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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ROMAN PEREZ, individually and on behalf of
all persons similarly situated

PLAINTIFFS,

vs.

BUTLER AMERICA, LLC, a Delaware
Limited Liability Company; ZONES, LLC, a
Washington Limited Liability Company; and
Does 1 through 50, Inclusive,

DEFENDANTS.

Case No. CIV-DS2018372

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Date: April 11, 2023

Time: 1:30 p.m.

Judge: Hon. Joseph Ortiz

Dept.: S-17

1 This matter having come before the Honorable Judge David Cohn of the Superior Court of the
2 State of California, in and for the County of San Bernardino, at 1:30 p.m. on April 11, 2023, with Shani
3 O. Zakay, Esq. of the ZLG Law Group, APLC as counsel for plaintiff ROMAN PEREZ (“Plaintiff”),
4 Fox Rothchild LLP appearing for defendant ZONES, LLC, and Gordon Rees Scully Mansukhani, LLP
5 appearing for Defendant BUTLER AMERICA, LLC (hereinafter collectively “Defendants”). The
6 Court, having carefully considered the briefs, argument of counsel and all the matters presented to the
7 Court, and good cause appearing, hereby GRANTS Plaintiff’s Motion for Preliminary Approval of
8 Class Action Settlement.

9 **IT IS HEREBY ORDERED:**

10 1. The Court preliminarily approves the Class and Representative Action Settlement
11 Agreement and Release of Claims (“Settlement Agreement” or “Agreement”), a true and correct copy
12 of which is attached hereto as **Exhibit “1”**. This is based on the Court’s determination that the
13 Settlement Agreement is within the range of possible final approval, pursuant to the provisions of
14 Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.

15 2. This Order incorporates by reference the definitions in the Agreement, and all terms
16 defined therein shall have the same meaning in this Order as set forth in the Agreement.

17 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
18 Defendants shall pay is One Hundred Fifty Thousand Dollars and Zero Cents (\$150,00.00). It appears
19 to the Court on a preliminary basis that the settlement amount and terms are fair, adequate, and
20 reasonable as to all Class Members when balanced against the probable outcome of further litigation
21 relating to certification, liability, and damages issues. It further appears that investigation and research
22 have been conducted such that counsel for the Parties are able to reasonably evaluate their respective
23 positions. It further appears to the Court that settlement at this time will avoid substantial additional
24 costs by all Parties, as well as avoid the delay and risks that would be presented by the further
25 prosecution of the litigation. It further appears that the Settlement has been reached as the result of
26 intensive, serious, and non-collusive arms-length negotiations.

27 4. The Court preliminarily finds that the Settlement appears to be within the range of
28

reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the monetary settlement awards made available to the Class Members are fair, adequate, and reasonable when balanced against the probable outcome of further litigation relating to certification, liability, and damages issues.

5. Plaintiff seeks Class Counsel Payment in the amount of up-to one-third of the Gross Settlement Amount for attorneys' fees, currently estimated at Fifty Thousand Dollars (\$50,000), an award of litigation expenses incurred not to exceed Twenty Thousand Dollars (\$20,000), and proposed Class Representative Service Award to the Class Representative, Roman Perez, in an amount not to exceed Ten Thousand Dollars (\$10,000). While these awards appear to be within the range of reasonableness, the Court will not approve the Class Counsel Payment or Class Representative Service Award until the Final Approval Hearing.

6. The Court recognizes that Plaintiff and Defendants stipulate and agree to certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this, or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the following Class:

“All non-exempt employees who are or previously were assigned to provide professional services to Zones, LLC by Butler America, LLC and performed work in California during the period of May 27, 2016 to June 21, 2022.”

7. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class Members is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the Class Representative are typical of the claims of the Class Members; (d) the Class Representative will fairly and adequately protect the interests of the Class Members; (e) a class action is superior to other

1 available methods for the efficient adjudication of this controversy; and (f) Class Counsel are qualified
2 to act as counsel for the Class Representative in her individual capacity and as the representative of the
3 Class Members.

4 8. The Court provisionally appoints plaintiff ROMAN PEREZ as the representative of the
5 Class.

6 9. The Court provisionally appoints Nicholas J. De Blouw, Esq., of Blumenthal Nordrehaug
7 Bhowmik De Blouw, LLP, and Shani Zakay, of the Zakay Law Group, APLC, as Class Counsel for the
8 Class Members.

9 10. The Court hereby approves, as to form and content, the Proposed Notice of Class Action
10 Settlement (“Class Notice”) attached to the Agreement as Exhibit “A”. The Court finds that both
11 notices appear to fully and accurately inform the Class Members and Aggrieved Employees of all
12 material elements of the proposed Settlement, including the right of any Class Member to be excluded
13 from the Class by submitting a written request for exclusion, and of each Class Member’s right and
14 opportunity to object to the Settlement. The Court further finds that the distribution of the notices
15 substantially in the manner and form set forth in the Agreement and this Order meets the requirements
16 of due process, is the most reasonable notice under the circumstances, and shall constitute due and
17 sufficient notice to all persons entitled thereto. The Court orders the mailing of the notices by first class
18 mail, pursuant to the terms set forth in the Agreement.

19 11. The Court hereby appoints ILYM Group, Inc. as Settlement Administrator. Within
20 fourteen (14) calendar days of the later of preliminary approval or court approval of Settlement notice
21 to the class, Defendants shall provide to the Settlement Administrator the Class Data, including
22 information regarding Class Members that Defendants will in good faith compile from its records,
23 including each Class Member’s full name; last known address; Social Security Number; start dates and
24 end dates of employment or work for Defendants during the Settlement Period, the number of
25 Workweeks for each Class Members and the number of Pay Periods for each Aggrieved Employee.
26 Within seven (7) business days after receiving the Class Data from Defendants, the Settlement
27 Administrator shall mail the Class Notice to all identified, potential Class Members via first class U.S.

1 Mail using the most current mailing address information available.

2 12. The Court hereby preliminarily approves the proposed procedure for exclusion from the
3 Settlement. Any Class Member may individually choose to opt out of and be excluded from the
4 Settlement as provided in the Notice by following the instructions for requesting exclusion from the
5 Settlement of the Released Claims that are set forth in the Notice. All requests for exclusion must be
6 postmarked or received by the Response Deadline which is forty-five (45) calendar days after the date
7 the Class Notice is mailed to the Class Members or, in the case of a re-mailed Notice, not more than
8 ten (10) calendar days from the date of re-mailing of the Notices. Any such person who chooses to opt
9 out of and be excluded from the Settlement will not be entitled to an Individual Settlement Payment
10 under the Settlement, except for their share of the Net PAGA Amount, and will not be bound by the
11 Settlement, or have any right to object, appeal or comment thereon. Class Members who have not
12 requested exclusion shall be bound by all determinations of the Court, the Agreement and Judgment.
13 A request for exclusion may only opt out that particular individual, and any attempt to affect an opt-
14 out of a group, class, or subclass of individuals is not permitted and will be deemed invalid.

15 13. Any Class Member who has not opted out may appear at the final approval hearing and
16 may object or express the Class Member's views regarding the Settlement and may present evidence
17 and file briefs or other papers that may be proper and relevant to the issues to be heard and determined
18 by the Court as provided in the Notice. Class Members will have forty-five (45) calendar days from the
19 date the Settlement Administrator mails the Class Notice to postmark their written objections to the
20 Settlement Administrator.

21 14. A final approval hearing shall be held before this Court on _____ at
22 _____ AM in Department S-26 of the San Bernardino County Superior Court to determine all
23 necessary matters concerning the Settlement, including: whether the proposed settlement of the Action
24 on the terms and conditions provided for in the Agreement is fair, adequate and reasonable and should
25 be finally approved by the Court; whether an Order Granting Final Approval should be entered herein;
26 whether the plan of allocation contained in the Agreement should be approved as fair, adequate and
27 reasonable to the Class; and to finally approve the Class Counsel Payment, Class Representative

1 Service Award, and the Settlement Administration Costs. All papers in support of the motion for final
2 approval and the motion for Attorneys' Fee and Costs and Class Representative Service Award shall
3 be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

4 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
5 shall be construed as a concession or admission by Defendants in any way, and shall not be used as
6 evidence of, or used against Defendants as an admission or indication in any way, including with
7 respect to any claim of any liability, wrongdoing, fault, or omission by Defendants or with respect to
8 the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved,
9 neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the
10 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted
11 in evidence as received as or deemed to be evidence for any purpose adverse to the Defendants,
12 including, but not limited to, evidence of a presumption, concession, indication or admission by
13 Defendants of any liability, fault, wrongdoing, omission, concession or damage.

14 16. In the event the Settlement does not become effective in accordance with the terms of the
15 Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
16 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties
17 shall revert to their respective positions as of before entering into the Agreement. In such an event, the
18 Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used
19 or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of
20 the Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.

