

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Rafael Cuellar (“PLAINTIFF”) and defendant Heniff Transportation Systems, LLC (“DEFENDANT”). The Agreement refers to PLAINTIFF and DEFENDANT collectively as “Parties” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the PLAINTIFF’s lawsuit alleging wage and hour violations against DEFENDANT captioned *Rafael Cuellar v. Heniff Transportation Systems, LLC*, Complaint, commenced on March 9, 2023, Case No. 23PSCV00696.
- 1.2 “Administrator” means ILYM Group, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employees” means DEFENDANT’S current and former hourly-paid, non-exempt employees, who either were or are employed in the State of California from January 3, 2022, through July 20, 2025.
- 1.5 “Class” means DEFENDANT’S current and former hourly-paid, non-exempt employees, who either were or are employed in the State of California from September 25, 2020, through July 20, 2025.
- 1.6 “Class Counsel” means Haig B. Kazandjian Lawyers, APC.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in DEFENDANT’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “Class Member Address Search” means the Administrator’s investigation and

search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator.

- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from September 25, 2020, through July 20, 2025.
- 1.13 “Class Representative” means the named PLAINTIFF in the operative complaint in the Action seeking Court approval to serve as a Class Representatives.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15 “Court” means the Superior Court of California, County of Los Angeles.
- 1.16 “Defense Counsel” means Scopelitis, Garvin, Light, Hanson & Feary, LLP.
- 1.17 “Effective Date” means the date when all of the following events have occurred: (a) this Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court has given Preliminary Approval of the Agreement; (c) notice has been given to the Class Members providing them with an opportunity to opt-out of the Settlement; (d) the Court has held a Final Approval Hearing and entered a Final Judgment and judgment approving this Agreement from which no appeal can be taken; and (e) in the event there are written objections filed prior to the Final Approval Hearing that are not later withdrawn, the later of the following events: (i) when the period for filing any appeal, writ, or other appellate proceeding opposing the Agreement and Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; or (ii) when any appeal, writ, or other appellate proceeding opposing the Agreement and Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (iii) when any appeal, writ, or other appellate proceeding has upheld the Court’s Final Approval Order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Agreement and Settlement shall not become effective until the Court’s order approving the Agreement and Settlement is completely final and there is no further recourse for an appellant or objector who seeks to contest the Agreement and Settlement. If no objections are filed, the Effective Date shall be after steps (a) through (d) have been completed.
- 1.18 “Final Approval” means the Court’s order granting final approval of the Settlement.

- 1.19 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.21 “Gross Settlement Amount” means \$325,000.00, which is the total amount DEFENDANT agrees to pay, in addition to all employer payroll taxes owed on the wage portion of the Individual Class Payments under the Settlement, except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment.
- 1.22 “Individual Class Payment” means a Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.23 “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.24 “LWDA” means the California Labor and Workforce Development Agency.
- 1.25 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Cal. Labor Code section 2699, subdivision (i).
- 1.26 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.27 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.28 “Operative Complaint” means the Second Amended Complaint to be filed by PLAINTIFF in accordance with Paragraph 2.1.
- 1.29 “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for DEFENDANT for at least one day during the PAGA Period.
- 1.30 “PAGA Period” means the period from January 3, 2022, through July 20, 2025.
- 1.31 “PAGA” means the Private Attorneys General Act (Cal. Lab. Code, § 2698 *et seq.*).

- 1.32 “PAGA Notice” means PLAINTIFF’s April 27, 2022, letter to DEFENDANT and the LWDA providing notice pursuant to Cal. Labor Code section 2699.3, subdivision (a).
- 1.33 “PAGA Penalties” means \$25,000.00, the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$6,250.00) and 75% to LWDA (\$18,750.00) in settlement of PAGA claims.
- 1.34 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.35 “Preliminary Approval” means the Court’s order granting preliminary approval of the settlement.
- 1.36 “Preliminary Approval Order” means the proposed order granting preliminary approval of the Settlement.
- 1.37 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.38 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.39 “Released Parties” means: (a) Defendant and (b) its past, present, and/or future parent, subsidiary, affiliated, or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), including each related company, corporation, and/or partnership (defined as a company, corporation, and/or partnership that is, directly or indirectly, under common control with Defendant or any of its parents and/or affiliates), and (c) each of the previously listed persons’ and entities’ respective past, present, and future agents, contractors, employees, servants, officers, directors, principals, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors, divisions, assigns, predecessors, successors, insurers, and consultants.
- 1.40 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the class portion of the Settlement signed by the Class Member.
- 1.41 “Response Deadline” means 45 days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his, her, or their Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional 14 days beyond the Response Deadline to fax, email, or mail Requests for Exclusion from and Objections to the Settlement.

