

JOINT STIPULATION AND CLASS ACTION SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Joint Stipulation and Class Action Settlement Agreement is between Plaintiffs Anthony Wickett, Corbett Dotson, and Chondra Brown (“Plaintiffs”), on behalf of themselves, the class members (“Class Members”), and the allegedly aggrieved employees (“Allegedly Aggrieved Employees”), on the one hand, and SPT Holdings, LLC (since renamed REVO Group, LLC), Roman Freight Lines, and BSP Shipping, Inc. (“Defendants”), on the other hand (jointly referred to as the “Parties”).

I. DEFINITIONS

In addition to the other terms defined in this Settlement, the terms below have the following meaning:

- A. **Actions**: the lawsuits styled, *Brown v. SPT Holdings*, Case No. 20STCV27895, currently pending in Los Angeles Superior Court, and *Dotson et. al., v. Roman Freight Lines, Inc., et al.*, Case No. RG20068718, currently pending in Alameda County Superior Court.
- B. **Administration Costs**: The costs incurred by the Settlement Administrator to administer this Settlement, which the Parties estimate will be up to \$11,500. All Administration Costs shall be paid from the Gross Fund Value.
- C. **Allegedly Aggrieved Employees**: All nonexempt employees who have worked for Defendants as drivers in California at any time during the PAGA Period.
- D. **Attorney Fee Award**: The amount, up to 1/3 (33.33%) of the Gross Fund Value, or One Hundred Thirty Three Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents (\$133,333.33), consisting of \$130,000 for the Class Settlement Attorney’s Fees and \$3,333.33 for the PAGA Settlement Attorney’s Fees, subject to Court approval, which will be awarded to Class Counsel under the terms of this Settlement. The Attorney Fee Award shall be paid from the Gross Fund Value. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Fund Value for distribution to Participating Class Members and Allegedly Aggrieved Employees.
- E. **BSP Subclass**: All hourly nonexempt employees who have worked for Defendant BSP as Shipping Drivers in California at any time during the Class Period.
- F. **Class**: All non-exempt employees who have worked for Defendants as drivers in California at any time during the Class Period, which is fully inclusive of the Allegedly Aggrieved Employees. The Class is estimated to consist of 400 individuals.

- G. **Class Counsel:** Marco A. Palau, Joseph D. Sutton, and Eric S. Trabucco of Advocates for Workers Rights, LLP, Jessica Juarez, and Olesia Boulaev of the Levine Law Firm, APC.
- H. **Class Member:** Each individual eligible to participate in this Settlement who is a member of the Class, which is fully inclusive of all Allegedly Aggrieved Employees.
- I. **Class Notice or Notice:** The Notice of Class Action Settlement, which includes the PAGA claims in the LWDA Letter, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
- J. **Class Period:** The time period of July 21, 2016 through the date of preliminary approval of the settlement, which is fully inclusive of the time period applicable to the Allegedly Aggrieved Employees.
- K. **Class Representative or Plaintiffs:** Anthony Wickett, Corbon Dotson, and Chondra Brown
- L. **Class Representative Incentive Payment:** The amount the Court awards to Plaintiffs for their services as the Class Representative, which will be up to Twenty Thousand Dollars and Zero Cents (\$20,000.00). This payment shall be paid from the Gross Fund Value. This incentive is subject to approval of the Court. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Fund Value for distribution to Participating Class Members and Allegedly Aggrieved Employees.
- M. **Cost Award:** The amount that the Court orders Defendants to pay or cause to be paid, based on this Settlement, to Class Counsel for payment of actual litigation costs, which will be up to \$29,000, including Administration Costs. The Cost Award will be paid from the Gross Fund Value. The Cost Award is subject to Court approval. If the Court awards less than the amount request, any amount not awarded will become part of the Net Fund Value for distribution to Participating Class Members and Allegedly Aggrieved Employees.
- N. **Counsel for Defendants:** Benjamin Gipson of DLA Piper.
- O. **Defendants:** Defendants SPT Holdings, LLC (since renamed REVO Group, LLC), Roman Freight Lines, and BSP Shipping, Inc.
- P. **Effective Final Settlement Date:** The effective date of this Settlement will be the date when the final approval of the Settlement can no longer be appealed.
- Q. **Final Approval:** The final order entered by the Court finally approving this Settlement.