21 17. Pending final determination of whether the Settlement should be approved, Class
22 Representative and all Class Members are barred and enjoined from filing, commencing, prosecuting,
23 intervening in, instigating or in any way participating in the commencement or prosecution of any
24 lawsuit, action or administrative, regulatory, arbitration or other proceeding, in any forum, asserting
25 any claims that are, or relate in any way to, the Released Claims, unless and until they submit a timely
26 request for exclusion pursuant to the Agreement.

18. The Court reserves the right to adjourn or continue the date of the final approval hearing and all dates provided for in the Agreement without further notice to Class Members and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

Dated: _____

JUDGE OF THE SUPERIOR COURT

EXHIBIT 1

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Attorneys for ZONES, LLC

Attorneys for Defendant BUTLER AMERICA,
LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN BERNARDINO

ROMAN PEREZ, an individual, on behalf of
herself, and on behalf of all persons similarly
situated,

Plaintiff,

v.

BUTLER AMERICA, LLC, a Limited Liability
Company; ZONES, LLC, a Washington Limited
Liability Company; and DOES 2 through 50,

Case No. CIV-DS2018372

*ASSIGNED FOR ALL PURPOSES TO THE
HONORABLE DAVID COHN, DEPT. S26*

**CLASS AND REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Complaint Filed: September 2, 2020
Trial Date: None Set

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS /
CASE NO. CIV-DS2018372

136286653.5
136286653.6
140318073.1
141015662.1
141042009.1

Inclusive,

Defendants.

1 This Class and Representative Action Settlement Agreement and Release of Claims
2 (“Agreement”) is between (1) plaintiff ROMAN PEREZ (“Plaintiff”), on the one hand; and (2) defendants
3 BUTLER AMERICA, LLC (“Defendant Butler”) and ZONES, LLC (“Defendant Zones”) (collectively,
4 the “Defendants”), on the other hand.

5 Subject to judicial approval, and as provided below, Plaintiff and Defendants, (collectively, the
6 “Parties”) intend to settle the Action (as defined below) and to fully, finally, and forever resolve, discharge,
7 and settle the Released Claims (as defined below) on the terms and conditions set forth in this Agreement.
8 If this Agreement is not finally approved, or is otherwise nullified, then the Parties shall return to their
9 positions preceding this Agreement and Defendants shall retain all rights to challenge the Plaintiff’s claims
10 and the certification of any class.

11 **1. DEFINITIONS**

12 For the purposes of this Agreement, the Parties define the following terms. Each defined term
13 appears throughout in initial capital letters.

14 **1.01. “Action”** refers to the following case: *Perez, et al., v. Butler America, LLC, et al.*,
15 San Bernardino County Superior Court Case Number CIV-DS2018372.

16 **1.02. “Administrative Costs”** refers to all costs associated with administration of the
17 settlement contemplated by this Agreement. Administrative Costs include all fees and costs for, among
18 other things, printing, copying, formatting, postage, envelopes, computer searches to locate addresses,
19 calculation of payments to individual class members, calculation of applicable payroll withholdings and
20 payroll taxes, preparation and filing of appropriate IRS Forms, any cost associated with the process for
21 any uncashed settlement checks, provision of weekly reports, and any other expenses the Settlement
22 Administrator incurs to complete the settlement process according to the terms of this Agreement.
23 Administrative Costs are borne in the first instance by the Settlement Administrator.

24 **1.03. “Agreement”** refers to this Class and Representative Action Settlement Agreement
25 and Release of Claims, which includes all its Recitals herein and all the attached Exhibits.

26 **1.04. “Butler”** refers to defendant Butler America, LLC.

27 **1.05. “Class Action Complaint”** refers to the first amended complaint containing class
28

allegations filed by Plaintiff on February 22, 2021 in the Action.

1.06. “Class Counsel” refers to ZAKAY LAW GROUP, APLC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121; Telephone: (619) 255-9047; Facsimile: (858) 404-9203; shani@zakaylaw.com and BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP, 2255 Calle Clara, La Jolla, CA 92037; Telephone: (858) 551-1223; Facsimile: (858) 551-1232; norm@bamlawca.com.

1.07. “Class Counsel Payment” refers to the amount of attorney’s fees and costs that the Court awards to Class Counsel in connection with the resolution of the Action in accordance with this Agreement. The attorney’s fees portion of Class Counsel Payment shall be allocated 60% to ZAKAY LAW GROUP, APLC and 40% to BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP.

1.08. “Class Member” refers to all non-exempt employees who are or previously were assigned to provide professional services to Zones, LLC by Butler America, LLC and performed work in California during the period of May 27, 2016 to June 21, 2022.

1.09. “Class Representative” refers to Plaintiff Roman Perez.

1.10. “Class Representative Service Award” refers to any payment that the Court awards to the Class Representative for efforts in prosecuting the Action on behalf of the Class Members.

1.11. “Consideration Period” refers to the 45 calendar days following the date when the Settlement Administrator mails the Notice of Class Action Settlement. The Consideration Period is the period in which a Class Member can submit an Objection or a Request for Exclusion.

1.12. “Court” refers to the Judge presiding over the Class Action and PAGA Action.

1.13. “Defendants” refers to Butler America, LLC and Zones, LLC, collectively.

1.14. “Defense Counsel” refers to Gordon Rees Scully Mansukhani LLP for Butler America, LLC and Fox Rothschild, LLP for Zones, LLC.

1.15. “Effective Date” means the date of an order granting final approval and entry of judgment, if no objections are filed to the settlement. If objections are filed and overruled, and no appeal is taken of the final approval order and judgment, then the Effective Date will be thirty (30) days after the trial court enters final approval and judgment. If an appeal is taken from the Court’s overruling of

1 objections to the settlement, then the Effective Date will be twenty (20) days after the appeal is withdrawn
2 or after an appellate decision affirming the final approval decision becomes final. No money will be
3 distributed to the settlement administrator, and then from the settlement administrator to the Settlement
4 Class, unless and until the Effective Date occurs.

5 **1.16. “Eligible Workweek”** refers to a workweek in which a Class Member was
6 employed by Defendant Butler and was assigned to provide professional services to Zones during the
7 Settlement Period (as defined below) and received any regular pay. Any workweek in which the Class
8 Member did not receive any regular pay will not be an Eligible Workweek, even if the Class Member
9 received other pay (such as Paid Time Off, for example). The Settlement Period includes no more than
10 3,753 total Eligible Workweeks.

11 **1.17. “Fairness Hearing”** refers to the hearing at which the Court decides whether the
12 terms of the Agreement are fair, reasonable, and adequate for the Class Members and meet all
13 requirements for final approval.

14 **1.18. “Final Approval Order”** refers to the final order by the Court approving the
15 settlement following the Fairness Hearing.

16 **1.19. “Funding Date”** refers to the date Defendants will deposit all of the Gross
17 Settlement Amount and any employer-side payroll taxes into the QSF (as defined below) established by
18 the Settlement Administrator, both deposits to occur within thirty (30) days of the Effective Date.

19 **1.20. “Gross Settlement Amount”** refers to the payment Defendants are obligated to
20 make under this Agreement and as set forth in this section: One Hundred and Fifty Thousand Dollars and
21 Zero cents (\$150,000.00), plus any employer-side payroll taxes. Defendant Butler shall pay only \$50,000
22 of the Gross Settlement Amount and Defendant Zones shall pay \$100,000 of the Gross Settlement Amount
23 and the employer’s share of payroll taxes under this Agreement. In no event shall Defendants be obligated
24 to pay more than the Gross Settlement Amount and in no event shall either Butler or Zones be required to
25 pay more than their respective shares stated herein. This sum includes all Individual Settlement Payments
26 (including any employee share of payroll taxes), any Class Representative Service Award, the PAGA
27 Payment, Administrative Costs, and the Class Counsel Payment.

1 **1.21. “Individual Settlement Payment”** refers to the amount calculated by the
2 Settlement Administrator to distribute to each Settlement Class Member. The Individual Settlement
3 Payment shall be paid from the Net Settlement Amount.

4 **1.22. “Judgment”** refers to the final judgment entered by the Court in this Action
5 following the Fairness Hearing.

6 **1.23. “LWDA”** refers to the California Labor & Workforce Development Agency,
7 which helps to enforce the Private Attorneys General Act (“PAGA”), and which will receive the LWDA
8 portion of the PAGA Payment.

9 **1.24. “Net Settlement Amount”** refers to the portion of the Gross Settlement Amount
10 that remains after accounting for any Class Representative Service Award, the PAGA Payment,
11 Administrative Costs, and the Class Counsel Payment. The Net Settlement Amount shall include all
12 Individual Settlement Payments, including each Class Member’s share of payroll taxes.

