIVSB2402154). This PAGA Complaint was dismissed on December 19, 2024. The Parties agree that all claims that were alleged in Padilla's PAGA Complaint are included within the Actions and are released as a result of this Settlement Agreement.

- 2.4 On or about January 24, 2024, Willis filed a Class Action Complaint. That Class Action Complaint was accepted by the Court as filed on March 25, 2024.
- 2.5 Willis' Class Action Complaint alleged causes of action for: (1) failure to pay regular and overtime wages (off-the-clock work); (2) failure to provide meal breaks or compensation in lieu thereof; (3) failure to authorize and permit rest breaks or compensation in lieu thereof; (4) failure to reimburse expenses; (5) failure to provide accurate wage statements; (6) failure to pay all wages due upon termination; (7) violation of unfair competition law; (8) failure to comply with California quota laws; and (9) wrongful termination in relation to California quota laws.
- 2.6 On or about May 29, 2024, Willis amended her Class Action Complaint to include a claim under PAGA to recover civil penalties for the same Labor Code violations alleged in the Class Action Complaint.
- 2.7 On January 27, 2025, the Parties participated in a mediation session before mediator Daniel J. Turner, an experienced mediator who has mediated numerous wage-hour class actions. The case resolved after Mr. Turner issued a mediator's proposal that the Parties accepted on February 4, 2025.
- 2.8 Defendants deny each of the claims in the Actions, and further deny that they are liable to Plaintiffs, the Class, or PAGA Settlement Group Members and further deny that, for any purpose other than settling these Actions, these Actions are appropriate for class action or representative treatment.
- 2.9 Prior to mediation Plaintiffs obtained, through informal discovery, relevant wage and hour policies and procedures, such as meal and rest break policies, and time and payroll records for the entire Class. The Parties agree that Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) ("*Dunk/Kullar*"). Plaintiffs and Defendants have had an opportunity to evaluate their respective positions on the merits of the claims asserted.
- 2.10 The Parties have engaged in intensive arms-length negotiations with a view toward achieving substantial benefits for the Class, while avoiding the cost, delay and uncertainty of further litigation, trial, and appellate review.

- 2.11** As a consequence of said negotiations, and of Class Counsel's investigation, analysis and discovery, Plaintiffs determined to enter into this Settlement Agreement on the terms and conditions hereinafter set forth, believing such Settlement to be fair, reasonable, and adequate and in the best interests of Class Members. Plaintiffs have determined to execute this Settlement Agreement and urge approval by the Court of the proposed Settlement after considering: (1) the substantial factual and legal defenses asserted by Defendants to the claims asserted in these Actions; (2) the potential difficulties Plaintiffs and Class Members would encounter in establishing the elements of their claims; (3) the substantial benefits that Class Members shall receive pursuant to the proposed Settlement; (4) the fact that the proposed Settlement ensures that Class Members shall receive relief in the most expeditious and efficient manner practicable, and thus much sooner than would be possible were the claims to be litigated successfully through trial and appeal; and (5) the fact that the proposed Settlement allows persons who would otherwise fall within the definition of the Class, if they so desire, to opt out of the Settlement and individually pursue the claims alleged in the Actions.
- 2.12** As set forth above, without admitting any wrongdoing or liability, Defendants are willing to agree to the terms of the proposed Settlement provided that all of the Released Claims (as defined below) are settled and compromised, in order to fully resolve all issues relating to the subject matter of the Actions.
- 2.13** The Court has not granted class certification in the Actions.

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, and of the release and dismissal of all Released Claims, Plaintiffs, on behalf of themselves and as the Class Representatives on behalf of the Class and as PAGA representatives of the State of California on behalf of PAGA Settlement Group Members, and Defendants agree to the terms and provisions of this Settlement Agreement, subject to the approval of the Court.

3. Filing of Amended Combined Complaint, Dismissal

- 3.1** Amended Combined Complaint: Plaintiffs shall prepare an amended complaint and file it in either the Padilla Action or the Willis Action, including all Parties to both actions and all claims and allegations in both actions, including those contained in the pre-litigation LWDA letters filed in both actions (the "Amended Combined Complaint"). No later than five (5) court days before filing the Amended Combined Complaint, Plaintiffs shall provide a draft to counsel for Defendants. Plaintiffs and Defendants shall work together in good faith to ensure the Amended Combined Complaint is coextensive with the claims to be released in connection with this Settlement. Within thirty (30) calendar days after the Amended Combined Complaint is filed, and before the Parties move for preliminary court approval of the Settlement, Plaintiffs shall request that the Court

dismiss the other action in which the Amended Combined Complaint was not filed.

4. Stipulation to Certification and Limitation on Effect of Settlement.

4.1 The Settlement shall not constitute, in this or any other proceeding, an admission of any kind by Defendants, including without limitation, that certification of a class is appropriate or proper or that Plaintiffs could establish any of the requisite elements for class or representative action treatment of any of the claims in the Actions. The Parties stipulate to the certification of the Class for purposes of settlement only. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated, Defendants expressly reserve all rights to challenge certification of a class on all available grounds.

5. Establishment of the TSA.

5.1 Under the Settlement, Defendants shall pay a TSA of no more than \$3,850,000 plus all employer-side payroll taxes owed on the Wage Portion of the Settlement Shares.

