

PAGA SETTLEMENT AND RELEASE

1. This PAGA Settlement and Release (hereinafter “Settlement” or “Agreement”) is made and entered into by and between Plaintiff Gilbert Banks (“Plaintiff”) individually and on behalf of all Aggrieved Employees (as defined below), and Defendants Carter Saco Logistics (“CSL”) and Amazon.com, Inc. (“Amazon”) (together, “Defendants”) (collectively, the “Parties”).

2. The terms of this Agreement stated below are agreed to, and once approved by the Court, shall be binding on Plaintiff, on the Aggrieved Employees (as defined below), on the State of California and its state labor law enforcement agencies (including but not limited to the Labor and Workforce Development Agency (“LWDA”) and its departments, divisions, commissions, boards, agencies and employees), and on Defendants and their present and former parent companies, subsidiaries, divisions, related, or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors, and assigns, and any individual or entity which could be jointly liable with Defendants, subject to the terms and conditions hereof and the approval of the Court.

I. DEFINITIONS

3. “Action” refers to the civil action filed by Plaintiff Gilbert Banks on May 24, 2021, entitled Gilbert Banks, an individual, on behalf of himself and all other aggrieved employees, v. Amazon.com, Inc.; Carter Saco Logistics; and DOES 1 through 50, inclusive, in the Superior Court of the State of California for the County of Los Angeles, Case No. 21CHCV00399.

4. “PAGA Counsel” and “Plaintiff’s Counsel” shall refer to Haig B. Kazandjian and Cathy Gonzalez of HAIG B. KAZANDJIAN LAWYERS, APC.

5. “Counsel for Defendants” and “Defense Counsel” shall refer to Michael Nader, of the law firm, OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C., attorney for Defendant Carter Saco Logistics; and Lauren Blas of the law firm GIBSON, DUNN & CRUTCHER, LLP, attorney for Defendant Amazon.com, Inc.

6. “Covered Period” shall mean the period from May 24, 2020 through December 20, 2022.

7. “PAGA Representative” or “Plaintiff” shall refer to Named Plaintiff Gilbert Banks.

8. “Court” refers to the Superior Court of the State of California for the County of Los Angeles.

9. “Covered Claims” means claims brought in the Action pursuant to Labor Code section 2699 et seq. for PAGA penalties only based on alleged violations of California Labor Code and applicable wage laws, for: (i) failure to provide employment records in violation of Labor Code sections 226, 432, and 1198.5; (ii) failure to pay overtime and double time in violation of Labor Code sections 510 and 1198 and the applicable Wage Orders; (iii) failure to provide rest and meal periods in violation of Labor Code sections 226.7, 512(a), and the applicable Wage Orders; (iv) failure to pay minimum wage and regular wages in violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and the applicable Wage Orders; (v) failure to keep accurate payroll records and provide itemized wage statements in violation of Labor Code sections 226(a), 1174(d), 1198, and the applicable Wage Orders; (vi) failure to pay reporting time pay in violation of Code of Regulations section 11050(5)(A); (vii) failure to pay split shift premiums in violation of Labor Code section 1194 and Code of Regulations section 11050(4)(C); (viii) failure to timely pay all wages earned in violation of Labor Code section 204; (ix) failure to timely pay all wages due upon separation of employment in violation of Labor Code sections 201, 202, and 203; (x) failure to provide notice required by the Wage Theft Prevention Act, in violation of Labor Code section 2810.5(a); (xi) failure to reimburse necessary, business-related expenses in violation of Labor Code sections 2800 and 2802; (xii) failure to provide accurate itemized wage statements and written notice of sick leave in violation of Labor Code section 246; and (xiii) employers, and individuals acting on behalf of employers, violating or causing to be violated a section of the Labor Code or any Wage Order in violation of Labor Code section 558(a), based on the facts and theories set forth in the Action for the Covered Period.

10. “Aggrieved Employees” shall mean all current and former non-exempt hourly paid individuals who were employed by Defendant CSL within the State of California at any time during the Covered Period.

11. “Pay Period” shall mean a weekly pay period designated by CSL when any Aggrieved Employee worked any amount of time at all during the weekly pay period.

12. “Settlement” and “Agreement” shall mean this Settlement and Release Agreement.

13. “PAGA Gross Settlement Amount” shall mean one hundred nine thousand, eight hundred twenty-four dollars (\$109,824.00) (the “PAGA Gross Settlement Amount”) based on 4,576 Pay Periods. The PAGA Gross Settlement Amount shall include all individual settlement payments to Aggrieved Employees, payments to the LWDA, Plaintiff’s Individual PAGA Claim Payment, attorneys’ fees and costs awarded to Plaintiff’s Counsel, and Administration Costs. No portion of the PAGA Gross Settlement Amount will revert to Defendants. Should the number of Pay Periods increase by more than 10% (or by more than 457.6 Pay Periods) when the Claims Administrator receives the Aggrieved Employee list, then Defendants agree to increase the PAGA Gross Settlement Amount on a pro rata basis above the 10% threshold. For example, if the total number of Pay Periods increases to 5,262, then PAGA Gross Settlement Amount would be increased by 4% (14% increase in overall Pay Period count minus 10% buffer, equals 4%) or (an increase of $[0.4\% \times \$109,824 = \$4,392.96]$).

14. “Effective Date” means the later of (i) the Court’s final approval of the Settlement, if no objections have been filed, (ii) the time for appeal has expired if an objection has been filed and no appeal was filed, or (iii) the final resolution of any appeal that has been filed.

15. “Claims Administrator” means the claims administrator approved by the Court in the order approving the settlement of the Action. As further discussed in Paragraph 28, the parties have agreed to use Simpluris as the Claims Administrator, subject to Court approval.

16. “Administration Costs” means all fees and costs incurred by the Claims Administrator to administer the Settlement in accordance with this Agreement and any Court

Orders. As further discussed in Paragraph 28, Administration Costs are not to exceed seven thousand five hundred dollars (\$7,500.00).

