

CLASS ACTION SETTLEMENT AND PAGA AGREEMENT AND RELEASE OF CLAIMS

This Class Action and PAGA Settlement Agreement and Release of all Claims (“Agreement”) is entered into by and between Plaintiff Harold Casale (“Plaintiff”), on behalf of himself and all others who are Class Members in the Action identified below, on the one hand, and Defendants Merchant of Tennis, Inc., and Greenline Transportation (collectively, “Defendants”), on the other hand. Plaintiff and Defendants shall be referred to collectively as “the Parties.”

The Parties enter into this Settlement, reached after participating in private mediation, in order to fully and finally resolve all claims alleged by Plaintiff on behalf of himself and the Class Members in this Action, pending in the Superior Court of the State of California in and for the County of Los Angeles, Case No. 21STCV33661.

I. Recitals

This Agreement is made and entered into with reference to the following facts:

1. On December 8, 2020, Plaintiff sent notice to the California Labor and Workforce Development Agency regarding his intent to file a lawsuit seeking penalties under the Private Attorneys General Act (“PAGA”). Plaintiff sought to seek penalties based on violations of Labor Code sections 201, 202, 203, 204, 226, 226(a), 226(e), 226.2, 226.7, 1194, 1194.2, and 2802.

2. On September 13, 2021, Plaintiff filed the Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Action (“Complaint”), alleging six (6) causes of action under the California Labor Code, one cause of action under the California Business and Professions Code § 17200, *et seq.* (“UCL”), and one cause of action for civil penalties under the PAGA, on behalf of a class of current and former hourly-paid or non-exempt truck drivers of Defendants;

3. The putative class size and/or the relevant workweek period for certain former and current truck drivers have been reduced due to such individuals already receiving a court-approved class settlement in a prior class action lawsuit, *entitled Alejandro Carrillo v. Merchant of Tennis, Inc.*, Case Number BC707896 (the “Carrillo Action”), as well as due to the fact that some former and current truck drivers signed arbitration agreements and are thus not being included in this settlement.

4. On February 14, 2023, Plaintiff and Defendant participated in an all-day mediation of the Action, presided over by Honorable Judge John Leo Wagner from Judicate West. By way of acceptance of a mediator’s proposal, an agreement was reached to fully resolve the Action;

5. Prior to mediation, Defendants informally shared documents and information relating to the class members, including workweek information, to allow Plaintiff to fully evaluate the claims.

6. Under the terms of the resolution reached by the Parties, a material condition precedent of the resolution of the Action (i.e., this Settlement), was execution and final court approval of the Settlement. The Court has not yet heard a motion for class certification.

7. The Parties, Class Counsel, and Defendants' Counsel represent they are aware of another pending action asserting claims that will partially be affected by the Settlement.

8. Without admitting any wrongdoing, fault, or liability of any kind, the Parties desire to fully and finally resolve and settle their differences with respect to all claims alleged in the Action, including Plaintiff's individual claim and claims pursued on behalf of Class Members, as forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and undertakings contained in this Agreement, the Parties agree, subject to the Court's approval, as follows.

II. Definitions

For purposes of this Agreement, the following terms have the following definitions:

1. "Action" means the class action lawsuit entitled *Harold Casale, an individual, Plaintiff vs. Merchant of Tennis, Inc., a California corporation; Greenline Transportation, a California corporation and Does 1 through 50, inclusive, Defendants*, pending before the Court as Case No. 21STCV33661.
2. "Administrator" means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.
4. "Aggrieved Employee" means former and current hourly-paid truck drivers in California and classified as a non-exempt employee who worked for Defendants during the PAGA Period.
5. "Class" means former and current hourly-paid truck drivers in California and classified as a non-exempt employee who worked for Defendants during the Class Period, who did not sign an arbitration agreement and/or did not settle all of his or her claims as part of the prior *Carrillo* Action.
6. "Class Counsel" means Arnab Banerjee of Banner Law Group, P.C., and Leslie Glycer of Leslie Glycer Law, P.C.

