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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ORANGE

RODOLFO GAONA CRUZ, an individual
and class representative on behalf of himself
and all other similarly situated non-exempt
former and current employees,

Plaintiff,

vs.

SA RECYCLING LLC, a Delaware Limited
Liability Company; GEORGE ADAMS, an
individual; MARK SWEETMAN, an
individual; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 30-2021-01218757-CU-OE-CXC

ASSIGNED FOR ALL PURPOSES TO THE
HON. RANDALL J. SHERMAN, DEPT. CX-
105

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

1 This Class Action Settlement Agreement, Release and Stipulation is entered into between SA
2 RECYCLING LLC (“Defendant”) and Plaintiff RODOLFO GAONA CRUZ (“Named Plaintiff”) in
3 the Action (as defined below).

4 **DEFINITIONS**

5 1. Action. The “Action” means the class action complaints and charges, including
6 the lawsuit entitled, *Rodolfo Gaona Cruz v. SA Recycling LLC, et al.*, Orange County Superior Court
7 Case No. 30-2021-01218757-CU-OE-CXC.

8 2. Agreement. “Agreement” shall refer to the instant Class Action Settlement
9 Agreement, Release and Stipulation.

10 3. Class Counsel. “Class Counsel” means Grant Joseph Savoy, Esq., Shoham J.
11 Solouki, Esq. and SOLOUKI | SAVOY, LLP. and/or any successor(s) thereof.

12 4. Class Members, the Class, and Settlement Class Members. “Class Members”
13 means all persons who are employed or have been employed by SA Recycling LLC in the State of
14 California as hourly and/or other non-exempt employees during the Class Period. The “Settlement
15 Class” or “Settlement Class Members” means all Class Members other than those who opt-out (see
16 Paragraphs 21 and 57.d).

17 5. Class Notice. “Class Notice” means the document mutually agreed upon by the
18 Parties and approved by the Court to be sent to the Class in English and Spanish following preliminary
19 approval that includes the scope of release language for Settled Claims, notifies Class Members of the
20 Settlement, explains the Settlement and Class Members’ options, including how Class Members may
21 opt out or object to the Settlement, and explains the facts and methods based on which the Class
22 Member’s estimated settlement payments are calculated, substantially in the form attached hereto as
23 “Exhibit A”.

24 6. Class Period. “Class Period” means the period of time beginning on August 30,
25 2017 through the date of the order granting preliminary approval, subject to the Settlement Cap
26 Provision in Paragraph 51g.

27 7. Complaint. “Complaint” means the lawsuit entitled, *Rodolfo Gaona Cruz v. SA*
28 *Recycling LLC, et al.*, Orange County Superior Court Case No. 30-2021-01218757-CU-OE-CXC,

1 filed with the Orange County Superior Court on or around August 30, 2021, including any
2 amendments such as those required by paragraph 46.

3 8. The Court. The "Court" refers to the Orange County Superior Court or other
4 court or courts that will approve the Action, whether individually or together.

5 9. Day. "Day" refers to a calendar day(s) unless otherwise stated. If any
6 designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur
7 on the next business day.

8 10. Defendant. "Defendant" means SA Recycling LLC. Individual Defendant
9 George Adams is referred to as "Defendant Adams." Individual Defendant Mark Sweetman is referred
10 to as "Defendant Sweetman." Defendant, Defendant Adams and Defendant Sweetman are
11 cumulatively referred to as "Defendants."

12 11. Effective Date. "Effective Date" means the first business day following the
13 last of the following occurrences: (i) if no Class Member and/or PAGA Member timely and properly
14 intervenes, files a timely motion to vacate the Final Judgment under, or objects or otherwise challenges
15 the Settlement, then sixty-one (61) days after the date the Court enters an Order Granting Final
16 Approval of the Settlement and Final Judgment; or (ii) if a Class Member and/or PAGA Member
17 timely intervenes or files a motion to vacate the Final Judgment, or objects or otherwise challenges
18 the Settlement, and files a timely appeal, then five (5) days after the Court receives the mandate
19 reflecting the final resolution of that appeal (including any requests for rehearing and/or petitions for
20 *certiorari*), resulting in final and complete judicial approval of the Settlement in its entirety without
21 modification, with no further challenge to the Settlement being possible. Defendant shall deposit all
22 sums necessary to fund the Settlement after the Effective Date based on the schedule explained in
23 Paragraph 51 of this Agreement. In the event an appeal, writ, motion challenging the judgment or
24 other collateral attack is made after the Effective Date, the funds shall not be distributed until all
25 challenges are resolved in a manner that upholds the Settlement in its entirety and shall be returned if
26 the Agreement is not finally and completely approved in all respects.

1 12. Exclusion Period. The “Exclusion Period” means the time period commencing
2 on the date the Class Notice is mailed to Class Members via First Class U.S. and ending sixty (60)
3 days later on the deadline to submit an Opt-Out Request or Objection.

4 13. Final Judgment. “Final Judgment” means the judgment entered and filed by
5 the Court that: (1) finally approves this Agreement and the Settlement and disposes all class issues
6 raised in this Action, bars through collateral estoppel and/or res judicata Settlement Class Members
7 from reasserting Settled Claims against Released Parties; (2) finally approves this Agreement and the
8 Settlement and disposes all PAGA issues and claims raised in this Action, bars through collateral
9 estoppel and/or res judicata PAGA Members from reasserting PAGA Claims against Released Parties;
10 and (3) awards and orders the payment of all required amounts pursuant to the terms of this Agreement
11 (approved Class Counsel’s attorneys’ fees and costs, Settlement Payments to Class Members and
12 PAGA Payments to PAGA Members, *etc.*). The Final Judgment will constitute a binding and final
13 resolution of any and all claims by the Named Plaintiff and all Settlement Class Members as to all
14 Settled Claims and all PAGA Members as to all Settled PAGA Claims as set forth in this Agreement.

15 14. Final Settlement Approval Hearing. “Final Settlement Approval Hearing”
16 means the hearing at which the Court shall consider the motion for final approval of this Settlement
17 and determine whether to fully and finally approve the fairness and reasonableness of this Settlement
18 and Agreement, and enter an order barring through collateral estoppel and/or res judicata Settlement
19 Class Members from asserting Settled Claims against Released Parties and all PAGA Members from
20 pursuing Settled PAGA Claims against Released Parties.

21 15. Funding Payments. “Funding Payments” means the payment(s) remitted to the
22 Settlement Administrator (“SA”) by or on behalf of Defendant following Final Judgment and the
23 Effective Date in full and complete discharge of the entire monetary obligation of Defendant in an
24 amount equal to the GSA, which, as set forth herein, shall satisfy all outstanding and awarded
25 Settlement Payments; PAGA Payments, attorneys’ fees and costs awarded to Class Counsel, the
26 Named Plaintiff’ enhancement awards as awarded by the Court, outstanding payments to the SA as
27 approved by the Court for settlement administration costs, and the payment to the Labor Workforce
28 Development Agency (or “LWDA”), minus any amounts already paid under the Agreement.

1 16. Gross Settlement Amount or GSA. “Gross Settlement Amount” or “GSA”
2 means a fixed total payment of One Million, Nine Hundred Eighty Thousand Dollars and Zero Cents
3 (\$1,980,000.00), payable by Defendant under this Agreement, which shall satisfy all outstanding and
4 awarded Settlement Payments, PAGA Payments, attorneys’ fees and costs awarded to Class Counsel,
5 the Named Plaintiff’s enhancement awards as awarded by the Court, outstanding payments to the SA
6 as approved by the Court for settlement administration costs, and the payment to the LWDA.

7 17. Last Known Address. “Last Known Address” means the most recently
8 recorded mailing address for a Class Member and/or PAGA Member contained in Defendant’s
9 records.

10 18. Named Plaintiff. “Named Plaintiff” individually and collectively means
11 Rodolfo Gaona Cruz.

12 19. Net Settlement Amount or “NSA”. “Net Settlement Amount” or “NSA” means
13 the Gross Settlement Amount less the amounts deducted pursuant to Paragraphs 51a through 51e of
14 this Agreement, including deductions of the amounts awarded to Class Counsel, the enhancement
15 award to the Named Plaintiff, the payment to the LWDA to resolve claims under the PAGA, and the
16 costs awarded for settlement administration owed pursuant to this Agreement.

17 20. Objection. “Objection” means a written request, which a Class Member may
18 submit no later than the last day of the Exclusion Period and in the form specified in Paragraph 58 in
19 order to object to the Settlement, or a personal appearance, or other appearance permitted by the Court,
20 at the final approval hearing to object.

21 21. Opt-Out Request. “Opt-Out Request” must (1) contain the name, address, and
22 telephone number of the person requesting exclusion; (2) contain the last four numbers of the Class
23 Members’ social security number or the employee number or dates of employment or provide a similar
24 basis to identify the individual; (3) be signed by the Class Member; (4) be postmarked or fax stamped
25 within the Exclusion Period [60 days after mailing date] and returned to the Settlement Administrator
26 at the specified address or fax number. (See Paragraph 57.d.) A Class Member who opts-out and
27 otherwise qualifies as a PAGA Member will remain a PAGA Member despite opting out of the Class
28 Settlement.

1 22. Order of Final Approval or Order Granting Final Approval of Settlement.
2 “Order of Final Approval” or “Order Granting Final Approval of Settlement” or “Final Approval”
3 means the order issued in conjunction with the entry of the Final Judgment to be submitted by the
4 Named Plaintiff together with the Motion for Final Approval of the Settlement for entry and filing by
5 the Court as specified in this Settlement.

6 23. PAGA Period. “PAGA Period” means the period of time beginning on
7 September 7, 2020, and ending on the date the Court grants Preliminary Approval, subject to the
8 Settlement Cap Provision in Paragraph 51g.

9 24. PAGA Member. “PAGA Members” means all persons who are employed or
10 have been employed by Defendant in the state of California as non-exempt employees during the
11 PAGA Period.