- 1.42 “Settlement” means the disposition of the Actions effected by this Agreement and the Final Judgment.
- 1.43 “Workweek” means any week during which a Class Member worked for DEFENDANT for at least one day during the Class Period.

2. RECITALS.

- 2.1 On March 9, 2023, PLAINTIFF Cuellar commenced the Action by filing a Complaint against DEFENDANT in the Superior Court for the County of Los Angeles, California, Case No. 23PSCV00696, which asserted claims under PAGA. On October 6, 2023, PLAINTIFF filed a First Amended Complaint, which also asserted claims only under PAGA. As part of this Agreement, the Parties have filed a Stipulation seeking approval of the filing of a Second Amended Complaint to add class action claims to the Action. The Second Amended Complaint alleges, as separate causes of action, (i) class action claims under the California Labor Code that correspond to the California Labor Code violations that PLAINTIFF alleges in the First Amended Complaint and (ii) a claim under the California Unfair Competition Law, California Business and Professions Code section 17200 *et seq.*, that corresponds to the California Labor Code violations that PLAINTIFF alleges in the First Amended Complaint. If the Court does not permit PLAINTIFF to file the Second Amended Complaint or requires PLAINTIFF to make any material change to the Second Amended Complaint, the Parties shall meet, confer, and negotiate in good faith for a period of thirty (30) days to modify the Second Amended Complaint directly, or with the assistance of a mediator, to address any concerns identified by the Court. If the Court does not permit PLAINTIFF to file the Second Amended Complaint, as modified, after meeting and conferring in good faith, then this Agreement shall be null and void and the Parties shall equally bear any expenses incurred by the Administrator in administering the Settlement up to that point. The Second Amended Complaint, including any modifications agreed upon by the Parties, is referred to throughout this Agreement as the “Operative Complaint.” DEFENDANT denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged.
- 2.2 Pursuant to Cal. Labor Code section 2699.3, subdivision (a), PLAINTIFF gave timely written notice to DEFENDANT and the LWDA by sending the PAGA Notice.
- 2.3 On April 21, 2025, the Parties participated in an all-day mediation presided over by Deborah Crandall Saxe, Esq., which led to a mediator’s proposal and subsequent settlement.
- 2.4 Prior to mediation and in negotiating the Settlement, PLAINTIFF obtained informal discovery, information about the Class Members’ pay history, a sampling of Class Members’ time and pay records, pertinent policies and handbooks of DEFENDANT, and additional documents requested by PLAINTIFF. PLAINTIFF’s investigation was

sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

- 2.5 The Court has not granted class certification as a motion for class certification has not been filed.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, DEFENDANT shall pay \$325,000.00 and no more as the Gross Settlement Amount, and shall separately pay any and all employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments. DEFENDANT shall have no obligation to pay the Gross Settlement Amount (or any employer-side payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator shall disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. The Gross Settlement Amount shall not revert to DEFENDANT.
- 3.2 Payments from the Gross Settlement Amount. The Administrator shall make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:
- 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00, in addition to any Individual Class Payments and any Individual PAGA Payments the Class Representative is entitled to receive as a Participating Class Member. DEFENDANT shall not oppose PLAINTIFF’s request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, PLAINTIFF shall seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator shall retain the remainder in the Net Settlement Amount. The Administrator shall pay the Class Representative Service Payment using IRS Form 1099. PLAINTIFF assumes full responsibility and liability for any and all taxes owed on the Class Representative Service Payment and shall hold harmless and indemnify Released Parties from any liability related thereto.
- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be \$113,750.00, and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00. DEFENDANT shall not oppose requests for these payments provided they do not exceed these amounts. PLAINTIFF and/or Class Counsel shall file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than 16 court days prior to the Final Approval

Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator shall allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other PLAINTIFF's counsel arising from any claim to any portion of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator shall pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and shall hold Released Parties harmless from, and indemnify DEFENDANT for, any dispute or controversy arising from any of these Payments.

