

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (Agreement) is made by and between the Named Plaintiffs, John Arias, Jeffrey Hensley, and Esteban Romo, for their own behalf and on behalf of all members of the Settlement Class, as defined below, on the one hand, and Defendant Flowserve US Inc. on its own behalf and on behalf of its past and present parents, subsidiaries and affiliates, and their respective past and present predecessors, successors, assigns, representatives, officers, directors, agents and employees¹, on the other hand (collectively the Parties,), in the lawsuits *Arias and Hensley, et al. v. Flowserve US, Inc., et al.*, filed in the Los Angeles County Superior Court, Spring Street Case No. 22STCV27829 and *Romo, et al. v. Flowserve US, Inc., et al.*, filed in the Los Angeles County Superior Court, Case No. 22STCV27551. This Settlement Agreement resolves all claims that were asserted or could have been asserted against Defendants pertaining to the claims in the Litigation.

1. DEFINITIONS.

- 1.1. Administrator means CPT Group, Inc. the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.2. 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.
- 1.3. Aggrieved Employee means a person employed by Flowserve in California as an hourly paid or non-exempt employee during the PAGA Period.
- 1.4. Class Action means Plaintiffs Hensley's and Arias' civil lawsuit against Flowserve captioned *John Arias and Jeffrey Hensley et al. v. Flowserve US Inc.*, Case No. 22STCV27829, initiated on August 25, 2022 and pending in Superior Court of the State of California, County of Los Angeles, alleging: (1) failure to pay minimum wage and straight time wages (2) failure to pay overtime wages (3) failure to provide meal periods (4) failure to authorize and permit rest periods (5) failure to timely pay final wages at termination (6) failure to provide accurate itemized wage statements (7) unfair business practices and (8) civil penalties under the Private Attorneys General Act (PAGA).
- 1.5. Class Counsel means Nicol E. Hajjar and Elizabeth M. Votra of Wilshire Law Firm and Justin Lo of Work Lawyers, PC.
- 1.6. 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 Class Action and PAGA Action.

¹ To the extent that the parties are aware, there is no intra-class conflict between Flowserve's former and current employees as it pertains to this Agreement.

- 1.7. **Class Data** means the Settlement Class Member s identifying information in Flowserve s possession including the Settlement Class Member s names, last-known addresses, Social Security numbers, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.8. **Class Member Address Search** means the Administrator s investigation and search for current Settlement 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 with Settlement Class Members.
- 1.9. **Class Notice** means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Settlement 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.
- 1.10. **Class Representatives** means the named Plaintiffs in the Operative Complaint seeking Court approval to serve as Class Representatives.
- 1.11. **Class Representative Service Payments** means the payments to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.12. **Court** means the Superior Court of California, County of Los Angeles.
- 1.13. **Flowserve** means named Defendant Flowserve US Inc.
- 1.14. **Defense Counsel** means Marytza J. Reyes, Jamie Rudman, and Brittaney D. de la Torre of Sanchez & Amador, LLP.
- 1.15. **Effective Date** means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Settlement Class Member objects to the Settlement, the day the Court enters Judgment (b) if one or more Participating Settlement Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.16. **Final Approval** means the Court s order granting final approval of the Settlement.
- 1.17. **Final Approval Hearing** means the Court s hearing on the Motion for Final Approval of the Settlement.

- 1.18. Final Judgment means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.19. Gross Settlement Amount means One Million Dollars and Zero Cents (\$1,000,000.00) which is the total amount Flowserve agrees to pay under the Settlement except as provided in Paragraph 3 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payments and the Administrator's Expenses.
- 1.20. Individual Class Payment means the Participating Settlement Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.21. Individual PAGA Payment means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.22. Judgment means the judgment entered by the Court based upon the Final Approval.
- 1.23. LWDA means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.24. LWDA PAGA Payment means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.25. 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 Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Settlement Class Members as Individual Class Payments.
- 1.26. Non-Participating Settlement Class Member means any Settlement Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.27. PAGA Action means Plaintiff Esteban Romo's civil lawsuit against Flowserve captioned *Esteban Romo v. Flowserve US, Inc.*, Case No. 22STCV27551, initiated on August 24, 2022 and pending in Superior Court of the State of California, County of Los Angeles, alleging a single claim for civil penalties under PAGA.
- 1.28. PAGA Pay Period means any Pay Period during which an Aggrieved

Employee worked for Flowserve for at least one day during the PAGA Period.