13 **1.25. “Notice of Class Action Settlement”** refers to the Notice of Class Action
14 Settlement, substantially in the form attached as Exhibit A.

15 **1.26. “Objection”** refers to a written statement submitted timely by a Class Member to
16 the Settlement Administrator that contains (1) the name and case number of the Action (or reasonable
17 portion thereof), (2) the full name, last four digits of their social security number, and current address of
18 the Class Member making the Objection, (3) the specific reason(s) for the Objection, and (4) all evidence
19 and supporting papers (including, without limitation, all briefs, written evidence, and declarations) for the
20 Court to consider.

21 **1.27. “Objector”** refers to a Settlement Class Member who has submitted Objection or
22 attends the Fairness Hearing to object without having submitted a written Objection.

23 **1.28. “PAGA Payment”** refers to a Five Thousand Dollars And No Cents (\$5,000.00)
24 payment that shall be set aside from the Gross Settlement Amount in settlement of claims for civil
25 penalties under the Private Attorneys General Act of 2004. Of the PAGA Payment, Three Thousand,
26 Seven Hundred Fifty Dollars And No Cents (\$3,750.00), representing 75% of the PAGA Payment, shall
27 be payable to the LWDA. The remaining One Thousand, Two Hundred Fifty Dollars And No Cents
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1 (\$1,250.00), representing 25% of the PAGA Payment, shall be distributed to the Aggrieved Employees.
2 Aggrieved Employees will receive their share of the PAGA Payment on a pro-rata basis based on the
3 number of Pay Periods they worked during the PAGA Period compared to the total number of Pay Periods
4 all of the Aggrieved Employees worked during the PAGA Period. Aggrieved Employees will receive
5 their share of the PAGA Payment regardless of whether or not they file a Request for Exclusion from the
6 class portion of the Settlement Payment.

7 **1.29. “Parties”** refers collectively to (1) Plaintiff Roman Perez, individually and on
8 behalf of the Class, and (2) Defendant Butler and Defendant Zones.

9 **1.30. “Plaintiff”** refers to Class Representative Roman Perez, individually and on behalf
10 of the Class.

11 **1.31. “Preliminary Approval Order”** refers to the order entered by the Court following
12 a Motion for Preliminary Approval of the Agreement.

13 **1.32. “Qualified Settlement Fund” or “(QSF)”** refers to a Qualified Settlement Fund
14 pursuant to U.S. Treasury Regulation Section 468B-1.

15 **1.33. “Released Claims”** refers to all claims that will be extinguished by operation of
16 this Agreement and the events it provides for. The Released Claims shall apply to all Class Members who
17 do not timely file a Request for Exclusion. The Released Claims are further defined in Section 6.1, below.

18 **1.34. “Released Parties”** refers to Defendants, their respective affiliates and
19 subsidiaries, and each of their predecessors, successors, subsidiaries, parent companies, other corporate
20 affiliates, and assigns, and each and all of their current or former subsidiaries, parents, affiliates,
21 predecessors, insurers, agents, servants, employees, successors, assigns, officers, officials, directors,
22 attorneys, personal representatives, registered representatives, executors, members and shareholders,
23 including their respective pension, profit sharing, savings, health, and other employee benefits plans of
24 any nature, the successors of such plans, and those plans’ respective current or former trustees and
25 administrators, agents, employees, and fiduciaries, and any other persons acting by, through, under or in
26 concert with any of them.

1 1.34(a) **“Zones Released Parties”** refers to Defendant Zones and its
2 affiliates and subsidiaries, and its predecessors, successors, subsidiaries, parent companies, other
3 corporate affiliates, and assigns, and each and all of its current or former subsidiaries, parents, affiliates,
4 predecessors, insurers, agents, servants, employees, successors, assigns, officers, officials, directors,
5 attorneys, personal representatives, registered representatives, executors, members and shareholders,
6 including their respective pension, profit sharing, savings, health, and other employee benefits plans of
7 any nature, the successors of such plans, and those plans’ respective current or former trustees and
8 administrators, agents, employees, and fiduciaries, and any other persons acting by, through, under or in
9 concert with it.

10 1.34(b) **“Butler Released Parties”** refers to Defendant Butler and its affiliates and
11 subsidiaries, and its predecessors, successors, subsidiaries, parent companies, other corporate affiliates,
12 and assigns, and each and all of its current or former subsidiaries, parents, affiliates, predecessors, insurers,
13 agents, servants, employees, successors, assigns, officers, officials, directors, attorneys, personal
14 representatives, registered representatives, executors, members and shareholders, including their
15 respective pension, profit sharing, savings, health, and other employee benefits plans of any nature, the
16 successors of such plans, and those plans’ respective current or former trustees and administrators, agents,
17 employees, and fiduciaries, and any other persons acting by, through, under or in concert with it.

18 **1.35. “Request for Exclusion”** refers to a timely, written, opt-out request signed by a
19 Class Member who thereby elects to be excluded from this Agreement.

20 **1.36. “Settlement Administrator”** refers to ILYM Group, Inc., the third-party
21 administrator the Parties have selected, subject to Court approval.

22 **1.37. “Settlement Class”** refers to all Class Members who do not file a timely and valid
23 Request for Exclusion.

24 **1.38. “Settlement Payment”** refers to payments made to Settlement Class Members.

25 **1.39. “Settlement Period” or “Class Period”** refers to the time period from May 27,
26 2016 to June 21, 2022.

27 **1.40. “PAGA Period”** refers to the time period from April 15, 2019 to June 21, 2022.

1 **1.41. “Aggrieved Employees”** refers to all non-exempt employees who are or previously
2 were assigned to provide professional services to Defendant Zones by Defendant Butler and performed
3 work in California during the PAGA Period.

4 **1.42. “Zones”** refers to defendant Zones, LLC.

5 **2. RECITALS AND PROCEDURAL HISTORY**

6 **2.1. Procedural History of the Pleadings.** On May 27, 2020, Plaintiff filed a class
7 action complaint in the Superior Court of California, County of Los Angeles (the “Los Angeles Action”),
8 alleging the following: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*;
9 (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure
10 to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, *et seq.*; (4) Failure to Provide Required
11 Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5)
12 Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the
13 Applicable IWC Wage Order; (6) Failure to Provide Accurate Itemized Wage Statements in Violation of
14 Cal. Lab. Code § 226; and (7) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201,
15 202 and 203. On September 2, 2020, Plaintiff filed a representative action complaint in the Superior Court
16 of California, County of San Bernardino (the “San Bernardino Action”), alleging a single cause of action
17 pursuant to PAGA for civil penalties pursuant to Cal. Lab. Code § 2699, *et seq.* On February 22, 2021,
18 Plaintiff filed a first amended complaint in the San Bernardino Action, adding the seven causes of action
19 alleged in the Los Angeles Action. Subsequent to filing the Los Angeles Action, the Plaintiff and
20 Defendant Butler met and conferred regarding the proper venue for the action and determined that
21 Defendant Butler operates its business, and Plaintiff performed work, in the County of San Bernardino.
22 As such, on March 19, 2021, Plaintiff filed a Request for Dismissal of the Los Angeles Action, which the
23 Court granted on March 25, 2021. The operative complaint is the Class Action Complaint, which is the
24 first amended complaint in the San Bernardino Action.

25 **2.2. Defendants’ Denials.** Defendants deny (1) all the allegations in the Action, (2)
26 that it violated any applicable laws, (3) that it is liable for damages, penalties, interest, restitution,
27 attorneys’ fees, or costs, or for any other compensation or remedy with respect to anyone for the claims

1 asserted in the Action, and (4) that class certification or representative treatment is appropriate as to any
2 claim in the Action. Defendants contend that their policies, procedures, and practices comply with all
3 applicable laws asserted in the Action. Nonetheless, without admitting any liability or wrongdoing
4 whatsoever and without admitting that class or representative treatment is appropriate for any purpose
5 other than for settlement purposes alone, Defendants have agreed to settle the Action on the terms set forth
6 in this Agreement, to avoid the burden, expense, and uncertainty of litigation. Any statements by
7 Defendants in this Agreement are made for settlement purposes only.

8 **2.3. Class Counsel's Investigation.** Class Counsel represent that they have conducted
9 a sufficiently thorough investigation into the claims of the Settlement Class. Based on their own
10 independent investigation and evaluation and all known facts and circumstances, including the risk of
11 significant defenses asserted by Defendants, Class Counsel are of the opinion that the Agreement is fair,
12 reasonable, and adequate and is in the best interests of the Settlement Class.

