

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Joint Stipulation and Settlement Agreement is made and entered into by Plaintiff Daniel Wilson (“Plaintiff”), on behalf of himself and on behalf of the putative Class Members as defined herein, and Defendant CES Utility Solutions-CA LLC (“Defendant”). Plaintiff and Defendant are jointly referred to in this Settlement Agreement as the “Parties” and each of them as a “Party.” The Parties agree that the entire Action, as defined below, shall be, and hereby is, ended, settled, resolved, and finally concluded by agreement of Defendant to pay a non-reversionary gross settlement in the total amount of Two Hundred Thousand Dollars (\$200,000.00) as provided herein upon the terms and conditions of this Settlement Agreement and for the consideration set forth herein, including but not limited to a release of all claims by the Class Members and a general release of claims by Plaintiff for additional consideration as set forth herein. Defendant will also be responsible for its share of payroll taxes in addition to the said gross settlement amount.

I. DEFINITIONS

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

- A. **Actions:** (1) *Daniel Wilson v. CES Utility Solutions-CA LLC*, originally filed on December 22, 2021 in the Superior Court for the State of California, County of Contra Costa, Case No. C21-02666; and (2) *Daniel Wilson v. CES Utility Solutions-CA LLC*, originally filed on September 21, 2022 in the Superior Court for the State of California, County of Contra Costa, Case C22-02009.
- B. **Administration Costs:** The costs incurred by the Settlement Administrator to administer this Settlement, which shall not exceed Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00). All Administration Costs shall be paid from the Qualified Settlement Fund.
- C. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement:** The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
- D. **Attorney Fee Award:** The amount, not to exceed thirty-five percent of the Gross Fund Value, or Seventy Thousand Dollars, and Zero Cents (\$70,000.00), finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Fund Value for distribution to Participating Class Members.
- E. **Class:** All individuals who are or previously were employed by Defendant in California who were classified as non-exempt during the period of December

22, 2018 to January 31, 2023 (the “Class Period”) who did not sign a release of claims.

- F. **Class Counsel**: Roman Otkupman, Nidah Farishta of the Otkupman Law Firm, ALC.
- G. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.
- H. **Class Notice or Notice**: The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
- I. **Class Period**: The time period from December 22, 2018 to January 31, 2023.
- J. **Class Representatives or Plaintiff**: Daniel Wilson.
- K. **Class Representative Enhancement Payment**: The amount the Court awards to Plaintiff for his services as the Class Representative, which will not exceed Ten Thousand Dollars and Zero Cents (\$10,000.00). This payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. This incentive is subject to approval of the Court. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Fund Value for distribution to Participating Class Members.
- L. **Cost Award**: The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed Twenty Thousand Dollars (\$20,000.00). The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Fund Value for distribution to Participating Class Members.
- M. **Counsel for Defendant**: Benjamin J. Schnayerson and Jamielee F. Martinez of Jackson Lewis P.C.
- N. **Defendant**: CES Utility Solutions-CA LLC.
- O. **Effective Final Settlement Date**: The date upon which the Court issues its Final Approval Order and Judgment.
- P. **Final Approval Order, Final Approval Order and Judgment, Final Approval**: The final order entered by the Court finally approving this Agreement.
- Q. **Gross Fund Value or GFV**: The total value of the Settlement is a non-reversionary Two Hundred Thousand Dollars and Zero Cents (\$200,000.00).

This is the gross amount Defendant can be required to pay under this Settlement Agreement, excluding the employer share of payroll taxes, which includes without limitation: (1) the Net Fund Value to be paid to Participating Class Members; (2) Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Incentive Payment paid to the Class Representative, as approved by the Court; (4) Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA, as approved by the Court. No portion of the Gross Fund Value will revert to Defendant for any reason.

- R. **Individual Settlement Share(s)**: The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form.
- S. **LWDA**: California Labor and Workforce Development Agency.
- T. **Net Fund Value or NFV**: The total amount of money available for payout to Participating Class Members, which is the GFV less the Attorney Fee Award, Cost Award, Class Representative Incentive, the portion of the PAGA Payment paid to the LWDA, and Administration Costs. In other words, the NFV is the portion of the GFV that will be distributed to Class Members who do not request exclusion from the Settlement.
- U. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- V. **PAGA Group Members**: means all Class Members employed by Defendant at any time between July 18, 2021 through January 31, 2023 ("PAGA Period"). PAGA Group Members cannot opt out of the PAGA Settlement.
- W. **PAGA Settlement Payment(s)**: means each PAGA Group Member's respective share of the PAGA Settlement Amount. PAGA Settlement Payments will be determined by the calculations provided in this Agreement.
- X. **PAGA Payment**: The PAGA Payment consists of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) of the Gross Fund Value allocated to satisfy the PAGA penalties claim as alleged in the First Amended Complaint. Seventy-five percent (75%) of the PAGA Payment (\$11,250) shall be paid to the LWDA, and twenty-five percent (25%) (\$3,750) of the PAGA Payment shall be part of the Net Fund Value distributed to Participating Class Members.
- Y. **Participating Class Members**: All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.

- Z. Parties:** Collectively, Plaintiff and Defendant.
- AA. Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the proposed Settlement.
- BB. Qualified Settlement Fund or QSF:** A fund within the meaning of Treasury Regulation § 1.46B-1, 26 C.F.R. § 1.468B-1 et seq., that is established by the Settlement Administrator for the benefit of Participating Class Members, Plaintiff, and Class Counsel.
- CC. Released Claims:** The wage and hour claims that Plaintiff, the other Participating Class Members, are fully and forever irrevocably releasing, in exchange for the consideration provided for by this Agreement, which include any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties, liabilities, expenses, and losses arising from facts, transactions, theories, occurrences, representations, or omissions alleged, or which could have been alleged, in any of the operative complaints filed in these Actions through the time of preliminary approval of the Settlement by the Court, including: (a) any alleged failure by Defendant to pay wages, minimum wages, and overtime; (b) any alleged failure by Defendant to timely pay wages; (c) any alleged failure by Defendant to provide meal or rest periods premiums; (d) any alleged failure by Defendant to timely pay wages; (f) any alleged failure by Defendant to provide compliant wage statements; (f) any alleged failure by Defendant to reimburse business expenses; (g) any right or claim for civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698 et seq., or any other penalties arising under the Labor Code or Wage Order arising from or related to the conduct alleged; (h) any right or claim for unfair business practices in violation of California Business & Professions Code § 17200 et seq. arising from or related to the conduct alleged; and (i) any violation or breach of the California Labor Code arising from or related to the conduct alleged, including without limitation, Labor Code section 201, 202, 203, 204, 212, 218.5, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1199, 2800, 2802, and IWC Wage Order No. 5, or any other state statute, rule and/or regulation, or similar causes of action arising from or relating to the conduct alleged, whether known or unknown. Notwithstanding the above, the Parties understand and agree that the release in this Settlement does not apply to (i) those rights that as a matter of law cannot be released and/or waived, including, but not limited to, workers' compensation claims; (ii) rights or claims that may arise after the close of the Class Period; and (iii) rights or claims arising out of this Settlement Agreement. This release does not become effective until the Court issues its Final Approval Order and Judgment.
- DD. Released PAGA Claims:** Upon the date of funding the Gross Settlement Amount, the State of California and PAGA Group Members release the Released Parties from all claims exhausted in Plaintiff's notice(s) sent to the

LWDA and alleged in the operative Complaint for Case No. C22-02009, which arose during the PAGA Period, regardless of whether PAGA Group Members opt out of the Class Settlement.

- EE. Released Parties:** Defendant and any of its former and present parent companies, subsidiaries, affiliates, divisions, corporations in common control, successors, and assigns, as well as all past and present officers, directors, employees, partners, owners, members, shareholders, agents, attorneys, insurers, reinsurers, professional employer organizations, and any other successors, assigns, or legal representatives, if any, who could be liable for any of the Released Claims and Released PAGA Claims.
- FF. Response Deadline:** Forty-five (45) calendar days from the initial mailing of the Class Notice.
- GG. Settlement Administrator:** The third party administrator agreed upon by Parties to administer this Settlement is CPT Group, which has administered thousands of similar settlements over the past 30 years.
- HH. Workweek:** A fixed and regularly recurring period of 168 hours, or 7 consecutive 24 hours periods beginning at 12:00 am on Monday and ending the following Sunday at 11:59 pm.

II. RECITALS

- A.** On December 22, 2021, Plaintiff filed a putative class action against Defendant entitled *Daniel Wilson v. CES Utility Solutions-CA LLC*, Case No. C21-02666, alleging the following causes of action: (1) Violation of Labor Code §§ 226.7 & 512 (failure to provide meal periods); (2) Violation of Labor Code §§ 226.7 & 512 (failure to provide rest periods); (3) Violation of Labor Code §§ 510, 1194, & 1194.2 (failure to pay all wages); (4) Violation of Labor Code § 226 (failure to comply with itemized employee wage statement provisions); (5) Violation of Labor Code §§ 201-203 (failure to pay all wages owed at the time of discharge); (6) Violation of Labor Code § 204(a)(b) (failure to timely pay employees); On September 21, 2022, Plaintiff filed a subsequent Complaint against Defendant entitled *Daniel Wilson v. CES Utility Solutions-CA LLC*, Case No. C22-02009 alleging a single cause of action for a violation of the Private Attorneys General Act (“PAGA”), Labor Code §2698 et seq., which concerned the same allegations as the class action lawsuit.
- B.** The Parties engaged in mediation on January 4, 2023 with mediator Todd A. Smith. At the conclusion of the mediation, the Parties reached an agreement on the material terms of settlement of this Action and memorialized their agreement in a Memorandum of Understanding. Prior to mediation, the Parties conducted significant investigation and informal discovery of the facts and law. Defendant produced copies of relevant written policies, copies of Plaintiff’s

time and payroll records, financial records, and relevant data for Class Members. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.

- C. Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations, including formal conversations and written correspondence before and during the January 4, 2023 mediation. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members. The Parties acknowledge that there is a good faith dispute regarding Plaintiffs' allegations of unpaid wages and that the consideration provided herein includes a good faith, reasonable compromise and settlement regarding such claim.
- D. Defense Reasons for Settlement.** Defendant, taking into account the risks, uncertainties, disruptions, and expenses involved in the Action, and its desire to put this controversy to rest, has concluded that a settlement of the Action on the terms and conditions set forth in this Agreement is in the interest of Defendant because it will end and encompass all pending, threatened, or possible litigation or claims by Plaintiff and Participating Class Members against Defendant that involve or allege the claims that have been asserted in the Action.
- E. Defendant's Denial of Wrongdoing.** Defendant denies any and all wrongdoing and liability alleged in the Action and the Parties specifically agree that neither Defendant's execution of the Settlement Agreement, nor anything referred to herein, nor any action taken to carry out this Agreement, is or may be construed as an admission by or against Defendant or deemed to be evidence: (i) of the validity of any of the claims made by Plaintiff or of any liability to Plaintiff or to any Class Member; (ii) that Defendant violated California law; or (iii) that this Action (or any other action) is properly maintainable as a class action or properly certifiable by the Court under California Code of Civil Procedure section 382.
- F. Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or

defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, Plaintiff and Class Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims and Released PAGA Claims.

- G. Each of the forgoing Recitals are incorporated into this Agreement as if fully set forth in the body of the Agreement

III. CONDITIONAL CERTIFICATION OF SETTLEMENT CLASS

- A. The settlement class shall consist of all individuals who are or previously were employed by Defendant in California who were classified as non-exempt during the Class Period (December 22, 2018 to January 31, 2023) who did not sign a release of claims, and who do not timely and validly exclude themselves from the Class through the exclusion procedures set forth in this Agreement.
- B. The Parties and their Counsel agree that, if approved, certification of the class is a conditional certification for settlement purposes only, and if for any reason the Court does not grant final approval of the Settlement, or if final approval is not given following the appeal of any order by the Court, or if for any reason the Effective Final Settlement Date does not occur, the certification of the class for settlement purposes shall be deemed null and void without further action by the Court or any of the Parties, each Party shall retain all of their respective rights and shall be returned to their relative legal positions as they existed prior to execution of this Agreement, and neither this Agreement, nor any of its accompanying exhibits or any orders entered by the Court in connection with this Agreement, shall be admissible or used for any purpose in this Action or any other legal or administrative proceeding.
- C. The Parties and their Counsel agree that, if approved, certification of the Class for settlement purposes is in no way an admission by Defendant that class certification is proper in any other litigation against Defendant.
- D. **Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree that Plaintiff shall be appointed as representative for the Class.
- E. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Roman Otkupman as Class Counsel to represent the Class.

IV. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Fund Value.** Subject to the other terms and conditions of this Agreement, and in consideration of the contemplated pleadings, releases and dismissals set forth in this Agreement, and subject to Court approval, the Parties agree Defendant shall fund a Gross Fund Value of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00).
- B. Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Fund Value to each Participating Class Member.

1. Calculation.

- a. Individual Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Fund Value that is equal to (i) the number of Workweeks he or she worked based on the Class data provided by Defendant, divided by (ii) the total number of Workweeks worked by all Participating Class Members based on the same Class data, which is then multiplied by the Net Fund Value. One day worked in a given Workweek will be credited as a Workweek for purposes of this calculation. Therefore, the value of each Class Member's Individual Settlement Share ties directly to the amount of Workweeks that he or she worked. The Workweeks for Class Members who Opt-Out will be excluded from the total Workweeks amount when calculating Participating Class Members' pro rata shares. Each individual Participating Class Member will be issued payment by check for his or her pro rata share of the Net Settlement Amount. This is non-reversionary settlement and no claim form is required to be submitted for Settlement Class Members to be paid.
- b. Workweek Information.** It is estimated that there are approximately 71 Class Members who worked 5,300 workweeks during the Class Period.
- 2. Tax Withholdings.** The Parties agree that the individual amounts paid to each Participating Class Member shall be correctly and appropriately apportioned as follows: (1) 20% wages, subject to applicable withholdings, to be reported on a W-2 form; (2) 40% to interest, not subject to withholdings and reported on a 1099 form to be issued by the Settlement Administrator; and (3) 40% to penalties, not subject to withholdings and reported on a 1099 form to be issued by the Settlement Administrator.
- 3. Defendant Responsible for Its Share of Payroll Taxes.** Defendant shall be solely responsible of Defendant's share of any employer-side payroll taxes. Defendant's share of payroll taxes allocated to the payment of wages

will be calculated based on the portion allocated to the payment of wages and paid separately from the GFV. The Settlement Administrator will calculate the taxes owed and provide this information to Defendant for payment directly to the appropriate taxing authorities

4. The Parties understand and agree that Defendant, Plaintiff, Defense Counsel and Class Counsel are not providing legal tax advice, or making representations regarding tax obligations or consequences, if any, related to this Agreement, and that the Participating Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Participating Class Members shall not seek any indemnification from Defendant, Plaintiff, Defense Counsel and Class Counsel in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Participating Class Member, such Participating Class Member assumes all responsibility for the payment of any such taxes and agrees to indemnify, defend and hold Defendant harmless for the payment of such taxes, any failure to withhold, and any penalties associated therewith.

5. **Circular 230 Disclaimer.** EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE

BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

6. Defendant, Counsel for Defendant, Plaintiff and Class Counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff and Participating Class Members will not rely on any statement, representation, or calculation by Defendant, Defense Counsel, Plaintiff, Class Counsel or the Settlement Administrator in this regard. Plaintiff and Participating Class Members understand and agree that except for Defendant's payment of the employer's portion of any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.
7. Payments made to Participating Class Members pursuant to this Agreement are not being made for any other purpose and shall not be construed as compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation, and no benefit, including but not limited to pension and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement Agreement

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

1. **To the Plaintiff:** In addition to his Individual Settlement Share, and subject to the Court's approval, Plaintiff will receive up to Ten Thousand Dollars and Zero Cents (\$10,000.00) as a Class Representative Enhancement Payment. The Settlement Administrator will pay the Class Representative Incentive Payment out of the Qualified Settlement Fund. Payroll tax withholdings and deductions will not be taken from the Class Representative Incentive Payment. An IRS Form 1099 will be issued to Plaintiff with respect to their Class Representative Incentive Payment. In the event the Court does not approve the entirety of the application for the Class Representative Incentive Payment, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NFV and be available for distribution to Participating Class Members. Plaintiff agrees to assume the responsibility of remitting to the Internal Revenue Service, the California Franchise Tax Board, and any other relevant taxing authority the amounts required by law, if any, to be withheld by Defendant from the Class Representative Incentive Payment paid under this Agreement. Plaintiff will assume full responsibility for paying all employee taxes, federal and state, if any, due as a result of the

Class Representative Incentive Payment and agree to indemnify Defendant for any such employee taxes owed.

2. **To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agrees not to oppose, a total Attorney Fee Award not to exceed thirty-five percent (35%) of the GFV, or Seventy Thousand Dollars and Zero Cents (\$70,000.00) and a Cost Award not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00). The Settlement Administrator will pay the court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Fund Value. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NFV and be available for distribution to Participating Class Members. Class Counsel assumes full responsibility for paying all taxes, federal and state, if any, due as a result of any awarded attorney's fees and costs.
 - a. The Parties agree that the Court's approval or denial of any request for the Attorney Fee Award and/or Cost Award, or Class Representative Incentive Payment are not material conditions to this Agreement and are to be considered by the Court separately from the fairness, reasonableness, adequacy, and good faith of the settlement. Any order or proceeding relating to the application by Class Counsel of an Attorney Fee Award and/or Cost Award, or Class Representative Incentive Payment shall not operate to terminate or cancel this Agreement. However, Class Counsel retains the right to file an appeal in the event the Court reduces and/or denies the requested Attorney Fee Award and/or Cost Award, and/or Class Representative Incentive Payment.
3. **To the Settlement Administrator.** The Settlement Administrator, CPT Group, will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$12,500. This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NFV and be available for distribution to Participating Class Members.
4. **To Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations

set forth above. All payments to Participating Class Members shall be made from the Qualified Settlement Fund.

D. Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties stipulate and agree that CPT Group shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, and mailing the Class Notice to Class Members; keeping track of any objections or requests for exclusion from Class Members; performing skip traces and remailing Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; providing weekly status reports to Defendant's Counsel and Class Counsel, which are to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing Individual Settlement Shares to Participating Class Members; calculating and mailing the PAGA Payment to the LWDA; distributing the Attorney Fee Award and Cost Award to Class Counsel; printing and providing Class Members and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the California's Secretary of State – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member, and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in CPT Group or otherwise have a relationship with CPT Group that could create a conflict of interest.

E. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a. Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the form and content of the Class Notice within a reasonable time after full execution of this Agreement.
- b. At the same time that the Plaintiff files its Motion for Preliminary Approval, Plaintiff shall also submit to the LWDA a copy of the executed Settlement Agreement, pursuant to Labor Code § 2699(1)(2).
- c. At the Preliminary Approval hearing, Plaintiff will support the granting of the motion and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class

Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.

- d. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Incentive Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorney Fee Award, Cost Award, Administration Costs, and/or Class Representative Incentive Payment shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Incentive Payment.

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

- a. Within twenty-one (21) business days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator a list of all Class Members, including the following information/data, in a Microsoft Excel spreadsheet: (1) full name; (2) last known home mailing address; (3) social security number; (4) dates of employment; and (5) the total number of workweeks worked during the Class Period as a member of the Class (hereinafter the "Class List"). If any or all of this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members. The Class List shall be based on Defendant's payroll, personnel, and other business records maintained in the ordinary course of business.. The Parties agree that the contents of the Class List are confidential and not to be shared with anyone other than the Settlement Administrator for any purpose.

- b. Escalation.** In connection with the mediation, it was estimated that there were approximately 5,300 workweeks during the Class Period. If, at any time prior to Final Approval of this Settlement, the number of workweeks during the Class Period is more than 10% greater than this figure (i.e., if there are 5,830 or more workweeks worked by the settlement class members), the GFV shall increase proportionally.
- c.** Within ten (10) business days after receipt of the Class List information from Defendant, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail, using the mailing address information provided by Defendant and the results of the skip trace performed on all former Defendant employee Class Members.
- d.** If a Class Notice is returned because of an incorrect address, within ten (10) business days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Settlement Administrator is unable to locate a better address, the Class Notice shall be re-mailed to the original address. If the Class Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing.
- e.** The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion received.
- f.** No later than ten (10) business days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the

Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) business days before the Final Approval hearing. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

- 3. Objections to Settlement.** The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, and must have the objection signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline, which shall be forty-five (45) calendar days after the Notice is first mailed to Class Members. The timeframe to submit an objection will not be increased for returned mailings.

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

- 4. Request for Exclusion from the Settlement ("Opt-Out").** The Class Notice will include an Opt-Out Form which will allow Class Members who wish to exclude themselves from the Settlement to mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and social security number or employee identification number; (b) explicitly state the Class Member's intention to exclude themselves from or opt-out of the Settlement and the Class Member's understanding that he or she will not receive any money from the settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member; and (e) be postmarked no later than the Response Deadline.

- a. Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely request for exclusion will

automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.

- b. Report.** No later than ten (10) business days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.
- c. Defendant's Option to Terminate.** Defendant, at its sole option, may nullify the settlement within thirty (30) days of learning that Six percent (6%) or more of the Class Members timely and properly requested exclusion from the Settlement.

5. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

6. Motion for Final Approval.

- a.** Within a reasonable time following expiration of the Response Deadline, Class Counsel shall file a Motion for Final Approval and Entry of Final Judgement with all necessary supporting documents with the Court and shall schedule a Final Approval Hearing in accordance with applicable rules. Class Counsel shall be responsible for drafting all documents necessary to obtain final approval. Class Counsel shall also file and serve their motion for approval of the Attorney Fee Award, the Cost Award, and the Class Representative Incentive Payment, along with all supporting evidence at the same time they file and serve their Motion for Final Approval.
- b.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no

further obligations under the Settlement, including any obligation by Defendant to pay the Gross Fund Value or any amounts that otherwise would have been owed under this Agreement. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Incentive Payment, Attorney Fee Award, and/or Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.

- c. Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the Action pursuant to Cal. Code Civ. Proc. § 664.6 for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters; and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.
 - d. Within 10 days after entry of the Court's Final Approval Order and Judgment, Plaintiff shall submit a copy of the Court's Final Approval Order and Judgment to the LWDA.
7. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.
8. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Fund Value, an alteration in the calculation of the Net Fund Value, and any change to the calculation of the Individual Settlement Share. A material modification would not include any alteration of the Attorney Fee Award, the Cost Award, the Class Representative Incentive, or the Administration Costs.

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

- a. **Funding the Settlement:** By December 31, 2023 or the date upon which an appeal of the Final Approval Order and Judgment expires, whichever is later, Defendant shall pay the Gross Fund Value of Two Hundred Thousand Dollars (\$200,000.00) into the Qualified Settlement Fund set up by the Settlement Administrator by wiring the funds. Defendant shall also at this time provide any tax information in its possession that the Settlement Administrator may need to calculate each Participating Class Members' Individual Settlement Share.
- b. **Disbursement:** Within ten (10) business days after the Settlement is funded, the Settlement Administrator shall calculate and pay all payments due under the Settlement Agreement, including all Individual Settlement Shares, the Attorney Fee Award, the Cost Award, the Class Representative Incentive Payment, the PAGA Payment, and the Administration Costs. The Settlement Administrator will forward a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim.
- c. **QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

10. Uncashed Checks. Checks issued to the Participating Class Members pursuant to this Agreement shall remain negotiable for a period of one hundred eighty (180) days from the date of mailing by the Settlement Administrator. Thereafter, the checks shall become null and void, and any

monies remaining in the distribution account shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §§ 1500 et seq., for the benefit of those Participating Class Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as Individual Settlement Shares will be paid out to Participating Class Members, whether or not they cash their settlement checks, and that Defendant will not be required to pay interest on said amount

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

12. Defendant’s Legal Fees. Defendant is responsible for paying for all of Defendant’s own legal fees, costs, and expenses incurred in this Action.

F. Comprehensive Waiver and Release of Claims.

1. Upon final approval by the Court of the Settlement, all Participating Class Members will be deemed to have, and by operation of the Order Granting Final Approval of Class Action Settlement will have, expressly and irrevocably released, acquitted, and forever discharged all of the Released Parties from the Released Claims and Released PAGA Claims. Participating Class Members will be deemed to have specifically acknowledged that this Release reflects a compromise of disputed claims.
2. Upon the Final Approval Order, Participating Class Members also waive and release all claims for attorneys’ fees and costs incurred by Participating Class Members or by Class Counsel in connection with the Action and the Settlement of the Action, except for the Attorney Fee Award and Cost Award as set forth in this Agreement and as approved by the Court.
3. As a material term of this Agreement, Upon the Final Approval Order, Plaintiff hereby fully, finally, and forever releases and discharges all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties of whatever kind and nature, character and description, whether in law or equity, whether sounding in tort, contract, federal, state, and/or local law, statute, ordinance, regulation, common law, or other source or law, whether known or unknown, and whether anticipated or unanticipated, arising from Plaintiff’s relationship or termination or relationship with any Released Party (“General Release”). The claims released by Plaintiff include, but not are not limited to, the claims released by Participating Class Members, as well as any other claims under any provision of the California Labor Code, any city or county ordinance in the

State of California, and claims under any other state or federal laws, including, without limitation, the Fair Employment Housing Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act of 1974, and all of their implementing regulations and interpretive guidelines. Plaintiff also agrees, for the purpose of implementing a full and complete release and discharge of the Released Parties, that this General Release is intended to include all claims that Plaintiff did not know or suspect to exist in his favor at the time of execution of this Agreement. Plaintiff affirms and agrees that the Enhancement Payment and Individual Settlement Share are sufficient consideration for the full release of all claims alleged in the Action and that, he has released all known and unknown claims against the Released Parties that could have been alleged in this action.

4. Plaintiff also expressly releases the Released Parties of all of his rights under Section 1542 of the Civil Code of the State of California as to any claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against Released Parties. Section 1542 provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing this release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

G. Miscellaneous Terms

1. **No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in

connection with, any litigation (other than solely in connection with this Settlement).