- 1.29. PAGA Period means the period from August 25, 2021 through the date of preliminary approval.
- 1.30. PAGA means the Private Attorneys General Action (Labor Code 2698 *et seq.*).
- 1.31. PAGA Notice means Plaintiffs Hensley and Arias' letter to Flowserve and the LWDA dated April 8, 2022, and Plaintiff Romo's letter to Flowserve and the LWDA dated June 16, 2022, providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.32. PAGA Penalties means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500.00) and the 75% to LWDA (\$37,500.00) in settlement of PAGA claims.
- 1.33. Participating Settlement Class Member means a Settlement Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.34. Plaintiffs means John Arias, Jeffrey Hensley, and Esteban Romo, who are the named Plaintiffs in the Class Action and PAGA Action.
- 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 and Approval of PAGA 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: Flowserve and each of its former and present parents, subsidiaries and affiliates, and their respective past and present predecessors, successors, assigns, representatives, officers, directors, attorneys, agents and employees.
- 1.40. Request for Exclusion means a Settlement Class Member's submission of a written request to be excluded from the Class Settlement signed by the Settlement Class Member.
- 1.41. Response Deadline means sixty (60) days after the Administrator mails Notice

to Settlement Class Members and Aggrieved Employees, and shall be the last date on which Settlement Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Settlement Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

- 1.42. Settlement means the disposition of the Class Action and PAGA Action effected by this Agreement and the Judgment.
- 1.43. Settlement Class means all persons employed by Flowserve in California as an hourly paid or non-exempt employee during the Settlement Class Period.
- 1.44. Settlement Class Member means a member of the Settlement Class, as either a Participating Settlement Class Member or Non-Participating Settlement Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.45. Settlement Class Period means the period from August 25, 2018 through the date of preliminary approval.
- 1.46. Workweek means any week during which a Settlement Class Member worked for Flowserve US Inc. for at least one day, during the Class Period.

2. RECITALS.

- 2.1. On August 25, 2022, Plaintiffs Hensley and Arias commenced the Class Action by filing a Complaint alleging causes of action against Flowserve for: (1) Failure to Pay Minimum and Straight Time Wages pursuant to Cal., Labor Code 204, 1194, 1194.2, and 1197 (2) Failure to Pay Overtime Wages pursuant to Labor Code 1194 and 1198 (3) Failure to Provide Meal Periods pursuant to Labor Code 226.7 and 512 (4) Failure to Authorize and Permit Rest Periods pursuant to Labor Code 226.7 (5) Failure to Timely Pay Final Wages at Termination pursuant to Labor Code 201-203 (6) Failure to Provide Accurate Itemized Wage Statements pursuant to Labor Code 226 (7) Unfair Business Practices pursuant to Business & Professions Code 1700, et seq. and (8) Civil Penalties under the PAGA. On August 24, 2022, Plaintiff Esteban Romo commenced the PAGA Action, alleging a single claim for civil penalties under PAGA. Plaintiffs counsel shall be responsible for moving to consolidate and/or relate the Class Action and PAGA Action for purposes of this settlement. Based on Plaintiffs consolidation and/or relation of both the Class Action and PAGA Action, either the Class Action or PAGA Action or combination of both shall serve as the Operative Complaint. Flowserve 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. On May 26, 2023, the Parties participated in an all-day mediation presided over by Kelly A. Knight, which led to this Agreement to settle the Class Action and PAGA

Action.