7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
8. “Class Data” means a complete list of all Class Members (as defined herein) that Defendants will compile from its records and provide to the Settlement Administrator within fifteen (15) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a Microsoft Office Excel spreadsheet and will include each Class Member’s full name, last known mailing address, Social Security number, and their dates of employment during the Class Period, so that the Settlement Administrator can calculate the number of Workweeks that each Class Member worked during the Class Period (excluding any workweeks for former and current truck drivers that already received a court-approved settlement in the Carrillo Action).
9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
12. “Class Period” means the period from September 13, 2017 to the date of Preliminary Approval. The Class Period shall be capped at 2,559 Total Workweeks, and if that number is exceeded prior to Preliminary Approval the Class Period shall end on the date 2,559 Total Workweeks are reached.
13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
14. “Class Representative Service Payment” means an amount approved by the Court and paid to Plaintiff, in recognition of his effort and work in prosecuting the Action on behalf of Class Members. Any portion of the Enhancement Payment not approved by the Court will be added to the Net Settlement Amount.
15. “Court” means the Superior Court of California, County of Los Angeles.
16. “Defendants” mean Merchant of Tennis, Inc., and Greenline Transportation.
17. “Defense Counsel” means John S. Purcell and Jeffrey B. Weston of ArentFox Schiff LLP, 555 West Fifth Street, 48th Floor, Los Angeles, California 90013.

18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
19. “Final Approval” means the Court’s order granting final approval of the Settlement.
20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
22. “Gross Settlement Amount” means one hundred forty two thousand five hundred dollars (\$142,500.00) which is the total amount Defendants agree to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.
23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.
31. “PAGA Period” means the period from December 8, 2019 to the date of preliminary approval.
32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
33. “PAGA Notice” means Plaintiff’s LWDA letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500.00) and the 75% to LWDA (\$7,500.00) in settlement of PAGA claims.
35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
36. “Plaintiff” means Harold Casale, the named plaintiff in the Action.
37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
39. “Released Class Claims” means the claims being released as described in Paragraph 52 below.
40. “Released PAGA Claims” means the claims being released as described in Paragraph 52 below.
41. “Released Parties” mean Defendants and any of its former and present parents, subsidiaries, divisions, affiliates, owners, shareholders, predecessors, successors, joint ventures, and assigns, as well as any and all past or present officers, directors, employees, partners, members, principals, shareholders, agents, and attorneys, and any other successors, assigns, or personal or legal representatives, if any.
42. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
43. "Response Deadline" means the deadline for Class Members to submit Requests for Exclusion or Notices of Objection. The Response Deadline will be sixty (60) calendar days from

the initial mailing of the Class Notice by the Administrator, unless the 60th day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service operates for first-class mail delivery. The Response Deadline will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Class Notice by the Administrator due to an incorrect mailing address, unless the 15th day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service operates for first-class mail delivery. The Response Deadline also may be extended by express agreement between Class Counsel and Defense Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the deadline for Class Members to submit a Request for Exclusion or Notice of Objection.

44. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

45. “Workweek” means any week during which a Class Member worked for Defendants for at least one day, during the Class Period.

III. Terms

46. *[Intentionally Omitted]*

47. **Gross Settlement Amount.** Defendants promise to pay one hundred and fifty thousand dollars (\$142,500.00), as the Gross Settlement Amount. Defendants shall separately pay all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants

48. **Payments from the Gross Settlement Amount.** The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

(a) **To Plaintiff:** Class Representative Service Payment to the Class Representative of not more than \$2,500.00 in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiff’s request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

(b) To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$47,500.00 and a Class Counsel Litigation Expenses Payment of not more than \$15,000.00. Defendants will not oppose requests for these payments provided they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments.

(c) To the Administrator: An Administrator Expenses Payment not to exceed \$5,000.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$5,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

(d) To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (a) multiplying the result by each Participating Class Member's Workweeks.

(e) Tax Allocation of Individual Class Payments. 25% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 75% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

(f) Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

(g) To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$10,000.00 to be paid from the Gross Settlement Amount, with 75% (\$7,500.00) allocated to the LWDA PAGA Payment and 25% (\$2,500.00) allocated to the Individual PAGA Payments.

(h) The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$2,500.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

(i) If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

49. **Class Data.** Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

50. **Funding of Gross Settlement Amount.** Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 20 days after the Effective Date.