5.2 This Settlement shall be made on a non-claims-made basis and will be non-reversionary.

6. Calculation and Distribution of Settlement Payments.

6.1 This Settlement shall be a “non-claims-made” settlement. Each Participating Class Member (i.e., each Class Member who does not submit a timely and valid Request for Exclusion) will be entitled to a Settlement Share from the NSA calculated in accordance with the formula set forth below.

6.1.1 A Participating Class Member’s Settlement Share shall be calculated by (i) dividing the NSA by the total number of workweeks worked by all Participating Class Members during the Class Period, to arrive at a value per workweek, and then (ii) multiplying the value per workweek by the number of workweeks worked by the Participating Class Member during the Class Period.

6.2 Subject to Court approval, PAGA Civil Penalties in the amount of \$100,000 shall be paid from the TSA with 75% (\$75,000) allocated to the LWDA Payment and 25% (\$25,000) allocated to the PAGA Employee Amount.

6.2.1 Each PAGA Settlement Group Member will be entitled to a pro rata share of the PAGA Employee Amount in accordance with the formula set forth below. Payments will be made from the PAGA Employee Amount only to PAGA Settlement Group Members as set

forth herein. Assuming the Court approves the PAGA Civil Penalties stipulated to by the Parties, the PAGA Employee Amount is estimated to be \$25,000.

6.2.2 Each PAGA Settlement Group Member will be paid a portion of the PAGA Employee Amount in accordance with the following formula:

A PAGA Settlement Group Member's PAGA Payment shall be calculated by (i) dividing the PAGA Employee Amount by the total number of pay periods worked by all PAGA Settlement Group Members during the PAGA Period, to arrive at a value per pay period, and then (ii) multiplying the value per pay period by the number of pay periods worked by the PAGA Settlement Group Member during the PAGA Period. Each PAGA Settlement Group Member will receive a PAGA Payment, regardless of whether he or she opts out of the Settlement.

6.2.3 If the Court approves PAGA Civil Penalties in an amount less than the amount requested, the Settlement Administrator will allocate the remainder to the NSA. Such a change in the requested PAGA Civil Penalties is not a material term of this Agreement. If the Court approves a lesser or greater amount than that requested, the other terms of this Agreement shall remain in effect. However, Court approval of an amount for the PAGA Civil Penalties is a material term of this Agreement. If the Court does not approve any amount for the PAGA Civil Penalties without leave to amend, then, at Defendants' sole discretion, the entire Agreement will be void and unenforceable. In such case, the Parties shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement and the Parties shall proceed in all respects as if this Agreement had not been executed except that the costs of administration shall be borne by Defendants.

6.3 Payments to Class Members and PAGA Settlement Group Members pursuant to this Settlement Agreement are not intended by the Parties to be compensation for purposes of determining eligibility, vesting, participation, or contributions with respect to any employee benefit plan. For purposes of this Agreement, the term "benefit plan" means every ERISA "employee benefit plan," as defined in the Employee Retirement and Income Security Act of 1974 ("ERISA"), 29 U.S.C. section 1002(3). The term also includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any such plan is considered an ERISA employee benefit plan.

7. Class Counsel Fees and Costs Award.

Defendants agree to not oppose Class Counsel's request for Class Counsel Fees that are equal to or less than \$1,347,500 (*i.e.*, 35% of the TSA), plus a Costs Award up to \$50,000. Defendants retain the right to oppose a request for Class Counsel Fees exceeding 35% of the TSA or a request for Costs Award in excess of \$50,000. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Costs Award. If the Court awards a lower amount of Class Counsel Fees or Costs Award than requested by Class Counsel, the other terms of this Agreement shall remain in effect. Should the Court approve Class Counsel Fees or Costs Award in an amount less than that set forth herein, the unapproved portion or portions shall revert to the NSA and be apportioned to Participating Class Members as described in Paragraph 6.1.1 of this Settlement Agreement. The award of Class Counsel Fees or Costs Award in the amounts sought is not a material term of this Agreement and the award of any of these items at less than requested by Class Counsel does not give rise to a basis to abrogate this Agreement.

8. Service Award.

Plaintiffs shall file a motion requesting Service Awards, to which Defendants agree not to object, of up to \$10,000 each to Willis and Padilla from the TSA in consideration for serving as Class Representatives and in exchange for Plaintiffs' Released Claims. Defendants retain the right to object to a request for Service Awards in excess of this amount. If the Court awards a lower amount for the Service Awards requested by Plaintiffs, the other terms of this Agreement shall remain in effect. Should the Court approve Service Awards in an amount less than that set forth herein, the unapproved portion or portions shall revert to the NSA and be apportioned to Participating Class Members as described in Paragraph 6.1.1 of this Settlement Agreement. The award of any Service Award in the amount sought is not a material term of this Agreement and the award of an amount less than requested by Plaintiffs does not give rise to a basis to abrogate this Agreement.