II. NATURE OF ACTION

17. On February 24, 2021, Plaintiff Banks sent the LWDA and Defendants notice of his intent to pursue a representative action against Defendants pursuant to the Private Attorneys General Act of 2004 (“PAGA”), as codified in California Labor Code § 2698 *et seq.*, on behalf of himself and the State of California as well as on behalf of a group of aggrieved employees (the “PAGA Notice”).

18. After a minimum of 65 days passed without a response from the LWDA regarding his PAGA Notice, on May 24, 2021, Plaintiff Banks commenced a representative action under the PAGA for alleged Labor Code violations (as further explained herein) on behalf of himself and other allegedly aggrieved employees, in the Los Angeles Superior Court Case No. 21CHCV00399. Plaintiff amended his Complaint (the “First Amended Complaint” or “FAC”), which included claims for: (i) failure to provide employment records in violation of Labor Code sections 226, 432, and 1198.5; (ii) failure to pay overtime and double time in violation of Labor Code sections 510 and 1198 and the applicable Wage Orders; (iii) failure to provide rest and meal periods in violation of Labor Code sections 226.7, 512(a), and the applicable Wage Orders; (iv) failure to pay minimum wage and regular wages in violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and the applicable Wage Orders; (v) failure to keep accurate payroll records and provide itemized wage statements in violation of Labor Code sections 226(a), 1174(d), 1198, and the applicable Wage Orders; (vi) failure to pay reporting time pay in violation of Code of Regulations section 11050(5)(A); (vii) failure to pay split shift premiums in violation of Labor Code section 1194 and Code of Regulations section 11050(4)(C); (viii) failure to timely pay all wages earned in violation of Labor Code section 204; (ix) failure to timely pay all wages due upon separation of employment in violation of Labor Code sections 201, 202, and 203; (x) failure to reimburse necessary, business-related expenses in violation of Labor Code sections 2800 and 2802; and (xi) employers, and

individuals acting on behalf of employers, violating or causing to be violated a section of the Labor Code or any Wage Order in violation of Labor Code section 558(a). The Court subsequently struck Plaintiff's claims for failure to pay timely wages, wage-statement violations, and waiting-time penalties to the extent they were based on claims of unpaid meal and rest break premiums, split-shift violations, wage statement violations under Labor Code section 1198, and unpaid reporting time. Defendants then moved to compel arbitration of Plaintiff's claims.

19. After Defendants moved to compel arbitration, the Parties began to engage in informal arms' length settlement discussions and agreed to participate in mediation. The Parties engaged in informal discovery for mediation purposes, and Plaintiff reviewed time and wage records and relevant policies that applied to Defendant CSL's employees.

20. The Parties engaged in a full day of mediation on December 20, 2022, with a respected wage and hour mediator, Hon. Angela M. Bradstreet (Ret.). After lengthy negotiations during which Plaintiff, represented by his counsel, and Defendants, represented by their counsel, recognized the risks and burdens of continuing with the litigation, the Parties agreed to settle the Action on the terms set out in this Agreement.

21. The purpose of this Agreement is to settle and compromise the Action and all Covered Claims that Plaintiff and the Aggrieved Employees have against Defendants and the Releasees (as defined below in Paragraph 32) for the Covered Period. The settlement outlined in this Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended, or may be construed, as an admission by Defendants that any of the claims alleged in the Action have merit, or that Defendants bear any liability to the Aggrieved Employees on those claims, nor as an admission by Plaintiff that Defendants' defenses in the Action have merit. Defendants deny (i) all the material allegations in the Action; (ii) that they violated any applicable laws; and (iii) that they are liable for damages, penalties, attorneys' fees, costs, or any other form of compensation or remedy with respect to the claims asserted in the Action. Nevertheless, without admitting any liability or wrongdoing, Defendants have agreed to settle the Action on the terms set forth in this Agreement to avoid the burden, expense, and uncertainty of

litigation. Amazon expressly denies that it is or ever was a joint employer of any employee of Carter Saco Logistics. Any statements by Defendants in this Agreement are for settlement purposes only.

22. In consideration of the mutual covenants, promises and representations set forth in this Agreement, Plaintiff, on behalf of himself and the Aggrieved Employees, agrees to settle and compromise the Action and the Covered Claims, subject to the terms and conditions set forth in this Agreement.

III. TERMS OF SETTLEMENT

23. Neither the existence of this Agreement nor anything contained in this Agreement shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants. Nothing herein shall constitute an admission by Defendants that the Action was properly brought as a representative action other than for settlement purposes. Settlement of the Action, the negotiation and execution of this Agreement, and all acts performed or documents executed pursuant to or in furtherance of this Agreement or the settlement of the Action: (i) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of either Defendants or of the truth of any of the factual allegations in the operative Complaint in the Action; (ii) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omissions on the part of Defendants in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal; (iii) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for representative treatment, class certification, or administration other than for purposes of administering this Agreement; and (iv) shall not constitute or be deemed a waiver of any right to compel arbitration of any dispute with an Aggrieved Employee that is not the subject of the releases detailed in this Agreement.

24. The Parties agree that upon full execution of this Agreement, the matter is stayed in its entirety except for any filings necessary to attain Court approval of the Settlement. Should

the Court not grant approval of the Stipulation for Approval of PAGA Representative Action Settlement, or of the Motion for Approval of the PAGA Representative Action Settlement, the stay will be lifted five (5) days thereafter and the Parties will be restored to their positions prior to the Agreement and the Agreement shall be null and void, as set forth in Paragraph 35 below.

25. PAGA Gross Settlement Amount. Subject to the terms and conditions of this Agreement, and in consideration for the settlement described herein and the release contained in this Agreement, Defendants agree to pay the PAGA Gross Settlement Amount. Within five (5) calendar days of the Effective Date, the Claims Administrator will provide Plaintiff's Counsel and Defense Counsel with the account information so that Defendants may wire the PAGA Gross Settlement Amount. Within thirty (30) calendar days of the Effective Date, Defendants shall wire the PAGA Gross Settlement Amount to the Claims Administrator.