- R. Gross Fund Value:** The total value of the Settlement is a non-reversionary Four Hundred Thousand Dollars and Zero Cents (\$400,000.00). This is the maximum amount, except for employer-side payroll taxes on the wage portion of individual settlement shares, that Defendants can be required to pay or cause to be paid under this Settlement, which includes without limitation: (1) the Net Fund Value to be paid to Participating Class Members and Allegedly Aggrieved Employees; (2) Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Incentive payment paid to the Class Representative, as approved by the Court; (4) Administration Costs, as approved by the Court; and (5) payments to the LWDA, Participating Class Members, and Allegedly Aggrieved Employees, as approved by the Court. No portion of the Gross Fund Value will revert to Defendants for any reason. Under no circumstances will Defendants be required to pay or cause to be paid greater than the Gross Fund Value under the terms of this Settlement.
- S. Individual Settlement Share(s):** The amount payable to each Participating Class Member under the terms of this Settlement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Settlement.
- T. LWDA:** California Labor and Workforce Development Agency.
- U. LWDA Letter:** The letters Plaintiffs submitted to the LWDA on July 21, 2020 (*Dotson* Action) and June 5, 2020 (*Brown* Action).
- V. Net Fund Value:** The total amount of money available for payout to Participating Class Members and Allegedly Aggrieved Employees, which is the Gross Fund Value less the Attorney Fee Award, Cost Award, Class Representative Incentive, the portion of the PAGA Payment paid to the LWDA, and Administration Costs.
- W. PAGA:** The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- X. PAGA Payment:** The PAGA Payment consists of Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Fund Value, which is attributed to the PAGA claim as alleged in the LWDA Letter and the pending Action. Seventy-five percent (75%) of the PAGA Payment shall be paid to the LWDA (less attorney's fees of up to one third (1/3) of the PAGA Payment) (\$4,166.67), and twenty-five percent (25%) (\$2,500) of the PAGA Payment shall be part of the Net Fund Value distributed to Allegedly Aggrieved Employees.
- Y. PAGA Period:** The time period from July 21, 2019 through the date of preliminary approval of the settlement.

- Z. PAGA Release Claims:** Any and all Released Claims asserted in the Actions under the Private Attorney General Act of 2004, codified in California Labor Code section 2698, *et seq.*
- AA. Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement, as detailed in Section III.J. Class Members may not exclude themselves from the Settlement with respect to any PAGA claims alleged or released.
- BB. Parties:** Collectively, Plaintiffs and Defendants.
- CC. Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the proposed Settlement.
- DD. Qualified Settlement Fund:** A fund within the meaning of Treasury Regulation § 1.46B-1, 26 C.F.R. § 1.468B-1 *et seq.*, that is established by the Settlement Administrator for the benefit of Participating Class Members, Plaintiffs, and Class Counsel. The Qualified Settlement Fund shall be an interest-bearing escrow account created by the Settlement Administrator for the purpose of administering the payments required by this Settlement. Any interest generated by the account shall remain in the account and be drawn upon to make the payments required by this Settlement.
- EE. Released Claims:** The claims that Plaintiffs, the other Participating Class Members, the Allegedly Aggrieved Employees, and all persons purporting to act on their behalf or purporting to assert a claim under or through each or any of them (collectively, the "Releasing Parties") are fully and forever irrevocably releasing, in exchange for the consideration provided for by this Settlement, the claims asserted in the Actions on behalf of the Class and Allegedly Aggrieved Employees, defined as any and all claims, obligations, demands, rights, causes of action, and liabilities against Defendants or the Released Parties (as defined below) during the Class Period and the PAGA Period, under Labor Code Sections 98.6, 200, 201, 202, 203, 204, 210, 221, 223, 225.5, 226, 226.2, 226.7, 246, 432.3, 510, 511, 512, 515, 558, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 2802, 2698, 2699 *et seq.*, (and/ or "PAGA"), 3401, 6300 *et seq.*, 6306, 6310, 6311, 6399.7, 6401, 6403, which either have been asserted or which could have been asserted in the LWDA Letter, based on the facts, claims and/or allegations stated in such documents, including for failure to pay separately for non-driving time activities, failure to furnish accurate wage statements, failure to pay timely wages, failure to reimburse necessary business expenses, failure to provide compliant meal and rest periods, failure to provide a safe and healthy workplace, retaliation for being injured at work, retaliation for all complaints of discrimination and/or an unsafe workplace, and/or all penalties under and California's applicable Wage Order, under PAGA, under any other statute or common law, or for any recovery under California Business and Professions Code Section 17200 *et seq.* or IWC Wage Order 9 based on the foregoing (the "Released Claims"). Notwithstanding the above, the Parties