13 **2.4. Negotiation of Settlement.** On April 21, 2022, the Parties participated in
14 mediation presided over by Steven Serratore, Esq., a well-respected wage and hour class action mediator.
15 The mediation concluded without a settlement. However, following the mediation, each Party,
16 represented by its respective counsel, agreed to settle the Action based on a mediator's proposal which
17 was memorialized in the form of a Memorandum of Understanding. Class Counsel engaged in intensive
18 negotiations with Defendants with a view toward achieving substantial benefits for the Class Members,
19 while avoiding the cost, delay, and uncertainty of further litigation. Plaintiff and Class Counsel advocate
20 approval of this Agreement after considering (1) the factual and legal defenses to the claims asserted,
21 which render uncertain the ultimate outcome of the Action and class certification, (2) the potential
22 difficulties Plaintiff and Class Members would encounter in establishing their claims and maintaining
23 class or representative treatment, (3) the substantial benefits that Class Members would receive under this
24 Agreement, (4) that this Agreement provides Class Members relief in an expeditious and efficient manner,
25 compared to any manner of recovery possible after litigation and potential appeal, and (5) that this
26 Agreement allows Class Members to opt out of the settlement and individually pursue the claims alleged
27 in the Action.

1 **2.5. Certification of Settlement Class.** This Agreement is contingent upon the Court's
2 certification of the Settlement Class under California Code of Civil Procedure Section 382 for settlement
3 purposes only. Defendants stipulate to certification of the Settlement Class for purposes of the Agreement
4 only, but do not waive, and instead expressly reserve, the right to challenge the propriety of class
5 certification, or representative treatment for any other purpose should the Court not approve the settlement.

6 Now therefore, in consideration of the agreements set forth herein, and of the release of all
7 Released Claims, the Parties agree to the terms of this Agreement, subject to the approval of the Court.

8 **3. NOTICE TO CLASS MEMBERS**

9 **3.1. Content of Class Notice.** The Class Notice shall be substantially in the form
10 attached as **Exhibit A** and include the Gross Settlement Amount, a calculation of the Class Members'
11 anticipated share of the Net Settlement Amount and the Aggrieved Employees' anticipated share of the
12 PAGA Payment and the full amounts of the Class Counsel Payment, Class Representative Service Award,
13 and Administrative Costs to be awarded, the terms of the release, the procedure to opt out of the Agreement
14 through a Request for Exclusion, notice that they may not opt out of the PAGA portion of the settlement,
15 the procedure to submit an Objection to the Agreement, and the date of the Fairness Hearing. No claim
16 form will be required to participate in the Agreement.

17 **3.2. Settlement Administrator.** The Parties select ILYM Group, Inc. as the Settlement
18 Administrator. The duties of the Settlement Administrator shall include, without limitation: mailing Class
19 Notices to Class Members; providing weekly updates to counsel for the Parties; establishing a QSF;
20 obtaining appropriate tax identification number(s); calculating and reporting Individual Settlement
21 Payments (including all required tax withholdings and payments); mailing Individual Settlement
22 Payments, calculating and reporting employees' respective share of the PAGA Payment, and tax forms to
23 Settlement Class Members; remitting all tax payments and requisite reporting documentation to taxing
24 authorities; and the other duties associated with settlement administration, including specified in this
25 Agreement. Any dispute relating to the settlement administration will, after good-faith efforts by the
26 Parties to resolve the dispute, be referred to the Court.

3.3. Class Data for the Settlement Administrator. Within 14 calendar days of the later of preliminary approval of this Agreement or Court approval of the Settlement notice to the Class, Butler shall provide to the Settlement Administrator a confidential class list containing: (1) the names; (2) last known address and telephone number(s); (3) dates of active employment for Settlement Class Members; (4) number of Eligible Workweeks worked during the Settlement Period for Settlement Class Members; (5) last four (4) digits of social security numbers; and (6) number of pay periods during the PAGA Period for Aggrieved Employees. This information shall be used to facilitate the administration of this Agreement. The Settlement Administrator shall keep the class data provided by Butler strictly confidential and shall use the class data only for the purposes described in this Agreement, and shall return the class data to Butler or confirm the destruction of same upon completing the settlement administration called for by this Agreement. Under no circumstances will the class data be provided to Class Counsel.

3.4. Mailing Materials to Class Members. Within seven (7) business days of the receipt of the class data discussed immediately above in Section 3.3, the Settlement Administrator shall send the Notice of Class Action Settlement to Class Members to their last known address via First Class U.S. Mail. Any mailing returned to the Settlement Administrator as undeliverable shall be sent within five (5) calendar days via First Class U.S. Mail to any available forwarding address. If no forwarding address is available, then the Settlement Administrator shall attempt to determine the correct address by using a computer-based skip-trace search, and shall then perform, if feasible, a re-mailing via First Class U.S. Mail within five (5) calendar days. If the last known address is not available for a Class Member, then the Notice of Class Action Settlement for that Class Member will be deemed undeliverable. Only one re-mailing is required. If a Class Member cannot be located within two (2) attempts at mailing, then the Notice of Class Action Settlement for that Class Member will be deemed undeliverable. It is the intent of the Parties that reasonable means be used to locate Class Members.

3.5. Proof of Mailing. At least thirty (30) calendar days prior to the Fairness Hearing, the Settlement Administrator shall provide a declaration of due diligence and proof of mailing with regard to mailing of the Notice of Class Action Settlement to Class Counsel and Defense Counsel, which they shall in turn provide to the Court.

1 **4. CLASS MEMBERS' OPTIONS TO RESPOND**

2 **4.1. Consideration Period.**

3 **4.1.1. Submission of Objections and Requests for Exclusion.** Class Members
4 will have forty-five (45) calendar days from the date of the mailing or fifteen (15) calendar days from the
5 date of re-mailing of the Notices of Class Action Settlement to postmark their objections or written
6 requests for exclusion to the Settlement Administrator. Requests for exclusion must state, in effect, that
7 the Class Member does not wish to participate in the Agreement. In addition, any request must include
8 the Class Member's first and last name, signature, address, phone number, and last four (4) digits of the
9 Class Member's Social Security number for verification purposes. A Class Member who excludes himself
10 or herself from the Agreement shall lose standing to object. Except as specifically provided herein, no
11 Class Member response of any kind that is postmarked after the Consideration Period shall be considered
12 absent agreement of the Parties.

13 **4.1.2. Deficiency Notices.** Within five (5) calendar days after receipt by the
14 Settlement Administrator of each timely-submitted request for exclusion, the Settlement Administrator
15 will send a deficiency notice to the Class Members addressing any irregularities in the request for
16 exclusion (such as failure to sign or include last four digits of Social Security Number). The deficiency
17 notice will provide the Class Members ten (10) days from the mailing of the deficiency notice to postmark
18 a written response to cure all deficiencies. The failure of a Class Member to cure all deficiencies in a
19 timely manner shall invalidate a request for exclusion and will not be subject to cure.

20 **4.2. Requests for Exclusion and Opt Out Rights.** Class Members shall be given the
21 opportunity to opt out of the Agreement.

22 **4.2.1. Opt Out Procedure.** Class Members may opt out of this Agreement by
23 mailing the Settlement Administrator a Request for Exclusion. A Request for Exclusion, to be valid, must
24 include the Class Member's name, current address, current telephone number, and the last four digits of
25 the Class Member's Social Security number. Any Request for Exclusion that does not include all of the
26 required information or that is not submitted in a timely manner will be deemed ineffective. If there is a
27 dispute regarding the timeliness or validity of a Request for Exclusion, then the Settlement Administrator

shall make the determination, after consultation with Class Counsel and Defense Counsel. The postmark on the mailing will determine the timeliness of any submission.

4.2.2. Effect of Exclusion Through Opting Out. Any Class Member who opts out of this Agreement may not submit an Objection and shall not receive any Individual Settlement Payment, and shall not be bound by the releases set forth in this Agreement; however, if the Class Member is also an Aggrieved Employee, they shall still receive their portion of the PAGA Payment and will remain bound by the PAGA Release in this Agreement. If a Class Member submits both a Request for Exclusion and an Objection, then the Request for Exclusion will be valid and will invalidate the Objection. Each Class Member who does not submit a timely, valid Request for Exclusion shall be bound by the releases for which this Agreement provides.

4.2.3. Defendants' Right to Withdraw. If the number of valid Requests for Exclusion exceeds 15% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Agreement. The Parties agree that, if Defendants withdraw, the Agreement shall be void ab initio, have no force or effect whatsoever, and that none of the Parties will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Administrative Costs incurred to the point in time they withdraw. Defendants must notify Class Counsel and the Court of their elections to withdraw not later than seven (7) business days after the Administrator sends the Final Report to Defense Counsel; late elections will have no effect.

4.3. Objections. Class Members who do not submit a Request for Exclusion shall be entitled to object to the terms of the Agreement.

4.3.1. Objection Procedures. Any written objection to this Agreement must contain (1) the name and case number of this Action (or reasonable portion thereof), (2) the full name, last four digits of their social security number, and current address of the Settlement Class member making the Objection, and (3) the specific reason(s) for the Objection. Settlement Class members who submit an Objection remain bound by this Agreement if the Agreement is approved by the Court. Class Counsel shall file any and all written Objections with the Court. Settlement Class members may also appear in Court at the Fairness Hearing to make their Objection orally, without submitting a written Objection.

Should an Objection be sustained and Final Approval is denied, the Parties agree to engage their best efforts in good faith to negotiate a solution to the Objection, and to amend the Agreement consistent with terms necessary to proceed with settlement.

4.3.2. Waiver of Objection Rights. Settlement Class members who fail to submit an Objection in the manner specified in the Notice of Class Action Settlement shall be deemed to have waived any objection and shall be foreclosed from objecting to this Agreement, whether by appeal or otherwise.

4.4. Proof of Class Members' Responses. At least thirty (30) calendar days prior to the Fairness Hearing, the Settlement Administrator will prepare a declaration to submit to the Court regarding the mailing of the Notice of Class Action Settlement, the inability to deliver any mailings due to invalid addresses, the number of any Requests for Exclusion, and the number of any Objections and the contents of the Objections.

4.5. Binding Effect of Settlement. Although a Settlement Class Member might not receive the Notice of Class Action Settlement, and might not timely submit an Objection or a Request for Exclusion because of inability to locate the Settlement Class member's current address, that Settlement Class Member shall nonetheless be bound by this Agreement.

4.6. No Interference with Class Member Responses. Each Party agrees not to encourage any Class Member to submit an Objection or a Request for Exclusion and agrees not to retaliate against any Class Member for participating or not participating in the settlement that this Agreement contemplates.

5. DISTRIBUTION OF SETTLEMENT PROCEEDS

5.1. Administrative Costs. The Parties agree to obtain a reasonable estimate of Administrative Costs of up to Five Thousand, Five Hundred Dollars and No Cents (\$5,500.00), and seek approval of Administrative Costs to be paid from the Gross Settlement Amount. If the Court approves a lesser amount, then the other terms of this Agreement shall still remain in effect, and the unapproved balance shall remain as part of the Net Settlement Amount. The amount of Administrative Costs is not a material term of this Agreement.

1 **5.2. Class Counsel Payment.** Class Counsel intend to request—and Defendants agree
2 not to oppose—that the Court award a Class Counsel Payment, to be paid from the Gross Settlement
3 Amount, for (a) attorneys’ fees of 1/3 of the Gross Settlement Amount (currently Fifty Thousand Dollars
4 (\$50,000)), and (b) litigation costs actually incurred in representing the interests of the Class Members,
5 supported by adequate documentation, in an amount not to exceed Twenty Thousand Dollars
6 (\$20,000.00). Defendants shall have no liability for any other attorneys’ fees or costs. To the extent that
7 the Court approves less than the amount of Class Counsel Payment that Class Counsel request, the
8 difference between the requested and awarded amounts will be distributed to Settlement Class Members
9 on a proportional basis relative to the size of their claims as set forth in Sections 5.5.1 and 5.5.2, below.

10 **5.2.1. Approval of Class Counsel Payment Not Material.** The Court’s approval
11 of the Class Counsel Payment in the amount requested is not a material term of this Agreement. If the
12 Court approves only a lesser amount, then the other terms of this Agreement shall still remain in effect
13 and the difference will remain part of the Net Settlement Amount.

14 **5.2.2. Timing of Class Counsel Payment.** The Settlement Administrator shall
15 issue the Class Counsel Payment within ten (10) calendar days after the Funding Date. The Settlement
16 Administrator shall issue appropriate Internal Revenue Service Forms 1099 to Class Counsel. Class
17 Counsel shall be solely responsible for paying all applicable taxes on any Class Counsel payment and
18 shall indemnify and hold harmless Defendants from any claim or liability for taxes, penalties, or interest
19 arising as a result of the Class Counsel payment.

20 **5.3. Class Representative Service Award.** Class Counsel intends to request—and
21 Defendants agree not to oppose—that the Court award a Class Representative Service Award to the Class
22 Representative Roman Perez in an amount of Ten Thousand Dollars And No Cents (\$10,000.00), to be
23 drawn from the Gross Settlement Amount. Any Class Representative Service Award shall be in addition
24 to the Class Representative’s Individual Settlement Payment. To the extent that the Court approves less
25 than the amount of Class Representative Service Award that Class Counsel request, the difference between
26 the requested and awarded amounts will be distributed to Settlement Class Members on a proportional
27 basis relative to the size of their claims as set forth in Sections 5.5.1 and 5.5.2, below.

1 **5.3.1. Class Representative Service Awards Not Material.** The Court's
2 approval of the Class Representative Service Award is not a material term of this Agreement. If the Court
3 does not approve or approves only a lesser amount than that requested for a Class Representative Service
4 Award, then the other terms of this Agreement shall still remain in effect.

5 **5.3.2. Timing of Class Representative Service Awards.** The Settlement
6 Administrator shall pay any Class Representative Service Award within ten (10) calendar days after the
7 Funding Date, and shall issue an IRS Form 1099 to the Class Representative. The Class Representative
8 shall be solely responsible for paying all applicable taxes on any Class Representative Service Award and
9 shall indemnify and hold harmless Defendants from any claim or liability for taxes, penalties, or interest
10 arising as a result of the Class Representative Service Award.

11 **5.4. PAGA Payment.** The Parties will seek approval for PAGA Payment of Five
12 Thousand Dollars And No Cents (\$5,000.00). Three Thousand, Seven Hundred Fifty Dollars And No
13 Cents (\$3,750.00), representing 75% of the PAGA Payment, will be drawn from the Gross Settlement
14 Amount and paid to the LWDA. The remaining One Thousand, Two Hundred Fifty Dollars And No Cents
15 (\$1,250.00), representing 25% will be allocated to the Aggrieved Employees on a pro-rata basis based on
16 the number of Pay Periods they worked during the PAGA Period compared to the total number of Pay
17 Periods all of the Aggrieved Employees worked during the PAGA Period.

18 **5.4.1. Amount of PAGA Payment Not Material.** Any change in the requested
19 PAGA Payment is not a material term of this Agreement. If the Court approves a lesser or greater amount
20 than that requested, the other terms of this Agreement shall still remain in effect. However, some approval
21 of a PAGA Payment is a material term of this Agreement. If the Court does not approve a PAGA Payment,
22 then the entire Agreement will be, at Defendants' sole discretion, void and unenforceable. In the event
23 Defendants exercise this option, the costs of administration shall be borne by Defendants.

24 **5.4.2. Timing of PAGA Payment.** The Settlement Administrator shall pay 75
25 percent of any approved PAGA Payment to the LWDA and 25 percent of any approved PAGA Payment
26 to the Aggrieved Employees within ten (10) calendar days after the Funding Date.

5.5. Individual Settlement Payments. Each Settlement Class Member shall be entitled to an Individual Settlement Payment consisting of a share of the Net Settlement Amount, as set forth below.

5.5.1. Calculation of Individual Settlement Share. Each Settlement Class Member will be eligible to receive a portion of the Net Settlement Amount based on the following formula:

The individual Settlement Share payment to a Settlement Class Member will be calculated by dividing the number of Eligible Workweeks attributed to the Settlement Class Member by all Eligible Workweeks attributed to members of the Settlement Class, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (individual's Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) x Net Settlement Amount.

The Class Data regarding the number of Eligible Workweeks worked for each Settlement Class member shall be used for purposes of calculating Individual Settlement Payments. The Class Notice will include information for each Class Member showing how much the individual Class Member is expected to receive based on this formula and their number of Eligible Workweeks. The Class Notice will also provide the Class Members an opportunity to dispute the number of Workweeks indicated on the Class Notice. Such dispute must be made no later than forty-five (45) calendar days from the date of the mailing or fifteen (15) calendar days after re-mailing of the Class Notices. Defendants and/or the Settlement Administrator shall review any documentation provided by the Class Member to determine whether there was an error in the number of Eligible Workweeks calculated, and adjust any payment to be allocated if necessary.

It is estimated that there are approximately 65 Class Members who worked approximately 3,412 workweeks during the Settlement Period. Butler will provide the Class Data to the Settlement Administrator within fourteen (14) days of Preliminary Approval of the Agreement. Butler will provide to Class Counsel the number of applicable Class Members and workweeks they worked during the applicable Settlement Period one week prior to the deadline for filing of the motion for Preliminary Approval. If the workweek number increases by more than 10% of the estimate stated, the Gross Settlement Amount will increase proportionally for the number of workweeks over 110% of 3,412 (3,753), and Class Counsel shall be permitted to request from the Court attorney's fees equal to 1/3 of the increased

Gross Settlement Amount, the sum of which shall be deducted from the increased Gross Settlement Amount, as calculated in this section.

5.5.2. Timing of Individual Settlement Payments. The Settlement Administrator shall issue Individual Settlement Payments no later than ten (10) calendar days after the Funding Date. Any checks from this distribution that are not cashed within one-hundred-eighty (180) calendar days from the date of the mailing of the checks shall be cancelled and said cancellation shall not affect the validity of the Released Claims provided for in Section 6, herein, and the Settlement Class member shall be deemed to, nevertheless, be bound by the Agreement and the Released Claims provided for in Section 6. As soon as practicable after the 180-day check cashing period, the Settlement Administrator shall prepare for the Parties a Final Report—a document summarizing relevant events to date and advising the total dollar amount paid to Settlement Class members, the status of any uncashed checks, and any amount remaining in the QSF. The Parties will request the Court to order that all funds represented by uncashed settlement checks, plus any accrued interest, be tendered to State Controller's Unclaimed Property Fund.

5.5.3. Tax Allocation of Individual Settlement Payments. Each Individual Settlement Payment will be allocated as forty-five percent (45%) to the compromise of alleged penalties (excluding penalties under PAGA), forty-five percent (45%) to interest and ten percent (10%) to the compromise of alleged wage claims, which represents the Parties' good faith allocation based on the claims asserted and potential damages related to wages and interest and penalties. In accordance with law, the Settlement Administrator will make required tax withholdings from each Individual Settlement Payment on the portion designated as wages and will remit the withholding to the appropriate taxing authorities. The Settlement Administrator shall issue any necessary Form W-2 and 1099 statements to Settlement Class Members for their respective individual Settlement Payments. Settlement Class Members shall be solely responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold harmless Defendants, the Released Butler Parties, and the Released Zones Parties from any claim or liability for taxes, penalties, or interest arising as a result of Individual Settlement Payments. PAGA Payments to the Aggrieved Employees shall be allocated 100%

1 to penalties, and the Settlement Administrator shall issue any necessary 1099 statement to the Aggrieved
2 Employees for their respective PAGA Payments.

3 **5.5.4. Tax Allocations of Individual Settlement Payments Not Material.** The
4 Court's approval of the allocation of Individual Settlement Payments set forth above is not a material term
5 of this Agreement. If the Court does not approve or approves a different allocation of the Individual
6 Settlement Payments, then the other terms of this Agreement shall still remain in effect.

7 **6. RELEASES**

8 **6.1. Release by Settlement Class Members.** Upon the Court's entry of the Final
9 Approval Order and Judgment, and upon funding of the Gross Settlement Amount, and except as to rights
10 this Agreement creates, Plaintiff and each member of the Settlement Class shall release Defendants and
11 the Released Parties from all class claims alleged in the Class Action Complaint and that could have been
12 alleged in the Class Action Complaint based on the facts alleged, which occurred during the Settlement
13 Period, and expressly excluding all other claims, including claims for vested benefits, wrongful
14 termination, unemployment insurance, disability, social security, workers' compensation, class claims
15 outside of the Settlement Period, and PAGA claims, which are released separately hereinbelow. The
16 Release by Settlement Class Members shall be effective as to Butler immediately upon Butler funding its
17 respective share of the Gross Settlement Amount and effective as to Zones immediately upon Zones
18 funding its respective share of the Gross Settlement Amount, each independently of the other.

19 **6.2. Release by the Aggrieved Employees.** Upon the Court's entry of Final Approval
20 Order and Judgement, and funding of the Gross Settlement Amount, the Defendants and Released Parties
21 shall receive a release from the Aggrieved Employees of all PAGA claims alleged in the Class Action
22 Complaint and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and
23 expressly excluding all other claims, including claims for vested benefits, wrongful termination,
24 unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside
25 of the PAGA Period. The Release by the Aggrieved Employees shall be effective as to Butler immediately
26 upon Butler funding its respective share of the Gross Settlement Amount, and it shall be effective as to
27

1 Zones immediately upon Zones funding its respective share of the Gross Settlement Amount, each
2 independently of the other.

3 **6.3. Class Representative's Individual Release.** In addition to the release given by
4 each member of the Settlement Class, Class Representative Roman Perez also generally releases all claims
5 against each Released Party. This Class Representative's Individual Release encompasses all such claims
6 of Class Representative Roman Perez in existence from the beginning of time through and including the
7 date of the mediation (April 21, 2022). This general release, further, includes all claims, known and
8 unknown, including a full release pursuant to California Civil Code Section 1542. Plaintiff waives and
9 relinquishes all rights Plaintiff may have under California Civil Code section 1542, which provides as
10 follows:

11 A general release does not extend to claims that the creditor or releasing party does not
12 know or suspect to exist in his or her favor at the time of executing the release and that, if
13 known by him or her, would have materially affected his or her settlement with the debtor
or released party.

14 **This general release from the Class Representative is effective only upon the Court**
15 **granting final approval of the Agreement, entry of Judgment, and payment by Defendants to the**
16 **Settlement Administrator and applies only to claims that may be released as a matter of law and**
17 **that accrued at any time from the beginning of time through and including April 21, 2022. The**
18 **Class Representative's Individual Release shall be effective as to Butler immediately upon Butler**
19 **funding its respective share of the Gross Settlement Amount, and it shall be effective as to Zones**
20 **immediately upon Zones funding its respective share of the Gross Settlement Amount, each**
21 **independently of the other.**

22 **Notwithstanding anything herein to the contrary, this general release shall not**
23 **encompass any employment-related claims by Plaintiff against Zones and the Zones Released**
24 **Parties allegedly arising after the date of the mediation (April 21, 2022), including, but not limited**
25 **to, claims that Zones or the Zones Released Parties retaliated against Plaintiff in violation of the**
26 **California Labor Code or otherwise for his filing the Action by allegedly interfering with Plaintiff**
27 **being hired by National Grid Solutions, LLC. Zones expressly denies all such claims and allegations**

1 **and denies that it caused Plaintiff injury, loss or damage of any kind whatsoever by such alleged**
2 **conduct or otherwise.**

3 **6.4. Settlement is Contingent Upon Release of Claims.** This Agreement is
4 conditioned upon the releases by the Settlement Class and Class Representative as described herein, and
5 upon covenants by the Settlement Class Members and Class Representative that they will not participate
6 in any action, lawsuits, proceedings, complaints, or charges in any court or before any administrative body
7 related to any claims they have released under this Agreement.

8 **6.5. Inadmissibility of Settlement Documents.** The Parties agree that this Agreement
9 and all exhibits thereto shall be inadmissible in any proceeding, except an action or proceeding to approve,
10 interpret, or enforce this Agreement. The Parties agree that, to the extent permitted by law, this Agreement
11 will operate as a complete defense to—and may be used as the basis for an injunction against or dispositive
12 motion with respect to—any action, suit, or other proceeding attempted in breach of this Agreement.

13 **7. SETTLEMENT APPROVAL PROCEDURE**

14 **7.1. Preliminary Approval.** Plaintiff shall submit to the Court a Motion for
15 Preliminary Approval of Class Action Settlement. This motion shall seek an order to preliminarily
16 approve this Agreement according to the terms in this Agreement and provide for the Notice of Class
17 Action Settlement to be sent to Class Members as specified in this Agreement, substantially in the form
18 attached hereto as **Exhibit A**. This motion shall include the bases for demonstrating the settlement
19 amounts are reasonable in light of the facts and controlling authorities pertaining to the claims alleged.
20 The motion shall also be accompanied by a declaration of Class Counsel discussing the risks of continued
21 litigation and the decision that the best interests of the Class Members are served by the terms of this
22 Agreement. Defendants' counsel shall have the opportunity to review and comment on a draft of the
23 motion before it is filed.

24 **7.2. Final Approval.** Plaintiff shall submit to the Court a Motion for Final Approval
25 Order, which shall include findings and orders (a) approving the Agreement, (b) adjudging the terms to
26 be fair, reasonable, and adequate, (c) reciting the Released Claims in full, (d) directing that the terms of
27 the Agreement be carried out, and (e) retaining jurisdiction to oversee enforcement of this Agreement and
28

the Court's orders. Defendants' counsel shall have the opportunity to review and comment on a draft of the motion before it is filed.

7.3. Motion for Class Counsel Payment. Along with the Motion for Final Approval, Class Counsel may file a motion for Court approval of an attorneys' fees and costs award in the amount of (a) 1/3 of the Gross Settlement Amount (currently Fifty Thousand Dollars (\$50,000)), and (b) litigation costs actually incurred in representing the interests of the Class, supported by adequate documentation, in an amount not to exceed Twenty Thousand Dollars (\$20,000).

7.4. Motion for Class Representative Service Award. Along with the Motion for Final Approval, Class Counsel may file a motion for Court approval of Class Representative Service Award in the amount of Ten Thousand Dollars (\$10,000) to Class Representative Roman Perez.

7.5. Timing of Judgment. After the Final Approval Order, Plaintiff shall request that the Court enter Judgment in accordance with this Agreement, without further fees or costs.

7.6. Appeal Rights. Only an Objector has the right to appeal the Judgment, if the Judgment is in accord with this Agreement. Each Class Representative and Class Counsel hereby waive any right to appeal any judgment, ruling, or order in this Action, including, without limitation, any Final Approval Order and any Judgment in the Action. This waiver includes all rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings, or post-judgment proceedings.

7.7. Schedule of contemplated events. By way of review, the events contemplated by the settlement approval procedure are as follows:

Deadline for Defendant Butler to provide current class list to Settlement Administrator	Within 14 calendar days of Preliminary Approval of the Agreement
Deadline for Settlement Administrator to mail Notice of Class Action Settlement	Within 7 business days of receipt of the class data from Defendants

Last day for class members to dispute their number of Eligible Workweeks	45 calendar days from date that Notice of Class Action Settlement is mailed; or 15 days from the date that Notice of Class Action Settlement is re-mailed
Last day for class members to submit Requests for Exclusion or Objections	45 calendar days from date that Notice of Class Action Settlement is mailed; or 15 days from the date that Notice of Class Action Settlement is re-mailed
Settlement Administrator to report to Defendants' Counsel and Class Counsel on Requests for Exclusion, Objections and other results of class notice	55 calendar days from date that Notice of Class Action Settlement is mailed
Deadline for Class Counsel to move for Final Approval, attorneys' fees and costs, and Class Representative Service Awards	To be set by the Court
Hearing on Final Approval and on motion for Class Counsel Payment and Class Representative Service Award	To be set by the Court

8. MISCELLANEOUS

8.1. No Tax Advice. Neither Class Counsel nor Defense Counsel intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

8.2. No Impact on Employee Benefits. No payment made under this Agreement shall be considered as compensation or hours worked or hours paid 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

1 compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any
2 such plan is considered an ERISA employee benefit plan.

3 **8.3. Language of Settlement Documents.** All settlement-related documents to be filed
4 with the Court or sent to Class Members must be approved by all Parties before being filed or sent.

5 **8.4. Parties' Authority.** The signatories hereto represent that they are fully authorized
6 to bind the Parties to all the terms of this Agreement. The Parties agree that Class Members are so
7 numerous that it is impossible or impractical to have each Class Member execute this Agreement. This
8 Agreement may be executed on behalf of Class Members by the proposed Class Representative and by
9 Class Counsel.

10 **8.5. Entire Agreement.** This Agreement, which includes its Definitions, Recitals, and
11 all Exhibits attached hereto, constitutes the entire agreement on its subject matter, and supersedes all prior
12 and contemporaneous negotiations and understandings between the Parties.

13 **8.6. Counterparts.** This Agreement may be executed in counterparts, and each
14 counterpart signed and delivered shall be deemed an original, and when taken together with other signed
15 counterparts, signed and delivered shall constitute one signed Agreement, which shall be binding upon
16 and effective as to all Parties.

17 **8.7. Facsimile or Scanned Signatures.** A Party may sign and deliver this Agreement
18 by signing on the designated signature block and transmitting that signature page via facsimile or as an
19 attachment to an email to counsel for the other Party. Any such signature shall be deemed an original for
20 purposes of this Agreement and shall be binding upon the Party who transmits the signature page.

21 **8.8. Waivers and Modifications to Be in Writing.** No waiver, modification, or
22 amendment of this Agreement—whether purportedly made before or after the Court's approval of this
23 Agreement—shall be valid unless it appears in a writing signed by or on behalf of all Parties, and then
24 shall be valid subject to any required Court approval. Any failure by any Party to insist upon the strict
25 performance by the other Party of any provision of this Agreement shall not be deemed a waiver of future
26 performance of the same provisions or of any other provision of this Agreement, and such Party,
27 notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any

1 provision of this Agreement. The time periods and dates provided in this Agreement with respect to giving
2 of notices and hearings are subject to Court approval and modification by the Court or by written
3 stipulation of Class Counsel and Defense Counsel.

4 **8.9. Construction.** Each Party participated jointly in the drafting of this Agreement,
5 and its terms are not intended to be, and shall not be, construed against any party by virtue of
6 draftsmanship.

7 **8.9.1. Exhibits Incorporated by Reference.** This Agreement includes the terms
8 set forth in any attached exhibit. Any exhibit to this Agreement is an integral part of it.

9 **8.9.2. Headings.** The headings within this Agreement appear for convenience of
10 reference only and shall have no effect upon the construction or interpretation of any part of this
11 Agreement.

12 **8.9.3. Invalidity of Any Provision.** Before declaring any provision of this
13 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent
14 possible so as to render all provisions of this Agreement enforceable.

15 **8.10. Duty to Cooperate.** Each Party, upon the request of another, agrees to perform
16 such acts and to execute and to deliver such documents as are reasonably necessary to carry out this
17 Agreement. In the same spirit, the Parties agree to make all reasonable efforts to avoid unnecessary
18 Administrative Costs.

19 **8.11. No Prior Assignments or Undisclosed Liens.** The Class Representative and Class
20 Counsel represent that they have not assigned, transferred, conveyed, or otherwise disposed of any
21 Released Claim or claim to attorneys' fees and costs award to be paid under this Agreement. The Class
22 Representative and Class Counsel further represent and warrant that there are not any liens or claims
23 against any amount that Defendants are to pay under this Agreement. The Class Representative and Class
24 Counsel agree to defend, to indemnify, and to hold Defendants harmless from any liability, losses, claims,
25 damages, costs, or expenses, including reasonable attorneys' fees, resulting from a breach of these
26 representations or from any lien or assignment.

1 **8.12. Waiver of Right to Request Exclusion by Class Representatives.** The Class
2 Representative, by signing this Agreement, agrees not to request exclusion from the settlement. The Class
3 Representative, by signing this Agreement, further represents that he has no objection to the terms of the
4 Agreement and believes the terms to be fair, reasonable and adequate.

5 **8.13. Publicity.** Neither Plaintiff nor Class Counsel will publicize the Agreement in any
6 way that identifies Defendants, except as follows: Nothing in this Agreement shall preclude Class Counsel
7 from communicating with members of the Settlement Class after preliminary approval, and after
8 preliminary approval Class Counsel is permitted to post Court-filed documents on their website(s) for
9 viewing by the Settlement Class members. Further, Class Counsel shall be permitted to disclose their
10 approval as Class Counsel in this Agreement in declarations filed with any court in support of Class
11 Counsel's adequacy.

12 **8.14. Continuing Jurisdiction.** The Court shall retain jurisdiction over the
13 implementation of this Agreement as well as any matter arising out of, or related to, the implementation
14 of this Agreement. The Court shall not have jurisdiction to modify the terms of this Agreement without
15 the consent of all Parties.

16 **8.15. Disputes.** If the Parties dispute the interpretation of this Agreement, they shall first
17 attempt to resolve the dispute informally through good faith negotiations and with the help of the mediator
18 (Steve Serratore, Esq.) if necessary, and, if those efforts are unsuccessful, they agree to mediate any such
19 dispute. The Parties will split the costs of the mediator, and all parties will bear their own fees and costs.

20 **8.16. Governing Law.** All terms of this Agreement shall be governed by and interpreted
21 according to California law.

22
23 SO AGREED:

24 Dated:

Roman Perez
Roman Perez (Feb 14, 2023 12:04 PST)

Plaintiff And Class Representative ROMAN PEREZ

1 Dated:
2 February 08, 2023

3 Levi Smylie
4 For Defendant BUTLER AMERICA, LLC

5 Dated:

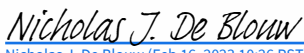
6 
jon bailey (Feb 10, 2023 15:09 PST)
7 For Defendant ZONES, LLC
jon bailey

8 Approval As To Form and Content By Counsel:

9
10 Dated: Feb 16, 2023

11 BLUMENTHAL NORDREHAUG BHOWMIK DE
12 BLOUW LLP

13 By

14 
Nicholas J. De Blouw (Feb 16, 2023 10:26 PST)

15 Nicholas J. De Blouw
Norman B. Blumenthal
Attorney for Plaintiff ROMAN PEREZ and the Settlement
16 Class.

17 Dated:

18 ZAKAY LAW GROUP APLC

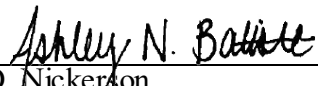
19 By

20 
Shani O. Zakay
Attorney for Plaintiff ROMAN PEREZ and the Settlement
21 Class

Dated: February 9, 2023

GORDON REES SCULLY MANSUKHANI, LLP

By



Craig D. Nickerson
Linh T. Hua
Ashley N. Batiste

Attorney for Defendant BUTLER AMERICA, LLC

Dated: February 9, 2023

FOX ROTHSCHILD, LLP

By



Jeffrey S. Horton Thomas
Daniel Kitzes

Attorney for Defendant ZONES, LLC

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

(Perez, et al., v. Butler America, LLC, et al., San Bernardino County Superior Court Case Number CIVDS2018372)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<<[REDACTED]>>. See the explanation below. Your estimated PAGA Payment is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will be unable to object to any portion of the proposed Settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendants must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of San Bernardino (the “Court”) has been reached between Plaintiff Roman Perez (“Plaintiff”) and Defendants Butler America, LLC and Zones, LLC (collectively “Defendants”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All non-exempt employees who are or previously were assigned to provide professional services to Zones, LLC by Butler America, LLC and performed work in California during the period of May 27, 2016 to June 21, 2022.