- 2.3. Prior to mediation, Plaintiffs obtained, through informal discovery, electronic timekeeping and payroll data stored via excel spreadsheet, and documents reflecting Flowserve's timekeeping policies and practices. Plaintiffs' 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*).
- 2.4. The Court has not granted class certification.
- 2.5. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Flowserve promises to pay One Million Dollars and Zero Cents (\$1,000,000.00) and no more as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Flowserve has no obligation to pay the Gross Settlement Amount, or any payroll taxes, prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Settlement Class Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Flowserve.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1. To Plaintiffs: Class Representative Service Payments to each Class Representative of not more than Five Thousand Dollars and Zero Cents (\$5,000.00) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Settlement Class Members). Flowserve will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.
 - 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than

Thirty-Three and One Third Percent (33 and 1/3%) of the Gross Settlement Amount, which is currently estimated to be Three Hundred and Thirty-Three Thousand Dollars and Zero Cents (\$333,000.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00). Flowserve will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (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 for less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel 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 holds Flowserve harmless, and indemnifies Flowserve, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$30,000.00 the Administrator will retain the remainder in the Net Settlement Amount. The Parties, through their respective counsel, have selected CPT Group as the Settlement Administrator to administer the Settlement, which includes but is not limited to distributing and responding to inquiries about the Notice of Proposed Class Action Settlement and Workweek Dispute Form, determining the validity of any disputes and opt-outs, and calculating all amounts to be paid from the Net Settlement Amount. Charges and expenses of the Settlement Administrator, estimated to be no more \$8,500.00, will be paid from the Settlement Amount. However, in the event the escalator clause is triggered or additional and unexpected work must be done by the Administrator, the administration costs may exceed \$8,500.00. Any charges and expenses of the Settlement Administrator greater than the allocated \$30,000.00 will come from the Settlement Amount. If the actual Settlement Administrator fees are less than the Parties estimation, the difference between the actual and estimated Settlement Administrator fees will revert to the participating Settlement Class members. The Parties agree that this Agreement may be provided to the Settlement Administrator to effectuate its implementation of the settlement procedures herein.

3.2.4. To Each Participating Settlement Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Settlement Class Members during the Class Period and (b) multiplying the result by each Participating Settlement Class Member s Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. One Third (1/3) of each Participating Settlement Class Member s Individual Class Payment will be allocated to settlement of wage claims (the Wage Portion). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. One Third (1/3) of each Participating Settlement Class Member s Individual Class Payment will be allocated to settlement of claims for interest, and One Third (1/3) as penalties (the Non- Wage Portions). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Settlement Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Settlement Class Members on Calculation of Individual Class Payments. Non-Participating Settlement Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Settlement Class Members on a pro rata basis.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) to be paid from the Gross Settlement Amount, with 75% (\$37,500.00) allocated to the LWDA PAGA Payment and 25% (\$12,500.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees 25% share of the PAGA Penalties (\$12,500.00) 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 Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Flowserve estimates there are approximately 317 Settlement Class Members, and approximately 240 Aggrieved Employees. There are a total of approximately 42,034 Class Workweeks.

4.2. Class Data. Not later than thirty (30) days after the Court grants Preliminary Approval of the Settlement, Flowserve will simultaneously deliver the Class Data to the

Administrator, in the form of a Microsoft Excel spreadsheet. To protect Settlement Class Members' privacy rights, the Administrator must 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. Flowserve 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 as soon as reasonably feasible. Without any extension of the deadline by which Flowserve must send the Class Data to the Administrator, the Parties and their counsel will 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. Flowserve shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Flowserve's share of payroll taxes by transmitting the funds to the Administrator no later than twenty-eight (28) days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within fifteen (15) days after Flowserve funds the Gross Settlement Amount, the Administrator will 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 Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Participating Settlement Class Members 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 will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Settlement Class Members (including those for whom Class Notice was returned undelivered). The Administrator will issue checks for Individual PAGA Payments and send them 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.
 - 4.4.2. The Administrator must conduct a Settlement Class Member Address Search for all other Participating Settlement Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Participating

Settlement Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Settlement Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Settlement Class Member whose original check was lost or misplaced, requested by the Settlement Class Member prior to the void date.