understand and agree that the release in this Settlement does not apply to (i) those rights that as a matter of law cannot be released and/or waived, including, but not limited to, workers' compensation claims; (ii) rights or claims that may arise before or after the Class Period and/or the PAGA Period; (iii) rights or claims regarding enforcement of this Settlement; or Plaintiff Brown and Sherman Brown's employment discrimination case pending in Los Angeles Superior Court (Case No. 21STCV31642), which the parties agree is not being released by this Agreement (the "Excluded Claims"). In exchange for the consideration the Allegedly Aggrieved Employees will receive as part of the Settlement, and upon final approval of the Settlement and Defendant's payment of funds thereunder, the Allegedly Aggrieved Employees shall be deemed to release Defendants of all PAGA Released Claims.

- FF. Released Parties:** Defendants and any of their current, former, and future parent, subsidiary, and affiliated companies, and its/their agents, officers, shareholders, directors, employees, including successors and assigns, related or affiliated companies' predecessors and successors; and, with respect to all such entities, all of its/their past and present employees, officers, directors, stockholders, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries and insurers of such programs) and any other persons acting by, through, under or in concert with any such persons or entities.
- GG. Response Deadline:** Forty-five (45) calendar days from the initial mailing of the Class Notice.
- HH. Roman Freight Lines ("RFL") Subclass:** All piece rate (flat rate) nonexempt employees who have worked for Defendant Roman Freight Lines as Drivers in California at any time during the Class Period.
- II. Settlement:** The settlement agreement reflected in this document, titled "Joint Stipulation and Settlement Agreement."
- JJ. Settlement Administration:** The Settlement Administrator will mail the Class Notice by first class U.S. mail to all Class Members at the address Defendants have on file for those Class Members, subject to update by the Settlement Administrator's skip trace. The Settlement Administrator will conduct a skip trace for Notices that are returned as undeliverable. The Class Notice will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out of the Settlement, except that Class Members may not opt-out with respect to any PAGA claims alleged or released. Any Class Member who does not receive the Class Notice after the steps outlined above have taken place will still be bound by the Settlement and judgment.

KK. Settlement Administrator: The third party administrator agreed upon by Parties to administer this Settlement will be Phoenix Class Action Administration Solutions.

II. RECITALS

- A.** On July 21, 2020, Plaintiffs Dotson and Wickett submitted a letter to California's Labor Workforce and Development Agency alleging that Defendants violated California Labor Code sections 200, 201, 202, 203, 204, 204b, 210, 223, 224, 226, 226.3, 226.2, 246, 246.5, 247, 247.5, 248.5, 256, 510, 511, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802, and 2699, *et seq.*
- B.** On June 5, 2020, Plaintiff Brown submitted a letter to California's Labor Workforce and Development Agency alleging that Defendants violated California Labor Code sections 98.6, 226.7, 512, 515, 432.3, 1197.5, 6300 *et seq.*, 6306, 6310, 6311, 6399.7, 6401, 6403.
- C.** On July 21, 2021, Plaintiff Brown filed a class action and PAGA representative action against Defendants in Los Angeles Superior Court (Case No. 20STCV27895) alleging causes of action for (1) Failure to Provide Meal Periods and Pay Premiums, (2) Failure to Provide Rest Periods and Pay Premiums, (3) Failure to Provide a Safe and Healthy Workplace, (4) Failure to Pay Fair Wages, (5) Retaliation for Being Injured at Work, (6) Retaliation for Complaints of Discrimination and/or Unsafe Workplace, and (7) Unfair Business Practices. Plaintiff sought to represent a class of all non-exempt employees who have worked for Defendants in the state of California at any time between July 1, 2015 and the date of class certification.
- D.** On July 23, 2020, Plaintiffs Wickett and Dotson filed a class action and PAGA representative action against Defendants in Alameda County Superior Court (Case No. RG20068718) alleging causes of action for (1) Failure to Pay Non-Driving Activities, (2) Failure to Provide Complete Wage Statements, (3) Failure to Pay Timely Wages, (4) Failure to Reimburse Business Expenses, and (5) Unfair Business Practices. Plaintiffs sought to represent a class of all non-exempt California-based drivers who have been employed by Defendants within four (4) years of the filing of the original complaint in this action through the final disposition.
- E.** After conducting informal discovery, the Parties engaged in mediation on January 6, 2022 with mediator Jeffrey Krivis. Prior to mediation, the Parties represent that they conducted significant investigation and discovery of the facts and law. Defendants produced documents relating to their policies, practices, and procedures regarding payment and reimbursement of drivers, as well as data about the number of pay periods in the Class Period and the estimated number of Allegedly Aggrieved Employees and Class Members. Plaintiffs represent that they and their counsel reviewed these items. The Parties agree that the above-described investigation and

evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.

- F. Benefits of Settlement to Class Members.** Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendants through trial and through any possible appeals. Plaintiffs and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel have conducted extensive settlement negotiations, including formal conversations and written correspondence before and after the January 6, 2022 mediation. Based on the foregoing, Plaintiffs and Class Counsel believe the Settlement set forth in this Settlement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.
- G. Defense Reasons for Settlement.** Defendants recognizes that the defense of this litigation may be protracted and expensive. Substantial amounts of time, energy, and resources of the defense have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendants, therefore, has agreed to settle in the manner and upon the terms set forth in this Settlement to put to rest the Released Claims.
- H. Defendants' Denial of Wrongdoing.** Defendants generally and specifically deny any and all liability or wrongdoing of any sort with regard to any of the claims alleged, make no concessions or admissions of liability of any sort, and contend that for any purpose other than Settlement, the Action is not appropriate for class or representative treatment. Defendants assert a number of defenses to the claims, and have denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Settlement, nor any document referred to or contemplated by this Settlement, nor any action taken to carry out this Settlement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendants or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Settlement be construed as an admission that Plaintiffs can serve as an adequate Class Representative except for purposes of this Settlement. There has been no final determination by any court as to the merits of the claims asserted by Plaintiffs against Defendants or as to whether a class should be certified, other than for settlement purposes only.
- I. Plaintiffs' Claims.** Plaintiffs assert that Defendants' defenses are without merit. Neither this Settlement nor any documents referred to or contemplated by this Settlement, nor any action taken to carry out this Settlement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, Plaintiffs and Class Counsel will not oppose Defendants' efforts to use this Settlement to prove that Plaintiffs and Class

Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Fund Value.** Subject to the terms and conditions of this Settlement, Defendants shall fund a Gross Fund Value of Four Hundred Thousand Dollars and Zero Cents (\$400,000.00).
- 1. Increase in Number of Class Members.** The Parties estimate that the total number of Class Members totals 400. If the total number of Participating Class Members, exceeds the foregoing amount by more than fifteen percent (15%), i.e., more than 60 Participating Class Members (or Allegedly Aggrieved Employees), then Plaintiffs shall have the right to void this Agreement. In the event that Plaintiffs void the Agreement, the Parties agree that each side (Plaintiffs and Defendants) will pay fifty percent (50%) of the Administration Costs incurred to date.
- B. Notice to the Labor and Workforce Development Agency (“LWDA”).** On [July 21, 2020 (*Dotson* Action) and June 5, 2020 *Brown* Action], Plaintiffs filed and served their Notice of Labor Code Violations Pursuant to Labor Code Section 2699.3 and waited the statutory time period needed without response from the LWDA to file a civil claim for PAGA penalties. Thus, Plaintiffs represent that they have satisfied their notice obligations under the PAGA.
- C. Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Settlement.
- D. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiffs and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with the Action, including the question of whether the Court should certify any claims in a non-settlement context in the Action or in any other lawsuit. If the Settlement does not become effective, Defendants reserve the right to contest any issues relating to class certification and liability.
- E. Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree that Plaintiffs Anthony Wickett, Corbon Dotson, and Chondra Brown shall be appointed as representative for the Class.
- F. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Marco A. Palau, Joseph D. Sutton,

and Eric S. Trabucco of Advocates for Workers Rights, LLP, Jessica Juarez, and Olesia Boulaev of the Levine Law Firm, APC as Class Counsel to represent the Class.

- G. Individual Settlement Share.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will pay an Individual Settlement Share from the Net Fund Value to each Participating Class Member.