12 25. PAGA Payment and PAGA Allocation. Of the Gross Settlement Amount,
13 \$40,000 shall be paid for the PAGA claims. “PAGA Allocation” means the amounts distributed
14 among PAGA Members and is the amount remaining from the \$40,000.00 after subtracting the
15 \$30,000 allocated to the LWDA) divided by the total number of PAGA Workweeks Worked credited
16 to all PAGA Members. Each PAGA Member’s PAGA Payment is equal to the PAGA Workweek
17 Rate multiplied by his or her individual PAGA Workweeks Worked pursuant to the records of
18 Defendant, and will be paid to the PAGA Member even if they opt-out of the Class Settlement.

19 26. PAGA Workweeks Worked. “PAGA Workweek Worked” means the number
20 of workweeks credited to a PAGA Class Member during the PAGA Period (for the Settled PAGA
21 Claims), as determined by Defendant’s records and estimates and as only subject to revision pursuant
22 to this Agreement.

23 27. Parties. “Parties” means Named Plaintiff, individually on behalf of himself and
24 on behalf of all Class Members, PAGA Members and interests of the Labor Workforce Development
25 Agency (“LWDA”), and Defendant.

26 28. Preliminary Approval Order. “Preliminary Approval Order” is the order
27 entered and filed by the Court that preliminarily approves the terms and conditions of this Agreement,
28 including approval of the Parties’ Agreement that specifies the content of notice and manner in which

1 notice will be provided to the Class and responded to by the Class, substantially in the form attached
2 hereto as “**Exhibit A**”.

3 29. Released Parties. “Released Parties” means Defendant and its affiliated
4 companies, parents, members, subsidiaries, related companies and business concerns, predecessors
5 and successors, past and present, and each of them, as well as each of their insurers, partners, trustees,
6 directors, shareholders, officers, agents, attorneys, servants and employees (specifically including
7 Defendant Adams and Defendant Sweetman), past and present, and each of them and all working with
8 or in concert with them or connected with them.

9 30. Settlement Administrator. “Settlement Administrator” or “SA” means Phoenix
10 Class Action Settlement Administrators (“Phoenix”) or such other neutral administrator as chosen by
11 the Parties and approved by the Court (see Paragraph 55a).

12 31. Settled Claims. “Settled Claims” means all claims, allegations and assertions
13 that were alleged, or reasonably could have been alleged, based on the facts, allegations, assertions
14 and claims in the operative Complaint and the PAGA administrative remedy exhaustion letter (“PAGA
15 Notice”), and includes, (a) Failure to provide meal periods or pay premium payments for periods (see
16 Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (b) Failure to
17 authorize and permit or pay premium payments for rest periods (see Labor Code §§ 226.7, 512; IWC
18 Wage Order No. 1-2001, § 12); (c) any and all claims involving any alleged failure to pay minimum
19 wage, contract wages, overtime, or other amounts of wages for failing to “compensate Plaintiff and
20 Settlement Class Members for all wages earned and all hours worked” (see Cal Labor Code §§ 510,
21 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (d) failure to timely pay wages during
22 employment (see Labor Code § 204); (e) failure to pay wages due to discharged and quitting
23 employees (see Labor Code §§ 201-203); (f) failure to maintain required records (see Labor Code §§
24 226, 1174; IWC Wage Order No. 1-2001, § 7); (g) Failure to provide accurate, itemized wage
25 statements (see Labor Code § 226(a)); (h) Failure to reimburse business expenses (see Labor Code §
26 2800-2802); (i) failure to properly calculate, accrue, display and pay mandatory sick pay (see Labor
27 Code § 246, et seq.) and (j) unfair business practices (see Bus. and Prof. Code § 17200, et seq.).
28 “Settled Claims” includes all types of relief available for the above-referenced claims, including,

1 without limitation, any claims for damages, restitution, losses, civil and statutory penalties, fines, liens,
2 attorneys' fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated
3 damages. The Final Judgment shall expressly provide that it covers and based on the doctrines of res
4 judicata and/or collateral estoppel bars as a matter of law each and every Class Member from asserting
5 any Settled Claims in the future, except for Class Members who have timely opted out of the
6 Settlement.

7 32. Settled PAGA Claims. "Settled PAGA Claims" means all claims for PAGA
8 penalties that were alleged, or reasonably could have been reasonably alleged in the operative
9 Complaint and the PAGA Notice based on the facts, allegations, assertions and claims in the operative
10 Complaint and PAGA Notice, and, including, (a) Failure to provide or pay premium payments for
11 meal periods (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11);
12 (b) Failure to authorize and permit or pay premium payments for rest periods (see Labor Code §§
13 226.7, 512; IWC Wage Order No. 1-2001, § 12); (c) any and all claims involving any alleged failure
14 to pay minimum wage, contract wages, overtime, or other amounts of wages for failing to compensate
15 Named Plaintiff and PAGA Members for all wages earned and all hours worked (see Cal Labor Code
16 §§ 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (d) failure to timely pay wages
17 during employment (see Labor Code § 204); (e) failure to pay wages due to discharged and quitting
18 employees (see Labor Code §§ 201-203); (f) failure to maintain required records (see Labor Code §§
19 226, 1174; IWC Wage Order No. 1-2001, § 7); (g) Failure to provide accurate, itemized wage
20 statements (see Labor Code § 226(a)); (h) Failure to reimburse business expenses (see Labor Code §
21 2800-2802); and (i) failure to properly calculate, accrue, display and pay mandatory sick pay (see
22 Labor Code § 246, et seq.). "Settled PAGA Claims" includes all types of relief available for the above-
23 referenced claims, including, without limitation, any claims for civil penalties, attorneys' fees, costs,
24 and declaratory relief. The Final Judgment shall expressly provide that it covers and based on the
25 doctrines of res judicata and/or collateral estoppel bars Plaintiff, LWDA, the State of California, and
26 any other representative, proxy, or agent thereof, including but not limited to any and all PAGA
27 Members from prosecuting "Settled PAGA Claims" that arose during the PAGA Period.

1 33. Settlement Class/Settlement Class Member(s). “Settlement Class Member”
2 means all Class Members other than those who have timely and validly submitted Opt-Out Requests
3 and thereby excluded themselves from releasing Settled Claims from the Settlement.

4 34. Settlement Payment. “Settlement Payment” means a payment pursuant to a
5 Settlement Class Member’s pro rata allocation of the NSA as specified in Paragraph 51.

6 35. Settlement Proceeds Distribution Deadline. “Settlement Proceeds Distribution
7 Deadline” means a date that is fourteen (14) days after the Funding Payment has been made by
8 Defendant to the SA based on the schedule explained in Paragraph 61 of this Agreement.

9 36. Updated Address. “Updated Address” means a mailing address that was
10 updated by a reasonable address verification measure of the SA or by an updated mailing address
11 provided by the United States Postal Service for a Class Member or PAGA Member.

12 37. Workweek Rate. “Workweek Rate” for the Settled Claims means the amount
13 yielded from dividing the Net Settlement Amount by the total of all Workweeks Worked credited to
14 all Settlement Class Members during the Class Period. Each Settlement Class Member’s settlement
15 payment is equal to his or her individual Workweeks Worked during the Class Period and multiplied
16 by the Workweek Rate. Therefore, the amount of each Settlement Class Member’s Individual
17 Settlement Payment is tied to the number of Workweeks Worked that each Settlement Class Member
18 worked for Defendant in the State of California in comparison to all Workweeks Worked by all
19 Settlement Class Members in the State of California during the Class Period. Similarly, for the Settled
20 PAGA Claims, “Workweek Rate” means the amount yielded from dividing the PAGA Allocation by
21 the total of all Workweeks Worked credited to all PAGA Members during the PAGA Settlement
22 Period.

23 38. Workweeks Worked. A “Workweek Worked” means the number workweeks
24 worked by a Class Member during the Class Period or PAGA Member during the PAGA Settlement
25 Period (for the Settled PAGA Claims), as determined or estimated by Defendant’s records and as only
26 subject to revision pursuant to this Agreement.

RECITALS

39. Named Plaintiff filed a class action lawsuit on August 30, 2021 against Defendants alleging ten causes of action for: (1) Failure to provide required meal periods; (2) Failure to provide required rest periods; (3) Failure to pay overtime wages; (4) Failure to pay minimum wage; (5) Failure to timely pay wages; (6) Failure to pay all wages due to discharged and quitting employees; (7) Failure to maintain required records; (8) Failure to furnish accurate itemized statements; (9) Failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (10) Unfair and unlawful business practices. Defendants deny all allegations.¹

40. Named Plaintiff submitted the PAGA Notice on September 7, 2021, in case number LWDA-CM-843671-21, alleging the same claims as the Complaint.

41. Defendants filed answers to the Complaint and denied all allegations and claims asserted therein. Defendants deny that they engaged in any misconduct in connection with its wage-and-hour practices and that they have any liability or engaged in wrongdoing of any kind associated with the claims alleged in the Action, including any Settled PAGA Claims. Defendant Sweetman and Defendant Adams deny they are responsible for any claims or are the employer of the putative class and PAGA Members, and Defendant contends that it has complied at all times with both federal and state wage-and-hour laws, and all other laws regulating the employer-employee relationship that relate to the employment of Named Plaintiff and the Class and PAGA Members.

42. Defendants and Class Counsel, on behalf of Named Plaintiff and the Class Members and aggrieved employees, attended mediation with Marc Feder on June 6, 2023. The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive arm-length negotiations between the Parties supervised by an experienced employment law mediator. The Parties agree that the Agreement is entered into in good faith as to each Class Member and PAGA Member and that the Settlement is fair, reasonable and adequate as to each Class Member and PAGA Member.

¹ This Agreement requires an amended Complaint and PAGA letter and additional sick leave and to clarify that the claim include a failure to pay agreed to or contract wages claims as described below, pursuant to Paragraph 46.