4.4.3. For any Settlement Class Member 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 a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) (Cy Pres Recipient), Legal Aid Foundation of Los Angeles (LAFLA). The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

4.4.4. The payment of Individual Class Payments shall not obligate Flowserve to confer any additional benefits or make any additional payments to Settlement Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Flowserve fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Settlement Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, 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 or ascertained during the Class Action, PAGA Action, Plaintiffs' respective PAGA Notices, or ascertained during the Class Action and PAGA Action and released under 5.2, below. (Plaintiffs Release.) Plaintiffs Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs Release, Plaintiffs expressly waive and relinquish 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 Released Class Claims:: All Participating Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, any and all claims involving any alleged: (1) failure to pay minimum wage and straight time wages (2) failure to pay overtime wages (3) failure to provide meal periods (4) failure to authorize and permit rest periods (5) failure to timely pay final wages at termination (6) failure to provide accurate itemized wage statements and (7) unfair business practices. The Released Class Claims do not include any Released PAGA Claims, addressed in Paragraph 5.3 below. Except as set forth in Section 5.3 of this Agreement, Participating Settlement 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 Released PAGA Claims: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the of the Class Action and PAGA Action, including, (1) failure to pay minimum wage and straight time wages (2) failure to pay overtime wages (3) failure to provide meal periods (4) failure to authorize and permit rest periods (5) failure to timely pay final wages at termination (6) failure to provide accurate itemized wage statements (7) unfair business practices and (8) failure to reimburse necessary business expenses.

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 checklist for Preliminary Approvals.

6.1 Flowserve s Declaration in Support of Preliminary Approval. Within fifteen (15) days of the full execution of this Agreement, Flowserve will prepare and deliver to Class Counsel a signed Declaration from Flowserve and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and Flowserve shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiffs Responsibilities. Plaintiffs will take responsibility for consolidating or

relating the Class Action and PAGA Action. Additionally, Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, 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, subd. (f)(2)) (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement (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 Settlement Class Members and the proposed Cy Pres and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Settlement Class Members, the Administrator, and the proposed Cy Pres (vi) a signed declaration from each Settlement Class Counsel firm attesting to its competency to represent the Settlement Class Members its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd.(a)), Operative Complaint (Labor Code section 2699, subd.(1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)) all facts relevant to any actual or potential conflict of interest with Settlement Class Members, the Administrator, and the Cy Pres Recipient and (vii) a redlined version of the parties Agreement showing all modifications made to the Model Agreement ready for filing with the Court. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than September 18, 2023 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.

6.4 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 will 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, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court s concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected CPT Group

to serve as the Administrator and verified that, as a condition of appointment, CPT Group agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. 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 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 (SF) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Settlement 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 Settlement Class Members, PAGA Members, 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 fourteen (14) days after receiving the Class Data, the Administrator will send to all Settlement Class Members identified in the Class Data, via first-class United States Postal Service (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 Individual PAGA Payment payable to the Settlement Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Settlement Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than five (5) 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 Settlement 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 Settlement Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Settlement Class Members' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (60) days otherwise provided in the Class Notice for all Settlement Class Members

whose notice is re-mailed. The Administrator will inform the Settlement Class Member of the extended deadline with the re-mailed Class Notice.

- 7.4.5 If the Administrator, Flowserve 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 will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Settlement Class Members. If the Parties agree, such persons will be Settlement Class Members entitled to the same rights as other Settlement Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Settlement Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Settlement Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Settlement Class Member or his/her representative that reasonably communicates the Settlement Class Member's election to be excluded from the Settlement and includes the Settlement 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.

- 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 Settlement Class Member and the Settlement Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Settlement Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

- 7.5.3 Every Settlement Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Settlement Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Settlement Class Members' Releases under Paragraph 5.2 of this Agreement, regardless whether the Participating Settlement Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Settlement Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Settlement Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Settlement Class Member shall have sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Settlement Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Settlement Class Member in the Class Notice. The Settlement Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail substantially in the form attached to this Agreement as Exhibit B. The Administrator must encourage the challenging Settlement Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Settlement Class Member's allocation of Workweeks and PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Settlement Class Members may object to the class action components of 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 Payments.