- 2. No Effect on Employee Benefits.** The Class Representative Incentive Payment and/or Individual Settlement Shares paid to Plaintiff and Participating Class Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class Members. The Parties agree that any Class Representative Incentive and/or Individual Settlement Shares paid to Plaintiff or the Participating Class Members under the terms of this Agreement do not represent any modification of Plaintiff or Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, the Class Representative Incentive Payment shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- 3. No Solicitation of Individual Settlements.** Defendant and its Counsel agree that until and unless the Court does not grant Final Approval of the Settlement and/or the Settlement Agreement becomes null and void, Defendant and its Counsel will not attempt to procure any individual settlements from Class Members, though Defendant can settle individual claims asserted against it, if any. Should this clause be violated, Plaintiff reserves the right to terminate the Settlement Agreement. Plaintiff and his counsel agree that until and unless the Court does not grant Final Approval of the Settlement and/or the Settlement Agreement becomes null and void, Plaintiff and his counsel shall not attempt to procure from Class Members any requests for exclusion from the Settlement. Should this clause be violated, Defendant reserves the right to terminate the Settlement Agreement.
- 4. Non-Disclosure and Non-Publication.** Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly to any person or entity, except to Class Members as required to effectuate the terms of the Settlement Agreement as set forth herein. Class Counsel agree to discuss the terms of this Settlement only in declarations submitted to a court to establish their adequacy to serve as class counsel, in declarations submitted to a court in support of motions for preliminary approval, final approval, for attorneys' fees/costs, and any other pleading filed with the Court in conjunction with the Settlement, and in discussions with Class Members in the context of administering this Settlement until

the Preliminary Approval Order is issued. No Court filing will be circulated by Class Counsel. Nothing in this paragraph shall prevent Class Counsel from carrying out their duties as such.

- 5. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
- 6. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
- 7. Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
- 8. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Superior Court.
- 9. Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.

- 10. Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- 11. No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.
- 12. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- 13. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
- 14. Jurisdiction of the Superior Court.** The Superior Court of Contra Costa County shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith. The parties shall specifically request that the Court jurisdictions as required by Code of Civil Procedure Section 664.6
- 15. Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Superior Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.
- 16. Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

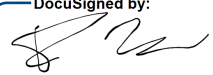
17. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF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

V. EXECUTION BY PARTIES

The Parties and their counsel execute this Agreement.

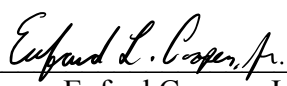
Dated: 3/10/2023, 2023

Daniel Wilson

DocuSigned by:

842D8DCC54D149B...

Dated: 03-17-2023, 2023

CES Utility Solutions-CA LLC


Name: Eufard Cooper, Jr.
Title: CEO and President

4883-0810-9392, v. 3

EXHIBIT A

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF CONTRA COSTA
WAKEFIELD TAYLOR COURTHOUSE**

**DANIEL WILSON, as an individual and on
behalf of all employees similarly situated,**

Plaintiff,

v.

**CES UTILITY SOLUTIONS-CA LLC, a
California corporation; and DOES 1 through
10, inclusive,**

Defendant.

CASE NO. C21-02666 and C22-02009

NOTICE OF CLASS ACTION SETTLEMENT

THIS NOTICE MAY AFFECT YOUR RIGHTS.

PLEASE READ IT CAREFULLY.

YOU MAY BE ENTITLED TO MONEY UNDER THIS SETTLEMENT.

Notice is hereby given that a proposed settlement (the “Settlement”) of the class action lawsuit filed on December 22, 2021 in Contra Costa Superior Court, Case No. C21-02666, and the Private Attorney General Act (“PAGA”) lawsuit filed on September 21, 2022, in Contra Costa Superior Court, Case No. C22-02009, both entitled *Daniel Wilson v. CES Utility Solutions-CA LLC* (hereinafter referred to as “lawsuits”), has been reached by the Plaintiff Daniel Wilson (“Plaintiff”) and Defendant CES Utility Solutions-CA LLC (“CES” or “Defendant”), and granted preliminary approval by the Contra Costa Superior Court.

The proposed Settlement will resolve all claims asserted against CES in the lawsuits. A hearing addressing the fairness, adequacy and reasonableness of the Settlement will be held on [REDACTED] to determine whether the Settlement should receive the Court’s final approval. Because your rights may be affected, it is extremely important that you read this Notice carefully.

A. PURPOSE OF THIS NOTICE

The Contra Costa County Superior Court has ordered that this Notice be sent to you because you have been identified as a potential Class Member. **The “Class” is defined as all individuals who are or previously were employed by CES in California who were classified as non-exempt during the Class Period and who did not sign a release of claims during the Class Period. The Class Period is defined as December 22, 2018 through January 31, 2023.**

You received this notice because the CES’s records show that you currently work, or previously worked, for CES as a non-exempt or hourly-paid employee during the Class Period and are entitled to share in the proceeds of the Settlement. This notice has been mailed to all known and reasonably ascertainable Class Members based on CES’s records.

If you have questions, contact the CPT Group at () -

The purpose of this Notice is to: (a) provide a brief description of the lawsuits; (b) inform you of the proposed Settlement; and (c) discuss your rights and options with respect to the lawsuits and Settlement.