- 3.2.3 To the Administrator: An Administration Expenses Payment not to exceed \$4,850.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment of less than \$4,850.00, the Administrator shall retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment shall be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and shall be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member's Individual Class Payment shall be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to tax withholdings and shall be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments. The Administrator shall be responsible for preparing and filing all appropriate forms and filings with all federal, state, county, and/or local taxing authorities with respect to the employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments.
- 3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members shall not receive any Individual Class Payments. The Administrator shall retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
- 3.2.4.3 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$25,000.00 to be paid from the Gross Settlement Amount, with 75% (\$18,750.00) allocated to the LWDA PAGA Payment and 25% (\$6,250.00) allocated to the Individual PAGA Payments. The Administrator shall calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25%

share of PAGA Penalties (\$6,250.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

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

3.1.5.2 Effect of Non-Participating Class Members who are Aggrieved Employees on Individual PAGA Payments. Non-Participating Class Members who are Aggrieved Employees shall, notwithstanding any Request for Exclusion, release the claims identified in paragraph 5.3 of this Agreement and shall receive an Individual PAGA Payment.

4 SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, DEFENDANT estimates there are 81 Class Members who collectively worked a total of 5,290 Workweeks during the Class Period, and 70 Aggrieved Employees who collectively worked a total of 2,209 PAGA Pay Periods during the PAGA Period.

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

4.3 Funding of Gross Settlement Amount. DEFENDANT shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay DEFENDANT's share of the employer payroll taxes applicable to the Wage Portion of the Individual Class Payments, by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after DEFENDANT

funds the Gross Settlement Amount, the Administrator shall mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

- 4.4.5 The Administrator shall issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator shall cancel all checks not cashed by the void date. The Administrator shall send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator shall send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.6 The Administrator must conduct a Class Member Address Search for all Class Members whose checks are returned undelivered without a United States Postal Service ("USPS") forwarding address. Within 7 days of receiving a returned check, the Administrator shall re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced upon request by the Class Member prior to the void date.
- 4.4.7 For any Class Member and/or Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of Cal. Code of Civil Procedure section 384, subdivision (b).
- 4.4.8 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate DEFENDANT to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5 **RELEASES OF CLAIMS.** Effective on the date when DEFENDANT fully funds the

entire Gross Settlement Amount and funds DEFENDANT's share of all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, PLAINTIFF, Class Members, and Class Counsel shall release claims against all Released Parties as follows:

5.1 Plaintiff's Release. PLAINTIFF, on his own behalf, and on behalf of his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally release and discharge the Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and/or PLAINTIFF's PAGA Notice, and (c) all claims that were, or reasonably could have been ascertained during the Action and that Class Members agree to release under Paragraph 5.2 ("PLAINTIFF's Release"). PLAINTIFF's Release does not extend to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. PLAINTIFF acknowledges that PLAINTIFF may discover facts or law different from, or in addition to, the facts or law that PLAINTIFF now knows or believes to be true but agrees, nonetheless, that PLAINTIFF's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or PLAINTIFF's discovery of them.

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

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint or ascertained in the course of the Action during the Class Period, including, but not limited to, claims under (i) California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 223, 226, 226.2, 226.3, 226.7, 246, 256, 432, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1182.2, 1182.12, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1198.5, 1199, 2698 *et seq.*, 2800, and 2802, (ii) California Industrial Welfare Commission Wage Orders 5 and 9, (iii) California Code of Regulations §§ 11010, 11050, and 11090, (iv) California Civil Code § 3287,

and (v) California Business and Professions Code § 17000 *et seq.* Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

- 5.3 Release by the LWDA: PLAINTIFF, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, on behalf of the LWDA and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, releases the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, by the LWDA based on the facts stated in the Operative Complaint and PLAINTIFF's PAGA Notice or ascertained in the course of the Action during the PAGA Period, including, but not limited to, claims under (i) California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 223, 226, 226.2, 226.3, 226.7, 246, 256, 432, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1182.2, 1182.12, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1198.5, 1199, 2698 *et seq.*, 2800, and 2802, (ii) California Industrial Welfare Commission Wage Orders 5 and 9, (iii) California Code of Regulations §§ 11010, 11050, and 11090, (iv) California Civil Code § 3287, and (v) California Business and Professions Code § 17000 *et seq.* PLAINTIFF, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, only releases these claims on behalf of the LWDA for the duration of the PAGA Period.