7.7.2 Participating Settlement Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Settlement Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Settlement Class Member who elects to send a written objection to the Administrator must do so not later than sixty (60) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Settlement Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Settlement Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or

observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Settlement Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement 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 Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Settlement Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (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 Settlement Class Members who have timely submitted valid Requests for Exclusion (Exclusion List) (b) the names and other identifying information of Settlement Class Members who have submitted invalid Requests for Exclusion (c) copies of all Requests for Exclusion from Settlement submitted (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 PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class 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 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Settlement Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator s Declaration. Not later than fourteen (14) days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will 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, the Class Notices

returned as undelivered, the re-mailing of Class Notices, attempts to locate Settlement Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will 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.

7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will 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 fifteen (15) days before any deadline set by the Court, the Administrator will 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 in Court.

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Flowserve estimates that, as of the date of this Settlement Agreement, (1) there are approximately 317 Settlement Class Members and (2) there are approximately 240 Aggrieved Employees. If, as of the end of the Class Period, the actual Class size is more than 10% of this estimate (i.e., 347 or more Settlement Class Members), the Gross Settlement Amount shall increase based on the average gross payout paid to individual Settlement Class Members. For example, if the average payout based on 317 Settlement Class Members is \$1,000 per Settlement Class Member and there are 30 additional Settlement Class Members (347 total Settlement Class Members), Flowserve will increase the Gross Settlement Amount by \$30,000.00.
9. **FLOWERVE'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Settlement Class Members, Flowserve may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Flowserve withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement provided, however, Flowserve will remain responsible for paying all Settlement Administration Expenses incurred to that point. Flowserve must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a Proposed Final Approval Order and a proposed Judgment (collectively Motion for Final Approval). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than ten (10) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Settlement Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 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 Settlement Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Settlement Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the 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 an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the 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 Settlement Class Members), 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 Judgment, sharing, on a 50-50 basis, 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 Payments or any payments to Class Counsel shall not constitute a material modification of the 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 Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 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 Flowserve that any of the allegations in the Operative Complaint have merit or that Flowserve has any liability for any claims asserted nor should it be intended or construed as an admission by Plaintiffs that Flowserve's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Flowserve reserves the right to contest certification of any class for any reasons, and Flowserve reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Flowserve's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Flowserve and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate 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 will 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. Plaintiffs, Class Counsel, Flowserve 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, any 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 Settlement Class Members in accordance with Class Counsel's ethical obligations owed to Settlement Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Settlement Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Settlement Class Members in accordance with Class Counsel's ethical obligations owed to Settlement

Class Members.

- 12.4 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 oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Flowserve, 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.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and 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 will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 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 and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Flowserve nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 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.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

- 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code 1152, and all copies and summaries of the Class Data provided to Class Counsel by Flowserve in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than ninety (90) days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Flowserve unless, prior to the Court's discharge of the Administrator's obligation, Flowserve makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 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.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will 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 or messenger, addressed as follows:

To Plaintiffs: Nicol Hajjar or Elizabeth Votra of Wilshire Law Firm, P.C. 3055 Wilshire Blvd., 12th Fl. Los Angeles, CA 90010 nicol_wilshirelawfirm.com
tpetrosian_wilshirelawfirm.com (213) 381-9988.

To Flowserve: Marytza J. Reyes of Sanchez & Amador, LLP, 800 S. Figueroa St., Suite 1120, Los Angeles, CA 90017 reyes_sanchez-amador.com.

- 12.18 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 will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

4/26/2024

Dated: _____, 2023

DocuSigned by:



F4E78BA4F67F4E6

John Arias, Plaintiff

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

Dated: _____, 2023

Jeffrey Hensley, Plaintiff

On Behalf of Plaintiff Esteban Romo, et al:

Dated: _____, 2023

Esteban Romo, Plaintiff

On Behalf of Defendant Flowserve US, Inc.:

Dated: _____, 2023

Name: _____

Title: _____

Approved as to form:

WILSHIRE LAW FIRM, PLC



Dated: 4/26/2024, 2023

Nicol E. Hajjar, Esq.