26. PAGA Net Settlement Amount. The PAGA Net Settlement Amount is the portion of the PAGA Gross Settlement Amount that remains after deducting the amounts for: (1) Plaintiff's Individual PAGA Claim Payment, (2) Administration Costs, and (3) PAGA Counsel Fees and Costs (as defined in Paragraph 30) which are approved by the Court. The PAGA Net Settlement Amount shall be available for payment to the LWDA and distribution to the Aggrieved Employees on a pro rata basis based on the number of Pay Periods worked during the Covered Period. Because payments made under this Agreement will be made with respect to only the PAGA claims for all Aggrieved Employees and Plaintiff's individual claims, this Agreement is not subject to the rules governing the settlement of class or collective actions. Accordingly, the settlement payments shall be distributed without a claims process or an opportunity to object or opt out.

27. Plaintiff's Individual PAGA Payment. Plaintiff's Counsel will request, and Defendants will not oppose, an individual PAGA claim payment to Plaintiff ("Plaintiff's Individual PAGA Claim Payment") of ten thousand dollars (\$10,000.00), to be paid out of the PAGA Gross Settlement Amount. Plaintiff's Individual PAGA Claim Payment is intended as reasonable additional compensation for the time and effort expended by the Plaintiff in connection with the initiation and maintenance of this Action, as well as for agreeing to the release in

Paragraph 32 below. Plaintiff's Individual PAGA Claim Payment will be paid from the PAGA Gross Settlement Amount and shall be in addition to any payment(s) the Plaintiff is otherwise entitled to as an Aggrieved Employee. Plaintiff's Individual PAGA Claim Payment will be reported to the taxing authorities by means of an IRS Form 1099. If the Court approves a lesser amount than the \$10,000.00 requested, or no award at all, the difference shall be included in the PAGA Net Settlement Amount for distribution to the Aggrieved Employees.

28. Administration Costs. The Parties will request that the Court approve Simpliciter as the Claims Administrator. Administration Costs are not to exceed seven thousand five hundred dollars (\$7,500.00). All awarded Administration Costs shall be paid from the PAGA Gross Settlement Amount upon completion of all duties required to be performed by the Claims Administrator under the terms of this Agreement, or as otherwise required by the Court. If the Court approves less than the amount requested in Administration Costs, the difference shall be included in the PAGA Net Settlement Amount.

29. Allocation and Calculation of the PAGA Penalties. The PAGA Net Settlement Amount will be distributed, in accordance with Labor Code section 2699(i), as follows: (i) 75% of the PAGA Net Settlement Amount shall be paid to the LWDA ("LWDA Payment"); and (ii) the remaining 25% of the PAGA Net Settlement Amount (the "Aggrieved Employee Settlement Amount") shall be distributed to all Aggrieved Employees. Each Aggrieved Employee shall receive a portion of the Aggrieved Employee Settlement Amount on a pro rata basis based on the formula set forth below. Each Aggrieved Employee's pro rata share of the Aggrieved Employee Settlement Amount represents their Individual Settlement Payment.

a. Individual Settlement Calculation. The Aggrieved Employees shall receive a pro rata share of the Aggrieved Employee Settlement Amount. Each Aggrieved Employee shall receive a pro rata value equal to the ratio of (i) the number of Pay Periods worked by that employee to (ii) the total number of Pay Periods worked by all Aggrieved Employees ("Individual Settlement Payments to Aggrieved Employees"). All Individual Settlement Payments to Aggrieved Employees will be treated 100% as civil penalties and

will be reported to the taxing authorities by means of an IRS Form 1099. It shall be the duty of the Claims Administrator to calculate the respective number of Pay Periods worked by each Aggrieved Employee during the Covered Period. CSL shall provide the Claims Administrator with all information necessary to perform this calculation.

b. Fair Formula. The Parties recognize and agree that the precise value of each Aggrieved Employee's Individual Settlement Payment is subject to a variety of differing calculations and formulas. The Parties hereby agree that the formula for allocating payments as provided herein is reasonable and designed to provide a fair settlement to the Aggrieved Employees.

30. PAGA Counsel's Fees and Costs. As part of the request for approval of this Agreement, PAGA Counsel will request Court approval of up to one-third (33.33%) of the PAGA Gross Settlement Amount in attorneys' fees. PAGA Counsel will request cost reimbursement in an amount not to exceed seven thousand two hundred sixty-eight dollars and thirty-eight cents (\$7,268.38), for actual costs incurred by PAGA Counsel. If the Court approves less than the amount of fees and/or costs requested by Plaintiff's Counsel, the difference shall be included in the PAGA Net Settlement Amount for distribution to the Aggrieved Employees. Any attorneys' fees and costs awarded to PAGA Counsel, hereinafter referred to as "PAGA Counsel Fees and Costs," shall fully compensate and reimburse PAGA Counsel for any and all of the work already performed in connection with the litigation of Covered Claims and all work remaining to be performed in fully and finally resolving the litigation of Covered Claims, including but not limited to securing Court approval of the Settlement, appearing at hearings, making sure that the Settlement is fairly and properly administered, appearing at any post-approval matter, all other work that PAGA Counsel has performed or will perform, and all costs that PAGA Counsel has incurred or will incur. Defendants agree not to oppose a reasonable request for PAGA Counsel Fees and Costs. The PAGA Counsel's Fees and Costs shall be paid out of the PAGA Gross Settlement Amount. Other than the attorneys' fees and costs described in this Paragraph, each Party shall bear its own attorneys' fees and costs.

31. Tax Treatment of Settlement Amounts. With regard to settlement payments to the Aggrieved Employees and Plaintiff, IRS Form 1099s will be issued by the Claims Administrator. Nothing in this Agreement is intended to constitute legal advice regarding federal, state, and/or local tax obligations. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Aggrieved Employees are not relying on any statement, representation, or calculation by Defendants or by the Claims Administrator in this regard. Plaintiff acknowledges that he has obtained no tax advice from Defendants, or from PAGA Counsel, and that neither PAGA Counsel, nor Defendants, nor their attorneys, have made any representation concerning the tax consequences, if any, of any payment to be made pursuant to this Agreement. To the extent that this Agreement or any of its attachments is interpreted to contain or constitute advice regarding any state or federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Neither PAGA Counsel, nor Defendants, are responsible for any employee tax obligations regarding the allocation of Plaintiff's Individual PAGA Claim Payment and the Individual Settlement Payments to Aggrieved Employees. In addition, the Claims Administrator shall issue an IRS Form 1099 to PAGA Counsel reflecting the awarded fees and costs. PAGA Counsel agrees that it is solely responsible for paying all applicable taxes on any payment and agrees to indemnify and hold harmless Defendants from any claim or liability for taxes, penalties, or interest arising as a result of any failure to pay taxes due on the PAGA Counsel's Fees and Costs.

IV. RELEASE

32. Release of Claim:

a. Release of Claims By All Aggrieved Employees. Upon the Effective Date, each Aggrieved Employee (including Plaintiff) shall, for the Covered Period, fully release and forever release and discharge Defendants, their past or present officers, directors, shareholders, members, owners, employees, agents, principals, heirs, representatives,

accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any, and any individual or entity which could be jointly liable with Defendants (all such released persons and entities, collectively, “Releasees”) from any and all PAGA penalties that have been or could have been asserted in the Action or in the notice letter that Plaintiff sent to the LWDA regarding the claims against Defendants based on the facts and legal theories asserted therein, including claims for penalties under PAGA for (i) failure to provide employment records in violation of Labor Code sections 226, 432, and 1198.5; (ii) failure to pay overtime and double time in violation of Labor Code sections 510 and 1198 and the applicable Wage Orders; (iii) failure to provide rest and meal periods in violation of Labor Code sections 226.7, 512(a), and the applicable Wage Orders; (iv) failure to pay minimum wage and regular wages in violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and the applicable Wage Orders; (v) failure to keep accurate payroll records and provide itemized wage statements in violation of Labor Code sections 226(a), 1174(d), 1198, and the applicable Wage Orders; (vi) failure to pay reporting time pay in violation of Code of Regulations section 11050(5)(A); (vii) failure to pay split shift premiums in violation of Labor Code section 1194 and Code of Regulations section 11050(4)(C); (viii) failure to timely pay all wages earned in violation of Labor Code section 204; (ix) failure to timely pay all wages due upon separation of employment in violation of Labor Code sections 201, 202, and 203; (x) failure to provide notice required by the Wage Theft Prevention Act, in violation of Labor Code section 2810.5(a); (xi) failure to reimburse necessary, business-related expenses in violation of Labor Code sections 2800 and 2802; (xii) failure to provide accurate itemized wage statements and written notice of sick leave in violation of Labor Code section 246; and (xiii) employers, and individuals acting on behalf of employers, violating or causing to be violated a section of the Labor Code or any Wage Order in violation of Labor Code section 558(a), based on the facts and theories set forth in the

Action for the Covered Period. The res judicata effect of the Court's final judgment after approval of the Settlement will be the same as that of the release in this Paragraph.

b. Release of All Claims By Plaintiff. This Settlement is conditioned upon this additional release by Plaintiff. In addition to the release given by each Aggrieved Employee, in exchange for Plaintiff's Individual PAGA Claim Payment, Plaintiff Gilbert Banks, on his own behalf and on behalf of his descendants, dependents, heirs, executors, administrators, agents, assigns, and successors (collectively, "Releasor"), hereby covenants not to sue and fully and unconditionally forever releases and discharges the Releasees from and against any and all claims, causes of action, judgments, liens, demands, damages, obligations, suits, contracts, liabilities, losses, costs, penalties, and expenses, including, but not limited to, attorneys' fees and disbursements, or offsets of any nature whatsoever (collectively, "Claims") that Releasor now has, have had, or may hereafter have against Defendants and/or the Releasees arising out of the Parties' relationship or the cessation of their relationship, including but not limited to those claims arising out of or relating to (i) Plaintiff's hours worked, services provided, wages, benefits, bonuses, and/or penalties, (ii) Plaintiff's performance and reputation, (iii) harassment, (iv) discrimination, (v) retaliation, (vi) rights arising out of alleged violations of any contracts, express or implied; (vii) any covenant of good faith and fair dealing, express or implied; (viii) any tort; (ix) any legal restrictions on Defendants' right to terminate employees; and (x) any Claims arising under any federal, state or other governmental statute, regulation or ordinance, including, without limitation: Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Federal Rehabilitation Act, the Employee Retirement Income Security Act, the Family and Medical Leave Act, the Fair Labor Standards Act, the California Fair Employment and Housing Act, the California Family Rights Act, the California Labor Code, the California Government Code, the California Business and Professions Code, and any other applicable state or federal law in effect prior to the

Effective Date. This General Release is intended to be interpreted as broadly as possible and to apply to any and all claims known and unknown available to Plaintiff in any forum, including, but not limited to, any claims for unpaid wages, expense reimbursement, unpaid penalties or premiums, liquidated damages, class or representative actions governing employment (to the fullest extent allowed by applicable law), constructive termination, negligent or intentional infliction of emotional distress, harassment, discrimination, wrongful termination, negligent or intentional infliction of emotional distress, harassment, discrimination, wrongful termination, negligence, breach of contract, breach of the covenant of good faith and fair dealing, promissory estoppel, fraud, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, unfair business practices, defamation, libel, slander, personal injury; assault, battery, invasion of privacy, false imprisonment, conversion, disability benefits, claims under Labor Code section 132(a), violation of any provision of federal or state law governing employment, and any claim for attorneys' fees or costs. All such claims are forever barred and by this Agreement and Plaintiff Gilbert Banks acknowledges his familiarity with California Civil Code section 1542, which is expressly waived by Plaintiff Gilbert Banks. California Civil Code section 1542 reads as follows:

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.

c. However, this release shall not apply to claims for workers' compensation benefits or unemployment insurance benefits or any other claims that Plaintiff cannot, by statute, lawfully waive by this agreement.

33. Older Workers' Benefit Protection Act Waiver.

a. Plaintiff specifically intends that the claims he is releasing herein include any claims that Plaintiff may have under the Age Discrimination in Employment Act of 1967, as amended by the Older Workers' Benefit Protection Act of 1990.

b. Plaintiff is advised to consult with his counsel before signing this Agreement because Plaintiff is permanently giving up significant legal rights. Plaintiff acknowledges that he has been so advised.

c. Plaintiff acknowledges that he has been given at least twenty-one (21) calendar days to execute and return this Agreement and has been advised that, after he executes this Agreement, Plaintiff has seven (7) calendar days to reconsider and revoke the Agreement, recognizing that Plaintiff will not be provided anything under this Agreement until at least that seven (7)-day revocation period has expired. The general release in Paragraph 32(b) will then become effective on the eighth (8th) calendar day after it is signed, provided that Plaintiff does not revoke it.

d. In order to effectively revoke this general release, the Parties agree that Plaintiff must provide written notice of such revocation within seven (7) calendar days after Plaintiff executes this Agreement to Defense Counsel, via email to lblas@gibsondunn.com and michael.nader@ogletree.com.

V. APPROVAL STIPULATION

34. The Parties recognize that in accordance with Labor Code section 2699(l), Court approval is required in the event of a settlement of a PAGA action on a representative basis. However, as explained in *Arias v. Superior Court* (2009) 46 Cal.4th 969, the Parties are not obligated to follow the class action procedural rules in PAGA cases and therefore need not obtain approval of the PAGA settlement through a motion for preliminary or final approval. Instead, in order to comply with the requirements of Labor Code section 2699(l), the Parties shall submit a joint stipulation (or a motion if required by the Court) identifying the key terms of this Agreement

and requesting that the Court approve the amount of PAGA penalties provided for in the Agreement.

35. This Agreement is contingent upon the approval by the Court. If the Court should fail to approve this Agreement in the form agreed to by the Parties, the Parties agree to coordinate efforts to address the Court's questions or concerns and resubmit the approval stipulation or motion. If (a) the Parties are unable, following good faith efforts, to obtain approval of the terms of the Agreement, or (b) the Court's approval of this Agreement is reversed, modified, or declared or rendered void, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) Defendants shall have no obligation to make any payments to any person, Party, Aggrieved Employee, or attorney that would otherwise have been owed under this Agreement; and (iv) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Agreement, except for the amount of attorneys' fees and costs, Plaintiff's Individual PAGA Claim Payment, Aggrieved Employee Settlement Amount, or Administration Costs, shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

VI. ADMINISTERING THE SETTLEMENT

36. No later than ten (10) calendar days after the Effective Date, Defendant CSL shall provide the Claims Administrator a list of Aggrieved Employees ("Aggrieved Employee List") containing their (1) name; (2) last known home address and telephone number; (3) social security number; and (4) the number of pay periods for each Aggrieved Employee during the Covered Period. Neither the Aggrieved Employee List nor any information contained therein shall be distributed to PAGA Counsel at any time.

37. No later than thirty (30) calendar days after the Effective Date, Defendants will fund to the Claims Administrator the PAGA Gross Settlement Amount.

38. Within ten (10) calendar days of receipt of the PAGA Gross Settlement Amount, the Claims Administrator will distribute, consistent with the terms of this Agreement and the Court's order approving the Settlement, all Individual Settlement Payments to Aggrieved Employees, the LWDA Payment to the LWDA, Plaintiff's Individual PAGA Claim Payment to Plaintiff, the Administration Costs approved by the Court to the Claims Administrator, and the PAGA Counsel's Fees and Costs approved by the Court to PAGA Counsel.

39. The Claims Administrator will issue to each Aggrieved Employee a check in the amount of his or her Individual Settlement Payment. Concurrently with sending each Aggrieved Employee their Individual Settlement Payment, the Claims Administrator will include a "Notice of PAGA Action Settlement" (attached hereto as **Exhibit A**) along with each Aggrieved Employee's check. The Claims Administrator shall send each Aggrieved Employee their check via U.S. First Class mail to each Aggrieved Employee's address with directions to the Postmaster to return all undeliverable mail to the Claims Administrator. For each check/notice that is returned as undeliverable, the Claims Administrator shall promptly attempt to locate the Aggrieved Employee's by using an address refresher database.

40. Individual Settlement Payments issued to the Aggrieved Employees will expire one hundred eighty (180) calendar days from the date they are issued by the Claims Administrator. Any Individual Settlement Payments that remain uncashed or undeliverable following the one hundred and eighty (180) calendar days will be void and the Claims Administrator will issue the unclaimed funds to the State of California Department of Industrial Relations Unclaimed Wages Fund in the name of the Aggrieved Employee who did not cash his or her check. The release in Paragraph 32 will be binding upon all Aggrieved Employees, including those who do not cash their Individual Settlement Payments, as of the Effective Date. Neither Defendants, Defense counsel, Plaintiff's Counsel, Plaintiff, nor the Claims Administrator will have any liability for lost or stolen Individual Settlement Payments, forged signatures on Individual Settlement Payments, or unauthorized negotiation of the Individual Settlement Payments.

41. As soon as practicable after the expiration of the one hundred and eighty (180) calendar day period, but no later than thirty (30) days following the check void date, the Claims Administrator shall provide the Parties with a report outlining all relevant events to date and advising of the total dollar amount paid to Aggrieved Employees, the status of any uncashed or undeliverable checks, and any amounts remaining.

42. It is expressly understood and agreed that the receipt of the Individual Settlement Payments will not entitle any Aggrieved Employee to additional or derivative compensation or benefits under any company bonus, contest, or other compensation or benefit plan or agreement in place during the period(s) covered by this Agreement, nor will it entitle any Aggrieved Employee to any increased retirement, 401(k) benefits or matching benefits, stock purchase plans, vacation plans, sick leave plans, PTO plans, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement Payments provided for in this Agreement are the sole payments to be made by Defendants to the Aggrieved Employees, and that the Aggrieved Employees are not entitled to any additional or derivative compensation or benefits as a result of having received the Individual Settlement Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Agreement).

VII. SETTLEMENT ADMINISTRATION

43. The Claims Administrator, on Defendants' behalf, shall have the authority and obligation to make payments, credits, and disbursements, including payments and credits in the manner set forth herein, to Aggrieved Employees calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the cost and expenses incurred in administration of the Settlement. The Parties each represent they do not have any financial interest in the Claims Administrator. The Claims Administrator shall be responsible for: (i) processing and mailing payments to Plaintiff, Plaintiff's Counsel, Aggrieved Employees,

and the LWDA, along with the “Notice of PAGA Action Settlement”; (ii) providing declaration(s) as necessary in support of approval of this Settlement; and (iii) any other tasks as the Parties mutually agree or the Court orders the Claims Administrator to perform. The Claims Administrator shall keep the Parties timely apprised of the performance of all Claims Administrator responsibilities. Any legally mandated tax reports, tax forms, tax filings, or other tax documents required by administration of this Agreement shall be prepared by the Claims Administrator. Any expenses incurred in connection with such preparation shall be a cost of administration of the Settlement. The Claims Administrator shall be paid the Court-approved Administration Costs no later than thirty (30) calendar days after the PAGA Gross Settlement Amount is fully funded.

VIII. DUTIES OF THE PARTIES PRIOR TO APPROVAL

44. Promptly upon execution of this Agreement, the Parties shall jointly apply to the Court for an Order seeking approval of the PAGA Representative Action Settlement via Stipulation. Plaintiff’s Counsel shall draft the Stipulation. If the Court requires a motion, then Plaintiff shall file a Motion for Approval of PAGA Representative Action Settlement. Plaintiff’s Counsel shall draft any such motion, and Defendants agree not to oppose such motion other than to the extent it deviates from this Agreement, provided that Defendants are given a reasonable opportunity to review the draft motion and provide input on its contents. In addition, Plaintiff’s Counsel shall be responsible for providing timely notice of the settlement to the LWDA in accordance with Labor Code section 2699(l)(2).

45. The motion for approval, and/or the stipulation for an order, will request Court approval of the following:

- a. Approving the amount of PAGA Penalties;
- b. Dismissing the entire Action with prejudice; and
- c. Waiving all rights to appeal; and

- d. Approving Plaintiff's General Release and Individual PAGA Claim Payment; and
- e. Approving the PAGA Counsel Attorney Fees and Costs;
- f. Approving the Administration Costs; and
- g. Approving the Releases provided in exchange for the PAGA Penalties and Individual Claim Payments.

46. The stipulation or motion shall include the bases for demonstrating that settlement amounts are reasonable in light of the facts and controlling authorities pertaining to the claims alleged, and a signed declaration from Plaintiff's Counsel discussing the risks of continued litigation and the decision that the best interests of the Aggrieved Employees are served by the terms of the Agreement. Plaintiff's Counsel shall submit the stipulation or motion to Defense Counsel for approval a reasonable time prior to filing.

47. In conjunction with the motion for approval, and/or the stipulation for an order, the Parties will submit a proposed order requesting approval of the payments provided for in the Agreement. Plaintiff's Counsel will draft the proposed order.

IX. PARTIES' AUTHORITY

48. The signatories hereto hereby represent that they are fully authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

X. MUTUAL FULL COOPERATION

49. The Parties agree to fully cooperate with each other to accomplish the terms of this Agreement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this

Agreement, PAGA Counsel shall, with the assistance and cooperation of Defendants and their counsel, take all necessary steps to secure the approval of this Agreement from the Court.

XI. NO PRIOR ASSIGNMENTS

50. The Parties hereto 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 herein released and discharged except as set forth herein. None of the rights, commitments, or obligations recognized under this Agreement may be assigned by any Party, Aggrieved Employee, PAGA Counsel (which includes Plaintiff's Counsel), or Defense Counsel without the express written consent of each other Party and their respective counsel. The representations, warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties under this Agreement, and shall not be construed to confer any right or to avail any remedy to any other person.

XII. NO ADMISSION

51. Nothing contained herein nor is the consummation of this Agreement to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the Releasees. Each of the Parties hereto has entered into this Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience and expense. Defendants deny that they have engaged in any unlawful activity, that they have failed to comply with the law in any material respect, or that they have any liability to anyone under the claims asserted in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or shall be construed as an admission of liability or wrongdoing by Defendants.

XIII. NON-EVIDENTIARY USE

52. Whether or not the Effective Date occurs, neither this Agreement nor any of its terms nor the Agreement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendants or any other of the Releasees, including but not limited to, evidence of a presumption, concession, indication, or admission by Defendants or by any of the Releasees of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against Defendants or against any of the Releasees in any further proceeding in the Action, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Agreement pursuant to this Agreement or for Defendants to establish that an Aggrieved Employee has resolved any of his/her claims released through this Agreement.

XIV. NULLIFICATION

53. If (a) the LWDA timely objects or (b) the Court should for any reason fail to approve this Agreement in the form agreed to by the Parties (except for the amount of attorneys' fees or costs), or (c) the Court's approval of this Agreement is reversed, modified, or declared or rendered void, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; and (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. Invalidation of any material portion of this Agreement, except for the amount of attorneys' fees and costs, Plaintiff's Individual PAGA Claim Payment, Aggrieved Employee Settlement Amount, or Administration Costs, shall invalidate this Agreement in its entirety unless the Parties shall subsequently agree in writing that the remaining provisions shall remain in full force and effect.

XV. ATTORNEYS' FEES, COSTS AND EXPENSES

54. Except as specifically set forth herein, each Party shall bear its/his/her own attorneys' fees, costs, and expenses, taxable or otherwise, incurred by him/her/it arising out of the Action, and shall not seek reimbursement thereof from any other party to this Agreement.

XVI. CONSTRUCTION

55. The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Agreement constitutes the entire agreement between Plaintiff (on behalf of himself and all other Aggrieved Employees) and Defendants regarding actual or potential claims asserted by Plaintiff against Releasees. Excluding any Arbitration or Confidentiality Agreement executed by Plaintiff with Defendants, if any, both of which will remain in full force and effect, this Agreement supersedes all prior agreements, written or oral, between or among the Parties regarding those claims or potential claims and the resolution of those claims. Consequently, no other agreement, statement, or promise made by one Party to another as to any matter addressed in this Agreement shall be binding or valid.

XVII. CAPTIONS AND INTERPRETATIONS

56. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof. Each term of this Agreement is contractual and not merely a recital.

XVIII. MODIFICATION AND WAIVERS

57. This Agreement may not be amended, changed, altered, or modified, except in writing and signed by the Parties (or their successors-in-interest) hereto. This Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto. Any failure by any Party to insist upon the strict performance by the other Party of

any provision of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any other provisions of this Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any provision of this Agreement.

XIX. MISCELLANEOUS

58. Plaintiff's Counsel represent and warrant that they do not presently represent any employees of Amazon or CSL other than Plaintiff.

59. This Agreement contains the entire agreement between the Parties relating to the settlement of the Covered Claims and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing. The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other Parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters that would alter or change the terms of this Agreement. No representations, warranties, or inducements have been made to any Party concerning this Agreement other than those expressly set forth or referred to herein.

60. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns. This Agreement shall be binding on all Aggrieved Employees and the State of California who will be barred from relitigating the Covered Claims released in this Agreement.

61. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall

be binding upon and effective as to all Parties. The counterparts may be transmitted electronically (PDF) or by facsimile, and may be signed using DocuSign.

62. This Agreement shall be governed, construed, and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, irrespective of the State of California's choice of law principles.

63. If the Parties dispute the interpretation of this Agreement, they shall first attempt to resolve the dispute informally through good faith negotiations, and if those efforts are unsuccessful, the Parties agree that disputes arising out of or relating to this Agreement will be submitted to the Honorable Angela Bradstreet (Ret.) or a mutually agreeable mediator for mediation. The Parties will equally split the costs of the mediator and the Parties will each bear their own attorneys' fees and other costs incurred.

64. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties may be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

65. The Parties have cooperated in the negotiation and preparation of this Agreement. This Agreement shall not be construed against any Party on the basis that the Party, or the Party's counsel, was the drafter or participated in the drafting of this Agreement.

66. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the Settlement. Unless required by applicable law, neither Plaintiff nor Plaintiff's Counsel shall publicize the terms of this Agreement in any medium, or initiate or issue any press release or have any communications to the press or media concerning the lawsuit, the settlement of the lawsuit, and/or this Agreement prior to approval of the Settlement. If counsel for any of the Parties receives an inquiry about the settlement from the media prior to final approval of the Settlement, counsel may respond only after the motion for approval of the Settlement has been filed and only by confirming the terms of the

settlement which are publicly available. Notwithstanding the foregoing, nothing will prevent Plaintiff's Counsel from communicating confidentially with Aggrieved Employees as necessary to fulfill their obligations as Plaintiff's Counsel to respond to inquiries by Aggrieved Employees about this Settlement, or to submit this Settlement to the LWDA and the Court for purposes of obtaining approval of the Settlement and in compliance with the requirements of PAGA.

67. The Los Angeles County Superior Court shall retain exclusive and continuing jurisdiction over the Action and this Agreement for this purpose of: (i) enforcing this Agreement pursuant to California Code of Civil Procedure section 664.6; (ii) addressing any claim administration matters that may arise; and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

68. Plaintiff and Plaintiff's Counsel will destroy all confidential documents and information provided by Defendants for mediation purposes within sixty (60) calendar days of the Effective Date. Plaintiff agrees that none of the information provided by Defendants in connection with the mediation of the Action or the Settlement shall be used for any purpose.

69. This Agreement shall not be subject to collateral attack by any Aggrieved Employee. Such prohibited collateral attack shall include, but not be limited to, claims that the Aggrieved Employee failed, for any reason, to timely receive his or her Individual Settlement Payment.

70. The Agreement shall become binding and enforceable upon its execution pursuant to California Code of Civil Procedure section 664.6.

THE PARTIES HAVE READ THE FOREGOING AGREEMENT. THEY HAVE CONSULTED WITH LEGAL COUNSEL REGARDING THE FOREGOING AGREEMENT AND KNOW THE CONTENTS THEREOF AND SIGN THE SAME AS THEIR FREE, KNOWING, AND VOLUNTARY ACT AND DEED, BEING FULLY AWARE OF ITS CONSEQUENCES AND ITS FINAL AND BINDING EFFECT.

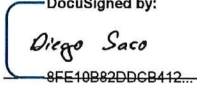
DATED: 03 / 21 / 2023



Gilbert Banks, for himself and as a
Representative of other Aggrieved Employees

DATED: 5/4/2023

Carter Saco Logistics

By:  8FE40B82DDCB412...

Title & Name: Owner

DATED: _____

Amazon.com, Inc.

By: _____

Title & Name: _____

APPROVED AS TO FORM ONLY:

DATED: 03/22/2023

HAIG B. KAZANDJIAN LAWYERS, APC

By: 

Haig B. Kazandjian, Esq.
Attorney for Plaintiff and Aggrieved Employees

DATED: 5/5/2023

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By: 
Michael Nadar, Esq. / 
Attorneys for Defendant, Carter Saco Logistics

DATED: _____

Gilbert Banks, for himself and as a
Representative of other Aggrieved Employees

DATED: _____

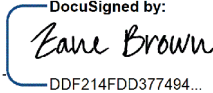
Carter Saco Logistics

By: _____

Title & Name: _____

DATED: March 21, 2023

Amazon.com, Inc.

By:  _____
DDF214FDD377494...

Title & Name: Zane Brown
Authorized Representative

APPROVED AS TO FORM ONLY:

DATED: _____

HAIG B. KAZANDJIAN LAWYERS, APC

By: _____

Haig B. Kazandjian, Esq.
Attorney for Plaintiff and Aggrieved Employees

DATED: _____

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By: _____

Michael Nadar, Esq.
Attorneys for Defendant, Carter Saco Logistics

DATED: March 22, 2023

GIBSON, DUNN & CRUTCHER LLP

By: 

Lauren Blas, Esq.
Attorneys for Defendant, Amazon.com, Inc.

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES**

*This is NOT a solicitation.
This is NOT a lawsuit against you and you are NOT being sued.*

NOTICE OF SETTLED REPRESENTATIVE ACTION

If you were employed by CARTER SACO LOGISTICS as an hourly, non-exempt employee in California at any time during the time period from May 24, 2020 through December 20, 2022, then you are receiving money from a representative action settlement.

PLEASE READ THIS NOTICE CAREFULLY!

I. What is the Purpose of this Settlement?

The purpose of this notice is to let you know that there was a representative action lawsuit that settled in the Superior Court of California for the County of Los Angeles (the "Court"), and you are considered to be an Aggrieved Employee for purposes of this settlement. The lawsuit was filed by a former employee of CARTER SACO LOGISTICS named Gilbert Banks ("Plaintiff") in the Court. On _____, 2023, a Judge of the Court approved the Settlement of the lawsuit entitled *Gilbert Banks, et al. v. Carter Saco Logistics et al.* Sup. Ct. (Los Angeles) Case No. 21CHCV00399 (the "Lawsuit").

II. Why Did I Get this Notice?

You received this notice because Defendant Carter Saco Logistics' records identify you as an Aggrieved Employee. Specifically, an "Aggrieved Employee" is defined as follows: all current and former non-exempt hourly paid individuals who were employed by Defendant Carter Saco Logistics within the state of California who worked at any time during the period of May 24, 2020 through December 20, 2022.

III. Who Are the Parties in this Representative Action?

This Lawsuit was filed against Defendants Carter Saco Logistics and Amazon.com, Inc. ("Defendants"). Plaintiff, who is a former employee, brought the Lawsuit on behalf of himself and all Aggrieved Employees, as that term is defined above. In the Lawsuit, Plaintiff pursued claims for penalties against Defendants under the California Private Attorneys General Act of 2004 ("PAGA") related to various alleged violations of the California Labor Code, including failure to provide employment records, pay minimum wage and overtime, provide meal and rest breaks, keep accurate payroll records and provide itemized wage statements, pay reporting time, pay split shift wages, and reimburse necessary business expenses. Defendants deny all of the claims and do not admit any liability or wrongdoing by entering into this settlement. Amazon expressly denies that it is or ever was a joint employer of any employee of Carter Saco Logistics.

IV. What is the Settlement?

The parties have decided to resolve the Lawsuit without the Court deciding the merits of Plaintiff's claims. The settlement addresses and resolves Plaintiff's claims for PAGA penalties on behalf of current and former non-exempt hourly paid individuals who were employed by Defendant Carter Saco Logistics within the state of California who worked at any time during the period of May 24, 2020 through December 20, 2022.

The total settlement amount is \$109,824.00. Each Aggrieved Employee is receiving a proportionate share of the total settlement amount, after deductions for Plaintiff's attorneys' fees and costs, settlement administration costs, payment of penalties to the California Labor and Workforce Development Agency ("LWDA"), and a settlement payment to the Plaintiff. Your share of the settlement amount is based on the total number of pay periods you worked for Defendant Carter Saco Logistics during the time period from May 24, 2020 through December 20, 2022.

According to Defendants' records, you are an Aggrieved Employee and are therefore entitled to a share of the settlement. Enclosed with this Notice is your settlement check. The settlement check shall remain valid for one hundred eighty (180) calendar days. Checks remaining un-cashed for more than 180 days after issuance will become void and the outstanding balance will be tendered to the California State Controller's Office – Unclaimed Property Fund, in your name.

The amount paid to each Aggrieved Employee will be allocated 100% to penalties and will be reported on an IRS Form 1099. The parties agree that all Aggrieved Employees who receive payment pursuant to this settlement will be responsible for any and all tax obligations associated with such receipt. **You will be responsible for correctly characterizing this compensation for tax purposes and paying any taxes that may be due on the payment you receive. Neither Counsel for Plaintiff, Counsel for Defendants, nor the Settlement Administrator may legally provide you with advice regarding the tax implications of the receipt of this settlement payment.**

V. What is the Effect of this Settlement on My Rights?

Each Aggrieved Employee is releasing Released Claims (defined below) against Defendants and all related parties.

Release of Claims By All Aggrieved Employees. The LWDA, and each Aggrieved Employee (including Plaintiff), shall, for the Covered Period (May 24, 2020 through December 20, 2022), fully release and forever release and discharge Defendants, their past or present officers, directors, shareholders, members, owners, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any, and any individual or entity which could be jointly liable with Defendants (all such released persons and entities, collectively, "Releasees") from any and all PAGA penalties that have been or could have been asserted in the Lawsuit or in the notice letter that Plaintiff sent to the Labor and Workforce Development Agency regarding the claims against Defendants based on the facts and legal theories asserted therein, including claims for penalties under PAGA for (i) failure to provide employment records in violation of Labor Code sections 226, 432, and 1198.5; (ii) failure to pay overtime and double time in violation of Labor Code sections 510 and the applicable Wage Orders; (iii) failure to provide rest and meal periods in violation of Labor Code sections 226.7, 512(a), and the applicable Wage Orders; (iv) failure to pay minimum wage in violation of Labor Code sections 1182.12, 1194, 1197, 1197.1, and the applicable Wage Orders; (v) failure to keep accurate payroll records and provide itemized wage statements in violation of Labor Code sections 226(a), 1174(d), 1198, and the applicable Wage Orders; (vi) failure to pay reporting time wages in violation of applicable Wage Orders; (vii) failure to pay split shift wages in violation of applicable Wage Orders; (viii) failure to reimburse necessary, business-related expenses in violation of Labor Code sections 2800 and 2802; and (ix) employers, and individuals acting on behalf of employers, violating or causing to be violated a section of the Labor Code or any Wage Order in violation of Labor code section 558(a), based on the facts and theories set forth in the Lawsuit for the Covered Period.

VI. Why Does the Labor Workforce Development Agency Receive Any Money?

PAGA allows private citizens to act on behalf of the State of California and recover civil penalties for violations of California's Labor Code. Seventy-five percent (75%) of any such recovery *must* be given to the State by law.

VII. Who is the Settlement Administrator?

The Settlement Administrator is an independent third party selected by Plaintiff and the Defendants to send this notice, process and issue settlement checks, and otherwise administer the settlement. The Court has approved Simpluris, Inc. to be the Settlement Administrator in this case. You may contact the Settlement Administrator to provide updated contact information, make corrections regarding your employment information at Carter Saco Logistics, or ask questions about this Notice. You may contact the Settlement Administrator at:

c/o _____

FAX NUMBER: _____

EMAIL: _____

IMPORTANT: PLEASE DO NOT TELEPHONE THE COURT REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.