9. Costs of Settlement Administration.

The Parties agree to mutually propose for Court approval Simpluris as the Settlement Administrator. The administration duty shall include without limitation setting up an escrow account for funding of the Settlement, obtaining tax identification number(s) for Defendants applicable to the Settlement, calculating the Settlement Shares and PAGA Payments, performing an initial Class Member Address Search upon receipt of the Class Member mailing addresses, mailing the Notice Packets, performing one skip trace on Notice Packets returned as undeliverable, establishing a hotline telephone number to communicate with Class Members about the Settlement, reviewing and processing requests by Class Members to opt out of the settlement, reviewing and submitting to Class Counsel and Defendants' Counsel any received objections, mailing the Settlement Payments and tax forms to the Participating Class Members and PAGA Settlement Group Members, and making all required distributions to Participating Class Members and PAGA Settlement Group Members. The Settlement Administrator will report payment of the Settlement

Payments to all required taxing and other authorities, and requisite reporting documentation to the applicable taxing agencies, and issue appropriate tax forms. The Settlement Administrator will establish a Qualified Settlement Fund ("QSF"), pursuant to U.S. Treasury Regulation Section 468B(g) of the Internal Revenue Service for the purposes of administering the Settlement. All Settlement Administration Costs approved by the Court shall be taken from the TSA. The Parties expect Settlement Administration Costs to not exceed \$18,000. To the extent the Court approves Settlement Administration Costs in a lesser amount than sought, the remainder shall revert to the NSA and be apportioned to Participating Class Members as described in Paragraph 6.1.1 of this Settlement Agreement. The award of Settlement Administrator Costs in the amount sought is not a material term of this Agreement and the award of an amount less than requested by Plaintiffs does not give rise to a basis to abrogate this Agreement.

The Settlement Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees and Costs Award and Service Awards, the Final Approval Order and the Judgment. The Settlement Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

10. Payment Procedure.

- 10.1** Funding the Settlement. Within thirty (30) calendar days after the Settlement becomes Final, Defendants will deposit money into an account, through the Settlement Administrator, in amounts equal to their respective shares of the TSA, plus any amounts necessary to fully fund the employer share of payroll taxes applicable to the Wage Portions of Settlement Shares.
- 10.2** Qualified Settlement Fund. The Settlement Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 10.3** Payments to Class Members, PAGA Settlement Group Members, the LWDA, Class Counsel, Class Representatives, and Taxing Authorities. Within thirty (30) calendar days after the Settlement becomes Effective, the Settlement Administrator will pay: (1) the NSA as Settlement Shares to the Participating Class Members per the terms of this Settlement Agreement and the Final Approval Order; (2) the Court-approved PAGA Civil Penalties as PAGA Payments to PAGA Settlement Group Members and the LWDA Payment to the LWDA; (3) the Court-approved Class Counsel Fees and Costs Award; (4) the Court-approved Settlement Administration Costs; and (5) the Court-approved Service Awards to the Class Representatives. Disbursement of the Class Counsel Fees and Costs Award, the Settlement Administration Costs, and Service Awards shall not precede disbursement of the Settlement Shares, PAGA Payments, or LWDA Payment. The

Settlement Administrator shall also, within the time periods prescribed by law and/or regulations, remit all applicable tax withholdings (if any) to the appropriate taxing authorities. Before mailing any checks, the Settlement Administrator must perform a Class Member Address Search.

- 10.4** Checks to Class Members. The Administrator will issue checks for the Settlement Payments (including, as applicable, Settlement Shares and PAGA Payments) and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will send checks for Settlement Shares to all Participating Class Members (including any whose Notice Packet was returned undelivered). The Administrator will send checks for PAGA Payments to all PAGA Settlement Group Members (including Non-Participating Class Members (i.e., any Class Members who submitted timely and valid Requests for Exclusion) and including any Class Member whose Notice Packet was returned undelivered). The Administrator may send Participating Class Members a single check combining the Settlement Share and the PAGA Payment.
- 10.5** Uncashed Class Payments. A Class Member must cash his or her Settlement Share check within one hundred and eighty (180) calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Class Member at his or her correct address. If any Class Member's Settlement Share check is not cashed within one hundred and twenty (120) days after its last mailing to the Class Member, the Settlement Administrator will send the Class Member a letter or postcard informing him or her that unless the check is cashed in the next sixty (60) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If a Class Member fails to cash the check for his or her Settlement Share within one hundred and eighty (180) days after it is mailed to him or her, the Settlement Administrator will distribute the funds to the California State Controller's Office, Unclaimed Property Fund in the name of the Class Member. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Class Members, whether or not they cash their Settlement Share checks. Checks paid to the PAGA Settlement Group Members for PAGA Payments shall be treated in the same manner.
- 10.6** Returned Checks. The Settlement Administrator must conduct a Class Member Address Search for all Class Members whose checks are returned undelivered without a USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to

deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date unless the Class Member's check has already been cashed.

11. Tax Treatment.

- 11.1 Tax Treatment of Settlement Payments.** Twenty-five percent (25%) of each Participating Class Member's Settlement Share will be allocated to the settlement of disputed claims for wages (the "Wage Portion"), and the remaining seventy-five percent (75%) of the Settlement Share will be allocated to the settlement of disputed non-wage claims – *i.e.* penalties and interest (the "Non-Wage Portion"). One hundred percent (100%) of each PAGA Settlement Group Member's PAGA Payment will be allocated to the settlement of disputed non-wage claims. The Settlement Administrator will issue to Class Members a Form W-2 for the Wage Portion of all Settlement Shares and a Form 1099 for the Non-Wage Portion of all Settlement Shares and PAGA Payments. Class Members shall assume full responsibility and liability for the payment of taxes due on such amounts.
- 11.2 Tax Treatment of Class Representative Service Awards.** Plaintiffs will receive an IRS Form 1099 for their individual Service Awards, and will be responsible for payment of any taxes owing on said amount. Plaintiffs shall assume full responsibility and liability for the payment of taxes due on such Service Awards.
- 11.3 Tax Treatment of Attorneys' Fees And Cost Award.** Class Counsel will receive an IRS Form 1099 for any amount awarded to Class Counsel in the Class Counsel Fees or Costs Awards and will be responsible for payment of any taxes owing on said amounts. Class Counsel shall assume full responsibility and liability for the payment of taxes due on such amounts.
- 11.4 No Tax Advice.** Defendants are not giving any tax advice in connection with the Settlement or any payments to be made pursuant to this Settlement. Each Participating Class Member agrees to indemnify, and hold harmless Defendants from any liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her share of taxes, interest, fees, or penalties owed.