- 6 **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current guidelines for Preliminary Approvals.

- 6.1 Plaintiff's Responsibilities. PLAINTIFF shall prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice of, and memorandum in support of, the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary Approval; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Class Data, amounts of insurance coverage for any data breach, defalcation of funds, or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Class Members, and the nature and extent of any financial relationship with PLAINTIFF, Class Counsel, or Defense Counsel; (v) a signed declaration from PLAINTIFF; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members, its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Cal. Lab. Code § 2699.3, subd. (a)), Operative Complaint (Cal. Lab. Code § 2699, subd. (l)(1)), this Agreement (Cal. Lab. Code, § 2699, subd. (l)(2))), and all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator.

- 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.
- 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel shall expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, the Parties shall meet, confer, and negotiate in good faith for a period of thirty (30) days following any order denying Preliminary Approval to modify the Agreement directly, or with the assistance of a mediator, to address any concerns identified by the Court. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material change to the Agreement within the meaning of this paragraph. If the Parties are unable to secure Preliminary Approval of this Agreement, as modified, after meeting and conferring in good faith, then this Agreement shall be null and void.

7 SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under U.S. Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the

Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks and Pay Periods in the Class Data.

- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator shall send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and Pay Periods, if applicable, used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned as undelivered by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections, challenges to any calculation of Workweeks and/or Pay Periods, and Requests for Exclusion shall be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose Class Notice is re-mailed. The Administrator shall inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, DEFENDANT, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties shall expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons shall be Class Members entitled to the same rights under this Agreement as other Class Members, and the Administrator shall send, via email or overnight delivery, a Class Notice requiring them to object or submit a Request for Exclusion under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates contained in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that

reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline, except as provided in paragraph 7.4.4 of this Agreement.

- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. If the Parties disagree as to the validity or authenticity of a Request for Exclusion, they shall confer in good faith to resolve the dispute. In the event that the Parties cannot reach agreement regarding the validity or authenticity of a Request for Exclusion, the Administrator shall decide the matter and the Administrator's determination shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the Settlement. Non-Participating Class Members who are Aggrieved Employees shall, notwithstanding any Request for Exclusion, release the claims identified in Paragraph 5.3 of this Agreement and are eligible to receive an Individual PAGA Payment.
- 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and/or Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail and, upon receipt of such a challenge, the Administrator shall request that the challenging Class Member submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. If the Parties disagree as to the allocation or calculation of Workweeks and/or Pay Periods regarding any Class Member, they shall confer in good faith to resolve the dispute. In the event that the Parties cannot reach agreement concerning the allocation or calculation of Workweeks and/or Pay Periods regarding any Class Member, the

Administrator shall decide the matter and the Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the Administrator's calculation of Workweeks and/or Pay Periods, and the Administrator's determination with respect to any such challenges, if applicable, to Defense Counsel and Class Counsel.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. The Administrator shall promptly provide Class Counsel and Defense Counsel with copies of any objections it receives. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present oral objections to the Settlement at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform all tasks to be performed by the Administrator contained in this Agreement.

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

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

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

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

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

8 **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, DEFENDANT estimates that, as of the date of the Parties’ mediation on April 21, 2025, Class Members worked approximately 5,290 Workweeks. If the number of Workweeks during the Class Period exceeds 5,290 by more than 10% (5,819 Workweeks), then DEFENDANT shall have the option to either (1) increase the Gross Settlement Amount on a pro rata basis per Workweek exceeding the 10% increase (i.e., if the number of Workweeks increases by 11%, the Gross Settlement Amount shall be increased by 1%); or (2) cap the number of Workweeks at 5,819 by limiting the end dates of the Class Period and PAGA Period to the dates on which 5,819 Workweeks have been worked by the Class Members and/or Aggrieved Employees.