51. **Payments from the Gross Settlement Amount.** Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

(a) The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who

qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- (b) The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven [7] days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- (c) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Working Wardrobes. The Parties each represent that they do not have any significant affiliation or involvement with the proposed *cy pres* recipient. The Settlement Administrator may, as necessary, undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancellation of any Individual Settlement Payment checks. To the extent that the Settlement Administrator is able to obtain or receive the return or refund of the amounts that were transmitted to taxing authorities for the employer's and employees' share of taxes, contributions, and/or withholding associated with cancelled Individual Settlement Payments, all such amounts shall also be transmitted to the Working Wardrobes. Participating Class Members whose Individual Settlement Payment checks are cancelled shall, nevertheless, be bound by this Settlement Agreement, the release of Released Claims, and the Final Approval Order and Judgment.
- (d) The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

52. **Release of Claims.** Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- (a) **Plaintiff's Release.** Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that

occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under paragraph 52, below ("Plaintiff's Release."). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

(b) **Plaintiff's Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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 releasing party.

Notwithstanding the provisions of section 1542, and for the purpose of implementing a full and complete release and discharge of all of his Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all Released Claims that Plaintiff does not know or suspect to exist in his favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Released Claims.

(c) **Release by Participating Class Members Who Are Not Aggrieved Employees:** All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action, including, e.g., any alleged failure to pay wages, failure to pay minimum wages, overtime wages, or other wages in violation of the California Labor Code or an Industrial Welfare Commission ("IWC") wage order, because of any alleged off-the-clock work, failure to record all time worked, work during a rest break; failure to provide accurate wage statements; failure to pay waiting time penalties; any alleged failure to provide breaks or authorize and permit breaks as required by the California Labor Code or an IWC wage order, or to pay premium pay with respect to rest periods in accordance with California Labor Code section 226.7 or an IWC wage order; or to reimburse any business expense as required by California Labor Code sections 2800 or 2802. These released claims include, without limitation, any such claim based on a theory of alleged violation of unfair competition laws encompassed in California Business and

Professions Code section 17200 *et seq.* and which derives from the foregoing statutory or regulatory provisions or obligations, as well as any declaratory or injunctive relief or for restitution that otherwise derives from the foregoing alleged violations or as alleged in the Operative Complaint. Except as set forth in Section 51(d) of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

(d) **Release by Non-Participating Class Members Who Are Aggrieved Employees:**

All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

53. **No Admission of Liability.** The Parties agree that this Agreement is a compromise of any and all claims and issues by Plaintiff and the Participating Class Members, to the extent provided herein, on the one hand, and against Defendants, on the other hand. It is not, and never will be treated or construed as, an admission of liability or the violation of any rights, law, statute, regulation, ordinance, order, duty, or contract, as to Plaintiff, the Participating Class Members, or any other person by Defendants or any of the Released Parties. Plaintiff and the Participating Class Members agree and understand that this Agreement includes a full and final compromise of any amounts due for the claims and issues resolved under this Agreement. Plaintiff and the Participating Class Members agree and understand that Defendants specifically disclaims any liability to Plaintiff, the Participating Class Members, or to any other person, for any alleged violation of the rights of Plaintiff, the Participating Class Members, or any person, or for any alleged violation of any law, statute, regulation, ordinance, order, duty, or contract whatsoever, on the part of Defendants and the other Released Parties.

54. **Motion for Preliminary Approval.** Plaintiff agrees to prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

(a) **Plaintiff's Responsibilities.** Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres to the extent applicable; and the nature and extent of any financial relationship with

Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator and/or the proposed Cy Pres; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient.

(b) **Responsibilities of Counsel.** Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

(c) **Duty to Cooperate.** If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

55. **Selection of Administrator.** The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

56. **Employer Identification Number.** The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

57. **Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

58. **Notice to Class Members.**

(a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

(b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation, if applicable, substantially in the form attached to this Agreement as **Exhibit A**. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

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

(d) The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

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

59. **Requests for Exclusion (Opt-Outs).**

(a) Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the

Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

(b) The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

(c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 52 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

(d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 52 of this Agreement and are eligible for an Individual PAGA Payment.