1. Individual Settlement Share Calculation for Participating Class

Members. Each Participating Class Member will receive a proportionate share of the Net Fund Value determined by the number of pay periods (workweeks) worked by each such individual during the Class Period and distributed pro rata. For purposes of this formula, any part of a pay period shall count as one pay period. The Parties agree that a weighted formula shall be applied to acknowledge the exceptional relative value of the RFL Subclass. The average damages of a RFL Subclass Member are 5.89634 times greater than the average damages of a BSP Subclass member.

2. Individual Settlement Share Calculation for Allegedly Aggrieved

Employees. Each Allegedly Aggrieved Employee will receive a proportionate share of the Net Fund Value determined by the number of pay periods (workweeks) worked by each such individual during the PAGA Period and distributed pro rata. For purposes of this formula, any part of a pay period shall count as one pay period. The Parties agree that a weighted formula shall be applied to acknowledge the exceptional relative value of the RFL Subclass. The average damages of a RFL Subclass Member are 5.89634 times greater than the average damages of a BSP Subclass member.

- 3. Tax Withholdings.** Each Participating Class Member's gross settlement award will be issued in conjunction with an IRS Form W-2 and 1099. Each Allegedly Aggrieved Employee's gross settlement shares will be issued in conjunction with an IRS Form 1099.

- 4. Tax Allocation and Reporting.** For purposes of this agreement, the parties agree that 1/3 of the settlement shares shall be reported as W-2 wages, while 2/3 of the settlement shares shall be reported as 1099-MISC income for interest, premiums and penalties.

- H. Settlement Disbursement.** Subject to the terms and conditions of this Settlement, the Settlement Administrator will make the following payments out of the Gross Fund Value:

- 1. To the Plaintiffs:** In addition to the Individual Settlement Share, and subject to the Court's approval, Plaintiffs will receive up to Twenty Thousand Dollars and Zero Cents (\$20,000.00) as a Class Representative Incentive Payment. The Settlement Administrator will pay the Class Representative Incentive Payment

out of the Gross Fund Value. Payroll tax withholdings and deductions will not be taken from the Class Representative Incentive Payment. An IRS Form 1099 will be issued to Plaintiffs with respect to their Class Representative Incentive Payment. In the event the Court does not approve the entirety of the application for the Class Representative Incentive Payment, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendants nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiffs, the difference shall become part of the Net Fund Value and be available for distribution to Participating Class Members and Allegedly Aggrieved Employees.

2. **To Class Counsel.** Class Counsel will apply to the Court for the Attorney Fee Award and the Cost Award. The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Fund Value. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendants nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the Net Fund Value and be available for distribution to Participating Class Members and Allegedly Aggrieved Employees.
3. **To the Settlement Administrator.** The Settlement Administrator will pay to itself Administration Costs. This will be paid out of the Gross Fund Value. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the Net Fund Value and be available for distribution to Participating Class Members and Allegedly Aggrieved Employees. The settlement administration costs are estimated to be no more than \$11,500.
4. **To Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share Calculation for Participating Class Members set forth above. All payments to Participating Class Members shall be made from the Gross Fund Value.
5. **To Allegedly Aggrieved Employees.** The Settlement Administrator will pay Allegedly Aggrieved Employees according to the Individual Settlement Share Calculation for Allegedly Aggrieved Employees set forth above. All payments to Allegedly Aggrieved Employees shall be made from the Gross Fund Value.

I. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate and agree that Phoenix Class Action Administration Solutions shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, and mailing the Class Notice to the Class Members; keeping track of any objections or requests for exclusion from Class Members; performing skip traces and re mailing Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; providing weekly status reports to Defendants' Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing Individual Settlement Shares to Participating Class Members; calculating and mailing the PAGA Payment to the LWDA; distributing the Attorney Fee Award and Cost Award to Class Counsel; printing and providing Class Members and Plaintiffs with 1099 forms as required under this Settlement and applicable law; providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; providing any funds remaining in the Qualified Settlement Fund as a result of uncashed checks to Legal Aid at Work, a California nonprofit that qualifies for distribution under CCP §384(c), and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Legal Aid at Work or otherwise have a relationship with Legal Aid at Work that could create a conflict of interest.

J. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a. Following the execution of this Agreement, Plaintiffs will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the Class Notice within a reasonable time after full execution of this Settlement.
- b. At the Preliminary Approval hearing, Plaintiffs will support the granting of the motion and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representatives, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.
- c. In the event that class certification for Settlement purposes is deemed null and void, then the conditional class certification for Settlement purposes will have no precedential value and it will not be introduced into evidence or used for any other purpose. Provided, however, that the amounts of the Attorney Fee Award, Cost Award, PAGA

Payment, Administration Costs, and Class Representative Incentive shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested does not void or nullify this Settlement as these items are not conditions of this Settlement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of this Settlement.

2. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice, in English and Spanish, in accordance with the following procedure:

- a.** Within forty (40) calendar days after entry of the Preliminary Approval Order, Defendants shall deliver to the Settlement Administrator an electronic database, which will list for each Class Member: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; and (5) the total number of months during which the Class Member performed work during the Class Period as a member of the Class ("Database"). If any or all of this information is unavailable to Defendants, Defendants will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will use the National Change of Address Database and, for mail that is returned as undeliverable, will conduct a skip trace. The Database shall be based on Defendants' payroll, personnel, and other business records. The Settlement Administrator shall maintain the Database and all data contained within the Database as private and confidential.
- b.** Within fifteen (15) business days after receipt of this information from Defendants, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail, using the mailing address information provided by Defendants and the results of the skip trace performed for undeliverable mail.
- c.** If a Class Notice is returned because of an incorrect address, within ten (10) calendar days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable, including use of the National Change of Address Database and skip traces to attempt to find the current address. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned

without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Class Notice shall be re-mailed to the original address. If the Class Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing.

- d. The Settlement Administrator shall provide a weekly status report by email to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendants' Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion received.
- e. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Settlement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) calendar days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.
- f. Plaintiffs agree that any employee data provided by Defendants to the Settlement Administrator for purposes of this Settlement will be kept confidential.

3. Objections to Settlement. The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, must have the objection signed and dated, and must have the objections faxed and/or mailed to the Settlement Administrator postmarked no later than the Response Deadline. The timeframe to submit an objection will not be increased for returned mailings.

- a. **Format.** Any Objections shall state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection" or other words to clearly indicate they are objecting to the Settlement; (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing.

- b. Confirmation of Authenticity.** If there is a question about the authenticity of a signed objection, the Settlement Administrator may demand additional proof of the Class Member's identity.
 - c. Notice of Intent to Appear.** Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel to state his/her reasons for objecting to the terms of the Settlement.
 - d. No Objection by Plaintiffs.** Plaintiffs agree not to object to the settlement.
- 4. Request for Exclusion from the Settlement ("Opt-Out").** The Class Notice will include an Opt-Out Form which will allow Class Members who wish to exclude themselves from the Settlement to mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and social security number or employee identification number; (b) state the Class Member's intention to exclude themselves from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member or his or her lawful representative; and (e) be postmarked no later than the Response Deadline. Class Members may not both object to the settlement and request to exclude themselves. If Class Members submit an objection and a request for exclusion, the Settlement Administrator will contact them to determine which type of response they would like to submit and to re-submit such response.
 - a. Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely request for exclusion will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.
 - b. Report.** No later than ten (10) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class

- Page 15 of 22

to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the judgment 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 proceeding, or post-judgment proceeding.

- 9. Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Settlement and the Superior Court's Final Approval Order and judgment. The maximum amount Defendants can be required to pay or cause to be paid under this Settlement for any purpose is the Gross Fund Value, plus employer-side payroll taxes. The Settlement Administrator shall keep Defendants' Counsel and Class Counsel apprised of all distributions from the Gross Fund Value. The Settlement Administrator shall respond to questions from Defendants' Counsel and Class Counsel. No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Settlement.

a. Funding the Settlement:

1. First Settlement Payment. No later than thirty (30) calendar days after the Effective Final Settlement Date Defendants shall pay or cause to be paid one half of the Gross Fund Value (or \$200,000) into the Qualified Settlement Fund set up by the Settlement Administrator by wiring the funds. Defendants shall also at this time provide any tax information that the Settlement Administrator may need to calculate each Participating Class Member's and Allegedly Aggrieved Employee's Individual Settlement Share.
2. Second Settlement Payment. No later than one hundred eighty days (180) calendar days after the Effective Final Settlement Date Defendants shall pay or cause to be paid the second half of the Gross Fund Value (or \$200,000) into the Qualified Settlement Fund set up by the Settlement Administrator by wiring the funds.