Tina Petrosian, Esq.

Attorneys for Plaintiffs and the Class

WORK LAWYERS, PC

Dated: _____, 2023

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

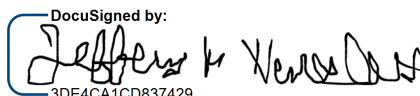
Dated: _____, 2023

John Arias, Plaintiff

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

4/26/2024

Dated: _____, 2023

DocuSigned by:

3DE4CA1CD837429...

Jeffrey Hensley, Plaintiff

On Behalf of Plaintiff Esteban Romo, et al:

Dated: _____, 2023

Esteban Romo, Plaintiff

On Behalf of Defendant Flowserve US, Inc.:

Dated: _____, 2023

Name:

Title:

Approved as to form:

WILSHIRE LAW FIRM, PLC

Dated: 4/26/2024, 2023



Nicol E. Hajjar, Esq.
Tina Petrosian, Esq.
Attorneys for Plaintiffs and the Class

WORK LAWYERS, PC

Dated: _____, 2023

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

Dated: _____, 2023

John Arias, Plaintiff

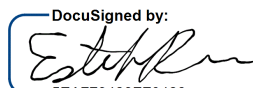
On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

Dated: _____, 2023

Jeffrey Hensley, Plaintiff

On Behalf of Plaintiff Esteban Romo, et al:

Dated: 4/26/2024, 2023

DocuSigned by:


Esteban Romo, Plaintiff

On Behalf of Defendant Flowserve US, Inc.:

Dated: _____, 2023

Name:

Title:

Approved as to form:

WILSHIRE LAW FIRM, PLC

Dated: _____, 2023

Nicol E. Hajjar, Esq.
Tina Petrosian, Esq.
Attorneys for Plaintiffs and the Class

WORK LAWYERS, PC

4/26/2024

Dated: _____, 2023

DocuSigned by:

Justin Lo

06741113683E460...

Justin Lo, Esq.
Attorneys for Plaintiff Esteban Romo

SANCHEZ & AMADOR LLP

Dated: _____, 2023

Marytza Reyes, Esq.
Brittaney D. de la Torre, Esq.
Jamie Rudman, Esq.
Attorneys for Defendant, Flowserve US Inc.

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

Dated: _____, 2024 _____
John Arias, Plaintiff

On Behalf of Plaintiff John Arias and Jeffrey Hensley, et al:

Dated: _____, 2024 _____
Jeffrey Hensley, Plaintiff

On Behalf of Plaintiff Esteban Romo, et al:

Dated: _____, 2024 _____
Esteban Romo, Plaintiff

On Behalf of Defendant Flowserve US, Inc.:

Dated: 4/26/2024 _____, 2024 _____
Name: Hisham Masri
Title: Employment Counsel

DocuSigned by:
Hisham Masri
C7D62B2EE10343F...

Approved as to form:

WILSHIRE LAW FIRM, PLC

Dated: _____, 2024 _____
Nicol E. Hajjar, Esq.
Tina Petrosian, Esq.
Attorneys for Plaintiffs and the Class

WORK LAWYERS, PC

Dated: _____, 2024 _____
Justin Lo, Esq.
Attorneys for Plaintiff Esteban Romo

SANCHEZ & AMADOR LLP

Dated: April 26, 2024 _____
Marytza Reyes, Esq.
Brittaney D. de la Torre, Esq.
Jamie Rudman, Esq.
Attorneys for Defendant, Flowserve US Inc.

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND PAGA CLAIMS

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES
John Arias; Jeffrey Hensley v. Flowserve US, Inc., et al.
Case No. 22STCV27829

Indicate Name/Address Changes, if any:

<<Name>>

<<Address>>

<<City>>, <<State>> <<Zip Code>>

XX - XX -

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT.
DEFENDANT WILL NOT RETALIATE AGAINST YOU FOR PARTICIPATING IN THIS
SETTLEMENT.**

THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.