12. Release and Waiver of Claims.

- 12.1 Release by Participating Class Members:** In consideration for their awarded Settlement Shares, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 10.1 of this Agreement, all Participating Class Members, including Plaintiffs release any and all claims, rights, demands, liabilities and causes of action, known or unknown, against the

Released Parties, that were pled in the Actions or that could have been pleaded based on the same facts alleged, arising at any time during the Class Period, including, but not limited to, the allegations that Defendants failed to pay all wages due, including minimum wages and overtime wages; pay all wages at the proper regular rate of pay, including overtime, sick pay, vacation pay, and meal and rest premiums; provide lawful meal and rest periods or pay premiums in lieu thereof; furnish accurate itemized wage statements; pay timely wages; pay all wages due to discharged and quitting employees; and reimburse all business expenses; and that Defendants implemented an unlawful quota system that was not properly disclosed and prevented employees from taking proper meal and rest breaks, and prevented use of bathroom facilities, and unlawfully disciplined and/or discharged employees for failing to perform under that quota. The released claims include claims brought under California Labor Code sections 200 through 204, 205.5, 210, 218.5, 226, 226.3, 226.7, 246, 248.5, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2100-2108, 2802, 6400 through 6404, California Business and Professions Code sections 17200-17208, the Industrial Welfare Commission Wage Orders, California Code of Regulations, Title 8 § 3364, Code of Civil Procedure § 1021.5 and the Fair Labor Standards Act, 29 U.S.C. § 201 et seq. Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code, relief from unfair competition under California Business and Professions Code section 17200 et seq.; attorneys' fees and costs; and interest. However, any claims that cannot be waived as a matter of law (i.e. workers compensation and unemployment benefits) shall not be waived.

- 12.2** Release by PAGA Settlement Group Members: In consideration for their awarded PAGA Payments, as of the date the Settlement becomes Final and is fully funded as set forth in Paragraph 10.1 of this Agreement, all PAGA Settlement Group Members release any and all PAGA Claims for civil penalties against Defendants and the Released Parties that were pleaded or could have been pleaded based on the factual allegations in the Operative Complaint and/or Plaintiffs' pre-litigation LWDA letters, arising during the PAGA Period, including, but not limited to, the allegations that Defendants failed to pay all wages due, including minimum wages and overtime wages; failure to pay overtime wages at the correct legal rate; provide meal and rest periods or pay premiums in lieu thereof; pay meal and rest periods at the correct regular rate of pay; furnish accurate itemized wage statements and maintain accurate records; pay timely wages; pay all wages due to discharged and quitting employees; reimburse all business expenses; that Defendants implemented an unlawful quota system and unlawfully disciplined employees for failing to perform under that quota; pay sick leave and COVID-19 supplemental sick leave at the correct legal rate and properly provide notice of the sick leave that had accrued; pay vacation pay at the correct and legal regular rate of pay; and provide a place that is safe and healthful for employees, under California Labor Code sections 200-

204, 204.1, 204.2, 205.5, 210, 218.5, 226, 226.3, 226.7, 227.3, 245-249, 510, 512, 515, 558, 1174, 1174.5, 1175, 1194, 1194.2, 1197, 1197.1, 1198, 2100-2108, 2698 et seq., 2802, 6400, 6402, and 6404, California Code of Regulations, Title 8 § 3364, and Code of Civil Procedure § 1021.5. All PAGA Settlement Group Members will release the PAGA claims described herein and receive a portion of the PAGA Employee Amount, regardless of whether they opt out of the Class.

- 12.3** Plaintiffs' Release: In addition to the foregoing releases, Plaintiffs agree to a general release of all claims, known or unknown, under federal, state, and/or local law, statute, ordinance, regulation, common law, or other source of law, against the Released Parties, including but not limited to claims arising from or related to Plaintiffs' employment with Defendants and their compensation while employed by Defendants which occurred at any time including before or during the Class Period. This general release includes a waiver of rights under section 1542 of the California Civil Code. Plaintiffs make this release understanding the significance of this waiver. Section 1542 provides:

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

For the avoidance of doubt, the foregoing release does not apply to any claims that cannot be waived as a matter of law (i.e. workers compensation and unemployment benefits shall not be waived).