60. **Challenges to Calculation of Workweeks.** Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

61. **Objections to Settlement.**

Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts

requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

62. **Administrator Duties.** The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

(a) **Website, Email Address and Toll-Free Number.** The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

(b) **Requests for Exclusion (Opt-outs) and Exclusion List.** The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

(c) **Weekly Reports.** The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

(d) **Workweek and/or Pay Period Challenges.** The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class

Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

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

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

63. **Class Size Estimates and Workweek Cap.** Based on its records, Defendants estimate that, as of the date of April 2023, (1) there are 44 Class Members and approximately 2,225 Total Workweeks during the Class period (excluding workweeks included in the *Carillo* Action) and (2) there were 36 Aggrieved Employees who worked approximately 943 Pay Periods during the PAGA Period. If the number of Total Workweeks increases by more than fifteen percent (15%), or to a total of more than 2,559 Total Workweeks, the Parties agree that the Class Period will be cut as of the date the class reaches 2,559 Total Workweeks, and no claims are released after that date.

64. **Right to Withdraw.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 15% of the total of all Class Members, Defendants may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendants will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

65. **Motion for Final Approval.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that

includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

(b) **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

(c) **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

(d) **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

(e) **Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.** If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court’s concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate

decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

67. **Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendants, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

68. **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

69. **Attorney Authorization.** Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

70. **No Prior Assignments.** The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

71. **Tax Liability.** Defendants, Defendants' counsel, Plaintiff, and Class Counsel make no representation as to the tax treatment or legal effect of the payments called for under this Agreement. Plaintiff and Participating Class Members are not relying on any statement, representation, or calculation by Defendants, Defendants' counsel, or the Settlement Administrator in this respect. Plaintiff and Participating Class Members understand and agree that, except for payment of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed on the payments under the Settlement provided through this Agreement.

72. **Circular 230 Disclaimer.** Each Party to this Agreement acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

73. **Exhibits Incorporated by Reference.** The terms of this Settlement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth in the body of the Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

74. **Entire Agreement.** This Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. Except as otherwise provided in the Agreement, each party shall bear its own costs and attorneys' fees, including in connection with the negotiation, execution, approval, implementation, and administration of this Agreement.

75. **Amendment or Modification of Agreement.** This Agreement may be amended or modified only by a written instrument, to be signed by counsel for the Parties and approved by the Court.

76. **Authorization to Enter Into Agreement.** Counsel for the Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement, and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement.

77. **Use of Best Efforts.** The Parties and their counsel will cooperate with each other and use

their best efforts to effect and implement all terms and conditions of the Settlement and to exercise their best efforts to accomplish the foregoing terms and conditions of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement the Parties may seek the assistance of the mediator or Court to resolve such disagreement.

78. **Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously defined.

79. **Governing Law.** All terms of this Agreement and its Exhibits will be governed by, and interpreted according to, the laws of the State of California.

80. **Execution and Counterparts.** This Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

81. **Acknowledgement That Settlement Is Fair and Reasonable.** The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action. They have arrived at this Settlement after arm's-length negotiations, private mediation, and in the context of adversarial litigation, taking into account all relevant factors, present, and potential. The Parties further acknowledge that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

82. **No Disparagement.** Plaintiff agrees that at no time will he, verbally or in writing, defame or make disparaging remarks or encourage, solicit induce or entice others to make disparaging remarks about Defendants. Nothing in this agreement is intended to prevent or restrict discussion or disclosure of factual information regarding sexual assault, sexual harassment, harassment, discrimination, unlawful acts in the workplace (e.g., harassment or discrimination or any other conduct for which there is reason to believe said conduct is unlawful), failure to prevent an act of workplace harassment or discrimination, and/or an act of retaliation against a person for reporting or opposing harassment or discrimination.

83. **Data and Documents Produced by Defendants.** Plaintiff and Class Counsel agree to keep confidential any data and documents produced by Defendants as "confidential" during discovery, including any information provided informally for mediation purposes and subject to mediation privilege. Unless otherwise ordered by a court or permitted in writing by Defendants, Plaintiff agrees to not disclose the confidential information or documents under any circumstances, and Class Counsel agrees to not disclose the confidential information or documents under any circumstances, except as necessary if threatened with or named in a lawsuit alleging malpractice and/or if their respective malpractice carriers request to see the file. However, Plaintiff and Class Counsel may provide to the Court all data and documents already produced by Defendants in order to effectuate the terms of this Settlement and to obtain all necessary preliminary and final approvals of this settlement. Any such filing with the Court will be under seal or in camera, as necessary.