- b. Disbursement:** Within sixty (60) calendar days after the (1) First Settlement Payment or (2) the Effective Final Settlement Date, whichever is later, the Settlement Administrator shall calculate and pay 50% of the Class Representative Incentive, (b) the Cost Award, (c) a pro-rata share of Individual Settlement Shares, and (d) a pro rata share of Attorney Fee Award. Within 30 days of the Second

Settlement Payment by Defendants, the Settlement Administrator shall calculate and pay: (a) the remaining 50% of the Class Representative Incentive, (b) the remaining balance of Individual Settlement Shares, which shall include a pro rata share of uncashed checks from the first distribution (this second distribution to class members will only be made to class members who cashed their first check), (c) the remaining balance of the Attorney Fee Award, (d) the Administrator's fees for services, and (e) the PAGA Payment. The Settlement Administrator will forward a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim, less the portion of the Attorney Fee Award payable by the LWDA as determined by the Court. After all Disbursements are completed, Defendants and the Released Parties shall have no liability for the Released Claims brought by or on behalf of Participating Class Members during the Class Period.

10. Uncashed Checks. Participating Class Members must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) calendar days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 180-day period, or 90-day period after mailing the reminder notice, whichever is earlier, the Settlement Administrator will, within two hundred (200) calendar days after the checks are initially mailed, pay the amount of the Individual Settlement Share to the shall be transferred to Legal Aid at Work, a California nonprofit that qualifies for distribution under CCP §384(c).

11. Final Report by Settlement Administrator. Within ten (10) calendar days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.

12. Defendants' Legal Fees. Defendants are responsible for paying for all of Defendants' own legal fees, costs, and expenses incurred in the Action outside of payments to the Gross Fund Value pursuant to this Settlement.

K. Release of Claims. As of the Effective Final Settlement Date, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims. Also as of the Effective Final Settlement Date, the Allegedly Aggrieved Employees release the Released Parties from all PAGA claims alleged or released under the Released Claims.

Allegedly Aggrieved Employees agree not to sue or otherwise make a claim against of the Released Parties for any PAGA claim released.

L. Plaintiffs' Release of Claims and General Release. Plaintiffs agree to a general release of all claims in consideration for their Settlement share, PAGA share, and Class Representative Incentive Payment to the Plaintiffs in an amount up to \$20,000.00 (Twenty Thousand Dollars and No Cents), in recognition of their work and efforts in obtaining the benefits for the Class, and undertaking the risk for the payment of costs in the event the Action had not successfully resolved.

1. Waiver of Section 1542. Plaintiffs acknowledge and agree that it is their intention in executing this Agreement that the same shall be effective as a bar to each and every claim, demand, cause of action, obligation, damage, liability, charge, attorneys' fees and costs herein above released, except for the Excluded Claims. Plaintiffs expressly waive and relinquish all of their rights and benefits, if any, arising under the provisions of *Civil Code* § 1542, which provides: **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

M. Miscellaneous Terms

- 1. No Effect on Employee Benefits.** The Class Representative Incentive Payment and/or Individual Settlement Shares paid to Plaintiffs and Participating Class Members and Allegedly Aggrieved Employees shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.). The Parties agree that any Class Representative Incentive and/or Individual Settlement Shares paid under the terms of this Settlement do not represent any modification of employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants. Further, any Class Representative Incentive Payments shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendants.
- 2. Non-Disclosure and Non-Publication.** Plaintiffs and Class Counsel agree not to publicize or advertise the Settlement or the negotiations underlying the Settlement, in any manner or form, directly to any person or entity, except to Class Members as required to effectuate the terms of this Settlement. Class

Counsel agree to discuss the terms of this Settlement only in declarations submitted to a court to establish their adequacy to serve as class counsel, in declarations submitted to a court in support of motions for preliminary approval, final approval, for attorneys' fees/costs, and any other pleading filed with the Court in conjunction with the Settlement, and in discussions with Class Members in the context of administering this Settlement until the Preliminary Approval Order is issued. Nothing in this paragraph shall prevent Class Counsel from carrying out their duties as such. This paragraph does not prevent Class Counsel from posting on its website, as part of the class notice procedure, an announcement of the settlement that includes the case name, the court, the amount of the settlement, and links to download the class notice, motions for preliminary and final approval, the operative complaints, and important case documents for class members, provided that Class Counsel agrees to take this information off the website once the class notice period is complete. Nothing shall preclude the references to this settlement in other court filings for purposes of establishing adequacy or the fairness of this or other settlements.