- 12.4** Plaintiffs warrant and represent that they have not assigned or transferred to any person or entity any of Plaintiffs' Released Claims or any rights, claims, or causes of action arising out of Plaintiffs' Released Claims. In addition, Plaintiffs shall hold harmless, and indemnify the Released Parties, or any of them, from and against any claims, damages, litigation, causes of action, and expenses, including reasonable attorneys' fees, resulting from any breach by either of the Plaintiffs of this warranty and representation, or any breach of Plaintiffs of their release of Plaintiffs' Released Claims.
- 12.5** Prohibition on Subsequent Assertion of Released Claims. Plaintiffs, to the fullest extent allowed by law, are prohibited from asserting a Released Claim, and from commencing, joining in, or voluntarily assisting in a lawsuit or adversary proceeding against the Released Parties, based on Plaintiffs' Released Claims. Excluded from this prohibition are any

instances where any individual is legally compelled to testify through service of a subpoena or other process. Participating Class Members, to the fullest extent allowed by law, are prohibited from asserting a Released Claim, and from commencing, joining in, or voluntarily assisting in a lawsuit or adversary proceeding against the Released Parties, based on Released Claims. Excluded from this prohibition are any instances where any individual is legally compelled to testify through service of a subpoena or other process. Excluded from this prohibition are any claims that cannot be waived as a matter of law (i.e. workers compensation and unemployment benefits shall not be waived).

13. Class Settlement Notice and Claims Administration.

13.1 Duties of Settlement Administrator. The Parties agree to propose Simpluris as the Settlement Administrator to perform the notice and other settlement administration functions set forth below.

13.1.1 Weekly Reports. The Settlement Administrator shall provide Defendants' counsel and Class Counsel with weekly summary reports, including the total number of Class Settlement Notices that were returned as undeliverable, the total number of objections and requests to opt out of the settlement, and the amounts not claimed by Class Members as a result of the submission of timely and valid requests to opt out of the settlement, if any, and/or any uncashed or undeliverable Settlement Checks. The Settlement Administrator shall maintain records of its work, which shall be available for inspection upon request by Defendants' counsel or Class Counsel.

13.1.2 Workweek and/or Pay Period Challenges. The Administrator has authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of workweeks and/or pay periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

13.1.3 Requests for Exclusion. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their timeliness and validity. Not later than 10 days after the expiration of the deadline for submitting Requests for Exclusion, the Settlement Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion submitted (whether valid or invalid).

13.1.4 Administrator's Declaration. Not later than 14 days before the date by which Plaintiffs are required to file their Motion for Final Approval, the Settlement Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Settlement Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

13.1.5 Final Report by Settlement Administrator. Within 10 days after the Settlement Administrator disburses all funds in the TSA, the Settlement Administrator will provide Defense Counsel with a final report detailing its disbursements by employee identification number of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Settlement Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Plaintiffs are responsible for filing the Administrator's declaration in Court.

13.2 Identification of Class Members.

13.2.1 Within 30 calendar days of the entry of the Preliminary Approval Order, Defendants shall provide the Settlement Administrator with the following Class Data, to the extent that it possesses the information.

- (1) the names, last known addresses, and last known telephone numbers of each Class Member;
- (2) the Social Security number of each Class Member;
- (3) the number of workweeks worked by each Class Member during the Class Period; and
- (4) the number of pay periods worked by each PAGA Settlement Group Member during the PAGA Period.

- (5) To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Settlement Administrator employees who need access to the Class Data to effect and perform under this Agreement.

13.2.2 If Defendants inform the Settlement Administrator, and the Settlement Administrator determines, based upon further review of available data, that a person previously identified as being a Class Member should not be so included or identifies a person who should have been included as a Class Member but was not so included, the Settlement Administrator shall promptly delete or add such person as appropriate and immediately notify Defense Counsel and Class Counsel prior to such deletions or additions (and the reasons therefor).

13.2.3 If the Settlement Administrator, Defendants, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Settlement Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the applicable deadline stated in the Class Notice, whichever is later.

13.2.4 Other than the obligations set forth in this Settlement Agreement, Defendants shall have no additional obligation to identify or locate any Class Member or have any liability in connection with the provision of information to the Settlement Administrator or otherwise.

13.3 Notice to Class Members

13.3.1 Class Settlement Notice. The Class Settlement Notice shall be a pre-printed notice, in substantially the form attached hereto as **Exhibit A** and to be approved by the Court. In addition to other information contained on the Class Settlement Notice, the Class Settlement Notice shall state the number of workweeks and/or pay periods that the Class Member worked in California during the Class Period and/or PAGA Period. The workweeks and pay periods shall

be determined according to Defendants' records. The Class Settlement Notice also shall include an estimate of the Class Member's Settlement Share and/or PAGA Payment and an explanation of the pro rata distribution formula.

13.3.1.1 Challenges to the Calculation of Workweeks / Pay Periods.

Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Notice is remailed) to challenge the number of workweeks and pay periods (if any) allocated to the Class Member as stated in the Class Notice. The Class Member may challenge the allocation by communicating with the Settlement Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the workweeks and/or pay periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of workweeks and/or pay periods shall be final and not appealable or otherwise susceptible to challenge. The Settlement Administrator shall promptly provide copies of all challenges to calculation of workweeks and/or pay periods to Defense Counsel and Class Counsel and the Settlement Administrator's determinations on the challenges.

13.3.2 Upon its receipt of the Class Data, the Settlement Administrator shall perform a Class Member Address Search and update addresses as needed.

13.3.3 No later than 3 business days after receipt of the Class Data, the Settlement Administrator shall notify Class Counsel that the list has been received and state the number of Class Members and workweeks in the Class Data.

13.3.4 The Settlement Administrator shall provide the Notice Packet by first class mail, forwarding requested, to the Class Members at the addresses identified through the process described above. This mailing shall occur no later than twenty-one (21) days after the Settlement Administrator receives the Class Data. The first page of the Class Notice shall estimate the dollar amounts of any Settlement Share and/or PAGA Payment payable to the Class Member, and the number of workweeks and/or pay periods used to calculate these amounts. Before mailing Notice Packets, the Settlement Administrator shall update Class Member addresses as necessary following a Class Member Address Search.

13.3.5 Not later than 3 business days after the Settlement Administrator's receipt of any Notice Packet returned as undeliverable, the Settlement Administrator shall re-mail the Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

13.3.6 The deadlines for Class Members' written objections, challenges to workweeks and/or pay periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for any Class Member whose Notice Packet is returned as undeliverable and re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Notice Packet.

13.4 Notice to the LWDA. Plaintiffs shall timely submit to the LWDA a copy of the motion for preliminary approval and proposed Judgment in the Actions, and a copy of any other order providing for or denying an award of PAGA Civil Penalties, in compliance with the applicable version of sections 2699(1)(2)-(3) of the California Labor Code.

14. Objections to the Settlement.

14.1 Any Class Member who does not submit a valid and timely Request for Exclusion (*i.e.*, any Participating Class Member) may object to the Settlement. Any Participating Class Member who wishes to object to the Settlement must submit a written objection by fax, email, or mail to the Settlement Administrator no later than the Response Deadline.

14.2 The objection must include the case name and number and must set forth, in clear and concise terms, a statement of the reasons why the objector believes that the Court should find that the Settlement is not in the best interest of the Class Members and the reasons why the Settlement should not be approved, including the legal and factual arguments supporting the objection. The Settlement Administrator will promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defense Counsel.

14.3 Participating Class Members shall be entitled to appear and/or object at the Final Approval Hearing regardless of whether they have submitted a timely written objection and notice of intention to appear pursuant to this Section. Participating Class Members may appear at the Final Approval Hearing, either in person or through a lawyer retained at their own expense.

- 14.4** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

15. Requests for Exclusion (Opt Outs)

- 15.1** In order to opt out of the Settlement, the Class Member must timely submit by fax, email, or mail, an opt-out request (the “Request for Exclusion”) to the Settlement Administrator by the Response Deadline (if submitting by mail, the Request for Exclusion must be postmarked by the Response Deadline).
- 15.2** The Request for Exclusion should state the Class Member’s name, address, telephone number, and signature. However, the Settlement Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Settlement Notice. The Settlement Administrator shall accept any Request for Exclusion as valid if the Settlement Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member’s desire to be excluded. The Settlement Administrator’s determination shall be final and not appealable or otherwise susceptible to challenge. If the Settlement Administrator has reason to question the authenticity of a Request for Exclusion, the Settlement Administrator may demand additional proof of the Class Member’s identity. The Settlement Administrator’s determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 15.3** Class Members who submit a valid and timely Request for Exclusion shall not be permitted to object to the Settlement or appeal and shall not receive a Settlement Share from the Net Settlement Amount. Class Members who opt out also shall not be bound by the Class Release provisions in this Agreement or the Final Approval Order. Any Class Member who does not submit a timely and valid Request for Exclusion shall remain qualified to receive a Settlement Share and shall be bound by the Released Class Claims provisions in this Agreement and the Final Approval Order, regardless of whether the Class Member actually receives the Class Settlement Notice or objects to the Settlement.
- 15.4** Except for persons who elect to opt out of the Class in the manner and within the time limits specified above and in the Class Settlement Notice, all Class Members shall be deemed to be within the Class for all purposes under this Settlement Agreement, shall be bound by the terms and conditions of this Settlement Agreement (including the release provisions in Paragraph 12.1), including all orders issued pursuant thereto, and shall be deemed to have waived all unstated objections and unstated opposition to the fairness,

reasonableness, and adequacy of this Settlement Agreement, and any of its terms.

- 15.5** All PAGA Settlement Group Members will release the Released PAGA Claims identified in Paragraph 12.2 of this Agreement and will receive their PAGA Payment, regardless of whether they submit a timely and valid Request for Exclusion.

16. Application for Preliminary Approval Order.

After the Parties' execution of this Agreement, the Parties shall jointly file a motion for preliminary approval of the proposed Settlement, requesting a Preliminary Approval Order that contains the following provisions:

- (1) preliminarily approving the Settlement Agreement and its terms;
- (2) approving the form of the Class Settlement Notice, and finding that the proposed method of disseminating the Class Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances;
- (3) establishing the procedures and the deadline by which Class Members may assert objections to the Settlement or opt out of the Settlement;
- (4) establishing a deadline to submit papers/briefing in response to objections and for Plaintiffs to submit papers/briefing in support of final approval of the Settlement Agreement including the Service Award for Class Representative and the Class Counsel Fees and Costs Award;
- (5) appointing Class Counsel, the Settlement Administrator, and the Class Representatives; and
- (6) setting a date for the Final Approval Hearing.

At least 5 business days prior to the deadline for filing the motion, Plaintiffs will transmit a draft of the motion to Defendants via email to allow Defendants an opportunity to comment on and propose edits to said motion, and the Parties shall meet and confer in good faith to the extent Plaintiffs disagree with any comments and/or edits.

17. Final Approval Order and Judgment.

If the Settlement shall be finally approved by the Court following the Final Approval Hearing, the Parties hereto shall jointly request that the Court enter a Final Approval Order and Judgment, which includes the following provisions:

- (1) ~~finally~~

- (2) finding that the dissemination of the Class Notice, in the form and manner ordered by the Court was accomplished as directed, and met the requirements of due process;
- (3) finally approving the Settlement Agreement and the Settlement as fair, reasonable and adequate and directing consummation of the Settlement in accordance with its terms and provisions.

The Judgment shall include the following provisions:

- (1) directing the Parties to implement the terms of the Settlement Agreement;
- (2) releasing and discharging the Released Parties from any and all liability with respect to the Plaintiff's Released Claims, Released Class Claims, and Released PAGA Claims as hereinabove provided, except for full payment of the Total Settlement Amount;
- (3) resolving and settling all of Plaintiffs' Released Claims as hereinabove provided, with the release precluding them from instituting, commencing, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of themselves, or in any other capacity of any kind whatsoever, any action in this Court, any other state court, or any arbitration or mediation proceeding or any other similar proceeding, against any Released Party that asserts any claims that are Plaintiffs' Released Claims under the terms of the Settlement;
- (4) resolving and settling all the Released Class and PAGA Claims by all Participating Class Members and PAGA Settlement Group Members as hereinabove provided, with the release precluding them from instituting, commencing, or continuing to prosecute, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of himself or herself, or in any other capacity of any kind whatsoever, any action in this Court, any other state court, or any arbitration or mediation proceeding or any other similar proceeding, against any Released Party that asserts any claims that are Released Class or PAGA Claims under the terms of the Settlement;
- (7) awarding the Service Awards to the Class Representatives, Class Counsel Fees and Costs Award to Class Counsel, and Settlement Administration Costs to the Settlement Administrator, as determined by the Court;
- (8) reserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Settlement and enforcement of the Judgment.

18. Effect of Settlement Not Being Final.

In the event that the Settlement does not become Final, then the Settlement Agreement shall become null and void, and all negotiations, proceedings, and statements relating thereto shall be without prejudice as to the rights of any and all Parties hereto, and all Parties and their respective predecessors and successors shall be deemed to have reverted to their respective positions in the Actions as of the date and time immediately prior to the execution of this Settlement Agreement, and shall retain all rights to make all arguments regarding the merits of the claims and the appropriateness of the case for class and/or representative action treatment. If the Court does not approve either preliminarily or finally any material term or condition of the Settlement Agreement, or if the Court effects a material change to the Settlement, then this entire Settlement Agreement will be, at the Parties' mutual discretion following good faith efforts to cure, voidable and unenforceable.

19. Escalator.

The TSA is conditioned on Defendants' representation that Class Members worked approximately 190,000 workweeks as of December 1, 2024. In the event the qualifying workweeks worked by Class Members during the Class Period increase by more than 10%, Defendants shall have the option to either: (i) increase the TSA on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above 10% (for example, if the number of workweeks increases by 11%, the Total Settlement Amount will increase by 1%) or (ii) shorten the Class Period to an earlier date at which only the represented number of workweeks plus 10% are covered by the Class Period. Toyota's estimated workweeks are 165,000 and Catapult's estimated workweeks are 25,000. In the event the TSA is increased pursuant to this Paragraph, each Defendant will be responsible for paying for the excess workweeks attributable to its employees only. For example, if the workweeks of the Class Members employed by only one Defendant exceed that Defendant's estimated workweeks listed above by more than 10%, then that Defendant will pay the entire increase in the Total Settlement Amount. However, if the workweeks of the Class Members employed by each Defendant exceed each Defendant's respective estimated workweeks listed above by more than 10%, then each Defendant shall be responsible for paying the increase in the TSA attributable to its employees.

20. Tolerance of Requests for Exclusion.

If five percent (5%) or more of the Class Members, or a number of Class Members whose Settlement Shares represent five percent (5%) or more of the total of all Class Member Settlement Shares, validly elect not to participate in the Settlement, Defendants shall have the right to rescind the Settlement, in which case the Settlement and all actions taken in its furtherance will be null and void. Defendants must exercise this right within fifteen (15) days after the Settlement Administrator notifies the Parties of the number of opt-outs, which the Settlement Administrator will do within ten (10) days after the deadline for submission of opt-outs. If Defendants exercise the right to rescind the entire Settlement, they will be responsible for the costs of administration of the Settlement incurred through that time.

21. No Admissions.

The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims, and no part of this Settlement Agreement or any conduct or written or oral statements made in connection with this Settlement and this Settlement Agreement, whether or not the Settlement is finally approved and/or consummated, may be offered as or construed to be an admission or concession of any kind by Defendants, or any of the Class Members, Released Parties, or Plaintiffs. This Settlement and this Settlement Agreement shall not constitute an admission on behalf of Defendants of any form of liability or the accuracy of any allegation made by Plaintiffs or Class Counsel.

22. Waiver of Right to Appeal.

Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically excluding the Class Representative Service Awards and the Class Counsel Fees and Costs Award as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals, except that Plaintiffs and Class Counsel may appeal from an order by the Court that reduces the amounts sought for the Class Representative Service Awards and/or the Class Counsel Fees and Costs Award. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

23. No Solicitation

The Parties agree that they and their respective counsel and employees will not solicit any Class Members to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

24. Amended Judgment.

If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and file a proposed amended judgment.

25. Appellate Court Orders

If any reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the

reviewing court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Settlement Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Awards or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Total Settlement Amount remains unchanged.