A California court authorized this notice. This is not a solicitation from a lawyer.

YOU ARE HEREBY NOTIFIED that a proposed settlement (“the Settlement”) of the above-captioned class action (“the Action”) filed in the Los Angeles County Superior Court has been reached by FLOWSERVE US, INC., (“Flowserve”) and JOHN ARIAS; JEFFREY HENSLEY (“Plaintiffs”), who are individuals, on behalf of themselves and all others similarly situated, and has been granted Preliminary Approval by the Court supervising the Action. The Los Angeles County Superior Court has ordered that this Class Notice be sent to you because you may be a Settlement Class member and/or an Aggrieved Employee under California’s Private Attorney General Act (“PAGA”) arising out of the alleged wage and hour policies and practices of Flowserve. The purpose of this Class Notice is to inform you of the Settlement of this class action and PAGA claims, and your legal rights under the Settlement as follows:

- Flowserve has agreed to settle a lawsuit brought on behalf of all persons who worked one or more Workweeks for Flowserve in California as an hourly-paid or non-exempt employee during the period from August 25, 2018 through the date of preliminary approval (the “Settlement Class Period”) (hereafter, “Settlement Class”). From the proposed settlement, Flowserve has agreed to pay a PAGA Payment of \$12,500.00, to be distributed *pro rata* among the employees who worked one or more Workweeks during the period from August 25, 2021 through the date of preliminary approval.
- The proposed Settlement resolves all alleged claims regarding the following wage and hour policies and/or practices of Flowserve: overtime and/or double time wage, minimum wage, straight time wage, failure to pay for all hours worked, meal and rest breaks and any premiums thereon, wage statement violations, waiting time penalties, or other penalties of any kind arising from an alleged failure to pay wages. Finally, the settlement resolves claims for unfair competition and penalties under California’s Private Attorney General Act (“PAGA”) arising out of the alleged wage and hour policies and practices of Flowserve. The settlement avoids costs and risks to you from continuing the lawsuit, pays money to employees, and releases Flowserve from liability for these claims.
- The parties in the lawsuit disagree on whether Flowserve is liable for the allegations raised in this case and how much money could have been won if the employees won at trial.

- Your legal rights may be affected. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Get a Payment	If you are a member of the Settlement Class, you will automatically receive a payment if you do not exclude yourself. If you accept a payment and do not exclude yourself you will give up certain rights as set forth on page 4 below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below.
Exclude Yourself	Get no payment. Send a letter to the Settlement Administrator as provided below. This is the only option that allows you to bring your own claim against Flowserve about the legal claims in this case. The Settlement will bind all Settlement Class Members who do not request exclusion.
Object	Write to the Court about why you do not like the settlement. Directions are provided below.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a lawsuit and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of a class on whose behalf this lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

Plaintiff filed this lawsuit in Los Angeles County Superior Court on behalf of the Settlement Class and the Aggrieved Employees. The lawsuit alleges that members of the Settlement Class and Aggrieved Employees were not paid for or properly provided meal and rest breaks, were not issued accurate wage statements, were not paid all minimum, straight time, and overtime wages, were not paid all wages due at termination and/or resignation and were subjected to unfair competition. The lawsuit seeks recovery of wages, restitution, statutory and civil penalties, interest, and attorneys' fees and costs.

Flowserve denies any liability or wrongdoing of any kind associated with the claims alleged in the lawsuit. Flowserve contends, among other things, that they complied at all times with the California Labor Code, the California Business and Professions Code, and all other applicable law. Flowserve further denies that the lawsuit is appropriate for class treatment for any purpose other than settling this lawsuit.

The Court has made no ruling and will make no ruling on the merits of the Litigation and its allegations and claims.