9 **DEFENDANT’S RIGHT TO WITHDRAW.** If the number of valid Requests for

Exclusion identified in the Exclusion List exceeds 8% of the total of all Class Members, DEFENDANT may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if DEFENDANT withdraws, the Settlement shall be void *ab initio*, shall have no force or effect whatsoever, and neither Party shall have any further obligation to perform under this Agreement, provided, however, DEFENDANT shall remain responsible for paying all expenses of the Administrator incurred up to the date of withdrawal. DEFENDANT shall notify Class Counsel and the Court of the exercise of its right to withdraw from the Settlement pursuant to this paragraph not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel.

- 10 **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the Final Approval Hearing, PLAINTIFF shall file in Court, a motion for final approval of the Settlement, a Proposed Final Approval Order, and a proposed Judgment (collectively “Motion for Final Approval”). PLAINTIFF shall provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel shall expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 10.4 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.5 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members or Aggrieved Employees), the Parties shall meet, confer, and negotiate in good faith for a period of thirty (30) days to modify the Agreement directly, or with the assistance of a mediator, to address any concerns identified by the Court in order to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. If the Parties are unable to secure Final Approval of this Agreement, as modified, after meeting and conferring in good faith, then this Agreement shall be null and void and the Parties shall equally bear any expenses incurred by the Administrator in administering the Settlement up to that point.
- 10.6 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Final Judgment, the Court shall retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or the Final Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Final Judgment matters as are permitted by law.
- 10.7 Waiver of Right to Appeal. Provided the Final Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement,

the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Final Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If a Participating Class Member who has objected to this Settlement as provided in this Agreement appeals the Final Judgment, the Parties' obligations to perform under this Agreement shall be suspended until such time as the appeal is finally resolved and the Final Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.8 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If any appellate court with jurisdiction over the Court vacates, reverses, or modifies the Final Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members or the LWDA), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Final Judgment, sharing equally any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment, Class Counsel Fees Payments, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification of the Final Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11 **AMENDED JUDGMENT.** If any amended judgment is required under Cal. Code of Civil Procedure section 384, the Parties shall work together in good faith to jointly submit a proposed amended judgment.

12 **ADDITIONAL PROVISIONS.**

12.1 Government Actions Affecting Settlement. If any proceeding or action is commenced on or before a date that is one (1) year from the date the Court enters Preliminary Approval of the Settlement by any federal, state, or local government authority, including, without limitation, the U.S. Department of Labor or the Division of Labor Standards Enforcement of the California Department of Industrial Relations, asserting any claims released by the Settlement, PLAINTIFF and Class Counsel shall not oppose DEFENDANT's arguments asserting that the governmental action is within the scope of the Settlement, the Action, and the Court's order granting Final Approval of the Settlement and entering the Final Judgment. Additionally, in the event any action is commenced by a governmental authority as stated herein, DEFENDANT shall have the option to seek an order from the Court requesting that Individual Class Payments and Individual PAGA Payments to the Class Members and Aggrieved Employees, respectively, be immediately suspended pending the outcome of the suit or administrative proceeding brought by the

governmental authority. If DEFENDANT seeks such an order, Plaintiff may, but is not obligated to, withdraw from the Settlement. The Parties agree that if Plaintiff withdraws the Settlement shall be void *ab initio*, shall have no force or effect whatsoever, and that neither Party shall have any further obligation to perform under this Agreement. Plaintiff shall notify Defense Counsel and the Court of the exercise of its right to withdraw from the Settlement pursuant to this paragraph not later than seven days after DEFENDANT moves for an order suspending Individual Class Payments and Individual PAGA Payments to Class Members and Aggrieved Employees, respectively, as described in this paragraph.