26. Avoidance of Undue Publicity.

The Parties agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry or have any communication with the press about the fact, amount, or terms of the Settlement. If the Parties receive an inquiry about the Settlement from the media, the Parties may respond only after the motion for preliminary approval has been filed and only by confirming the accurate terms of the Settlement. The Parties agree not to identify each other in any way in any website, blog, article, or social media. Nothing in this provision shall prevent Defendants from making any required disclosure or Class Counsel from referencing the Settlement in adequacy filings. Plaintiffs will not publicize the Settlement in any way (other than through the Settlement Administrator), except that nothing in this Settlement Agreement shall preclude Class Counsel from communicating with members of the Class about the Agreement or in submitting filings with the Court in furtherance of obtaining approval of the Settlement. Nor shall anything herein restrict Class Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience or otherwise allowing the Judgment to become known to Class Members. Plaintiffs hereby direct their respective counsel to keep the terms of this Settlement confidential pursuant to the terms of this Paragraph.

27. Extensions of Time.

Without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

28. Construction.

This Settlement Agreement was entered into after substantial good faith, arms-length negotiations between the Parties. This Settlement Agreement has been entered into without any coercion and under no duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement Agreement so that it shall not be deemed to have been prepared or drafted by one party or another.

29. Good Faith.

The Parties to this Settlement Agreement agree that it reflects their good faith compromise of the claims raised in the Actions, or those that could have been raised in the Actions, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel. The Parties to this Settlement Agreement pledge their good faith and fair dealing in supporting the approval of this Settlement by the

Court, are represented by competent counsel, and have had an opportunity to consult with counsel prior to execution of this Settlement Agreement.

30. Due Authority of Attorneys.

Each Party separately warrant and represent that he, she or it has duly authorized and empowered his, her or its respective counsel to execute this Settlement Agreement on behalf of each such respective Party and to bind the Parties to the terms hereof.

31. Entire Agreement.

This Settlement Agreement (including all Exhibits hereto) sets forth the entire agreement of the Parties with respect to its subject matter and supersedes any and all other prior agreements and all negotiations leading up to the execution of this Settlement Agreement, whether oral or written, regarding the subjects covered herein. The Parties acknowledge that no representations, inducements, warranties, promises, or statements relating to the subjects covered herein, oral, or otherwise, have been made by any of the Parties which are not embodied or incorporated by reference herein.

32. Use and Return of Class Data

Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Court's discharge of the Administrator's obligation, Defendants make a written request to Class Counsel for the return, rather than the destructions, of Class Data.

33. Modification or Amendment.

This Settlement Agreement may not be modified or amended except in a writing signed by all signatories hereto or their successors in interest.

34. Successors.

This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors and assigns, and upon any corporation, partnership, or other entity into or with which any Party hereto may merge, combine or consolidate.

35. **Counterparts.**

This Settlement Agreement may be executed in counterparts, by facsimile or electronically, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

36. **Waivers.**

The waiver by any Party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

37. **Governing Law.**

This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the internal laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

38. **Headings.**

The headings contained in this Settlement Agreement are for convenience and reference purposes only, and shall not be given weight in its construction.

39. **Continuing Jurisdiction.**

The Court in which the Parties will seek approval of the Settlement shall retain continuing jurisdiction over the Actions to ensure the continuing implementation and enforcement of the provisions of this Settlement Agreement under applicable law, including, but not limited to, California Code of Civil Procedure section 664.6.

40. **Stay of Litigation**

The Parties agree that upon th

ccrosman@seyfarth.com and Zach Hutton, Sheppard Mullin, Four Embarcadero Center, 17th Floor, San Francisco, CA 94111, (415) 434-9100, zhutton@sheppardmullin.com; and (3) to Catapult and counsel for Catapult, to Daniel V. Kitizes, Fox Rothschild, 10250 Constellation Boulevard, Suite 900, Los Angeles, CA 90067, (424) 249-1749, dkitizes@foxrothschild.com or any alternative address provided.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Dated: 18/06/2025

By: 
Amber Willis

Dated: 06/06/2025

By: 
Andrew Padilla

Dated: 6/25/2025

By: 
Sandra L. Phillips
Senior Vice President, Enterprise Integrity
Chief Legal Officer & Chief Sustainability Officer
Toyota Motor North America, Inc.
Toyota Legal One

Dated: 07/08/25

By: 
Alex Anderson
Chief Financial Officer
For Catapult Staffing Services, LLC

APPROVED AS TO FORM ONLY

Dated: 06/18/2025

By: 
Ben Travis
Counsel for Plaintiff Amber Willis

Dated: 06/09/2025

By: 

Justin Hewgill
Counsel for Plaintiff Amber Willis

Dated: 06/06/2025

By: Joseph Lavi
Joseph Lavi
Counsel for Plaintiff Andrew Padilla

Dated: 06/25/2025

By: Christopher A. Crosman
Christopher A. Crosman
Counsel for Toyota North America, Inc.

Dated: 6/25/25

By: Zach P. Hutton
Zach P. Hutton
Counsel for Toyota Motor Sales, U.S.A., Inc.

Dated: 07/08/2025

By: Daniel V. Kitzes
Daniel V. Kitzes
Counsel for Catapult Staffing Services, LLC

EXHIBIT A

NOTICE OF SETTLEMENT OF CLASS ACTION AND FINAL APPROVAL HEARING

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING
DATE FOR FINAL COURT APPROVAL**