1 43. Class Counsel is of the opinion that this Settlement is fair, reasonable, and
2 adequate, and in the best interest of the Class and PAGA Members and other relevant interests in light
3 of all known facts and circumstances, including the benefits conferred by the Settlement, the risk of
4 significant delay, the uncertainty and risk of the outcome of further litigation, the burdens of proof
5 necessary to establish liability, defenses asserted to the merits, including but not limited to the
6 affirmative defenses asserted as to Settlement Class Members, the risks of proceeding on any class
7 claims and PAGA claims, including class certification, the difficulties in establishing damages and
8 penalties, and the numerous potential appellate issues. While Defendants specifically deny any
9 liability or wrongdoing in the Action, Defendants have agreed to enter into this Settlement to avoid
10 the cost and business disruption associated with defending the Action. Defendants have claimed and
11 continue to claim that the Settled Claims and Settled PAGA Claims have no merit and do not give rise
12 to liability. This Agreement is a compromise of disputed claims. This Agreement, made and entered
13 into by and between the Named Plaintiff (on behalf of himself and on behalf of the Class Members
14 and PAGA Members and interests of the state of California, including the LWDA) and Defendant,
15 each with the assistance of its respective counsel or attorneys of record, is intended to fully, finally,
16 and forever settle, compromise and discharge the Settled Claims and Settled PAGA Claims against
17 the Released Parties, subject to the terms and conditions set forth herein.

18 44. Because the Class Case is pled as a class action, this Settlement must receive
19 preliminary and final approval by the Court. Because the PAGA Case is pled as a PAGA action, this
20 Settlement is subject to approval by the Court. Accordingly, the Parties enter into this Agreement on
21 a conditional basis.

22 TERMS AND CONDITIONS OF SETTLEMENT

23 NOW THEREFORE, in consideration of the recitals listed above and the promises and
24 warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of
25 the consideration and undertakings set forth herein, the Named Plaintiff, individually on behalf of
26 himself and on behalf of the Class Members and PAGA Members and LWDA and state of California's
27 interests, on the one hand, and Defendant, on the other hand, agree that the Action shall be, and is
28 finally and fully compromised and settled on the following terms and conditions.

1 45. Non-Admission of Liability. The Parties enter into this Agreement to resolve
2 the dispute that has arisen between them and to avoid the burden, expense and risk of continued
3 litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, that they
4 or any of them have: violated any federal, state, or local law; violated any regulations or guidelines
5 promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements;
6 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
7 or engaged in any other unlawful conduct with respect to its employees or any other person or entity.
8 Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with
9 it or proceedings, payouts or other events associated with it, shall be construed as an admission or
10 concession by Defendants of any such violation(s) or failure(s) to comply with any applicable law by
11 Defendants or any other Released Parties. Except as necessary in a proceeding to approve, interpret
12 or enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be
13 offered or received as evidence in any action or proceeding to establish any liability or admission on
14 the part of the Released Parties or to establish the existence of any condition constituting a violation
15 of, or noncompliance with, federal, state, local or other applicable law. In addition, as set forth in
16 Paragraph 69, the Parties intend this Settlement to be contingent upon the preliminary and Final
17 Approval of this Agreement; and in the event Final Approval of this Agreement is not obtained the
18 Parties do not waive, and instead expressly reserve, their respective rights to prosecute and defend this
19 Action as if this Agreement never existed in the event the Settlement is not fully and finally approved
20 as set forth herein. In the event that this Agreement is not approved by the Court, fails to become
21 effective, or is reversed, withdrawn or modified by the Court or any other court with jurisdiction over
22 the Action, the Agreement shall become null and void *ab initio* and shall have no bearing on, and shall
23 not be admissible in connection with, further proceedings in this Action, except that the Court may
24 award less than the amounts listed in Paragraph 51a through 51e without impacting the validity and
25 enforceability of this Agreement and the Parties will be returned to their respective positions prior to
26 entering this Agreement.

27 46. Amendment of Complaint. Solely for purposes of settling this matter, Named
28 Plaintiff will file an amended Complaint with the approving Court and amended PAGA Notice with

1 the LWDA, which shall be the operative Complaint in this Action. The Complaint and PAGA Notice
2 as amended will add Class and PAGA claims for failure to accrue sick pay at the proper rates, to
3 provide written notice of sick pay, and to compensate or provide Class Member and PAGA Members
4 with all accrued paid sick days at the proper rate of pay under Labor Code section 246, and under the
5 PAGA and Unfair Competition Law (Business and Professions Code section 17200, et seq.), and
6 derivative claims, including but not limited to a claim for non-compliant wage statements based on
7 the alleged failure to display sick pay accrual and balance. The amendments shall also clarify that the
8 claims include a failure to pay agreed to or contract wages. Solely for purposes of implementing the
9 Settlement, the Parties stipulate that the amendments of the claims shall relate back to the filing of the
10 original Complaint, and shall cover the Class Period and PAGA Period; the Parties agree the proposed
11 preliminary approval order and Final Judgment shall request that should the Settlement not be fully
12 and finally approved, the amendments will be withdrawn, the original complaint shall be deemed the
13 operative complaint, any preliminary certification of a class for settlement purposes shall be deemed
14 void and the Parties shall revert to their positions prior to entering the Settlement in all respects.
15 Subject to Court approval, Defendants' current answer shall be deemed as the operative answer to the
16 Complaint on behalf of Defendants without the need to file an amended answer.

17 47. Stipulation for Class Certification. The Parties stipulate to the certification of
18 this Settlement Class for purposes of this Settlement only. If, however, the Settlement does not
19 become final for any reason, the Parties' Agreement shall become null and void *ab initio* and shall
20 have no bearing on, and shall not be admissible in connection with, whether class certification would
21 be appropriate in any other context in this Action.

22 48. Release of Settled Claims. As of the Effective Date, Named Plaintiff and all
23 Settlement Class Members hereby do and shall be deemed to have fully, finally, and forever released,
24 settled, compromised, relinquished and discharged any and all Settled Claims against any and all
25 Released Parties. The Settlement includes a release of all Settled Claims during the Class Period by
26 Settlement Class Members employed at any time during the Class Period.

27 a. The Parties agree for settlement purposes only that, because the Class
28 Members are so numerous, it is impossible or impracticable to have each Class Member execute this

1 Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature of the
2 Agreement and such notice shall have the same force and effect as if the Agreement were executed by
3 each Class Member.

4 b. Named Plaintiff and Class Counsel represent, covenant, and warrant
5 that they have not directly or indirectly assigned, transferred, encumbered or purported to assign,
6 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
7 of action, or rights herein released and discharged, except as set forth herein.

8 c. The Parties agree that this is a settlement of disputed claims not
9 involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

10 49. Release of Settled PAGA Claims. As of the Effective Date, Named Plaintiff,
11 LWDA, the State of California, and any other representative, proxy, or agent thereof, including but
12 not limited to any and all PAGA Members, hereby do and shall be deemed to have fully, finally, and
13 forever released, settled, compromised, relinquished and discharged are barred from prosecuting
14 "PAGA Claims" that arose during the PAGA Period against any and all of the Released Parties.
15 Subject to Court approval, the Agreement includes a settlement of all Settled PAGA Claims during
16 the PAGA Period by PAGA Members employed at any time during the PAGA Period to the fullest
17 extent permitted under the PAGA, including settlement contemplated in Labor Code section
18 2699(1)(2).

19 50. Individual Releases of Claims. In addition to the releases made by the
20 Settlement Class Members and PAGA Members set forth in this Agreement, Named Plaintiff releases,
21 as an individual and in addition to the Settled Claims described above, all claims, whether known or
22 unknown, under federal law or state law against the Released Parties. The Parties understand and
23 agree that Plaintiff is not, by way of this release, releasing any claims which cannot be released as a
24 matter of law. Notwithstanding the foregoing, Named Plaintiff understands that this release includes
25 unknown claims and that Named Plaintiff is, as a result, waiving all rights and benefits afforded by
26 Section 1542 of the California Civil Code, which provides:

27
28 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**

1 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO**
2 **EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**
3 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**
4 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
5 **DEBTOR OR RELEASED PARTY.**

6 51. Settlement Payments and Calculation of Claims. Subject to the Final Approval
7 of the Settlement and the conditions specified in this Agreement, and in consideration of the mutual
8 covenants and promises set forth herein, Defendant agrees to make a payment or payments as set forth
9 herein totaling the fixed amount of One Million, Nine Hundred Eighty Thousand Dollars and Zero
10 Cents (\$1,980,000.00). The GSA shall fully satisfy Defendant's obligations for any and all payments,
11 fees and costs identified in the Agreement, including, but not limited to, any payments to be made to
12 the Named Plaintiff, Settlement Class Members, PAGA Members, the LWDA, Class Counsel's
13 attorneys' fees and out-of-pocket litigation expenses and costs, and settlement administration costs.
14 Other than employer-side payroll taxes, in no event shall Defendant be required to pay any amounts
15 above the GSA under this Settlement and this Agreement except as set for in Paragraph 51g. The
16 Parties agree, subject to Court approval, that the GSA shall be apportioned as follows:

17 a. Attorneys' Fees. Class Counsel will apply to the Court for an award of
18 attorneys' fees of no more than one third (1/3) or thirty-three point three, three, four percent (33.334%)
19 of the GSA or Six Hundred, Sixty Thousand, One Hundred Thirty Two Dollars and Zero Cents
20 (\$660,132.00). The attorneys' fees shall come from and be deducted from the GSA and paid out as
21 set forth herein. Defendant will not oppose such application.

22 b. Attorneys' Costs. Named Plaintiff and Class Counsel shall request
23 approval of payment of up to but not to exceed Forty Thousand Dollars and Zero Cents (\$40,000.00)
24 in attorneys' costs, including any litigation costs, which will be deducted from the GSA and paid out
25 as set forth herein. Defendant will not oppose such application. Attorneys' fees as specified in the
26 preceding Paragraph and costs as specified in this Paragraph shall cover all claimed and unclaimed
27 attorneys' fees, attorneys' costs and other amounts payable or awardable against Defendant for Class
28 Counsel's work, effort or involvement in the Action and in carrying out the Agreement and includes
any and all work, effort or involvement to carry out the terms of the Agreement and as may be

1 potentially or actually necessary or advisable to defend the Agreement and/or Settlement through
2 appeal, or collateral attack or in any other forum or proceeding. These specified Attorneys' Fees and
3 Costs shall be the sole payment for attorneys' fees and costs and, otherwise, the Parties and Class
4 Members and their counsel shall bear their own fees and costs in connection with the Action. Should
5 the Court approve lesser amounts for Attorneys' Fees and Costs, the difference shall be added to the
6 NSA.