84. **Severability.** Before declaring any provision of this Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable. If the Court declares any provision invalid, that provision shall be deemed severable from the Agreement, with the remainder of the Agreement given full force and effect.

85. **Mutual Preparation and Drafting.** The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement shall be deemed to be mutually prepared by the Parties. It shall not be construed more strictly against one party than another merely by virtue of the fact that any part of it may have been prepared by counsel for one of the Parties, because, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

85. **Representation By Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel, and reviewed in full.

86. **All Terms Subject to Final Court Approval.** The Parties acknowledge and agree that all amounts and procedures described in this Agreement will be subject to final Court approval.

87. **Cooperation in Good Faith and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

88. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

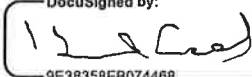
89. **Interim Stay of Proceedings.** The Parties agree to stay all proceedings in the Action, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court.

90. **Full Defense.** This Agreement may be pled as a full and complete defense to, and may be used as a basis for an injunction against, any action, suit, or other proceeding that may be prosecuted, instituted, or attempted by any party or Class Member, asserting a Released Claim, in breach of the Agreement. The Parties agree that in the event that such an action or proceeding is instituted by any party in order to enforce the terms or provisions of this Agreement, the prevailing party in such proceeding shall be entitled to an award of reasonable costs and attorneys' fees incurred in connection with enforcing this Agreement.

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Dated: June 21, 2023
6/21/2023

PLAINTIFF HAROLD CASALE

By: 
DocuSigned by:
9E38358FB074468
HAROLD CASALE

Dated: June _____, 2023

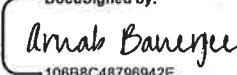
**MERCHANT OF TENNIS, INC., AND
GREENLINE TRANSPORTATION**

By: 
Name: BRUCE CARTER
Position: OPERATIONS MANAGER

APPROVED AS TO FORM:

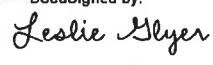
Dated: June 21, 2023
6/21/2023

BANNER LAW GROUP, P.C.

By: 
DocuSigned by:
106B8C48798942F
ARNAB BANERJEE
Attorneys for Plaintiff

Dated: June 22, 2023
6/22/2023

LESLIE GLYER LAW, P.C.

By: 
DocuSigned by:
DA257230E73A477
LESLIE GLYER
Attorneys for Plaintiff

Dated: ~~June~~ XXXX July 10, _____, 2023

ARENTFOX SCHIFF LLP

By: 
JOHN S. PURCELL
JEFFREY B. WESTON
Attorneys for Defendants

EXHIBIT A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT
SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

Casale v. Merchant of Tennis, Inc., Case No. 21STCV33661

PLEASE READ THIS NOTICE

A class and representative action under the Private Attorneys General Act, California Labor Code sections 2699, *et seq.* (“PAGA”) against Merchant of Tennis, Inc. and Greenline Transportation (collectively, “Merchant of Tennis”) has been preliminarily approved for settlement. In the lawsuit, plaintiff Harold Casale (“Plaintiff”) alleged that Merchant of Tennis violated section 17200, *et seq.* of California’s Business and Professions Code, failed to properly compensate Class Members all wages owed, failed to pay all wages due at separation, failed to make rest breaks available, failed to provide accurate wage statements, and failed to reimburse Class Members for all business expenses, and for civil penalties owed under the Private Attorney General Act. Merchant of Tennis denies Plaintiff’s allegations and contends that it complies with applicable law.

Class Member(s) are defined as all former and current hourly-paid truck drivers in California and classified as a non-exempt employee who worked for Merchant of Tennis, Inc., and/or its subsidiaries, acquired and related entities, from September 13, 2017 to [insert preliminary approval date], who did not sign arbitration agreements with Merchant of Tennis and/or did not settle all of his or her claims as part of a prior class action lawsuit, entitled *Alejandra Carrillo v. Merchant of Tennis, Inc.*, Case Number BC707896.