3. **Integrated Agreement.** After this Settlement is signed and delivered by all Parties and their counsel, this Settlement and its exhibits will constitute the entire Settlement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Settlement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Settlement and its exhibits. Notwithstanding any provision in this Settlement to the contrary, this Settlement does not replace or supersede any arbitration agreement or other confidentiality or non-disclosure or other individual agreement between the Parties.
4. **Authorization to Enter Into Settlement.** Class Counsel and Defendants' Counsel warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Settlement.
5. **Exhibits and Headings.** The terms of this Settlement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth in this Settlement. Any exhibits to this Settlement are an integral part of the Settlement and must be approved substantially as written. The descriptive

headings of any paragraphs or sections of this Settlement are inserted for convenience of reference only and do not constitute a part of this Settlement.

- 6. Amendment or Modification of Agreement.** This Settlement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest, except that non-material changes ordered by the Court as a condition of settlement approval may be approved of by counsel for all the parties.
- 7. Agreement Binding on Successors and Assigns.** This Settlement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- 8. No Prior Assignment.** Plaintiffs hereby represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights released and discharged in this Settlement.
- 9. Applicable Law.** All terms and conditions of this Settlement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- 10. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Settlement through arms-length negotiations, taking into account all relevant factors, current and potential.
- 11. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Settlement. Class Members and Allegedly Aggrieved Employees, including Plaintiffs, will assume any tax obligations or consequences that may arise from this Settlement, hold the Released Parties harmless, and will not seek any indemnification from the Parties or any of the Released Parties regarding any such tax obligations or consequences. In the event that any taxing body determines that additional taxes are due from any Class Member, including Plaintiffs, or Class Counsel, such individuals or entities assume all responsibility for the payment of such taxes. Defendants will assume any tax obligations or consequences that may arise from this Settlement, hold the Class Members, Allegedly Aggrieved Employees, Plaintiffs, and Class Counsel harmless, and will not seek any indemnification from the Parties or any of the Class Members, Allegedly Aggrieved Employees, Plaintiffs, and Class Counsel regarding any such tax obligations or consequences. In the event that any taxing body determines that

additional taxes are due from Defendants or their Counsel, such individuals and entities assume all responsibility for the payment of such taxes.

12. Jurisdiction of the Superior Court. The Superior Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgment entered in connection with this Settlement, and the Parties and their counsel submit to the jurisdiction of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement and all orders and judgments in connection with this Settlement.

13. Invalidity of Any Provision; Severability. Before declaring any provision of this Settlement invalid, the Parties request that the Superior Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement valid and enforceable. In the event any provision of this Settlement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected.

14. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Settlement. This Settlement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

15. Execution in Counterpart. This Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Settlement.

IV. EXECUTION BY PARTIES

The Parties and their counsel execute this Settlement.

Dated: _____, 2022

Chondra Brown

Dated: _____, 2022

Anthony Wickett

Dated: _____, 2022

Corbett Dotson

Dated: 5/13/2022, 2022

Defendant Revo Group, LLC

DocuSigned by:


Name: Matthew Pabon
Title: Owner

Dated: 5/13/2022, 2022

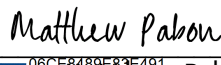
Defendant Roman Freight Lines, Inc.

DocuSigned by:


Name: Matthew Pabon
Title: Owner

Dated: 5/13/2022, 2022

Defendant BSP Shipping, Inc.

DocuSigned by:


Name: Matthew Pabon
Title: Owner

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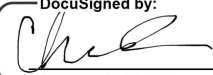
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Dated: 4/27/2022, 2022

Chondra Brown

DocuSigned by:

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Dated: _____, 2022

Anthony Wickett

Wickett C Wickett

04/29/2022
Dated: _____, 2022

Corbett Dotson

Corbett Dotson

Dated: _____, 2022

Defendant Revo Group, LLC

Name:

Title:

Dated: _____, 2022

Defendant Roman Freight Lines, Inc.

Name:

Title:

Dated: _____, 2022

Defendant BSP Shipping, Inc.

Name:

Title: