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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

DEREK L. MCGHEE, on behalf of himself and
others similarly situated,

Plaintiff,

v.

TESORO REFINING & MARKETING
COMPANY LLC; ANDEAVOR; ANDEAVOR
LOGISTICS LP; and DOES 1 to 100, inclusive,

Defendants.

CASE NO. 4:18-cv-05999-JSW

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND RELEASE**

Judge: Hon. Jeffrey S. White

Trial Date: None set

Date Action Filed: September 28, 2018

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

Case No. 4:18-cv-05999-JSW

The signed document can be validated at <https://app.vinesign.com/Verify>

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1 Plaintiffs Derek L. McGhee and Victor Hazlett, individually and on behalf of all similarly
2 situated current and former unionized hourly non-exempt employees employed by Defendants Tesoro
3 Refining & Marketing Company LLC, Andeavor, Andeavor Logistics LP, and Marathon Refining
4 Logistics Services LLC (“Defendants”) in California at their Carson, Wilmington, and Martinez
5 refineries and Martinez chemical plant (collectively “Plaintiffs”), and Defendants (each, individually,
6 a “Party” and collectively, the “Parties”), subject to the terms and conditions hereof and Final
7 Approval (as defined below), hereby enter into this Joint Stipulation of Class Action Settlement
8 and Release (“Settlement Agreement”). This Settlement Agreement is intended to fully, finally, and
9 forever compromise, release, resolve, discharge, and settle the released claims subject to the terms and
10 conditions set forth in this settlement.

11 I. DEFINITIONS

12 1. “Actions” shall mean, collectively, all of the following civil court actions: (1) *McGhee*
13 *v. Tesoro Refining & Marketing Company, LLC, et al.* (N.D. Cal. Case No. 4:18-cv-05999-JSW);
14 (2) *Hazlett v. Marathon Refining Logistics Services LLC* (N.D. Cal. Case No. 3:21-cv-04238-EMC);
15 and (3) *Hazlett v. Marathon Refining Logistics Services LLC* (Contra Costa Super. Ct. Case No. C21-
16 01534).

17 2. “Administrative Costs” shall mean all costs, including all fees, costs, and expenses of
18 the Class Administrator (as defined below), for administering the settlement process, including but not
19 limited to administering and reporting taxes in connection with the settlement, providing the Settlement
20 Notice (as defined below), various efforts to locate Settlement Class Members (as defined below), and
21 coordinating the payment of claims on behalf of the Settlement Class (as defined below).

22 3. “Attorney’s Fees and Costs” shall mean the amount to be paid to Class Counsel (as
23 defined below) under the terms of this Settlement Agreement.

24 4. “Claims Released” shall mean those Class and PAGA claims described in Paragraphs
25 67–68. Claims Released shall not mean any claims related to or derivative of Defendants’ on-call or
26 standby practices, which, as stated in Paragraph 67, shall not be released.

27 5. “Class Administrator” shall mean CPT Group, Inc., which is the entity that has been
28 selected to provide notice of this proposed class action settlement to the Settlement Class (as defined

below) and to perform other related functions to administer the settlement contemplated by this Settlement Agreement as described herein.

6. “Class Counsel” shall mean the attorneys representing Plaintiffs in the Actions: Joseph Lavi, Jordan D. Bello, and Vincent C. Granberry of LAVI & EBRAHIMIAN, LLP.

7. “Class Period” shall mean the period from August 17, 2014, through July 12, 2024.

8. “Court” means the judge of the United States District Court for the Northern District of California overseeing N.D. Cal. Case No. 4:18-cv-05999 (presently, the Honorable Jeffrey S. White).

9. “Credit” shall mean a Qualifying Shift (as defined below) for the time period of August 17, 2014, through July 12, 2024, worked by all Settlement Class Members (as defined below).

10. “Defense Counsel” shall mean the attorneys representing Defendants in the Actions: Catherine A. Conway, Jesse A. Cripps, Bradley J. Hamburger, Tiffany Phan, Madeleine F. McKenna, and Katie Geary of Gibson, Dunn & Crutcher LLP.

11. “Effective Date” shall mean seven (7) calendar days after *all* of the following conditions have been satisfied:

- i. Execution of this Settlement Agreement by all Parties, Class Counsel, and Defense Counsel;
- ii. Submission of this Settlement Agreement to the Court, along with appropriate motions and requests for approval of this Settlement Agreement by the Court;
- iii. Preliminary Approval (as defined below) of the Settlement Agreement by the Court;
- iv. Mailing of the Settlement Notice (as defined below) to the Settlement Class Members (as defined below) in accordance with the Court’s Order of Preliminary Approval (as defined below);
- v. Expiration of the opt-out date as defined in the Settlement Notice (as defined below);
- vi. Five percent (5%) or fewer of the Settlement Class Members (as defined below) submit timely and valid requests to opt out of the Settlement Class (as defined below) (or if more than five percent (5%) opt out, and Defendants do not

exercise their right to rescind and void the Settlement Agreement);

- vii. A formal fairness hearing, and Final Approval (as defined below). Except that, in the event there are written objections made prior to the formal fairness hearing, or an appeal of the Court's approval of the Settlement Agreement taken, then the Effective Date shall be the later of the following events: when the period for filing any appeal, writ or other appellate proceeding opposing the settlement has elapsed without any appeal, writ or other appellate proceeding having been filed; or any appeal, writ or other appellate proceeding opposing the settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or any appeal, writ or other appellate proceeding has upheld the Court's final order with no right to pursue further remedies or relief;
- viii. Dismissal with prejudice of both the *Hazlett* PAGA Action and the *Hazlett* Class Action;
- ix. Named Plaintiffs' execution of general releases referenced in Section VI below.

12. "Final Approval" means an order that finally and unconditionally grants final approval of this Settlement Agreement, enters final judgment with respect to the *McGhee* Action, and authorizes payments to the Class Administrator, the Settlement Class Members (as defined below), and Class Counsel as provided in this Settlement Agreement.

13. "Final Approval Hearing" means the hearing to be conducted by the Court, or any other court taking jurisdiction of this matter, to determine whether to finally approve the Settlement.

14. "Named Plaintiffs" or "Plaintiffs" shall mean Derek L. McGhee and Victor Hazlett.

15. "Order Granting Preliminary Approval" and "Preliminary Approval" refers to the Court order or statement of decision granting preliminary approval to this Settlement Agreement.

16. "Participating Settlement Class Members" shall mean all Settlement Class Members who do not submit timely and valid requests to opt out.

17. "Released Parties" shall mean Defendants Tesoro Refining & Marketing Company LLC, Andeavor, Andeavor Logistics LP, and Marathon Refining Logistics Services LLC, including each of their past and present successors, subsidiaries, parents, holding companies, sister and affiliated

1 companies, divisions and other related entities, as well as the successors, predecessors, shareholders,
2 subsidiaries, investors, parent, sister and affiliated companies, officers, directors, partners, assigns,
3 agents, employees, principals, heirs, administrators, attorneys, vendors, accountants, auditors,
4 consultants, fiduciaries, insurers, reinsurers, employee benefit plans, and representatives of each of
5 them, both individually and in their official capacities, past or present, as well as all persons acting by,
6 through, under, or in concert with, any of these persons or entities.

7 18. "Service Award" shall mean a Court-approved sum to be paid to the Plaintiffs in
8 accordance with Section V.A.

9 19. "Settlement Class" or "Settlement Class Members" shall mean all current and former
10 unionized hourly non-exempt employees employed by Defendants at the Carson, Wilmington, and
11 Martinez refineries and Martinez chemical plant from August 17, 2014, to July 12, 2024.

12 20. "Settlement Fund" refers to the gross settlement amount of Seven Million Two Hundred
13 Thousand Dollars (\$7,200,000.00), which is the total and maximum amount Defendants will be
14 required to pay under this settlement, except that Defendants will pay the employer share of any
15 applicable federal, state and local payroll taxes, in addition to the Settlement Fund. The Settlement
16 Fund will include the following elements: (i) payments to Settlement Class Members, as described
17 herein; (ii) payment to the State of California Labor and Workforce Development Agency ("LWDA")
18 under PAGA, as described herein; (iii) Service Awards to the Named Plaintiffs, as described herein;
19 (iv) Class Counsel's Attorneys' Fees and Costs, as described herein; and (v) Administrative Costs, as
20 described herein.

21 21. "Settlement Notice" refers to the official notice of settlement of class action, attached
22 hereto as Exhibit A.

23 22. "Qualifying Shift" shall mean a shift worked by a Settlement Class Member between
24 August 17, 2014, and July 12, 2024, inclusive.

25 II. RECITALS

26 A. Background and Procedural History

27 23. On August 17, 2018, Plaintiff McGhee filed a class complaint against Defendants
28 Tesoro Refining & Marketing Company, LLC, Andeavor, and Andeavor Logistics LP entitled *Derek*

1 *L. McGhee, on behalf of himself and others similarly situated v. Tesoro Refining & Marketing*
2 *Company, LLC; Andeavor; Andeavor Logistics LP; and DOES 1 through 100, inclusive*, Case No. c-
3 18-01699 in the Superior Court of the State of California, for the County of Contra Costa (the “*McGhee*
4 *Action*”). On September 28, 2018, Defendants removed the *McGhee Action* to the United States
5 District Court for the Northern District of California. N.D. Cal. Case No. 4:18-cv-05999-JSW, ECF
6 No. 1.

7 24. On April 22, 2021, Plaintiff Hazlett filed a class complaint against Defendant Marathon
8 Refining Logistics Services LLC entitled *Victor Hazlett, on behalf of himself and others similarly*
9 *situated, v. Marathon Refining Logistics Services LLC; and DOES 1 through 100, inclusive*, Case No.
10 C21-00808 in the Superior Court of the State of California, for the County of Contra Costa (the “*Hazlett*
11 *Class Action*”). On June 3, 2021, Defendant Marathon Refining Logistics Services LLC removed the
12 *Hazlett Class Action* to the United States District Court for the Northern District of California. N.D.
13 Cal. Case No. 3:21-cv-04238-EMC, ECF No. 1.

14 25. On July 20, 2021, Plaintiff Hazlett filed a Private Attorneys General Act (“PAGA”) *complaint*
15 *against Defendant Marathon Refining Logistics Services LLC entitled Victor Hazlett, on*
16 *behalf of himself and others similarly situated, v. Marathon Refining Logistics Services LLC; and*
17 *DOES 1 through 100, inclusive*, Case No. C21-01534 in the Superior Court of the State of California,
18 for the County of Contra Costa (the “*Hazlett PAGA Action*”).

19 26. On December 21, 2021, Plaintiff Hazlett and Defendant Marathon Refining Logistics
20 Services LLC jointly requested a stay of the *Hazlett PAGA Action* pending final judgment in the
21 *Hazlett Class Action*, which the Contra Costa Superior Court granted on February 25, 2022.

22 27. On September 6, 2022, Plaintiff Hazlett and Defendant Marathon Refining Logistics
23 Services LLC jointly requested a stay of the *Hazlett Class Action* pending a class certification ruling
24 in the *McGhee Action*, which the Northern District of California granted on September 7, 2022.

25 28. On February 14, 2023, the United States District Court for the Northern District of
26 California granted class certification in the *McGhee Action*. Dkt. 116.

27 29. The *McGhee Action*, the *Hazlett Class Action*, and the *Hazlett PAGA Action*
28 collectively allege that Defendants violated California’s wage and hour laws by not providing rest

breaks and by failing to pay premium wages for missed rest breaks; by disincentivizing off-premises meal periods and by failing to pay premium wages for missed meal periods; by failing to pay wages for all time worked at the minimum wage rate by engaging in rounding practices; by failing to pay wages for all time worked at the minimum wage rate for shift turnover duties and for donning and doffing personal protective equipment; by failing to timely pay wages due at the time of termination; and by failing to provide accurate wage statements. In addition to alleging violations of the California Labor Code, Plaintiffs also asserted claims under California Business & Professions Code section 17200 and PAGA, California Labor Code section 2698 *et seq.*, based on the same alleged Labor Code violations.

30. For purposes of settlement, Plaintiffs seek to represent the Settlement Class.

31. On October 26, 2023, the Parties participated in an unsuccessful mediation with mediator Hunter Hughes.

32. On May 20, 2024, the Parties participated in mediation with Monique Ngo-Bonnici. The mediation was unsuccessful, but the parties continued arms-length negotiations.

33. On June 25, 2024, Mediator Ngo-Bonnici issued a modified mediator's proposal, which was accepted by both parties on July 12, 2024.

B. Parties' Statements and Recognition of the Benefits of the Settlement

34. Class Counsel has conducted extensive investigation into the facts of the Actions, including through extensive discovery undertaken by counsel for Plaintiffs. Class Counsel is aware of Defendants' practices and procedures through discovery and motion practice in the Actions. Furthermore, the Parties engaged in extensive negotiations and the exchange of data, documents, and information. Based on a thorough investigation and evaluation of this case, Class Counsel and Plaintiffs have concluded that the settlement with Defendants, for the consideration and on the terms set forth in this Settlement Agreement, is fair, reasonable, and adequate, and is in the best interest of the class in light of all known facts and circumstances, including the risk of significant delay, defenses asserted by Defendants, and numerous potential appellate issues.

35. Defendants deny each and all of the claims alleged by Plaintiffs in the Actions. Defendants expressly deny any and all charges of wrongdoing or liability arising out of any of the acts,

omissions, facts, matters, transactions, or occurrences alleged, or that could have been alleged, in the Actions. Nevertheless, Defendants have taken into account the uncertainty and risks inherent in any litigation and have also concluded that further conduct of the Actions would be protracted and expensive. Defendants, therefore, have determined that it is desirable and beneficial that the Actions be settled in the manner and upon the terms and conditions set forth in the Settlement Agreement. Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement, is, may be construed as, or may be used as an admission, concession, or indication by or against Defendants of any fault, wrongdoing or liability whatsoever.

III. TERMS OF SETTLEMENT AGREEMENT

36. IT IS HEREBY STIPULATED AND AGREED by and among the Plaintiffs (for themselves and the Settlement Class) and Defendants, by and through their respective attorneys, that, subject to the approval of the Court, the Actions will be finally and fully compromised, released, resolved, discharged, and settled, and will be dismissed with prejudice as to Defendants, subject to the terms and conditions of this Settlement Agreement.

37. In the event that the Court does not execute an Order of Final Approval, or any such Order of Final Approval does not become final for any reason, or is modified in any material respect, the Effective Date does not occur, or that any of the conditions set forth herein do not occur, this Settlement Agreement shall be deemed null and void and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose whatsoever.

IV. CONSOLIDATION OF ACTIONS FOR SETTLEMENT PURPOSES ONLY

38. For purposes of this Settlement only, within fourteen (14) calendar days after the execution of this Agreement, the Parties will file a joint stipulation requesting that the Court allow Plaintiffs to file a mutually agreeable Consolidated Third Amended Complaint in the *McGhee* Action that (1) adds the class claims from the *Hazlett* Class Action, (2) adds the PAGA claims from the *Hazlett* PAGA Action, (3) adds the relevant Defendants from the *Hazlett* Class Action and *Hazlett* PAGA Action, and (4) asserts all claims in the *McGhee* Action, the *Hazlett* Class Action, and the *Hazlett* PAGA Action from August 17, 2014, through July 12, 2024. All proceedings relating to the approval

1 of the Settlement Agreement shall be before the Court. If the Settlement Agreement is not approved
2 or the Court declines to allow the addition of the *Hazlett* Class Action and *Hazlett* PAGA action, the
3 Parties shall revert to status quo as of June 25, 2024.

4 39. Throughout the pendency of the settlement approval process, the Parties agree to keep
5 the *Hazlett* Class Action and *Hazlett* PAGA Action stayed. By no later than seven (7) days of Final
6 Approval, the Parties will take all necessary steps to effectuate a dismissal with prejudice of the *Hazlett*
7 Class Action and *Hazlett* PAGA Action. Nothing in this Settlement Agreement will preclude the
8 Parties from taking the necessary steps to effectuate dismissal of the *Hazlett* Class Action and *Hazlett*
9 PAGA Action before Final Approval

10 **V. DISTRIBUTION OF THE SETTLEMENT FUND**

11 40. In consideration for settlement of the Actions and the release of claims of the Settlement
12 Class, Defendants agree to pay the sum of Seven Million Two Hundred Thousand Dollars
13 (\$7,200,000.00) (the "Settlement Fund"). Any Administrative Costs, Attorney's Fees and Costs,
14 payment to the LWDA under PAGA, and Service Awards for the Named Plaintiffs shall be deducted
15 from the Settlement Fund.

16 41. The occurrence of the Effective Date is a prerequisite to any distributions from the
17 Settlement Fund.

18 42. This is a non-reversionary settlement in which Defendants are required to pay the entire
19 Settlement Fund. No portion of the Settlement Fund will revert to Defendants.

20 43. The Parties have agreed to the appointment of CPT Group, Inc. to serve as the Class
21 Administrator for the purpose of administering the settlement process.

22 **A. Named Plaintiffs' Service Awards**

23 44. In addition to the amounts determined to be due to the Named Plaintiffs as Participating
24 Settlement Class Members under this Settlement Agreement, Class Counsel and Plaintiffs intend to
25 apply to the Court for Service Awards for Named Plaintiffs, in the total amount of no more than Ten
26 Thousand Dollars (\$10,000.00) per person. Plaintiffs intend to request the Service Awards as an
27 enhancement for the Named Plaintiffs' roles in prosecuting the Actions, taking the risks of serving as
28 the named representatives, providing factual information and documentation necessary to the

1 prosecution of the Actions, providing a General Release of all claims, maintaining contact with Class
2 Counsel, and other participation necessary to the successful prosecution of the Actions. Any Service
3 Award approved by the Court in conjunction with the Settlement shall be paid from the Settlement
4 Fund.

5 45. In exchange for this Service Award, the Named Plaintiffs agree not to publicize the
6 settlement and agree to execute a General Release as to any and all claims they might have against
7 Defendants and the Released Parties, whether such claim is known or unknown, in the form attached
8 hereto as Exhibit B, such form to be executed after Final Approval.

9 46. In the event that the Court denies, modifies, or reduces any request for a Service Award,
10 Plaintiffs reserve their right to appeal such an order, however, Plaintiffs, Class Counsel, and the
11 Participating Settlement Class Members may not seek to modify, revoke, cancel, terminate, or void this
12 Settlement Agreement and will not seek, request, or demand an increase in the Settlement Amount.

13 47. If Plaintiffs appeal the Court's ruling on Plaintiffs' request for a Service Award for
14 Named Plaintiffs, any ruling of any appellate court in such an appeal (regardless of its substance) shall
15 not constitute a material alteration of this Settlement Agreement, and shall not give Plaintiffs, Class
16 Counsel, or the Participating Settlement Class Members the right to modify, revoke, cancel, terminate,
17 or void this Settlement Agreement.

18 48. Notwithstanding the above, the Named Plaintiffs shall receive payment of Service
19 Awards only after executing and delivering to Defendants this Settlement Agreement, and a separate
20 General Release of all known and unknown claims against Defendants and the Effective Date has
21 passed.

22 **B. Attorney's Fees and Costs**

23 49. Class Counsel intends to request an award of Attorney's Fees equal to Thirty-Five
24 Percent (35%) of the Settlement Fund, currently estimated to be Two Million Five Hundred Twenty
25 Thousand Dollars and Zero Cents (\$2,520,000.00), and Attorney's Costs of up to One Hundred
26 Thousand Dollars and Zero Cents (\$100,000.00), to compensate Class Counsel for fees and costs
27 incurred for work already performed in the Actions, and the work remaining to be performed in
28 documenting the Settlement Agreement, securing Court approval of the Settlement Agreement,

1 administering the Settlement Agreement, obtaining dismissal of the Actions with prejudice, and
2 defending against any appeals, as well as all associated expenses. The exact amount awarded to Class
3 Counsel shall be subject to approval of the Court.

4 50. Class Counsel will submit an application for Attorney's Fees and Costs to the Court for
5 approval prior to the date of the Final Fairness Hearing. The Parties agree that, over and above the
6 total amount of court-approved Attorney's Fees and Costs award in the Actions, each of the Parties,
7 including all persons eligible to be Settlement Class Members, shall bear their own fees and costs
8 relative to the investigation, filing, prosecution or settlement of the Actions, the negotiation, execution,
9 or implementation of this Settlement Agreement, and/or the process of obtaining, administering or
10 challenging a Class Certification Order and/or Final Approval.

11 51. The Parties agree that Class Counsel shall be solely responsible for the division and
12 distribution of any and all Court-approved Attorney's Fees and Costs awarded in the Actions to Class
13 Counsel.

14 52. In the event that the Court denies, modifies, or reduces Class Counsel's request for
15 Attorney's Fees and Costs, then Class Counsel reserve their right to appeal such an order, however,
16 Plaintiffs, Class Counsel, and the Participating Settlement Class Members may not seek to modify,
17 revoke, cancel, terminate, or void this Settlement Agreement and will not seek, request, or demand an
18 increase in the Settlement Amount.

19 53. If Class Counsel appeal the Court's ruling on their request for Attorney's Fees and
20 Costs, any ruling of any appellate court in such an appeal (regardless of its substance) shall not
21 constitute a material alteration of this Settlement Agreement, and shall not give Plaintiffs, Class
22 Counsel, or the Participating Settlement Class Members the right to modify, revoke, cancel, terminate,
23 or void this Settlement Agreement.

24 54. All claims for attorneys' fees or costs or expenses that Class Counsel, Plaintiffs, and the
25 Participating Settlement Class Members may possess against Defendants have been compromised and
26 resolved in this Settlement Agreement and shall not be affected by any appeal that Class Counsel may
27 file.
28

1 **C. Administrative Costs**

2 55. The Administrative Costs associated with administering the settlement process shall be
3 deducted from the Settlement Fund. The Administrative Costs are estimated to be \$20,000.00. No
4 fewer than ten (10) court days prior to the Final Approval Hearing, the Class Administrator shall
5 provide the Court and all counsel for the Parties with a declaration detailing the Administrative Costs.
6 The Parties agree to cooperate in the settlement administration process and to make all efforts to control
7 and minimize the costs and expenses incurred in the administration of this Settlement.

8 **D. PAGA Penalty Allocation**

9 56. The total amount of the Settlement Fund allocated to PAGA penalties shall be One
10 Hundred Thousand Dollars (\$100,000.00), with seventy-five percent (75%) of the PAGA penalties,
11 seventy-five thousand dollars (\$75,000), paid to the California Labor and Workforce Development
12 Agency ("LWDA") and twenty-five percent (25%) of the PAGA penalties, twenty-five thousand
13 dollars (\$25,000), paid to the Settlement Class Members (irrespective of whether they opt out of the
14 Settlement Class). The twenty-five thousand dollars (\$25,000) paid to the Settlement Class Members
15 shall be referred to as the "PAGA Payment to Employees."

16 57. Pursuant to California Labor Code section 2699(l)(2), settlement of a PAGA action
17 must be approved by the Court and a copy of the proposed settlement will be provided to the LWDA
18 at the same time that it is submitted to the Court.

19 **E. No Effect on Benefits for Settlement Class Members**

20 58. Plaintiffs agree, on behalf of all Settlement Class Members, that this Settlement
21 Agreement and any payments under this Settlement Agreement shall not have any effect on the
22 eligibility or calculation of employee benefits with respect to the Settlement Class Members. This
23 Settlement Agreement does not represent any modification of any previously credited hours of service,
24 income, or other eligibility criteria under any employee pension benefit plan, employee welfare benefit
25 plan, or other program or policy sponsored by any union and/or any of the Released Parties.

26 59. Likewise, Plaintiffs agree, on behalf of all Settlement Class Members, that no payment
27 provided under this Settlement Agreement shall be considered "compensation" or "annual earnings for
28 benefits" in any year for purposes of determining eligibility for, or benefit accrual within, any employee

pension benefit plan, employee welfare benefit plan, or other program or policy sponsored by any union and/or any of the Released Parties.

F. Allocation of Net Settlement Proceeds to Settlement Class Members

60. The “Net Settlement Proceeds” shall equal the Settlement Fund minus the total of (i) court-approved Attorney’s Fees and Costs; (ii) court-approved Service Awards to the Named Plaintiffs; (iii) all Administrative Costs; and (iv) payment to the LWDA for PAGA penalties.

61. The Net Settlement Proceeds shall be allocated as follows for each Settlement Class Member:

- (i) The PAGA Payment to Employees will be divided by the total number of Settlement Class Members and each Settlement Class Member will receive their evenly divided pro-rata share. Each Settlement Class Members pro-rata share shall be referred to as the “Individual PAGA Allocation.”
- (ii) A Credit will be given to each Qualifying Shift worked by Participating Settlement Class Member during the Class Period. Any Participating Settlement Class Member who has no Qualifying Shifts or a partial Qualifying Shift shall be rounded up to receive at least one Credit.
- (iii) The value of each Credit (“Credit Value”) equals the Net Settlement Proceeds reduced by the PAGA Payment to Employees and then divided by the total number of Credits for all Participating Settlement Class Members.
- (iv) Each Participating Settlement Class Member’s “Individual Settlement Award” shall equal that individual’s total number of Credits multiplied by the Credit Value.

62. Each Participating Settlement Class Member’s Individual Settlement Award will be allocated as follows: forty percent (40%) to unpaid wages which will be reported to the IRS on Form W-2; thirty percent (30%) to penalties and thirty percent (30%) to interest, which will be reported to the IRS on Form 1099. The Individual PAGA Allocation will be allocated as 100% to penalties, which will be reported to the IRS on Form 1099.

63. The Class Administrator will issue the necessary IRS tax forms and make all necessary tax filings to effectuate the terms of this Settlement Agreement.

64. The payment by Defendants pursuant to this Agreement is for alleged failure to pay compensation due, interest on the compensation sum, penalties regarding the compensation sum, and all other claims as set forth in the Consolidated Third Amended Complaint. In accordance with both state and federal tax laws, the Administrator shall withhold such sums from each Settlement Class

Member's Individual Settlement Award as is required to comply with the allocation set forth in this Agreement. After appropriate tax withholding from Individual Settlement Awards, the Class Administrator shall pay over all such withheld funds to the appropriate state and federal taxing authorities to comply with applicable law and shall do so as soon as practicable. In addition, the Class Administrator shall make deductions from the wage portion of each Participating Settlement Class Member's Individual Settlement Award for union dues consistent with the applicable collective bargaining agreements. The Class Administrator shall also pay over all such union dues to the union. The Class Administrator shall provide each Settlement Class Member with appropriate documentation setting forth the amount of any tax, union dues, or other payment withheld, and employer contribution made, in accordance with state and federal tax requirements.

65. The Class Administrator will notify Defendants of the amount of the employer share of applicable federal, state, and local payroll taxes due and owing as to each Class Member no later than three (3) calendar days after Final Approval. Defendants will pay that amount to the Class Administrator separately and in addition to the Settlement Fund within thirty (30) calendar days of the Order Granting Final Approval. The Class Administrator will also give Defendants an estimate of the employer's share of these taxes within five (5) calendar days of sending out the Settlement Notice.

66. The Parties are not providing any advice regarding and have not made any representations regarding the tax obligations or consequences, if any, related to this Settlement Agreement, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. The Parties agree that Defendants, Plaintiffs, Class Counsel, and each Participating Settlement Class Member are solely responsible for determining the tax consequences of their respective payments made pursuant to this Settlement Agreement and for paying taxes, if any, which are determined to be owed by each of them on such payments (including penalties and interest related thereto) by any taxing authority, whether state, local, or federal.

VI. CLAIMS RELEASED BY SETTLEMENT AGREEMENT

67. In exchange for the payments by Defendants as described herein, upon Final Approval, and except as to such rights or claims as may be created by this Settlement Agreement, the Participating

1 Settlement Class Members, including the Named Plaintiffs (who shall not opt out), jointly, severally,
2 shall, and hereby do fully release and discharge Defendants and Released Parties from any and all
3 claims, judgments, liens, losses, debts, liabilities, demands, obligations, guarantees, penalties, costs,
4 expenses, attorneys' fees, damages, indemnities, actions, causes of action, and obligations of every
5 kind and nature in law, equity or otherwise, known or unknown, suspected or unsuspected, disclosed
6 or undisclosed, contingent or accrued, occurring up to the execution of this Settlement Agreement and
7 arising out of the dispute which is the subject of the Actions or which could have been asserted in the
8 Actions based on the facts alleged, whether in contract, violation of any state or federal statute, rule or
9 regulation, arising out of, concerning or in connection with any act or omission alleged in the Actions
10 by or on the part of Released Parties, including, without limitation, those relating to the failure to pay
11 wages for all time worked at the minimum wage rate including for time spent donning and doffing,
12 failure to authorize or permit meal periods and/or pay meal period premium wages, disincentivizing or
13 discouraging off-premises meal periods, failure to provide rest breaks and rest break premium wages,
14 failure to provide accurate wage statements, failure to timely pay wages due at the time of termination
15 of employment, penalties relating to the failure to provide rest breaks, meal periods, and/or inaccurate
16 wage statements, or other alleged wage and hour violations and related record-keeping requirements,
17 including, without limitation, violation of Business & Professions Code section 17200, the applicable
18 California Industrial Welfare Commission Order, or any other California or federal laws relating to the
19 failure to pay wages and penalties based on the facts alleged in the Consolidated Third Amended
20 Complaint during the Class Period. ("Class Claims Released"). Class Claims Released include any
21 unknown claims that Participating Settlement Class Members do not know or suspect to exist in their
22 favor, which if known by them, might have affected this Settlement Agreement with Defendants and
23 release of Released Parties. The Claims Released do not include any workers' compensation claims,
24 claims for physical bodily harm, discrimination claims, or any other claims not directly related to the
25 Class Claims Released. The Class Claims Released also do not include claims related to or derivative
26 of Defendants' on-call or standby practices, including but not limited to the claims asserted in *Butel v.*
27 *Marathon Refining and Logistics Services LLC* (C.D. Cal. Case No. 2:23-cv-04547-DSF-JPR), or
28 *Wood v. Marathon Refining Logistics Services, LLC* (N.D. Cal. Case No. 4:19-cv-04287-YGR).

68. All Settlement Class Members, regardless of whether they opt out, will release their right to pursue PAGA claims and PAGA penalties through July 12, 2024, based on the facts alleged in the Actions (“PAGA Claims Released”). Settlement Class Members will not release the right to pursue PAGA claims related to or derivative of Defendants’ on-call or standby practices, including but not limited to the claims asserted in *Butel v. Marathon Refining and Logistics Services LLC* (C.D. Cal. Case No. 2:23-cv-04547-DSF-JPR), or *Wood v. Marathon Refining Logistics Services, LLC* (N.D. Cal. Case No. 4:19-cv-04287-YGR).

69. The Parties intend that this Settlement Agreement shall be binding on all Settlement Class Members, whether or not they actually receive a payment pursuant to this Settlement Agreement. This Settlement Agreement shall constitute, and may be pleaded as, a complete and total defense to any Claims Released if raised in the future.

70. The Named Plaintiffs and the Participating Settlement Class Members may hereafter discover facts in addition to or different from those they may now know or believe to be true with respect to the subject matter of the Claims Released, but, upon the Effective Date, they shall be deemed to have, and by operation of the Order Granting Final Approval shall have fully, finally, and forever settled and released any and all of the Class and PAGA Claims Released, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is intentional, negligent, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

71. The Parties agree that, for any claim that is not alleged in the Consolidated Third Amended Complaint, the statute of limitations has and will continue to run on those claims and no such claims will relate back to the filing of any of the pleadings in this Action.

VII. SCHEDULE FOR FINALIZING SETTLEMENT AGREEMENT

72. Plaintiffs and Defendants stipulate and agree to the following schedule and procedures for obtaining the Court’s approval of the Settlement Agreement, including seeking certification of the Settlement Class, notifying the Settlement Class, and processing all benefits provided under this Settlement Agreement:

1 **A. Seeking Preliminary Approval of Settlement Agreement**

2 73. Upon the execution of this Settlement Agreement, Plaintiffs will move the Court for
3 (a) preliminary approval of the Settlement Agreement, (b) approval of the Settlement Notice,
4 settlement notice procedure, and appointment of the Class Administrator, and (c) the scheduling of a
5 settlement fairness hearing on the question of whether the terms of this Settlement Agreement should
6 be finally approved as fair, reasonable, and adequate as to the Named Plaintiffs and the Settlement
7 Class (collectively, "Motion for Preliminary Approval"). As a part of this motion, Plaintiffs will submit
8 (and attach copy of) this Settlement Agreement.

9 74. Class Counsel shall provide Defendants with a reasonable opportunity to review and
10 provide comments to the Motion for Preliminary Approval before the motion and supporting papers
11 are filed with the Court.

12 75. Within ten (10) calendar days after the filing of the Motion for Preliminary Approval,
13 Defendants shall comply with the "Notification of Settlement" requirements of the Class Action
14 Fairness Act (28 U.S.C. § 1715). Prior to the date set for the preliminary approval hearing, Defendants
15 shall file a proof of service with the Court indicating compliance with 28 U.S.C. § 1715.

16 **B. Providing Class Data to Class Administrator**

17 76. Within twenty-one (21) calendar days of the Order Granting Preliminary Approval,
18 Defendants agree to provide to the Class Administrator a "class list" and the following information for
19 each Class Member: (a) name; (b) last-known address; (c) personal e-mail address, if available; (d)
20 social security number; and (e) number of Qualifying Shifts worked during the Class Period as
21 determined by Defendants' business records. The Class Administrator will review the data provided
22 by Defendants to calculate the Credit Value, each Class Member's Credits and projected individual
23 payment. If data concerns would interfere with the Class Administrator's ability to comply with the
24 deadlines set by the Court, the Parties agree to jointly apply to the Court for an extension of the schedule
25 provided herein to allow the Parties to resolve the concerns. The above-described information will be
26 provided to Class Administrator on a confidential basis, and the Class Administrator agrees to use this
27 information only for purposes of verifying the accuracy of the information. The Class Administrator
28 agrees not to use the information for any purpose other than the administration of the settlement of the

1 Actions and agrees not to disclose the information to any third party. Notwithstanding the foregoing,
2 the Class Administrator may disclose to Class Counsel the number of Qualifying Shifts worked by
3 Settlement Class Members.

4 **C. Settlement Notice**

5 77. If the Court grants Preliminary Approval of the Settlement Agreement, a Settlement
6 Notice shall be provided to the Settlement Class as follows:

7 a. Fourteen (14) calendar days after Defendants provide to the Class Administrator the
8 class list referenced in Paragraph 76 the Class Administrator shall send a Settlement
9 Notice to all Settlement Class Members by regular U.S. Mail, postage prepaid and
10 supplement with e-mail notice, if feasible. In order to provide the best notice
11 practicable, any Settlement Notice returned as undelivered shall be sent to the
12 forwarding address affixed thereto, if any. If no forwarding address is provided for
13 a Settlement Notice that is returned as undelivered, the Class Administrator will use
14 a reliable computer search method to locate a current address. If no current address
15 is located, the Settlement Notice for that individual will be deemed undeliverable.
16 If the procedures herein are followed, Defendants, Class Counsel, and the Class
17 Administrator shall be deemed to have satisfied their obligation to provide the
18 Settlement Notice to the Settlement Class. A copy of the proposed Settlement
19 Notice is attached hereto as Exhibit A.

20 b. The Settlement Notice shall, at a minimum, include the following: the number of
21 Qualifying Shifts worked by the Settlement Class Member, the estimated amount
22 the Class Member can expect to receive based on the number of Qualifying Shifts,
23 the contact information for Class Counsel, information informing Settlement Class
24 Members of their right to object and/or opt out, a statement that the Settlement
25 Agreement may have preclusive effect and participation in the Settlement shall
26 result in a release of Released Claims, notification that Settlement Class Members
27 are solely responsible for determining the tax consequences of payments made
28 pursuant to this Settlement Agreement; and notification that any payments under

1 this Settlement Agreement shall not have any effect on the eligibility or calculation
2 of employee benefits nor will it be considered compensation for determining
3 eligibility in any employee pension benefit plan, as discussed *ante* in Section V.E.

4 c. The Settlement Notice shall inform Settlement Class Members of their right to opt
5 out of the Settlement Class and be excluded from receiving any benefits for the Class
6 Claims Released under the Settlement Agreement by completing and mailing a
7 written opt-out request to the Class Administrator no later than forty-five (45)
8 calendar days after the postmark date of the Settlement Notice. Any member of the
9 Settlement Class who submits a timely and valid request to opt out will receive no
10 settlement payment for the Class Claims Released and will not be bound by the
11 terms of the Settlement Agreement nor have any right to object, appeal, or comment
12 thereon. Late-submitted opt-out requests will not be accepted by the Class
13 Administrator and shall not be effective. The Class Administrator will certify jointly
14 to Class Counsel and Defense Counsel which requests to opt out were valid and
15 timely submitted.

16 d. If a member of the Settlement Class disagrees with the number of Qualifying Shifts,
17 the member must complete and send a notice of dispute to the Class Administrator,
18 together with any supporting written documentation. Such documentation may
19 consist of official records, pay stubs, weekly schedules, or personal logs. To be
20 considered, the notice of dispute and supporting written documentation must be
21 received by the Class Administrator no later than thirty (30) calendar days after the
22 postmark date of the Settlement Notice.

23 e. The Class Administrator shall immediately notify both Class Counsel and Defense
24 Counsel of any disputes submitted by Settlement Class Members. The Class
25 Administrator shall share with both Class Counsel and Defense Counsel the notice
26 of dispute and any documentation submitted by a Settlement Class Member in
27 support of his or her dispute. The Class Administrator shall make the final
28 determination regarding the dispute based on the written documentation submitted

1 by the Settlement Class Member and any materials submitted by counsel within ten
2 (10) calendar days of receipt of the notice of dispute and supporting written
3 documentation, or no later than forty (40) calendar days after the postmark date of
4 the Settlement Notice. Defendants' business records will be entitled to greater
5 deference in reviewing the materials submitted. The Class Administrator shall
6 inform each Settlement Class Member of the final determination by a telephone call,
7 followed by an e-mail or regular U.S. Mail if no email for that Settlement Class
8 Member is available.

9 f. The Class Administrator shall create and maintain a website, which will include
10 links to the Settlement Notice, Motions for Preliminary and Final Approval, and
11 Motion for Attorney's Fees as they become available, until the Effective Date. The
12 website shall also include links to any other documents or information the Class
13 Administrator deems necessary to perform its duties. The Motion for Attorney's
14 Fees and any related filings shall be available on the website for a reasonable period
15 of time of no less than fourteen (14) calendar days prior to the deadline for class
16 members to file an objection to the Settlement Agreement.

17 g. At least twenty-one (21) calendar days before the Final Fairness Hearing, the Class
18 Administrator shall prepare a declaration of due diligence and proof of mailing with
19 regard to the mailing of the Settlement Notice and e-mail (if e-mail was deemed
20 feasible), and any attempts by the Class Administrator to locate the Settlement Class
21 Members ("Due Diligence Declaration"), to Class Counsel and Defense Counsel for
22 presentation to the Court. The Class Administrator will attach to the Due Diligence
23 Declaration a report showing the name of each individual who submitted a timely
24 and valid opt-out. Class Counsel shall be responsible for filing the Due Diligence
25 Declaration with the Court.

26 h. If at any point the Class Administrator determines that it needs additional time, the
27 Class Administrator shall inform the Parties regarding the situation, and the Parties
28 will seek from the Court a modification of the schedules contained in this Settlement

1 Agreement or any Court Order, to be consistent with the recommendations and
2 requests of the Class Administrator. However, the Class Administrator shall not
3 make a request for a time modification if the need for additional time is a result of
4 any party failing to provide information as required in this Settlement Agreement
5 on a timely basis. If a Party fails to provide required information according to this
6 schedule, any other Party reserves the right to seek the Court's intervention to ensure
7 compliance with the agreed terms of this Settlement Agreement.

8 **D. Objections to Settlement Agreement after Preliminary Approval**

9 78. Any Settlement Class Member who intends to object to the settlement or this Settlement
10 Agreement must submit a written objection, along with any supporting documents, to the Court or
11 Class Administrator, no later than forty-five (45) calendar days after the postmark date of the
12 Settlement Notice by mailing it to or filing it with the Court. The written objection must set forth, in
13 clear and concise terms, the legal and factual arguments supporting the objection. If the Class
14 Administrator receives any written objections, they will be filed with the Court before the Final
15 Approval Hearing.

16 79. Settlement Class Members who fail to make objections in the manner specified in
17 Paragraph 78 shall be deemed to have waived any and all objections and shall be foreclosed from
18 making any objection, whether by appeal or otherwise, to the settlement or this Settlement Agreement.
19 The postmark will be deemed the exclusive means for determining that the Notice of Objection is
20 timely.

21 80. Settlement Class Members who timely submit a written objection have the option to
22 appear at the Final Approval Hearing, either in person or through their own counsel. To appear, Class
23 Members must include a statement about the intent to appear at the Final Approval Hearing ("Notice
24 of Intention to Appear") in the objection. No member of the Settlement Class shall be entitled to be
25 heard at the Final Approval Hearing unless the Class Member submits the Notice of Intention to
26 Appear, without permission of the Court. The Notice of Intention to Appear must include copies of
27 any papers, exhibits, or other evidence that the objecting Settlement Class Member will present to the
28 Court in connection with the Final Approval Hearing.

1 81. The filing of an objection allows Class Counsel or Defense Counsel, upon reasonable
2 notice, to take the deposition of the objecting Settlement Class Member, and to seek any documentary
3 evidence or other tangible things that are relevant to the objection. Failure by the Settlement Class
4 Member to make himself or herself available for a deposition or comply with expedited discovery
5 requests may result in the Court striking the Settlement Class Member's objection and otherwise
6 denying him or her the opportunity to make an objection or be further heard.

7 **E. Duties of the Parties in Connection with Final Court Approval**

8 82. In connection with Final Approval, Class Counsel and Defense Counsel will submit a
9 proposed Judgment and a proposed Order Granting Final Approval of Class Action Settlement:
10 approving the settlement, adjudicating the terms thereof to be fair, reasonable, and adequate, and
11 directing consummation of all terms and provisions as provided in this Settlement Agreement.

12 **F. Timing and Manner of Payments**

13 83. Within sixty (60) calendar days after either Preliminary Approval of the Settlement
14 Agreement or after Defendants receives an election statement from the Class Administrator, whichever
15 is later, Defendants shall execute the election statement provided by the Administrator which shall be
16 affixed to the initial tax return of the Qualified Settlement Fund in order to establish the start date of
17 the Qualified Settlement Fund. The Settlement Fund shall thereafter be administered and distributed
18 as set forth in this Agreement. All interest with respect to the Settlement Fund shall accrue to the
19 benefit of the Participating Settlement Class. The monetary relief to the Participating Settlement Class,
20 all fees and expenses of the Settlement Administrator, and any and all taxes arising out of any interest
21 or other income derived from the Settlement Fund shall be paid from the Settlement Fund. Upon
22 calculation of the individual payments, and no later than three (3) calendar days after Final Approval,
23 the Class Administrator shall advise Defendants of the amount of the employer's share of payroll taxes.
24 Defendants will provide that amount to the Class Administrator within thirty (30) calendar days after
25 Final Approval.

26 84. Within thirty (30) calendar days of the Order Granting Final Approval, Defendants will
27 wire the Settlement Fund Seven Million Two Hundred Thousand Dollars (\$7,200,000.00) to fund the
28 Settlement to the Administrator, which shall be deposited by the Settlement Administrator into a

1 Qualified Settlement Fund established pursuant to Internal Revenue Code §1.468B-1. These funds
2 shall be under the exclusive control of the Administrator and shall be used solely for the purpose of
3 fulfilling the terms of the Agreement.

4 85. The Class Administrator shall take all reasonable efforts to make payments from the
5 Settlement Fund within forty-five (45) calendar days after the Effective Date. The Class Administrator
6 will make the payment to the LWDA and Class Counsel from the Settlement Fund. In addition, the
7 Administrator will send individual checks by regular U.S. Mail to the address on file with the Class
8 Administrator. Each Settlement Class Member who is entitled to a payment under this Settlement
9 Agreement will receive a single check for the total of his or her settlement payment (less applicable
10 payroll deductions required by federal, state, and local law for the wage portion of the payment and
11 union dues, as described in Paragraphs 83 and 64 respectively).

12 86. Checks sent to Settlement Class Members under this Settlement Agreement shall remain
13 valid and negotiable for one-hundred and eighty (180) calendar days from the date of their mailing,
14 and thereafter may be automatically canceled if not cashed by the payee within that time. The Class
15 Administrator will provide notice to Plaintiffs' Counsel of any uncashed checks and the Administrator
16 shall have responsibility to attempt to locate the impacted Class Members and re-issue checks with an
17 expiration date ninety (90) calendar days following the re-issuing of the checks. In the event any
18 Settlement Class Member(s) cannot be located within one-hundred and eighty (180) calendar days of
19 the expiration of the initial settlement checks, uncashed settlement check(s) will be awarded cy pres to
20 the Neighborhood Legal Service of Los Angeles County and the East Bay Community Law Center,
21 with fifty percent of the total amount of uncashed settlement check(s) being awarded to each
22 organization, except that, in the event more than Five Hundred Thousand Dollars (\$500,000.00)
23 remains uncashed after one-hundred and eighty (180) calendar days of the expiration of the initial
24 settlement checks, uncashed settlement check(s) will be redistributed equally amongst the Participating
25 Settlement Class Members who timely cashed their checks during the initial distribution. There will
26 only be one redistribution. Defendants will not be responsible for the employer's share of taxes for
27 any uncashed settlement checks and shall be returned the proportional amount of the employer's share
28 of taxes from any uncashed settlement checks. No person shall have any claim against Defendants,

Released Parties, Defense Counsel, the Named Plaintiffs, any member of the Settlement Class, Class Counsel, or the Class Administrator based on distributions and payments made in accordance with this Settlement Agreement.

VIII. OTHER PROVISIONS

A. Voiding the Settlement Agreement

87. A failure of the Court to approve any material condition of this Settlement Agreement which effects a fundamental change of the terms of the settlement shall render the entire Settlement Agreement voidable and unenforceable as to Plaintiffs and Defendants, at the option of either Party. Each Party may exercise its option to void this Settlement Agreement as provided above by giving notice, in writing, to the other and to the Court at any time prior to Final Approval.

88. If more than five percent (5%) of the Settlement Class submits timely and valid requests to opt out pursuant to the terms and procedures of the Settlement Notice, this entire Settlement Agreement shall become voidable and unenforceable as to Plaintiffs and Defendants, at Defendants' sole discretion. Defendants may exercise such option by giving notice, in writing, to Class Counsel and to the Court at any time prior to Final Approval.

B. Notices

89. Except for notices to Settlement Class Member, which are required herein to be made to or by the Class Administrator, all notices, requests, demands and other communications related to or in connection with this Agreement shall be in writing, and shall be provided by appropriate method depending on the urgency (e.g., personal delivery, facsimile, overnight delivery, or first-class U.S. mail) to:

TO PLAINTIFFS AND SETTLEMENT CLASS:

Joseph Lavi
Jordan D. Bello
Vincent C. Granberry
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Blvd., Suite 200
Beverly Hills, CA 90211

TO DEFENDANTS:

Catherine A. Conway
Jesse A. Cripps
Bradley J. Hamburger
Tiffany Phan
Madeleine F. McKenna
Katie Geary
GIBSON, DUNN & CRUTCHER LLP
333 South Grand Avenue
Los Angeles, California 90071
Telephone: 213.229.7000
Facsimile: 213.229.7520

1 **C. Mutual and Full Cooperation**

2 90. Plaintiffs and Defendants, by and through their respective counsel, agree to fully
3 cooperate with each other to accomplish the approval by the Court and of the terms of this Settlement
4 Agreement, including, but not limited to, execution of such documents and to take such other action as
5 may reasonably be necessary to implement the terms herein. The Parties agree to use their best efforts,
6 including all efforts contemplated by this Settlement Agreement, and any other efforts that may become
7 necessary by Order of the Court, or otherwise, to effectuate this Settlement Agreement.

8 91. The Parties agree that they will not attempt to encourage any Settlement Class Members
9 to object to the proposed settlement or to opt out. Plaintiffs and Class Counsel will make every
10 reasonable effort to accurately explain the benefits of this Settlement Agreement in response to any
11 questions from any member of the Settlement Class.

12 **D. No Admission of Liability**

13 92. Nothing herein shall constitute any admission by Defendants of wrongdoing or liability
14 or of the truth of any factual allegations in the Actions. To the contrary, Defendants have denied and
15 continue to deny each and every material factual, procedural, and/or legal allegation and alleged claim
16 asserted in the Actions. To this end, the settlement of the Actions, the negotiation and execution of
17 this Agreement, and all acts performed or documents executed pursuant to or in furtherance of this
18 Agreement or the settlement are not, shall not be deemed to be, and may not be used as, an admission
19 or evidence of any wrongdoing or liability on the part of Defendants, or any of them, or of the truth of
20 any of the factual allegations in the operative complaints, and are not, shall not be deemed to be, and
21 may not be used as, an admission or evidence of any fault or omission on the part of Defendants, or
22 any of them, in any civil, criminal or administrative proceeding in any court, administrative agency or
23 other tribunal.

24 **E. Binding Nature of Settlement Agreement**

25 93. This Settlement Agreement shall be binding upon, and inure to the benefit of, the
26 successors or assigns of the Released Parties. The Named Plaintiffs and the Settlement Class represent,
27 covenant, and warrant that they have not, directly or indirectly, assigned, transferred, or encumbered
28

any claim, demand, action, cause of action, or rights released in the Claims Released in this Settlement Agreement.

94. This Settlement Agreement may be amended or modified only by a written instrument signed by Class Counsel and the Named Plaintiffs, as well as Defense Counsel and Defendants. No rights under this Settlement Agreement may be waived except in writing.

95. This Settlement Agreement and any attached exhibits constitute the entire Settlement Agreement between the Named Plaintiffs, Settlement Class, and Defendants relating to the terms contained herein. All prior or contemporaneous settlement agreements, understandings, and statements, whether oral or written, whether express or implied, and whether by a Party or its counsel, are merged herein. No oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement or its exhibits other than the representations, warranties, and covenants contained and memorialized in such documents.

96. 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 Settlement Agreement or any of its provisions.

F. Dispute Resolution

97. Except as authorized herein, all disputes concerning the interpretation, implementation, calculation, or payment of the Settlement Amount or other disputes regarding compliance with this Settlement Agreement will be resolved by the Court.

G. Enforcement Action.

98. 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 will be entitled to recover from the unsuccessful Party or Parties reasonable attorney's fees and costs, including expert witness fees in connection with any enforcement actions.

H. Restriction on Publicity

99. Plaintiffs agree that they and Class Counsel will not issue any press release or press statement, or initiate media coverage, regarding Defendants, the Released Parties, or this Settlement

1 Agreement. Should the media inquire or ask for information about the settlement or this
2 Settlement Agreement, Class Counsel and Plaintiffs shall decline to comment.

3 **I. Governing Law and Joint Drafting of Settlement Documents**

4 100. All terms of this Settlement Agreement and related documents shall be governed by and
5 interpreted according to the laws of the State of California, without respect to choice of law provisions
6 of any state.

7 101. Class Counsel and Defense Counsel have arrived at this Settlement Agreement as a
8 result of a series of arm's-length negotiations, taking into account all relevant factors, present and
9 potential.

10 102. This Settlement Agreement has been drafted jointly by Class Counsel and Defense
11 Counsel and, therefore, in any construction or interpretation of this Settlement Agreement, the same
12 shall not be construed against any of the Parties.

13 103. The Named Plaintiffs, Settlement Class, and Class Counsel agree that none of the
14 documents provided to them by Defendants shall be used for any purpose other than the prosecution
15 and settlement of the Actions. Specifically, none of the documents provided shall be used to pursue
16 any subsequent claims or litigation against Defendants or the Released Parties.

17 **J. Counterparts**

18 104. This Agreement may be executed in one or more counterparts, which may be filed with
19 the Court. All executed counterparts, and each of them, shall be deemed to be one and the same
20 instrument. Once available, a complete set of executed counterparts shall be filed with the Court. All
21 executed copies of this Agreement and photocopies thereof (including facsimile and/or emailed copies
22 of the signature pages) shall have the same force and effect and shall be as legally binding and
23 enforceable as the original.

24 **K. Parties' Authority**

25 105. The signatories hereto represent that they are fully authorized to enter into this
26 Settlement Agreement and are fully authorized to bind the Named Plaintiffs, Settlement Class, and
27 Defendants to all terms stated herein.

28 [SIGNATURE PAGE FOLLOWS]

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READ CAREFULLY BEFORE SIGNING

PLAINTIFF DEREK L. MCGHEE

Dated: Jan, 24, 2025

Derek L. McGhee

Derek L. McGhee, Plaintiff

PLAINTIFF VICTOR HAZLETT

Dated: Jan 27, 2025

Victor Hazlett

Victor Hazlett, Plaintiff

TESORO REFINING & MARKETING COMPANY,
LLC, ANDEAVOR, ANDEAVOR LOGISTICS LP,
AND MARATHON REFINING LOGISTICS
SERVICES LLC ("DEFENDANTS")

Dated: Feb 4, 2025

Molly R. Benson

Molly R. Benson, Chief Legal Officer and Corporate
Secretary, Marathon Petroleum Corporation
Defendants

VH

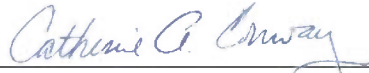
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APPROVED AS TO FORM ONLY

Dated: Feb. 4, 2025

GIBSON, DUNN & CRUTCHER



Catherine A. Conway
Attorneys for Defendants Tesoro Refining & Marketing
Company, LLC, Andeavor, Andeavor Logistics LP, and
Marathon Refining Logistics Services, LLC

Dated: 1/28, 2025

LAVI & EBRAHIMIAN, LLP



Joseph Lavi
Attorneys for Plaintiffs Derek L. McGhee and Victor
Hazlett