7 c. Administration Fees and Costs. Class Counsel will also apply to the
8 Court for approval of SA costs in an amount, which will be deducted from the GSA. Defendant will
9 not oppose such application. Class Counsel will specify the amount sought for such costs, up to the
10 foregoing maximum, in Named Plaintiff's motions for preliminary and Final Approval of the
11 Settlement.

12 d. Named Plaintiff's Enhancement and General Release Payment. Class
13 Counsel will apply to the Court for approval of an enhancement award in an amount not to exceed Ten
14 Thousand Dollars and Zero Cents (\$10,000.00) to be paid to Named Plaintiff, from which fifty percent
15 (50%) shall be deemed consideration for a general release and from which fifty percent (50%) shall
16 be for assuming the risks associated with this litigation (including for assuming the risks in the PAGA
17 case). Defendant will not oppose such application. The enhancement award is included in, and shall
18 be deducted from, the GSA. Should the Court approve a lesser amount, the difference shall be added
19 to the NSA.

20 e. PAGA Allocation and Payments. Pursuant to California Labor Code
21 Section 2698, *et seq.*, the Parties designate Forty Thousand Dollars and Zero Cents (\$40,000.00) of
22 the GSA to resolve any PAGA claims (including penalties sought for Named Plaintiff's employment
23 and penalties sought under the PAGA for all other PAGA Members' employment and payment to the
24 LWDA).

25 i. Defendant shall pay seventy five percent (75%) of that amount,
26 or Thirty-Thousand Dollars and Zero Cents (\$30,000.00), to the LWDA and the remainder to PAGA
27 Members. In the event the LWDA refuses to accept the above amount in full for all civil penalties to
28 PAGA Members in connection with the civil penalty claims alleged in this Action, or in the event the

1 LWDA or anyone on its behalf otherwise challenges the above allocation or the Settlement, the Parties
2 shall work in good faith to revise the allocation so that it is accepted.

3 ii. The remaining Ten Thousand Dollars and Zero Cents
4 (\$10,000.00) shall be paid to PAGA Members by multiplying the PAGA Workweek Rate by each
5 individual PAGA Member's PAGA Workweeks Worked.

6 f. Net Settlement Amount. The NSA will be the amount remaining after
7 deducting the amounts specified in Paragraphs 51a through 51e above (including deducting the amount
8 in 51e.ii, which will be separately distributed to PAGA Members).

9 g. Estimate of Workweeks Worked and Escalator Provision and
10 Discretionary Cap. For purposes of this settlement, Defendant estimated that there were 256,373
11 workweeks worked by the Settlement Class Members through the June 1, 2023. Should the actual
12 number of workweeks for Settlement Class Members exceed 256,373 Workweeks Worked by more
13 than ten percent (10%), then the NSA shall be increased on a pro rata basis at for workweeks above
14 the 10% cushion. For example, if the Settlement Class Member workweeks through the mediation
15 exceed 256,373 by 16%, Defendant SAR shall owe an additional amount equal to 6% of the NSA to
16 proportionately increase the Workweek Rate of each Settlement Class Member due to the increase in
17 Workweeks Worked. The additional payments in this paragraph will not be used to calculate
18 attorney's fees or costs (par. 51a, b), enhancement payments (par. 51d), or impact the amount of the
19 PAGA payment (par. 51e). Additional amounts paid pursuant to this paragraph will be used only to
20 increase payments to Settlement Class Members (see par. 34 and 51h). Alternatively, Defendant shall
21 have the sole and discretionary option of ending the Class Period and PAGA Period on the date on
22 which the number of Workweeks Worked equals or does not exceed 282,010 workweeks (256,373 x
23 1.10).

24 h. Settlement Payments to Settlement Class Members. Only the following
25 individuals will receive Settlement Payments under the Settlement Agreement: (1) the Named
26 Plaintiff, (2) Settlement Class Members, and (3) PAGA Members. PAGA Payments will be calculated
27 as set forth in paragraph 25, above, and Settlement Payments will be calculated as follows:
28

i. The NSA will be divided by the total Workweeks Worked by all Settlement Class Members during the Class Period as reflected in Defendant's records and estimates based on existing records. All Settlement Class Members shall be paid an amount equal to their individual Workweeks Worked during the Class Period, multiplied by the Workweek Rate. Workweeks Worked shall be determined by the SA based on data to be provided by Defendant, as may be modified by the resolution of any challenges.

ii. The Parties agree that under no circumstances shall Defendant be obligated to pay any amount under this Agreement to any Class Member other than Settlement Class Members and PAGA Members. In addition, the Parties agree that in no event shall Defendant be obligated to pay more than the GSA, except for the separate payment of employer-side payroll taxes, as provided in paragraph 53.

iii. The Parties acknowledge and agree that the formula used to calculate Workweeks Worked, individual Settlement Payments, PAGA Workweeks Worked, and PAGA Payments does not imply that all of the elements of damages covered by the release are not being taken into account. The above formulas were devised as practical and logistical tools to simplify the payment process.

52. No Credit Toward Benefit Plans. The Settlement Payments made to Settlement Class Members and PAGA Payments made to PAGA Members under this Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members or Class Members or PAGA Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Settlement Class Members, Class Members and PAGA Members may be entitled under any benefit plans.

53. Taxation of Settlement Proceeds. All taxable portions of Settlement Payments shall be paid in a net amount after applicable employee state and federal tax withholdings, including employee-side payroll taxes, if any, have been deducted.

1 a. The Parties agree that the Settlement Payments will be allocated as
2 follows: forty percent (40%) for alleged unpaid wages, for which an IRS Form W-2 shall be issued,
3 forty percent (40%) for alleged civil and statutory penalties, and twenty percent (20%) for alleged
4 interest on unpaid wages and any other non-wage related amount, if any. The PAGA Payments to
5 PAGA Members will be designated as payments for alleged penalties and other non-wage amounts.
6 The portions of the Settlement Payments allocated to penalties, interest or other non-wage amounts
7 and the PAGA Payments will be paid without tax withholdings and will be reported as such to each
8 Settlement Class Member and/or PAGA Member on an IRS Form 1099.

9 b. The SA shall calculate, withhold from the Settlement Payments, and
10 remit to applicable governmental agencies sufficient amounts, if any, as may be owed by Settlement
11 Class Members for applicable employee taxes. The SA will issue appropriate tax forms, if required,
12 to each such Settlement Class Member consistent with the foregoing breakdown. The SA shall also
13 calculate and obtain from Defendant and remit to applicable governmental agencies sufficient
14 amounts, if any, as may be owed for employer-side payroll taxes based on the wage portion of the
15 Settlement Payments.

16 c. All Parties represent that they have not received, and shall not rely on,
17 advice or representations from other parties or their agents, including Class Members and PAGA
18 Members, regarding the tax treatment of payments under federal, state, or local law. In this regard,
19 Defendants make no representations regarding the taxability of the Settlement Payments and PAGA
20 Payments.

21 d. Class Counsel will be issued an IRS Form 1099 for any fees and costs
22 awarded by the Court pursuant to Paragraph 51. Except as provided in Paragraph 51, each Party shall
23 bear his, her or its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or
24 settlement of the Action. Class Counsel agrees that any allocation of fees between or among each of
25 the Class Counsel or among the Class Counsel and any other attorney that may be representing Named
26 Plaintiff or the Class, if any, shall be the sole responsibility of Class Counsel. Each Party to this
27 Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement
28 other than the acknowledging party, an "other party") acknowledges and agrees that no provision of

1 this Agreement, and no written or oral communication or disclosure or other representation by
2 Defendant and/or Released Parties is or was intended to be, nor shall be construed or be relied upon
3 as, tax advice, and Named Plaintiff, Class Members and PAGA Members shall not rely on Defendant
4 and/or Released Parties for any tax advice with respect to the Settlement of this Action.

5 e. The Named Plaintiff will be issued an IRS Form 1099 for any
6 enhancement award approved by the Court pursuant to Paragraph 51. The enhancement award payable
7 to the Named Plaintiff shall be in addition to the Settlement Payments and PAGA Payments that
8 Named Plaintiff will receive.

9 54. Provisional Approval of Settlement. Named Plaintiff shall file a motion in the
10 Action and take all other action to request that the Court enter the Preliminary Approval Order based
11 on an agreed-upon Settlement schedule, subject to Court approval:

12 a. Seeking class certification on the terms set forth in this Agreement
13 solely for purposes of the Class Settlement;

14 b. Preliminarily approving the proposed Settlement and this Agreement,
15 including the payments to the Settlement Class Members, Class Counsel, the Named Plaintiff, PAGA
16 Members, the SA, and the LWDA;

17 c. Preliminarily approving the appointment of the Named Plaintiff as
18 representative of the Class for settlement purposes;

19 d. Preliminarily approving the appointment of counsel for Named Plaintiff
20 as Class Counsel;

21 e. Appointing and approving a SA as chosen by the Parties and approved
22 by the Court, to administer the notice, opt-out requests, objections and Settlement Payment and PAGA
23 Payment procedures required by this Agreement;

24 f. Approving the form of the Class Notice mutually agreed by the Parties;

25 g. Scheduling the Final Settlement Approval Hearing for consideration of
26 Final Approval of this Agreement;

27 h. Requiring that any Class Members who object to the Settlement
28 Agreement submit any objection to the SA postmarked by the end of the Exclusion Period or appear

1 in person or by other Court approved means at the Final Approval Hearing, and that the Parties be
2 given an opportunity to file written responses to any objection(s) with the Court;

3 i. Approving the procedure for Class Members to submit Opt-Out
4 Requests, and setting a date after which no Class Members shall be allowed to submit Opt-Out
5 Requests; and

6 j. Approving the procedure for Settlement Class Members to object to the
7 Settlement.