You have been identified by Merchant of Tennis’s records as a member of the Class in the above-entitled action, and as such, you are subject to the terms of the Settlement Agreement preliminarily approved by the Court. Please read this Notice carefully. It may affect your legal rights.

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT	
Participate in the Settlement	If you want to remain in the Class, be bound by the Settlement and receive your Individual Settlement Allocation , then you need not do anything.
Exclude Yourself From the Settlement	If you do not want to be bound by the Settlement, you must follow the instructions in Section [REDACTED] to exclude yourself. If you exclude yourself, you will not receive your Individual Settlement proceeds, and you will not release claims against Merchant of Tennis related to this lawsuit. If this Settlement is approved by the Court, the PAGA Claims will be released even if you exclude yourself.

Object to the Settlement	If you want to object to the Settlement, you must follow the instructions in Section [REDACTED]. If you object, you will still be bound by the terms of the Settlement, if approved by the Court.
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1. WHY DID I GET THIS NOTICE?

You have received this Notice because Merchant of Tennis's records reflect that you meet the definition of a **Class Member** as defined on the first page of this Notice. This Notice provides you with information about (1) the terms of the Settlement, including the claims that are being released, (2) the total monetary amount of the Settlement, (3) your estimated individual settlement amount provided that you remain a Class Member, and (4) where to find additional information.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT:

If you do nothing, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

Your decision to participate or not in the Settlement will not impact your employment with Merchant of Tennis, and Class Members who participate will not be subject to retaliation by Merchant of Tennis for participating.

2. WHAT IS THIS CASE ABOUT?

A class action complaint was filed on September 13, 2021 in the Superior Court of California, County of Los Angeles, in a lawsuit entitled *Harold Casale v. Merchant of Tennis, Inc., et al.*

The operative Complaint in the Action alleges the following causes of action on a class basis: (1) Unfair Competition (Bus. & Prof. Code § 17200, *et seq.*); (2) Failures to Pay Minimum & Overtime Wages (Lab. Code §§ 1194 & 1194.2); (3) Waiting Time Penalties (Lab. Code § 203); (4) Wage Statement Penalties (Lab. Code § 226); (5) Failure to Reimburse Business Expenses (Lab. Code § 2802); (6) Failure to Make Rest Breaks Available (Lab. Code §§ 226.7 and 1198); and (7) Penalties Under the Labor Code Private Attorney General Act ("PAGA").

In addition to class claims, Plaintiff also seeks to recover civil penalties under PAGA. The resolution of the PAGA claims ("PAGA Settlement") includes any Class Member employed in California between September 13, 2020 and [insert date of preliminary approval] ("PAGA Members").

Merchant of Tennis denies any liability or wrongdoing of any kind. Merchant of Tennis contends, among other things, that it complied at all times with the California Labor Code and the Business and Professions Code, as required by applicable law.

The Court has not ruled on the merits of Plaintiff's claims. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case on the merits. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable, and any final

determination of those issues will be made at the final hearing. Merchant of Tennis reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations and to contest whether the Action should proceed as a class or representative action.

3. THE CLASS AND PAGA SETTLEMENT, AND CALCULATION OF PAYMENTS

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Merchant of Tennis has agreed to a Total Settlement Amount of One Hundred Forty Two Thousand Five Hundred Dollars and Zero Cents (\$142,500.00).

Out of this amount, Plaintiff will ask for a service payment (also known as an “Enhancement Payment”) for his services as a Class Representative in the amount of Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00). The lawyers for Plaintiff and the Class, called Class Counsel, will ask for up to Forty Seven Thousand Five Hundred Cents (\$47,500.00) for Attorneys’ Fees and up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for Attorneys’ Costs. The parties have also allocated Ten Thousand Dollars (\$10,000.00) of the Maximum Settlement Amount for the payment of civil penalties under PAGA. Additionally, the parties have agreed that the costs associated with administration of the Settlement, estimated to be Five Thousand Dollars (\$5,000.00) will be deducted from the Maximum Settlement Amount.

The amount remaining from the Total Settlement Amount after the above deductions constitutes the Net Distribution Fund, which will be allocated to all Class Members who do not request to be excluded from the Settlement. Individual Settlement Payments will be calculated as follows:

1. Each Settlement Class Members will receive a *pro rata* share of the Net Distribution Fund based on his or her total number of weeks worked between September 13, 2017, to [insert preliminary approval date] (“Qualifying Weeks”).
2. The value of a Qualifying Week shall be determined by dividing the Net Distribution Fund by the total number of Qualifying Weeks worked by all Settlement Class Members between September 13, 2017, to [insert preliminary approval date]. Each Settlement Class Member shall receive a gross Individual Settlement Payment equal to the number of Qualifying Weeks they worked multiplied by the value of a Qualifying Week.

Merchant of Tennis’s records indicate that you worked as a Class Member for [redacted] Qualifying Weeks. Based on these Qualifying Weeks, your gross Individual Settlement Allocation, prior to any applicable withholdings, is estimated to be \$ [redacted].

If you dispute the above information, you may provide written documentation to the Settlement Administrator no later than [Sixty (60) days after the date this Notice is mailed] (“Response Deadline”). Each “Dispute” must state: (1) your full name; (2) your address; (3) your telephone number; (4) the case name and number of the Action; (5) be signed by you; (6) be postmarked or fax stamped on or before the Response Deadline and returned to the Settlement Administrator at the following address or fax number: [redacted]; (7) the number of Qualifying Weeks you believe is correct; and (8) attach any documentary evidence you have to prove the number of contented Qualifying Weeks. The Settlement Administrator will then advise

Merchant of Tennis of the dispute, and Merchant of Tennis will have an opportunity to present written documentation to the Settlement Administrator. The Settlement Administrator shall resolve all disputes and have final decision with respect to any disputed claims.

Twenty-five percent (25%) of a Class Member's Individual Settlement Allocation will be allocated as wages, for which he or she will receive a W-2, and the remaining seventy-five percent (75%) will be allocated as penalties, liquidated damages, interest, and other non-wage payments, for which he or she will receive a Form 1099. Class Members are responsible for paying taxes on any amounts received. This Notice is not tax advice, and you should consult your tax advisor. Checks will be valid and negotiable for ninety (90) days; after that, checks will become void, and a stop payment will be placed on the uncashed checks. In the event settlement checks that are not cashed within ninety (90) days of mailing or are returned to the Settlement Administrator, the Settlement Administrator shall send the uncashed funds to the Working Wardrobes, a jointly-selected non-profit organization. **Class Members will be bound by the Settlement even if they do not cash their settlement checks.**

PAGA Payment: A total of Ten Thousand Dollars (\$10,000.00) of the Maximum Settlement Amount has been allocated to the resolution of the PAGA Claims. Of this amount, Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) will be paid to California's Labor & Workforce Development Agency, and Five Thousand Dollars and Zero Cents (\$2,500.00) will be paid on a pro-rata basis to PAGA Members. This payment will be allocated as penalties for which a Form 1099 will be issued.

In addition to the Maximum Settlement Amount, Merchant of Tennis will pay all employer-payroll taxes and contributions in connection with the portion of the Settlement allocated towards wages.

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

If you do nothing, you will receive your Individual Settlement Payment if and when the Court grants final approval. You will be releasing all claims you may have related to the allegations in the Action against the Released Parties as described in the Agreement.

The "Settled Claims" that Settlement Class Members will be releasing are defined as follows: all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities, that arise during the Class Period that each Class Member had, now has, or may hereafter claim to have against the Released Parties and that were asserted in the Complaint, or that could have been asserted in the Complaint based on any of the facts and allegations in the Complaint, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. The Settled Claims specifically include, but are not limited to, claims for all alleged violations of the Labor Code and Wage Order cited in the Complaint as well as claims for: (1) Unfair Competition (Bus. & Prof. Code § 17200, *et seq.*); (2) Failures to Pay Minimum & Overtime Wages (Lab. Code §§ 1194 & 1194.2); (3) Waiting Time Penalties (Lab. Code § 203); (4) Wage Statement Penalties (Lab. Code § 226); (5) Failure to Reimburse Business Expenses (Lab. Code § 2802); (6) Failure to Make Rest Breaks Available; and (7) Penalties Under the Labor Code Private Attorney General Act ("PAGA").

“Released Parties” include Merchant of Tennis, Inc. and Greenline Transportation and each of their former and present parents, subsidiaries, divisions, affiliates, owners, shareholders, predecessors, successors, joint ventures, and assigns, as well as any and all past or present officers, directors, employees, partners, members, principals, shareholders, agents, and attorneys, and any other successors, assigns, or personal or legal representatives, if any.

Settlement Class Members’ releases will extend to and discharge all Released Parties from liability for any and all claims by the Plaintiff and all Class Members as to all Settled Claims.

5. WHAT AM I RELEASING AS A PAGA MEMBER UNDER THE SETTLEMENT?

If you are a PAGA Member, you are also releasing all Released Parties from any and all Settled PAGA Claims. “Settled PAGA Claims” means any of the Settled Claims that may serve as a basis for any claim under PAGA for any of the alleged California Labor Code violations.

PAGA MEMBERS CANNOT OPT-OUT OR EXCLUDE THEMSELVES FROM THE PAGA RELEASE AND WILL RECEIVE A PAGA PAYMENT EVEN IF THEY OPT-OUT OF THE CLASS SETTLEMENT.

6. WHAT IF I DON’T WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Settlement Class Member, but you are not able to exclude yourself as a PAGA Member. To exclude yourself as a Settlement Class Member, you must submit a written request for exclusion to the Settlement Administrator at the following address or fax number: [REDACTED]. To be valid, the written exclusion must: (1) be signed by you; (2) state your full name; (3) state your address; (4) state your telephone number; (5) state the name and case number of the Action; and (6) contain a statement something substantially similar to:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE *HAROLD CASALE V. MERCHANT OF TENNIS, INC.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT FROM THE SETTLEMENT OF THE LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED.”

A Class Member who wishes to exclude himself or herself from the Settlement must submit his or her exclusion to the Settlement Administrator no later than the Response Deadline, as defined above. To be valid, an exclusion must be postmarked or fax stamped on or before the Response Deadline and must be returned to the Settlement Administrator at the address or fax number specified above. It is your responsibility to ensure that the Settlement Administrator timely receives your request to be excluded from the Settlement. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval of the Settlement.

Class Members who request to be excluded from the Settlement will NOT receive their Individual Settlement Payment and will not release any of the Settled Claims, and any money that would have been allocated to their Individual Settlement Payment will be reallocated to the Net Distribution Fund to be disbursed to Class Members who did not exclude themselves.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Settlement Class Member may object to the Settlement or to any settlement term. You cannot ask the Court to order a larger settlement; the Court can only grant or deny approval of the Settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

If you wish to object, you must submit the written objection to the Settlement Administrator at the following address or fax number: [REDACTED]. To be valid, the written objection must: (1) be signed by you; (2) state your full name; (3) state your address; (4) state your telephone number; (5) state the legal and factual basis for the objection; and (6) state the name and case number of the Action. A Settlement Class Member who wishes to object must submit his or her objection to the Settlement Administrator no later than the Response Deadline, as defined above. To be valid, an objection must be postmarked or fax stamped on or before the Response Deadline and must be returned to the Settlement Administrator at the address or fax number specified above.

Filing an objection will *not* exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still receive an Individual Settlement Payment and will be barred from pursuing the Settled Claims. **Do not file both an objection and request for exclusion.** If you file both a request for exclusion and an objection, you will be excluded from the Settlement and the objection will not be considered.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on [REDACTED], at [REDACTED] a.m. in Department [REDACTED] of the Superior Court of California, County of Los Angeles, located at the Spring Street Courthouse, 312 North Spring Street, Department 14, Los Angeles, California 90012.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class are:

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The Court has decided that the Attorneys for Plaintiff and the Class are qualified to represent the Settlement Class Members. Other than the Attorneys' Fees and Attorneys' Costs approved by the Court, which will be paid out of the Total Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION

The foregoing is only a summary of the Settlement. For the precise terms and conditions of the Settlement, please see the settlement agreement available at www.settlement.com, by contacting Class Counsel at the address or telephone number provided in Section ____, or by visiting the office of the Clerk of the Court for the Superior Court of California, County of Los Angeles, Spring Street Courthouse, 312 North Spring Street, Department 14, Los Angeles, California 90012.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.