The “Settlement Period” is the period of time running from May 27, 2016 to June 21, 2022.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 27, 2020, Plaintiff filed a class action complaint in the Superior Court of California, County of Los Angeles (the “Los Angeles Action”), alleging the following: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510, *et seq.*; (4) Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 & 512 and the Applicable IWC Wage Order; (6) Failure to Provide Accurate Itemized Wage Statements in Violation of Cal. Lab. Code § 226; and (7) Failure to Provide Wages When Due in Violation of Cal. Lab. Code §§ 201, 202 and 203. On September 2, 2020, Plaintiff filed a representative action complaint in the Superior Court of California, County of San Bernardino (the “San Bernardino Action”), alleging a single cause of action pursuant to PAGA for civil penalties pursuant to Cal. Lab. Code § 2699, *et seq.* On February 22, 2021, Plaintiff filed a first amended complaint in the San Bernardino Action, adding the seven causes of action alleged in the Los Angeles Action. Subsequent to filing the Los Angeles Action, the Parties met and conferred regarding the proper venue for the action and determined that Defendant operates its business, and Plaintiff performed work, in the County of San Bernardino. As such, on March 19, 2021, Plaintiff filed a Request for Dismissal of the Los Angeles Action, which the Court granted on March 25, 2021. The operative complaint is the first amended complaint in the San Bernardino Action.

Defendants deny (1) all the material allegations in the Action, (2) that it violated any applicable laws, (3) that it is liable for damages, penalties, interest, restitution, attorneys’ fees, or costs, or for any other compensation or remedy with respect to anyone on account of the claims asserted in the Action, and (4) that class certification or representative treatment is appropriate as to any claim in the Action. Defendants contend that its policies, procedures, and practices comply with all applicable laws asserted in the Action.

On April 21, 2022, the Parties participated in mediation presided over by Steve Serratore, Esq., a well-respected wage and hour class action mediator. The mediation concluded without a settlement. However, following the mediation, each side, represented by its respective counsel, agreed to settle the Action based on a Mediator’s proposal. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of Blumenthal Nordrehaug Bhowmik De Blouw LLP and Zakay Law Group, APC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay an “all in” amount of One Hundred and Fifty Thousand Dollars (\$150,000) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments to Settlement Class Members, Class Counsel’s attorneys’ fees and costs, Administrative Costs, the PAGA Payment, each Aggrieved Employee’s pro-rata PAGA Payment, and the Class Representative Service Payment to the Plaintiff.

After the Judgment becomes Final, Defendants will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Settlement Class Members, as follows:

- Administrative Costs. Payment to the Settlement Administrator, estimated not to exceed **\$8,500.00** for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Class Counsel's Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Payment of no more than 1/3 of the Gross Settlement Amount (currently \$50,000) and Class Counsel's costs of not more than \$20,000 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Award. Class Representative Service Award of up to Ten Thousand Dollars (\$10,000) to Plaintiff, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, and for the risks he undertook.
- PAGA Payment. A payment of \$5,000 relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$3,750 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$1,250 will be distributed to Aggrieved Employees as part of the Net PAGA Amount.
- Calculation of Payments to Settlement Class Members. After all the above payments of the court-approved Class Counsel Payment, the Class Representative Service Award, the PAGA Payment, and the Administrative Costs are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Individual Settlement Payment for each Settlement Class Member will be calculated by dividing the number of Eligible Workweeks attributed to the Settlement Class Member by all Eligible Workweeks attributed to members of the Settlement Class, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (individual's Eligible Workweeks ÷ total Settlement Class Eligible Workweeks) x Net Settlement Amount. An "eligible workweek" is defined as a workweek in which a Class Member was employed by Defendants during the Claim Period, and received any regular pay.
- Calculation of PAGA Penalties Payments to Aggrieved Employees. The Net PAGA Amount shall be distributed to Aggrieved Employees irrespective of whether they exclude themselves or opt-out. The Net PAGA Amount will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employees" means all non-exempt employees who are or previously were assigned to provide professional services to Zones, LLC by Butler America, LLC and performed work in California during the period of April 15, 2019 to June 21, 2022. The PAGA Period means the period between April 15, 2019 to June 21, 2022.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. Ten percent (10%) of each Individual Settlement Payment is allocated to wages. Taxes are withheld from this amount, and each Settlement Class Member will be issued an Internal Revenue Service Form W-2 for such payment. Ninety percent (90%) of each Individual Settlement Payment is allocated to interest (forty-five percent (45%)), penalties and other non-wage payments (forty-five percent (45%)), and no taxes will be withheld, and each Settlement Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Payment paid to Aggrieved Employees, and each Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendants' counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon the Court's entry of the Final Approval Order and Judgment, and upon funding of the Gross Settlement Amount, and except as to rights this Agreement creates, Plaintiff and each member of the Settlement Class shall release the Released Parties from all class claims alleged in the operative complaint and that could have been alleged in the operative complaint based on the facts alleged, which occurred during the Settlement Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, class claims outside of the Settlement Period, and PAGA Claims, which are separately released hereinbelow. The Released PAGA Claims shall be released as follows. Upon the Court's entry of Final Approval Order and Judgment, and funding of the Gross Settlement Amount, the Defendants shall receive a release from the Aggrieved Employees of all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period (the "Released PAGA Claims").

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendants' records reflect that you have <<____>> Workweeks worked during the Settlement Period (May 27, 2016 to June 21, 2022).

Based on this information, your estimated Individual Settlement Payment is <<____>>.

Defendants' records reflect that you have <<____>> pay periods worked during the PAGA Period (April 15, 2019 to June 21, 2022).

Based on this information, your estimated PAGA Payment Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the mailed Notice; or fifteen (15) days after the re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: _____. (800) _____.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement other than a share of the Net PAGA Amount, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the Released PAGA Claims, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is _____. The request for exclusion must state in substance: "I wish to opt out of the settlement of the class action lawsuit **entitled *Perez, et al., v. Butler America, LLC, et al., San Bernardino County Superior Court Case Number CIVDS2018372***. I understand that by requesting to be excluded from the settlement, I will receive no money from the Settlement described in this Notice other than a share of the Net PAGA Amount." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is ***Perez, et al., v. Butler America, LLC, et al., San Bernardino County Superior Court Case Number CIVDS2018372***. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is **ILYM Group Inc., 14771 Plaza Drive, Ste. L, Tustin, CA 92780.**

The addresses for the Parties' counsel are as follows:

Class Counsel:

Norman B. Blumenthal,
Esq.
Blumenthal Nordrehaug
Bhowmik De Blouw LLP
2255 Calle Clara
La Jolla, CA 92037
Telephone: (858) 551-1223
Facsimile: (858) 551-1232
norm@bamlawca.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
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Suite 3600
San Diego, CA 92121
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Fax: (619) 599-8291
shani@zakaylaw.com

**Counsel for Defendant Butler
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Craig D. Nickerson, Esq.
Linh T. Hua, Esq.
Ashley N. Batiste, Esq.
Gordon Rees Scully
Mansukhani, LLP
633 West Fifth Street, Suite
5200
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Facsimile: (213) 680-4470
Tjang-Busby@grsm.com
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abatiste@grsm.com

Counsel for Defendant Zones, LLC

Jeffrey S. Horton Thomas, Esq.
Daniel V. Kitzes, Esq.
Fox Rothschild, LLP
10250 Constellation Blvd., Ste. 900
Los Angeles, CA 90067
Telephone: (310) 598-4150
Facsimile: (310) 556-9828
JHortonThomas@foxrothschild.com
DKitzes@foxrothschild.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **00:00 AM/PM on**, at the San Bernardino County Superior Court, Department S26 located at 247 West Third Street, San Bernardino, CA 92415 before Judge David Cohn. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at _____ or write to *Perez, et al., v. Butler America, LLC, et al., San Bernardino County Superior Court Case Number CIVDS2018372*, Settlement Administrator, c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to Zakay Law Group, APLC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the State Controller's Unclaimed Property Fund. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.