B. DESCRIPTION OF THE LAWSUITS

The complaint in Case No. C21-02666 was filed on December 22, 2021 against CES in Contra Costa County Superior Court. Plaintiff sought damages, penalties and related recovery for allegations and claims for: (1) Failure to Provide Meal Periods; (2) Failure to Provide Rest Periods; (3) Failure to Pay All Wages; (4) Knowing and Intentional Failure to Comply with Itemized Wage Statements; (5) Failure to Pay Wages Upon Termination; and (6) Failure to Timely Pay Employees. Plaintiff's complaint in Case No. C22-02009 was filed on September 21, 2022, seeking penalties under Civil Penalties under the California Labor Code Private Attorney's General Act. (Lab. Code, §§ 2698, 2699.) for the same allegations in Case No. C21-02666.

CES denies all of the allegations asserted in the lawsuits and asserts that it has no liability whatsoever for the claims of Plaintiff or the Class. The Contra Costa County Superior Court has made no ruling on the merits of Plaintiff's claims or CES's defenses.

The Attorney for the Class ("Class Counsel") is:

Roman Otkupman
Roman@OLFLA.com
OTKUPMAN LAW FIRM, A LAW CORPORATION
5743 Corsa Ave., Suite 123
Westlake Village, California 91362
Telephone: (818) 293-5623

The Attorneys for CES ("Defense Counsel") are:

Benjamin J Schnayerson
Ben.Schnayerson@jacksonlewis.com
Jamelee F. Martinez
Jamie.Martinez@jacksonlewis.com
JACKSON LEWIS P.C.
50 California Street, 9th Floor
San Francisco, California 94111
Telephone: (415) 394-9400

The Settlement Administrator is CPT Group, who can be reached at () - or by email at . CPT Group has administered thousands of similar settlements over the past 30 years.

C. YOUR OPTIONS

If you fit the above description of the Class, you have several options. Each option will affect your rights, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below.

1. You Can Do Nothing

If you do nothing, you will be bound by the proposed Settlement terms and will be entitled to the Individual Settlement Share described below. If your address or other contact information changes, please notify the Settlement Administrator.

2. You Can Opt Out of the Class

If you do not want to remain a member of the Class, you can request exclusion from the Class (i.e., opt out) by sending the Settlement Administrator by mail on or before , a timely and properly completed and signed Exclusion Form, a copy of which is attached to this Notice. The Exclusion Form must

If you have questions, contact the CPT Group at () -

include your name, former names (if any), current address, and telephone number. Requests for exclusion that do not include all required information, or that are not postmarked before the deadline, will be deemed null, void and ineffective. If you timely and properly opt out of the class, you will no longer be a member of the Class, you will not receive any benefits under this Settlement, and you will be barred from objecting to this Settlement. By opting out of the class, you will retain whatever rights or claims you may have, if any, against CES, and be free to pursue them on an individual basis if you so choose.

3. You Can Object to the Settlement

If you are a Class Member who does not timely and validly opt out of the class, you may object to the Settlement by timely sending your written objection to the Settlement Administrator, who will provide a copy to the parties' attorneys and the Court. All objections must be signed and must contain: (a) your name, address, telephone number, (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witnesses you may call to testify at the Final Approval hearing; (e) provide true and correct copies of any exhibits you intend to offer at the Final Approval hearing and (f) the name of the case: *Daniel Wilson v. CES Utility Solutions-CA LLC*, Case Numbers C21-02666 and C22-02009. All objections must be postmarked on or before [REDACTED] to be considered timely. Even if you do not submit a timely written objection, you may appear, personally or through an attorney, at your own expense, at the Final Approval Hearing to present your objection orally and directly to the Court. Your objection should clearly explain why you object to the Settlement. If you object to the Settlement and if the Court approves the Settlement, you will be bound by the terms of the Settlement Agreement in the same way as a Class Member who does not object.

D. SUMMARY OF TERMS OF SETTLEMENT AGREEMENT

The principal terms of the Settlement Agreement are summarized in this Notice. If you have any questions about the Settlement Agreement, please contact Class Counsel at the address or telephone number provided above.

The Settlement Agreement provides that:

- Defendant will agree to certify this matter as a class action for settlement purposes only;
- Defendant will pay an amount up to two hundred fifteen thousand dollars (\$200,000.00) (referred to as the "Gross Fund Value");
- Class Representative Daniel Wilson will apply for approval from the Court to receive a service payment of ten thousand dollars (\$10,000.00) for his participation in the lawsuits, which will be deducted from the Gross Fund Value;
- The Settlement Administrator's fees will be paid out of the Gross Fund Value, not to exceed ten thousand dollars (\$12,500.00);
- Fifteen thousand dollars (\$15,000.00) will be allocated to the Private Attorneys General Act claims, of which eleven thousand two hundred and fifty dollars (\$11,250.00) will be paid to the California Labor and Workforce Development Agency ("LWDA"). The remaining approved three thousand seven hundred and fifty dollars (\$3,750.00) will remain in the Net Fund Value;
- Class Counsel is seeking the Court to award seventy-one thousand dollars and zero cents (\$70,000.00) in attorneys' fees, and up to twenty thousand dollars (\$20,000.00) in costs;
- After deducting the Settlement Administrator's fees, Class Counsel' attorneys' fees and costs, Plaintiff's service payment, and the payment to the LWDA, the remaining Net Fund Value will be paid out to all Class Members who do not request exclusion from the Settlement ("Participating Class Members").

- The amount each Class Member receives will be based on the number of workweeks he or she worked during the Class Period of December 22, 2018, through January 31, 2023.

1. Settlement Payments

Your Eligible Workweeks are: _____ **Your Estimated Settlement Amount is:** \$ _____

The expiration date on the settlement checks distributed by the Settlement Administrator will be one hundred and eighty (180) days from the date the settlement check is mailed. All uncashed settlement checks once voided will be submitted to the California State Controller's Office: Unclaimed Property department.

The above information regarding your eligible workweeks was provided by Defendant's records. If you dispute the above information regarding your workweeks, you have until [REDACTED] to provide documentary evidence in support of your dispute to the Settlement Administrator. If you fail to do so, Defendant's records will be determinative of your estimated settlement amount.

The Individual Settlement Share to each Participating Class Member shall be allocated as follows: 20% shall be attributed to taxable wages from which employee payroll taxes will be withheld and paid by Defendant and to be reported on a W-2 form; and 80% shall be attributed to penalties and interest to be reported on a 1099 form.

2. Participating Class Members Tax Matters.

All Participating Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive. No provision of this Settlement, and no written communication or disclosure between or among the parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended).

3. Release

The Settlement Agreement provides that, except as to such rights or claims as may be created by this Settlement, the Class Representatives, and each Class Member who has not submitted a valid and timely request for exclusion, each fully releases and discharges CES, and any of its former and present parent companies, subsidiaries, affiliates, divisions, corporations in common control, successors, and assigns, as well as all past and present officers, directors, employees, partners, owners, members, shareholders, agents, attorneys, insurers, reinsurers, professional employer organizations, and any other successors, assigns, or legal representatives, any and all causes of action, claims, rights, damages, punitive or statutory damages, penalties, liabilities, expenses, and losses arising from facts, transactions, theories, occurrences, representations, or omissions alleged, or which could have been alleged, in any of the operative complaints filed in the lawsuits through the time of preliminary approval of the Settlement by the Court, including: (a) any alleged failure by Defendant to pay wages, minimum wages, and overtime; (b) any alleged failure by Defendant to timely pay wages; (c) any alleged failure by Defendant to provide meal or rest periods premiums; (d) any alleged failure by Defendant to timely pay wages; (e) any alleged failure by Defendant to provide compliant wage statements; (f) any alleged failure by Defendant to reimburse business expenses; (g) any right or claim for civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698 et seq., or any other penalties arising under the Labor Code or Wage Order arising from or related to the conduct alleged; (h) any right or claim for unfair business practices in violation of California Business & Professions Code § 17200 et seq. arising from or related to the conduct alleged; and (i) any violation or breach of the California Labor Code arising from or related to the conduct alleged, including without limitation, Labor Code section 201, 202, 203, 204, 212, 218.5, 226,

226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1199, 2800, 2802, and IWC Wage Order No. 5, or any other state statute, rule and/or regulation, or similar causes of action arising from or relating to the conduct alleged, whether known or unknown for the period of December 22, 2018, through January 31, 2023.

E. FINAL APPROVAL HEARING ON PROPOSED SETTLEMENT

You are not required to attend the Final Approval Hearing or file an objection although you may do both. The Final Approval Hearing on the fairness and adequacy of the proposed Settlement, the plan of distribution of the Settlement proceeds and Class Counsel's request for attorneys' fees and costs will be held on [REDACTED], at [REDACTED] in Department 12 of the Contra Costa County Superior Court, Wakefield Taylor Courthouse, located at 725 Court St., Martinez, CA 94553. The Final Approval Hearing may be continued to another date without further notice. If you plan to attend the Final Approval Hearing, you may contact the Settlement Administrator to confirm the date and time. Information regarding the Court's remote appearances and social distancing procedures can be found on the Court's website: www.cc-courts.org.

F. ADDITIONAL INFORMATION.

This Notice only summarizes the lawsuits, the Settlement Agreement and related matters. For more information, you may contact Class Counsel or the CPT Group to obtain copies of any documents in this case. Any questions regarding this Notice or lawsuits may be sent to CPT Group at the above email and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address and telephone number set forth above. If your address changes or is different from the address on the envelope enclosing this Notice, please promptly notify the CPT Group. Any judgment entered by the Court in this case will be available on the CPT Group's website for one year at www.cptgroup.com.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

4873-1606-6127, v. 1

REQUEST FOR EXCLUSION FROM CLASS (“OPT-OUT”) FORM

Wilson v. CES Utility Solutions-CA LLC

Contra Costa County Superior Court, Case No. C21-02666-C22-02009

YOU MUST COMPLETE THIS FORM IF YOU DO NOT WISH TO BE PART OF THE CLASS ACTION SETTLEMENT.

By signing and returning this form, I confirm that I do not want to be included in the Settlement of the class action lawsuit referenced above.

I understand that by opting out, I am giving up my right to receive any payments under the settlement.

By opting out, I understand that I retain the right to file my own individual lawsuit against CES Utility Solutions-CA LLC.

By providing the following information, I affirm that I want to opt-out of this class:

First Name	Middle Initial	Last Name
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Former Name (if any): First	Middle Initial	Last Name
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Current Mailing Address	City	State	Zip
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Home Phone Number	Work/Other Phone Number
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Last 4 digits of your Social Security Number

(Sign Here)

(Date)