8 k. Defendants shall not oppose Class Counsel's motions for preliminary
9 approval and Final Approval of the Settlement so long as the motions and supporting papers are
10 consistent with the terms of this Agreement. Class Counsel shall provide Defendants with an
11 opportunity of 5 days to review, and provide comments on the motions for preliminary and Final
12 Approval of the Settlement before the motion and supporting papers are filed with the Court. The
13 Parties will meet and confer and agree upon the wording of the settlement packages to be sent to Class
14 Members, as well as the proposed orders for preliminary and Final Approval before filing. Failure of
15 the Court to grant the Preliminary Approval Order will be grounds for the Parties to terminate the
16 Settlement and the terms of the Agreement, except that the Parties must work in good faith to comply
17 with any changes to the Settlement proposed by the Court to the extent the changes are acceptable by
18 both Parties, and the Court may award less than the amounts listed in Paragraph subparts 51a through
19 51e without impacting the validity and enforceability of this Agreement.

20 55. Notice Procedure.

21 a. Settlement Administrator. The Parties will use Phoenix or a another
22 mutually agreeable third-party SA to distribute the Class Notice and the Settlement Payments and
23 PAGA Payments and handle the tax reporting and field any questions from Class Members and/or
24 PAGA Members with a hotline. The SA (along with any of its agents) shall represent and warrant that
25 it will: (a) provide reasonable and appropriate administrative, physical and technical safeguards for
26 any personally identifiable information ("PII"), which it receives from Defendant; (b) not disclose the
27 PII to Class Counsel, Named Plaintiff, any party or third parties, including agents or subcontractors,
28 without Defendant's consent; (c) not disclose or otherwise use the PII other than to carry out its duties

1 as set forth herein; (d) promptly provide Defendant with notice if PII is subject to unauthorized access,
2 use, disclosure, modification, or destruction; and (e) continue to protect the PII upon termination of
3 its services.

4 b. Class Member Data. Within thirty (30) days after filing of the
5 Preliminary Approval Order, Defendant shall provide to the SA a list of Class Members and PAGA
6 Members that identifies for each Class Member/PAGA Member, his/her Social Security number, last-
7 known address, and the workweek numbers and other Class Member data confirm qualifying
8 Workweeks Worked and PAGA Workweeks Worked or will forward the start and end date(s) of
9 employment for the SA to calculate the Workweeks Worked and PAGA Workweeks Worked.
10 Defendant agrees to consult with the SA as required to provide the list in a format reasonably
11 acceptable for the duties of the SA. The SA will keep the list confidential, use it only for the purposes
12 described herein, take adequate safeguards to protect confidential or private information and return or
13 certify the destruction of the information or continued safeguarding of the information upon
14 completion of the Settlement Administration process.

15 56. Class Notice. The SA will send to each Class Member and PAGA Members
16 by First-Class U.S. Mail the Class Notice, which includes information on how Class Members may
17 opt-out of or object to the Settlement and a procedure by which a Class Member may challenge the
18 number of Workweeks Worked identified on his/her Class Notice. The Named Plaintiff will seek
19 approval of language in the Class Notice in the motion for preliminary approval and will seek
20 permission for the Parties in conjunction with the SA to be able to correct immaterial errors on these
21 forms or other mailed materials without approval from the Court, provided the changes do not alter
22 the preliminary approval by the Court.

23 a. Settlement Administrator Duties. Prior to mailing the Class Notice, the
24 SA will update the addresses for the Class Members and PAGA Members using the National Change
25 of Address database and other available resources deemed suitable by the SA. To the extent this
26 process yields a different address from the one supplied by Defendant ("Updated Address"), that
27 Updated Address shall replace the address supplied by Defendant ("Last Known Address") and be
28 treated as the new Last Known Address for purposes of this Agreement and for subsequent mailings

1 in particular. The Settlement Administrator shall be permitted to provide notices and communicate
2 to the Class and PAGA Members in a format and statement to be provided to the Court, which Named
3 Plaintiff will submit in conjunction with the motion for preliminary approval and/or motion for Final
4 Approval.

5 b. Class Notice Procedure. Within fourteen (14) days after receipt of the
6 above information from Defendant, the SA shall send the Class Notice to each Class Member's and
7 PAGA Member's Last Known Address or Updated Address (if applicable) via First-Class U.S. mail.

8 c. Exclusion Period. Class Members will have sixty (60) days from the
9 postmark of the initial mailing of the Class Notice by the SA to submit by U.S. mail their Opt-Out
10 Requests, with proof of date of submission to be the postmark date of the completed Opt-Out Request.
11 Class Members will also have sixty (60) days to object to the Settlement by submitting a written
12 objection with the SA that sets forth the basis of the objection pursuant to Paragraph 58, which the SA
13 shall submit to the Parties within 10 days after the end of the Exclusion Period, and Class Counsel
14 shall submit to the Court. Opt-Out Requests do not apply to the Settled PAGA Claims and will not
15 exclude PAGA Members from the release of Settled PAGA Claims.

16 d. SA Follow-up efforts.

17 i. The SA shall re-mail by First-Class U.S. mail the Class Notice
18 returned by the Post Office with a forwarding address, and shall re-mail by First-Class U.S. mail the
19 Class Notice to any Class Member/PAGA Member who personally provides an updated address to the
20 SA.

21 ii. In the event that the first mailing of the Class Notice to any Class
22 Member/PAGA Member is returned without a forwarding address, the SA will immediately perform
23 skip trace(s) if necessary using social security numbers provided by Defendant and National Change
24 of Address searches, as needed, to verify the accuracy of the addresses provided and will conduct a
25 second round of mailings of the Class Notice by First-Class, U.S. mail within an agreed number of
26 days for those forms returned to sender. If no new information is ascertained by means of a skip trace,
27 or if the Class Notice is returned to SA after using an address obtained from a standard skip trace, the
28 SA will immediately perform a manual "in-depth skip trace" to locate a more recent or accurate

1 address. If an Updated Address is identified by this method, the SA will resend the Class Notice to
2 the Updated Address within three (3) days of identifying the Updated Address.

3 iii. In the SA re-mails the Class Notice, it shall note for its own
4 records the date and the address of each re-mailing. Those Class Members who receive a re-mailed
5 Class Notice, whether by skip-trace or forwarded mail, will have sixty (60) days from the postmark
6 an Exclusion Form, or file and serve an objection to the Settlement or dispute the information provided
7 in their Class Notice. The Settlement Administrator shall mark on the envelope whether the Class
8 Notice is a re-mailed notice.

9 e. Documenting Communications. The SA shall date stamp documents it
10 receives, including Opt-Out Requests, Objections and any correspondences and documents from Class
11 Members/PAGA Member.

12 f. Settlement Administrator Declaration. At least seven (7) days prior to
13 the deadline for filing the motion for final approval, the SA shall prepare, subject to Class
14 Counsel's/PAGA Member's and Defendants' input and approval, a declaration setting forth the due
15 diligence and proof of mailing of the Class Notices, the results of the SA's mailings, including tracing
16 and re-mailing efforts, and the Class Members'/PAGA Member's responses to those mailing and
17 provide additional information deemed necessary to approve the settlement.

18 g. SA Written Reports. Each week during the Exclusion Period, the SA
19 shall provide the Parties with a report listing the number of Class Members that submitted Opt-Out
20 Requests and Objections. Within seven (7) days after the close of the Exclusion Period, the SA will
21 provide a final report listing the number of Class Members who submitted Opt-Out Requests or
22 Objections.

23 h. SA Calculations of Settlement Payments. Within seven (7) days after
24 resolving all challenges made by Settlement Class Members, and following the Final Approval Order,
25 the SA shall provide to the Parties a report showing its calculation of all Settlement Payments to be
26 made to Settlement Class Members and PAGA Members. After receiving the SA's report, Class
27 Counsel and Defendant's counsel shall review the same to determine if the calculation of payments to
28 Settlement Class Members/PAGA Members is consistent with this Agreement, and shall notify the

1 SA if either counsel does not believe the calculation is consistent with the Agreement. After receipt
2 of comments from counsel, the SA shall finalize its calculation of Settlement Payments and PAGA
3 Payments, at least five (5) days prior to the distribution of such payments, and shall provide Class
4 Counsel and Defendant's Counsel with a final report listing the amount of all payments to be made to
5 each Settlement Class Member from the NSA and listing the amount of all payments to be made to
6 each PAGA Member from the amount allocated for PAGA Payments. The SA will also provide
7 information that is requested and approved by both Parties regarding its duties and other aspects of the
8 Settlement and that is necessary to carry out the terms of the Settlement.

9 57. Requirements for Recovery of Settlement Payments.

10 a. Class Members. No claim form is necessary to participate in the
11 Settlement. Unless a Class Member submits a valid and timely Opt-Out Request (as described in
12 Paragraphs 14 and 57d), a Class Member will be a Settlement Class Member, bound by the Judgment,
13 and will receive a payment from the NSA. All Class Members except for those who timely and validly
14 opt-out of the Settlement shall be bound by the release of Settled Claims in this Agreement. All
15 PAGA Members, including any who opt-out of the Class Settlement, shall be bound by the release of
16 Settled PAGA Claims and shall be barred from seeking any action for civil penalties for Settled PAGA
17 Claims in this Agreement. At Defendant's option, checks in payment of amounts due to Settlement
18 Class Members under the Settlement may contain a brief statement of waiver of Settled Claims and/or
19 Settled PAGA Claims as part of the endorsement language.

20 b. Late Submissions. The SA shall not accept as valid any Opt-Out
21 Request postmarked after the end of the Exclusion Period, as extended for remailings, absent
22 agreement from the Parties or order of the Court. It shall be presumed that, if an Opt-Out Request is
23 not postmarked on or before the last day of the Exclusion Period, the Class Member did not return the
24 Opt-Out Request in a timely manner.

25 c. Challenges. Class Members will have the right to challenge the number
26 of Workweeks Worked allocated to them. The following challenge procedure will be established for
27 the Class Member to dispute information on which his/her payment amount is based: Challenges to
28 the number of Workweeks Worked shall be sent directly to the SA at the address indicated on the

1 Class Notice. A Class Member challenging the number of Workweeks Worked identified may also
2 submit documentary evidence in order to prove the claimed number of Workweeks Worked during
3 the Class Period. Defendant shall have the right to respond to the challenge by any Settlement Class
4 Member. No challenge to the number of Workweeks Worked will be accepted unless sent by U.S.
5 mail within sixty (60) days from the initial mailing of the Class Notice by the SA, with proof of date
6 of submission to be the postmark date unless ordered by the Court. Additional time may be provided
7 to a Class Member only upon a showing of good cause and within an amount of time determined by
8 the SA that will not delay the distribution of Settlement Payments to other Class Members/PAGA
9 Members and in no event beyond the date of filing of the motion for final approval. The SA will
10 inform Class Counsel and Defendant's counsel in writing of any timely filed challenges and will
11 preliminarily determine all such disputes after consulting with the Parties regarding the number of
12 Workweeks Worked. If each of the Parties does not agree with the SA's preliminary determination,
13 the dispute will be submitted to the Court for a decision, and the Court's determination shall be final
14 and binding without a right of appeal.

15 d. Opt-Out Procedure. Unless a Class Member timely opts out of the
16 Settlement described in this Agreement, he/she shall be bound by the terms and conditions of this
17 Agreement, and shall also be bound by the Final Judgment. A Class Member will not be entitled to
18 opt-out of the Settlement established by this Agreement unless he or she submits to the SA a request
19 or notice of opting out via U.S. mail postmarked on or before the expiration of the Exclusion Period.
20 The request must be in writing on an Opt-Out Request and include the Class Member's name, address,
21 date, signature, to the notice that indicates he or she "opts out" of the Settlement. Opt-Out Requests
22 do not apply to the Settled PAGA Claims and will not exclude PAGA Members from the release of
23 Settled PAGA Claims.

24 i. Upon receipt of any Opt-Out Request within the Exclusion
25 Period, the SA shall review the request to verify the information contained therein, and confirm that
26 the request complies with the requirements of this Agreement.

27 ii. Any Class Member who fails to submit via U.S. mail a timely,
28 complete and valid Opt-Out Request shall be barred from opting out of this Agreement or the

1 Settlement. The SA shall not have the authority to extend the deadline for Class Members to file a
2 request to opt out of the Settlement absent agreement by both Parties.

3 iii. Class Members shall be permitted to rescind in writing their
4 request to opt-out by submitting a written rescission statement to the SA no later than the Effective
5 Date and provided that Individual Settlement Payments can be recalculated to reflect the rescission.

6 iv. Defendant alone has the option to withdraw from and void the
7 settlement if the number of opt outs reaches or exceeds three percent (3%) of all Class Members or
8 the number of Workweeks Worked by the opt-outs equals or exceeds three percent (3%) of the total
9 Workweeks worked by the Settlement Class Members. Defendant shall provide written notice of such
10 withdrawal to Class Counsel. In the event that Defendant elects to so withdraw, the withdrawal shall
11 have the same effect as a termination of this Agreement for failure to satisfy a condition of Settlement
12 for affected individuals and amounts, and the Agreement shall become null and void and have no
13 further force or effect in that respect, but shall remain binding and enforceable in all other respects.
14 In the event that Defendant exercises this option, it will be solely responsible for any additional
15 Settlement Administrator's costs related to those affected by this provision.

16 58. Objections to Settlement. Any Settlement Class Member may object to the
17 Settlement. Any such objection may be submitted to the SA in writing on or before the close of the
18 Exclusion Period or may appear at the Final Approval Hearing object orally. If any Settlement Class
19 Member wish to object in writing, any such written Objection shall include: (1) the full name of the
20 Settlement Class Member; (2) address of the Settlement Class Member; (3) the basis for the objection;
21 and (4) if the Settlement Class Member intends to appear at the Final Approval Hearing. The Parties
22 shall be permitted to file responses to the Objection in addition to any motion for final approval
23 documents. Settlement Class Members may also appear at the Final Approval Hearing to object. At
24 no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class
25 Members to submit written objections to the Settlement or appeal from the Order granting final
26 approval and/or Final Judgment. Class Counsel shall not represent any Settlement Class Members
27 with respect to any such objections.

28 59. Final Fairness Hearing, Final Approval and Final Judgment.

1 a. Entry of Final Judgment. At the Final Approval Hearing, Named
2 Plaintiff will request, and Defendants will concur in said request, that the Court enter a Final Judgment.

3 b. Motion. Named Plaintiff will draft and file a motion for final approval
4 and for approval of any attorneys' fees and costs and enhancement award in conformity with any
5 requirements from the Court and will take other action to request the entry of Final Judgment in
6 accordance with this Agreement. The motion for final approval and corresponding paperwork will be
7 subject to input and approval from Defendants and the proposed judgment finally approving the
8 Settlement shall be subject to the input from and approval by Defendants, provided that Defendants
9 shall have five (5) days from receipt to provide such input. Defendants will concur in or not object to
10 said request that the Court enter Final Judgment finally approving this Agreement. In conjunction
11 with the motion for final approval, Class Counsel shall file a declaration from the SA confirming that
12 the Class Notice and related forms were mailed to all Class Members as required by this Agreement,
13 as well as any additional information Class Counsel, with the input and approval of Defendants, deems
14 appropriate to provide to the Court.

15 c. Objections. Before and/or at the Final Fairness Hearing, Named
16 Plaintiff and Defendants, through their counsel of record, may address any written objections from
17 Class Members or any concerns from Class Members who attend the hearing as well as any concerns
18 of the Court.

19 d. Order. Named Plaintiff will also draft and submit a proposed Order of
20 Final Approval and Final Judgment in the form that is consistent with this Agreement and subject to
21 prior review, revision and approval by Defendant (See Exhibit C). The Parties shall take all
22 reasonable efforts to secure entry of the Order of Final Approval and Final Judgment. If the Court
23 rejects the Agreement, fails to enter the Order of Final Approval, or fails to enter the Final Judgment,
24 even after good faith efforts by the Parties to meet and confer and remedy where agreement can be
25 reached any perceived deficiencies in the Settlement, this Agreement shall be void *ab initio*, and
26 Defendants shall have no obligation to make any payments under the Agreement, except for payments
27 to the SA for services performed up to that time. The Named Plaintiff will submit a proposed Order
28 of Final Approval subject to the review and approval of Defendants that will contain provisions:

i. Wherein the Court enters Final Judgment, finding that this Agreement and Settlement is fair, just, equitable, reasonable, adequate and in the best interests of the Class and was reached as a result of intensive, serious, and non-collusive arms-length negotiations and was achieved with the aid of an experienced mediator and in good faith as to each Class Member;

ii. Affirms that each side will bear its own costs and fees (including attorneys' fees), except as provided by the Agreement, and that Defendant shall not be required to pay any amounts other than as set forth in the Agreement and the Order of Final Approval, and in no event any amount above the GSA, except for employer-side taxes;

iii. That confirms the certification of the Class for purposes of Settlement;

iv. That finds that the Settlement Administration process as carried out afforded adequate protections to Class Members, provided the best notice practicable, and satisfied the requirements of law and due process;

v. That rejects any Objections to the Settlement;

vi. That approves the settlement of PAGA Claims consistent with the Settlement;

vii. That bars each and every Class Member and/or PAGA Member from asserting any Settled Claims and/or Settled PAGA Claims in the future, an expressly references the applicability of the doctrines of res judicata and/or collateral estoppel;

viii. That retains Court jurisdiction after entry of judgment to oversee administration and enforcement of the terms of the Agreement; and

ix. That requires the Parties to carry out the provisions of this Agreement.

60. Post-Final Approval Requirements and Procedures. Following entry of the Court's Order Granting Final Approval of Settlement and Final Judgment, the Parties will act to assure the timely execution and fulfillment of all its provisions, including, but not limited to, the following:

a. Should an appeal be taken from the Final Approval of the Settlement, all Parties will support the Order of Final Approval and Final Judgment on appeal;

1 b. The Parties will assist the SA as needed or requested in the process of
2 identifying and locating Settlement Class Members entitled to Settlement Payments from the NSA and
3 PAGA Members entitled to PAGA Payments and assuring delivery of such payments;

4 c. Class Counsel will assist the SA as needed or requested in completing
5 the distribution of any uncashed checks as directed by the Court; and

6 d. Class Counsel will certify to the Court completion of all payments
7 required to be made by this Settlement Agreement.

8 61. Payment of Settlement. Defendant will deposit the Funding Payment into an
9 account established by the SA within 30 days of the Effective Date. The remittance of the Funding
10 Payment to the SA shall constitute full and complete discharge of the entire monetary obligation of
11 Defendant under this Agreement. No Released Party shall have any further monetary obligation or
12 liability to Class Counsel, Named Plaintiff, Settlement Class Members and/or PAGA Members under
13 this Agreement after receipt by the SA of the Funding Payment.

14 a. The Parties agree that the Funding Payment will qualify as a settlement
15 fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as
16 amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the SA is hereby
17 designated as the “Administrator” of the qualified Settlement funds for purposes of Section 1.468B-
18 2(k) of the income tax regulations. As such, all employee taxes imposed on the gross income of that
19 settlement fund and any tax-related expenses arising from any income tax returns or other reporting
20 documents that may be required by the Internal Revenue Service or any state or local taxing body will
21 be paid from the Funding Payment by the SA.

22 b. The distribution of Settlement Payments to Settlement Class Members
23 shall occur no later than the Settlement Proceeds Distribution Deadline. The SA shall be deemed to
24 have timely distributed Settlement Payments if it places said payment in the mail (First-Class U.S.).
25 When the SA receives notice from Settlement Class Members that they have not received such
26 Settlement Payments due to changes of address or other circumstances, the SA shall be deemed to
27 have timely distributed those Settlement Payments if (after satisfying itself that the amounts have not
28 been received or negotiated) it re-mails the payments to the updated addresses or provides for delivery

1 by other reasonable methods requested by such Settlement Class Members, provided that any and all
2 requests for re-mailing shall be actually received and acknowledged by the SA before the 150-day
3 deadline referenced in Paragraphs 62 and 63 or will be deemed ineffective, and have no effect and the
4 original mailed amount shall be deemed timely distribution of the Settlement Payment. If any checks
5 are returned to the SA without a forwarding address the SA shall conduct a skip-trace and re-mail the
6 checks. The SA shall mail all Settlement Payments by the Settlement Proceeds Distribution Deadline.
7 To comply with California Rule of Court 3.771, settlement checks shall include the following language
8 on the check: "A Court has approved settlement of the class action and PAGA representative actions
9 and entered judgment for claims asserted in *Rodolfo Gaona Cruz v. SA Recycling LLC, et al.*, Orange
10 County Superior Court Case No. 30-2021-01218757-CU-OE-CXC." No person shall have any claim
11 against the SA, Defendants or other Released Parties, Class Counsel, Defendants' counsel, or any
12 other agent designated by Named Plaintiff or Defendants based upon the distribution of Settlement
13 Payments made substantially in accordance with this Agreement or further orders of the Court.

14 c. The distribution of attorneys' fees, costs, and the Named Plaintiff's
15 enhancement/general release awards shall occur no later than the payment date of the payment under
16 the Settlement Proceeds Distribution Deadline. Under no circumstances shall the foregoing payments
17 be made prior to the distribution of Settlement Payments to Settlement Class Members and PAGA
18 Payments to PAGA Members.

19 d. Upon Defendant's transfer of the Funding Payment and employer-side
20 taxes to the SA, Defendants and the other Released Parties, and Defendants' counsel shall have no
21 further monetary liability or financial responsibility to Class Counsel or to any vendors or third parties
22 employed by the Named Plaintiff or Class Counsel in connection with the Action.

23 e. Defendants shall not be obligated to make any payments contemplated
24 by this Agreement unless and until the Court enters the Final Approval Order and Final Judgment, and
25 after the Effective Date of the Agreement, and no amounts will be owed or payable until all appeals if
26 taken or other collateral attacks have lapsed or have been favorably resolved in favor of the Settlement
27 and no further challenge to the Settlement is possible.

1 62. Settlement Class Members and/or PAGA Members who are sent Settlement
2 Payments and/or PAGA Payments shall have one hundred fifty (150) days after mailing by the SA to
3 cash their settlement checks.

4 63. If such Settlement Class Members and/or PAGA Members do not cash their
5 checks within that period, those checks will become void and a stop payment will be placed on the
6 uncashed checks. Checks that are not cashed within one hundred and fifty (150) days of mailing shall,
7 subject to Court approval, be distributed pursuant to the State Controller Unclaimed Property Fund,
8 or as otherwise directed by California Code of Civil Procedure Section 384 and as ordered by the
9 Court. The Parties agree that if the remaining funds are not able to be distributed to the State Controller
10 Unclaimed Property Fund and if a *cy pres* fund is required, subject to Court instruction, that the SA
11 shall forward the entire amount of any amounts remaining from uncashed checks, plus any interest
12 that has accrued thereon, to the California CASA Association (see <https://www.californiacasa.org>),
13 unless not accepted by the Court in which case the Parties will meet and confer about an acceptable
14 *cy pres*. In such event, those Settlement Class Members and/or PAGA Members will be deemed to
15 have waived irrevocably any right in or claim to a Settlement Payment and/or PAGA Payment subject
16 to their rights, if any, to recover the Settlement Payments and/or PAGA Payments from the Unclaimed
17 Property Fund if ordered or otherwise will be extinguished. Settlement Class Members and/or PAGA
18 Members who fail to negotiate their check(s) in a timely fashion shall, like all Settlement Class
19 Members who did not validly opt out of the Settlement, remain subject to the terms of the Settlement
20 and the Final Judgment.

21 64. The SA shall keep Class Counsel and Defendants' counsel apprised of all
22 distributions from the GSA. Upon completion of administration of the Settlement, the SA shall
23 provide written certification of such completion to the Court, Class Counsel and Defendants' Counsel.

24 65. Binding Effect of Agreement on Settlement Class Members and PAGA
25 Members. Subject to final Court approval, all Settlement Class Members and PAGA Members shall
26 be bound by this Agreement, and Final Judgment shall be entered in the Action. In addition, unless
27 the Class Member opts out of the Settlement described in this Agreement, he/she shall be bound by
28 the Court's Order of Final Approval and Final Judgment, and PAGA Members shall be bound by the

1 Court's Order of Final Approval and Final Judgment regardless of whether they opt-out of the Class
2 Settlement. As set forth more fully in Paragraph 69, if the Court does not enter an Order of Final
3 Approval and Final Judgment granting Final Approval of the Settlement, which becomes final, the
4 Settlement shall become null and void, and its terms and all documents setting out its terms shall be
5 inadmissible in further litigation of this Action or any other case.

6 66. Non-Interference with Opt-Out Procedure. The Parties and their counsel agree
7 that they shall not seek to solicit or otherwise encourage Class Members to submit Opt-Out Requests
8 or objections to the Settlement or to appeal from the Final Judgment.

9 67. Waiver of Appeal. Subject to preliminary and Final Approval of this
10 Settlement, all Class Members, except those Class Members who make timely and valid objections
11 pursuant to the terms of this Agreement, expressly waive the right to appeal.

12 68. Preliminary Timeline for Completion of Settlement. The preliminary schedule
13 for notice, approval, and payment procedures carrying out this Settlement is set forth in the subsections
14 below. This schedule may be modified depending on whether and when the Court grants necessary
15 approvals and orders notice to the Class and PAGA Members, and sets further hearings. In the event
16 of such modification, the Parties shall cooperate in order to complete the Settlement procedures as
17 expeditiously as reasonably practicable.

18 a. Preliminary Approval Hearing as permitted by the Court;

19 b. Defendant to provide information described in Paragraph 55b (name,
20 address, dates of employment, etc.) no later than thirty (30) days after filing of the Preliminary
21 Approval Order;

22 c. The SA to mail the Class Notice by U.S. First Class mail to Class
23 Members and PAGA Members by approximately fourteen (14) days after receipt from Defendant of
24 the information described in the preceding subparagraph;

25 d. The SA to conduct trace/search efforts and send a follow up mailing, no
26 later than ten (10) days after initial mailing, to individuals whose Class Notice was returned as
27 undeliverable or whose listed address is found to be inaccurate or outdated;

28

1 e. Opt-Out Requests and Objections to the Settlement must be postmarked
2 no later than sixty (60) days after the date of initial mailing of the Class Notice;

3 f. The SA will provide to the Parties, and to the Court as directed by the
4 Parties, information regarding Opt-Out Requests and written objections or statements of intention to
5 object to the Settlement received from Class Members within seven (7) days of the close of the
6 Exclusion Period;

7 g. Class Counsel will file a timely motion for final approval of the
8 Settlement and a separate application for award of attorneys' fees and costs and an enhancement award
9 to the Named Plaintiff by the date set by the Court, or if no date is set, at least sixteen (16) court days
10 prior to the scheduled Final Approval Hearing date;

11 h. The Parties will request a Final Approval Hearing before the Court
12 within a reasonable time after the close of the Exclusion Period, or as soon thereafter as the Court will
13 hear the Motion for Final Approval. After entry of the Final Approval Order and Judgment Defendant
14 shall remit the Funding Payment to the SA.

15 i. Settlement Payments to Settlement Class Members, including the
16 Named Plaintiff, and payments to Class Counsel for litigation costs and expenses and awarded
17 attorneys' fees, and the enhancement award to Named Plaintiff, and PAGA Payments to the LWDA
18 and PAGA Members shall be made by the Settlement Proceeds Distribution Deadlines by mailing of
19 checks by First Class U.S. mail or by wire (as to Class Counsel's payments only).

20 69. Automatic Voiding of Agreement if Settlement Not Finalized. If for any reason
21 the Effective Date does not occur, the Settlement shall be null and void and the orders, judgment, and
22 dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned
23 to the status quo prior to entering this Agreement with respect to the Action, as if the Parties had never
24 entered into this Agreement. In addition, in such event, the Agreement and all negotiations, court
25 orders and proceedings relating thereto shall be without prejudice to the rights of any and all Parties
26 hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or
27 discoverable in the Action or otherwise in any other proceeding.
28

1 70. No Injunctive Relief. The Parties agree that the Settlement does not include
2 injunctive relief against Defendants or the other Released Parties.

3 71. Confidentiality and Non-Disparagement.

4 a. Parties and their counsel will keep the Settlement confidential, through
5 the Court's order granting the Parties' Motion for Preliminary Approval, but the Parties will be able
6 to disclose to the Court, when and as necessary before preliminary approval, that they have reached
7 an agreement in principle, subject to completion of a final Agreement and Court approval.

8 b. Following the Court's order granting the Parties' Motion for
9 Preliminary Approval, the Parties and their counsel agree to make no comments to the media or
10 otherwise publicize the terms of the settlement on any social media or websites, except that Class
11 Counsel may post on its firm website: "The Firm settled a class action with a California company for
12 \$1,980,000." This shall not restrict Class Counsel from responding to inquiries posed by Class
13 Members. Further, Class Counsel may include the case name, number, and settlement information in
14 declarations setting out their qualifications as class counsel.

15 c. Named Plaintiff and Class Counsel agree to maintain the confidentiality
16 of any documents produced, formally or informally, during the course of the Action. Named Plaintiff
17 and Class Counsel agree to return to Defendants' counsel or destroy, at their option, any information
18 designated as confidential during the course of the Action, including but not limited to any information
19 and/or documents provided to Class Counsel for purposes of mediation.

20 d. Defendant shall direct all inquiries by Class Members and /or PAGA
21 Members to the SA, which shall provide general information about the lawsuit, including responding
22 to questions about the lawsuit, by providing neutral information about the agreement consistent with
23 the Agreement.

24 e. Defendant agrees it will adopt a neutral reporting policy regarding any
25 future employment inquiries related to Named Plaintiff. Thus, in the event that any potential or future
26 employers should inquire regarding Defendant's employment of Named Plaintiff, they will be
27 informed only of Named Plaintiff' dates of employment with Defendant, job title(s) during
28 employment with Defendant, and starting and final rates of pay.

1 f. As permitted by law, Named Plaintiff agrees that he shall make no
2 negative or derogatory statements about Defendant or its products or services or actions towards him
3 or others, its employees, officers, or owners to any third person or entity. In the event that Named
4 Plaintiff is subpoenaed to testify in any proceeding against Defendant or any of the other Released
5 Parties, , Named Plaintiff agrees to advise Defendant and its counsel as soon as reasonably possible in
6 advance of testimony date to allow Defendant a reasonable opportunity to seek appropriate relief. If
7 prompted by anyone to discuss any dispute he had with Defendants, Named Plaintiff may state simply
8 that "the matter has been resolved."

9 72. Invalidation of Agreement for Failure to Satisfy Conditions. The terms and
10 provisions in ¶¶ 1 through 38 and 45 through 86 of this Agreement are not mere recitals, but are
11 deemed to constitute contractual terms. The Court may allocate less to the Named Plaintiff, Class
12 Counsel, and/or the LWDA than indicated in Paragraph 51 without impacting the validity and
13 enforceability of the Agreement. The Court may allocate less to the SA than indicated in Paragraph
14 51 provided the actual amount spent by the SA is less than the maximum set forth in that Paragraph.
15 Without limiting the generality of the foregoing, if this Agreement is terminated for failure to satisfy
16 any material terms or material conditions of this Agreement or grounds for termination provided in
17 this Agreement:

18 a. Defendants shall not be obligated to create or maintain any type of
19 settlement fund, and shall not be obligated to make any Settlement Payment to any Class Member,
20 PAGA Member and/or any payment to Class Counsel or to the Named Plaintiff.

21 b. The Agreement and all negotiations, Court orders and proceedings
22 relating thereto shall be without prejudice to the pre-existing rights of the Named Plaintiff, PAGA
23 Members, Class Members, and Defendants, each of whom shall be restored to their respective
24 positions existing prior to the execution of this Agreement, and evidence relating to the Agreement
25 and all negotiations shall not be discoverable or admissible in the Action or any other litigation;

26 c. Defendant will not have waived, and instead expressly reserves, its right
27 to challenge the continuing propriety of class certification for any purpose; and
28

1 d. To the extent one exists, the Preliminary Approval Order shall be
2 vacated in its entirety and neither this Agreement, the Preliminary Approval Order, nor any other
3 document in any way relating to any of the foregoing, shall be relied upon, referred to or used in any
4 way for any purpose in connection with any further proceedings in this Action or any related action,
5 including class certification proceedings.

6 73. Notices. All notices, requests, demands and other communications required or
7 permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered by First-
8 Class U.S. mail to the attorneys listed in the caption above and the SA, with additional copies to be
9 sent via electronic mail.

10 74. Modification in Writing. This Agreement may be altered, amended, modified
11 or waived, in whole or in part, only in a writing signed by counsel for the Parties and approved by the
12 Court, and supersedes any memorandum of understandings or prior agreement(s). This Agreement
13 may not be amended, altered, modified or waived, in whole or in part, orally. Any waiver of any
14 provision of this Agreement shall not constitute a waiver of any other provision of this Agreement
15 unless expressly so indicated.

16 75. Ongoing Cooperation. Named Plaintiff and Defendants, and each of their
17 respective counsel, shall cooperate in good faith to execute all documents and perform all acts
18 necessary and proper to effectuate and implement the terms of this Agreement, including but not
19 limited to drafting and submitting the motions for Preliminary and Final Approval, and defending the
20 Agreement and Final Judgment against objections and appeals. Named Plaintiff shall, as necessary,
21 properly and completely take all steps, including but not limited to submitting any required documents
22 to the LWDA and take any other actions necessary to resolve the Released PAGA Claims pursuant to
23 this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts
24 contemplated by this Agreement and any other efforts that may become necessary by order of the
25 Court or otherwise, to effectuate this Agreement and the terms set forth herein.

26 76. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
27 they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer,
28

1 or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
2 or rights herein released and discharged except as set forth herein.

3 77. Binding on Successors. This Agreement shall be binding and shall inure to the
4 benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal
5 representatives, including the Released Parties.

6 78. Entire Agreement. This Agreement constitutes the full, complete and entire
7 understanding, agreement and arrangement between Named Plaintiff and the Class Members/PAGA
8 Members on the one hand, and Defendants on the other hand, with respect to the Settlement of the
9 Action and the Settled Claims and Settled PAGA Claims against the Released Parties, including
10 Defendants. This Agreement supersedes any and all prior oral or written understandings, agreements
11 and arrangements between the Parties with respect to the Settlement of the Action and the Settled
12 Claims and Settled PAGA Claims against the Released Parties. Except those set forth and included
13 expressly in this Agreement, there are no other agreements, covenants, promises, representations or
14 arrangements between the Parties with respect to the Settlement of the Action and the Settled
15 Claims/Settled PAGA Claims against the Released Parties. The Parties explicitly recognize California
16 Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that
17 a written agreement is to be construed according to its terms, and may not be varied or contradicted
18 by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall
19 modify, vary, or contradict the terms of this Agreement.

20 79. Execution in Counterparts. This Agreement may be signed in one or more
21 counterparts. A facsimile, scanned shall be treated as an original signature for all purposes. All
22 executed copies of this Agreement, and photocopies thereof (including facsimile or email copies of
23 the signature pages), shall have the same force and effect and shall be as legally binding and
24 enforceable as the original. The Parties shall execute by hand with "wet" signatures.

25 80. Captions. The captions and section numbers in this Agreement are inserted for
26 the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
27 provisions of this Agreement.

1 81. Governing Law. This Agreement shall be interpreted, construed, enforced, and
2 administered in accordance with the laws of the State of California, without regard to conflict of law
3 rules.

4 82. Reservation of Jurisdiction. Notwithstanding the entry and filing of Final
5 Judgment, the Court shall retain jurisdiction under Section 664.6 of the Code of Civil Procedure and
6 California Rule of Court 3.769 for purposes of interpreting and enforcing the terms of this Agreement.

7 83. Mutual Preparation. The Parties have had a full opportunity to negotiate the
8 terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more
9 strictly against one Party than another merely by virtue of the fact that it may have been prepared by
10 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
11 between the Parties, all Parties have contributed to the preparation of this Agreement.

12 84. Warranties and Representations. With respect to themselves, each of the Parties
13 to this Agreement and/or their agents or counsel represent, covenant and warrant that (a) they have
14 full power and authority to enter into and consummate all transactions contemplated by this Agreement
15 and have duly authorized the execution, delivery and performance of this Agreement, and (b) the
16 person executing this Agreement has the full right, power and authority to enter into this Agreement
17 on behalf of the Party for whom he/she has executed this Agreement, and the full right, power and
18 authority to execute any and all necessary instruments in connection herewith, and to fully bind such
19 Party to the terms and obligations of this Agreement, except that the Parties understand that the Named
20 Plaintiff and Class Counsel only have the power to bind Class Members and PAGA Members to the
21 extent this Agreement is approved by the Court.

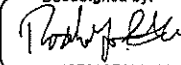
22 85. Representation by Counsel. The Parties acknowledge that they have been
23 represented by counsel throughout all negotiations that preceded the execution of this Agreement, and
24 that this Agreement has been executed with the consent and advice of counsel. Further, the Named
25 Plaintiff and Class Counsel warrant and represent that there are no liens on the Agreement, and that
26 after entry by the Court of the Final Judgment, Defendant, through the SA, may distribute funds to
27 Settlement Class Members, PAGA Members, Class Counsel, and the Named Plaintiff as provided by
28 this Agreement.

1 86. Authorization by Named Plaintiff. Named Plaintiff authorizes Class Counsel
2 to sign this Agreement and further agrees not to request to be excluded from the Class and not to object
3 to any terms of this Agreement. Any such Opt-Out Request or objection by Named Plaintiff shall
4 therefore be void and of no force or effect.

5 87. No Impact on Arbitration Agreements. The submission of Settled Claims and
6 Settled PAGA Claims to the Court is solely for the purposes settlement and shall not be deemed as an
7 invalidation, waiver, avoidance of the arbitration agreements, and shall have no negative impact on
8 their alleged continuing validity. By failing to request exclusion with an opt-out request, any
9 Settlement Class Member will be deemed to agree to the provisions of this Paragraph.

10
11
12 **IT IS SO AGREED:**

13 Dated: 12/1/2023, 2023

14 DocuSigned by:
15 
16 E413F6A9E60A429

17 _____
18 RODOLFO GAONA CRUZ
19 Named Plaintiff/Class and PAGA
20 Representative/Aggrieved Plaintiff
21
22
23
24
25
26
27
28

1 Dated: _____, 2023

SA RECYCLING LLC,

2
3 By: _____

4 Its: _____

5 Dated: _____, 2023

6 _____
GEORGE ADAMS, Defendant

7
8
9 Dated: _____, 2023

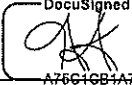
10 _____
MARK SWEETMAN, Defendant

11
12
13 **APPROVED AS TO FORM ONLY:**

14
15 Dated: 12/1/2023
_____, 2023

SOLOUKI | SAVOY, LLP

16
17 BY: _____

DocuSigned by:

A7661GB1A773447...
GRANT JOSEPH SAVOY
Attorneys for RODOLFO GAONA CRUZ, on
behalf of himself and all others similarly
situated and aggrieved employees, and on behalf
of the general public.

18
19
20
21 **APPROVED AS TO FORM ONLY:**

22 Dated: _____, 2023

LITTLER MENDELSON, P.C.

23
24 BY: _____

JAMES E. HART
Attorneys for Defendant SA RECYCLING
LLC, GEORGE ADAMS, and MARK
SWEETMAN

1 Dated: December 4, 2023

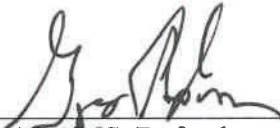
SA RECYCLING LLC,

By:
Its:

2
3
4 Dated: December 4, 2023


GEORGE ADAMS, Defendant

5
6
7 Dated: December 4, 2023


MARK SWEETMAN, Defendant

8
9
10
11
12
13 **APPROVED AS TO FORM ONLY:**

14
15 Dated: _____, 2023

SOLOUKI | SAVOY, LLP

16
17 BY:

GRANT JOSEPH SAVOY
Attorneys for RODOLFO GAONA CRUZ, on
behalf of himself and all others similarly
situated and aggrieved employees, and on behalf
of the general public.

18
19
20
21 **APPROVED AS TO FORM ONLY:**

22 Dated: December 5, 2023

LITTLER MENDELSON, P.C.

23
24 BY:


JAMES E. HART
Attorneys for Defendant SA RECYCLING
LLC, GEORGE ADAMS, and MARK
SWEETMAN