12.2 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provision to be valid to the fullest extent possible consistent with applicable precedents and other law so as to render all provisions of this Agreement valid and enforceable. Should the Court deem any clause or provision of this Agreement to be invalid, illegal, or unenforceable, the Court shall first attempt to modify or reform the provision or clause as minimally necessary to be valid, lawful, and enforceable. Should the Court deem any clause or provision of this Agreement to be invalid, illegal, or unenforceable and its modification or reformation is not possible, then invalidation of any material provision of the Agreement shall invalidate the Agreement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions of the Agreement are to remain in full force and effect. A modification or reversal on appeal of any amount of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, or Administration Expenses Payment shall not be deemed to be an invalidation of a material provision of this Agreement.

12.3 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by DEFENDANT that any of the allegations in the Operative Complaint have merit or that DEFENDANT has any liability for any claims asserted; nor should it be intended or construed as an admission by PLAINTIFF that DEFENDANT's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. In the event that this Agreement is not approved by the Court, fails to become effective, or is reversed, withdrawn, or modified by the Court in such a manner that prevents or prohibits DEFENDANT from obtaining a complete resolution of the claims released in this Agreement, any conditional class certification shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose whatsoever or with respect to any issue, substantive or procedural. If, for any reason, the Court does not grant Preliminary Approval, Final Approval, or enter the Final Judgment, DEFENDANT reserves the right to contest certification of any class for any reasons, and DEFENDANT reserves all available defenses to the claims in the Action, and PLAINTIFF reserves the right to move for class certification on any grounds available and to contest DEFENDANT's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the Action shall have no bearing on, and

shall not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.4 Confidentiality Prior to Preliminary Approval. PLAINTIFF, Class Counsel, DEFENDANT, and Defense Counsel separately agree that, until the Motion for Preliminary Approval is filed, they and each of them shall not disclose, disseminate, and/or publicize, or cause or permit another person to disclose, disseminate, and/or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom shall be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. PLAINTIFF, Class Counsel, DEFENDANT, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.5 No Solicitation. The Parties separately agree that they and their respective counsel and employees shall not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Final Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.6 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all prior oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.7 Attorney Authorization. Class Counsel and Defense Counsel separately 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 pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.
- 12.8 Cooperation. The Parties and their counsel shall cooperate with each other and shall use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities, as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to

implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties shall seek the assistance of a mediator and/or the Court for resolution.

- 12.9 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by any Party in this Settlement.
- 12.10 No Tax Advice. Neither PLAINTIFF, Class Counsel, DEFENDANT, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement or the Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.11 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.12 Agreement Binding on Successors. This Agreement shall be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.13 Applicable Law. All terms and conditions of this Agreement and its exhibits shall be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 12.14 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement shall not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.15 Confidentiality. To the extent permitted by law, all agreements made in this Agreement and orders entered during Action relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.16 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152 in connection with the mediation, other settlement negotiations, or in connection with the Settlement, and all copies and summaries of the Class Data provided to the Administrator by DEFENDANT, shall be used only with respect to this Settlement, and for no other purpose, and shall not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Effective Date, the Administrator shall destroy all paper and electronic versions of Class Data received from DEFENDANT unless, prior to the Effective Date, DEFENDANT makes a written request to the Administrator for the return, rather than the destruction, of Class Data.
- 12.17 Headings. The descriptive heading of any paragraph of this Agreement is inserted

for convenience of reference only and does not constitute a part of this Agreement.

12.18 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.19 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement shall be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email, addressed as follows:

To PLAINTIFF:

HAIG B. KAZANDJIAN LAWYERS, APC
Haig B. Kazandjian, Esq.
Cathy Gonzalez, Esq.
801 North Brand Boulevard, Suite 1015
Glendale, California 91203
Telephone: (818) 696-2306
Facsimile: (818) 696-2307
Emails: haig@hbklawyers.com
cathy@hbklawyers.com

Attorneys for Plaintiff

To DEFENDANT:

Christopher C. McNatt, Jr.
cmcnatt@scopelitis.com
SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, LLP
2 North Lake Avenue, Suite 560
Pasadena, California 91101
Telephone: 626-795-4700
Facsimile: 626-795-4790

Attorney for Defendant Heniff Transportation Systems, LLC

12.20 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them shall be deemed to be one and the same instrument. Any executed counterpart shall not be admissible in connection with any litigation except for proceedings to enforce or effectuate the Settlement and/or this

Agreement.

12.21 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation in the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon the signing of this Agreement pursuant to Cal. Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Cal. Code of Civil Procedure section 583.310 for a period of time sufficient to effectuate all terms of this Agreement.

12.22 Period to Consider Terms of Agreement. PLAINTIFF acknowledges that he is entitled to and has been provided 21 days to consider whether to accept the terms of this Agreement, including the terms of the releases set forth in Paragraph 5. If PLAINTIFF executes this Agreement before the expiration of the 21-day period, he does so voluntarily, upon the advice and with the approval of Class Counsel, and he expressly and voluntarily waives his right to consider the terms of this Agreement, including the terms of the releases set forth in Paragraph 5, for any remaining portion of that 21-day period. PLAINTIFF further acknowledges that, after executing this Agreement, he has the right to revoke it within seven days after execution. PLAINTIFF understands that this Agreement shall not become effective and enforceable unless and until the seven-day revocation period has expired. PLAINTIFF also acknowledges that he has been advised to consult with an attorney prior to executing this Agreement.

Rafael Cuellar



Heniff Transportation Systems, LLC

By: _____
Its: _____

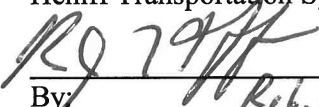
Any executed counterpart shall not be admissible in connection with any litigation except for proceedings to enforce or effectuate the Settlement and/or this Agreement.

12.21 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation in the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree upon the signing of this Agreement pursuant to Cal. Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Cal. Code of Civil Procedure section 583.310 for a period of time sufficient to effectuate all terms of this Agreement.

12.22 Period to Consider Terms of Agreement. PLAINTIFF acknowledges that he is entitled to and has been provided 21 days to consider whether to accept the terms of this Agreement, including the terms of the releases set forth in Paragraph 5. If PLAINTIFF executes this Agreement before the expiration of the 21-day period, he does so voluntarily, upon the advice and with the approval of Class Counsel, and he expressly and voluntarily waives his right to consider the terms of this Agreement, including the terms of the releases set forth in Paragraph 5, for any remaining portion of that 21-day period. PLAINTIFF further acknowledges that, after executing this Agreement, he has the right to revoke it within seven days after execution. PLAINTIFF understands that this Agreement shall not become effective and enforceable unless and until the seven-day revocation period has expired. PLAINTIFF also acknowledges that he has been advised to consult with an attorney prior to executing this Agreement.

Rafael Cuellar

Heniff Transportation Systems, LLC


By: Robert J. Heniff
Its: CEO

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT
AND HEARING DATE FOR FINAL COURT APPROVAL**

[Rafael Cuellar v. Heniff Transportation Systems, LLC, (Los Angeles Case Nos. 23PSCV00696)]

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Heniff Transportation Systems, LLC (“DEFENDANT”) for alleged wage and hour violations. The Action was filed by a former employee of DEFENDANT, Rafael Cuellar (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of non-exempt hourly employees (“Class Members”) who worked for DEFENDANT during the Class Period of September 25, 2020, through July 20, 2025; and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all hourly non-exempt employees who worked for DEFENDANT during the PAGA Period of January 3, 2022 through July 20, 2025 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring DEFENDANT to fund Individual Class Payments; and (2) a PAGA Settlement requiring DEFENDANT to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on DEFENDANT’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$___ (less withholding) and your Individual PAGA Payment is estimated to be \$___.** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to DEFENDANT’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on DEFENDANT’s records showing that **you worked** _____ **workweeks** during the Class Period and **you worked** _____ **pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires DEFENDANT to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against DEFENDANT.

If you worked for DEFENDANT during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against DEFENDANT.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against DEFENDANT, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

DEFENDANT will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against DEFENDANT that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. DEFENDANT must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice

You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED].	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to DEFENDANT's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of DEFENDANT. Plaintiff contends DEFENDANT: (1) underpaid wages due to its time recording practice; (2) failed to record meal periods for most putative class members; (3) failed to provide legally compliant meal periods or pay premiums in lieu of them; (4) failed to provide legally compliant third rest periods or pay premiums in lieu of them, and (5) failed to pay meal premiums, overtime wages, and sick pay using the regular rate, (6) failing to provide accurate, itemized wage statements, and (7) failing to pay all final wages owed. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Haig B. Kazandjian Lawyers, APC ("Class Counsel.")

DEFENDANT strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether DEFENDANT or Plaintiff is correct on the merits. In the meantime, Plaintiff and DEFENDANT hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to the case by agreement (to settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and DEFENDANT have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, DEFENDANT does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) DEFENDANT has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and

(2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. DEFENDANT Will Pay \$325,000.00 as the Gross Settlement Amount (Gross Settlement). DEFENDANT has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payments, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, DEFENDANT will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$113,750.00 (35%) of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 to Plaintiff as a Class Representative Award to Plaintiff Rafael Cuellar for filing the Action, working with Class Counsel and representing the Class. A Class Representative Awards will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$4,850.00 to the Administrator for services administering the Settlement.
 - D. Up to \$25,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and DEFENDANT are asking the

Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to [e.g., interest, etc.] (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. DEFENDANT will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and DEFENDANT have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

5. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against DEFENDANT.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against DEFENDANT based on the PAGA Period facts alleged in the Action.

6. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and DEFENDANT have agreed that, in either case, the Settlement will be void: DEFENDANT will not pay any money and Class Members will not release any claims against DEFENDANT.
7. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member

Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

8. Participating Class Members' Release. After the Judgment is final and DEFENDANT has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against DEFENDANT or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint or ascertained in the course of the Action during the Class Period, including, but not limited to, claims under (i) California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 223, 226, 226.2, 226.3, 226.7, 246, 256, 432, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1182.2, 1182.12, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2800, and 2802, (ii) California Industrial Welfare Commission Wage Orders 5 and 9, (iii) California Code of Regulations §§ 11010, 11050, and 11090, (iv) California Civil Code § 3287, and (v) California Business and Professions Code § 17000 et seq. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

9. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and DEFENDANT has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against DEFENDANT, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against DEFENDANT or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

Release by the LWDA: PLAINTIFF, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, on behalf of the LWDA and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, releases the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, by the LWDA

based on the facts stated in the Operative Complaint and PLAINTIFF's PAGA Notice or ascertained in the course of the Action during the PAGA Period, including, but not limited to, claims under (i) California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 223, 226, 226.2, 226.3, 226.7, 246, 256, 432, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1182.2, 1182.12, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, 1198.5, 1199, 2698 et seq., 2800, and 2802, (ii) California Industrial Welfare Commission Wage Orders 5 and 9, (iii) California Code of Regulations §§ 11010, 11050, and 11090, (iv) California Civil Code § 3287, and (v) California Business and Professions Code § 17000 et seq. PLAINTIFF, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, only releases these claims on behalf of the LWDA for the duration of the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$6,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in DEFENDANT's records, are stated in the first page of this Notice. You have until to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept DEFENDANT's calculation of Workweeks and/or Pay Periods based on DEFENDANT's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and DEFENDANT's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Rafael Cuellar v. Heniff Transportation Systems, LLC*, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [redacted], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and DEFENDANT are asking the Court to approve. At least 16 court days before **the** _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website **(url)** or the Court's website <https://www.lacourt.org/casesummary/ui/index.aspx>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [redacted].** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action *Rafael Cuellar v. Heniff Transportation Systems, LLC* and include your name, current address, telephone number and approximate dates of employment for DEFENDANT and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that

support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at ____ (time) in Department 1 of the Los Angeles Superior Court, located at 1427 West Covina Parkway, West Covina, CA 91790. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via <https://my.lacourt.org/laccwelcome>. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything DEFENDANT and Plaintiff has promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) website at ____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://www.lacourt.org/casesummary/ui/index.aspx> and entering the Case Number for the Action, Case No. 23PSCV00696. You can also make an appointment to personally review court documents in the Clerk's Office at the Courthouse by booking an appointment at: <https://mycourtservices.lacourt.org/Appointment/Schedule>.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

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cathy@hbklawyers.com

Attorneys for Plaintiff

Settlement
Administrator:
Name of Company:

Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

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