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did **not** decide in favor of the Plaintiff or Flowserve. Plaintiff thinks he would have prevailed on his claims at a trial. Flowserve does not think that Plaintiff would have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they avoid the costs, risks, and uncertainty of a trial, and the class members will get compensation. Plaintiff and Plaintiff's attorneys believe the settlement is fair, reasonable, adequate, and in the best interests of all class members.

B. Who is in the Class?

The Settlement Class consists of all persons who worked one or more Workweeks for Flowserve in California as an hourly-paid or non-exempt employee during the Settlement Period from August 25, 2018 through the date of preliminary approval and all persons who worked one or more Workweeks for Flowserve in California as an hourly-paid or non-exempt employee from August 25, 2021 through the date of preliminary approval (the “PAGA Period”).

C. What does the Settlement provide?

1. Settlement Amount

Flowserve will pay a total of One Million Dollars and Zero Cents (\$1,000,000.00) (the “Settlement Amount”) to settle the lawsuit.

The following sums will be paid from the Settlement Amount: all Net Settlement Payments (inclusive of all employment taxes and all other legally required withholdings that would otherwise be due from the individual Class Members) to the Settlement Class, Attorneys’ Fees (not to exceed 33 ⅓ % of the Settlement Amount, or \$330,000.00), Litigation Expenses not to exceed \$20,000.00, Settlement Administrative Costs estimated in an amount not to exceed \$8,500.00, the PAGA Settlement Payment in the amount of \$37,500.00, and an enhancement payment to the Named Plaintiffs not to exceed \$15,000.00 (therefore, \$5,000.00 each). Any and all Employer Taxes which Flowserve normally would be responsible for paying on the Net Settlement Payments made to individual Class Members will be paid by Flowserve independent of the Settlement Amount.

The funds used for the Settlement Amount shall be paid to the Settlement Administrator. The Settlement Administrator shall disburse the Court-approved enhancement to the Named Plaintiff, Court-approved Attorneys’ Fees and Litigation Expenses, Settlement Administration Costs, and the PAGA Settlement Payment at the same time and manner as the Net Settlement Payments to the Settlement Class members.

2. Net Settlement Amount

“Net Settlement Amount” means the Settlement Amount minus the Attorneys’ Fees, Litigation Expenses, Settlement Administrative Costs, the portion of the PAGA Settlement payment payable to the Labor and Workforce Development Agency, and the enhancement payment to the Named Plaintiff.

3. Your Individual Class Payment Amount.

The Settlement Administrator will calculate the total number of workweeks for all Class Members who were employed by Flowserve during the Settlement Class Period (“Total Workweeks”). A Workweek is defined as any week during which a Settlement Class Member worked for Flowserve US Inc. for at least one day, during the Class Period. Participating Settlement Class Members are Settlement Class Members who do not “opt out” (as defined on page 5 below) during the Settlement Class Period. The value of each Workweek shall be determined by the Administrator by dividing the Net Settlement Amount by the total number of Workweeks available to the Class Members who do not “opt out” (as defined on page 5 below) during the Settlement Class Period (“Workweek Point Value”). Non-Participating Settlement Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Settlement

Class Members on a pro rata basis.

An "Individual Class Payment" for each Participating Settlement Class Member will then be determined by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Settlement Class Members during the Class Period and (b) multiplying the result by each Participating Settlement Class Member's Workweeks.

The Net Settlement Amount available for Class Member settlement payments is estimated to be \$589,000.00, for a class of 317 persons.¹ As a result, each Settlement Class Member is eligible to receive an average net benefit of approximately \$1,858.04.

4. Your Individual PAGA Payment Amount

Individual PAGA Payments will be calculated and apportioned from the 25% share of the PAGA Penalties based on the Aggrieved Employees' PAGA Pay Periods, as follows: The Settlement Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the PAGA Penalties (\$12,500.00) 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 Period Pay Periods.

5. Estimated Payments May Be Subject to Change; Escalator Clause

Estimated payments may be subject to change if the escalator clause is triggered.

Based on its records, Flowserve estimates that, as of the date of this Settlement Agreement, (1) there are approximately 317 Settlement Class Members and (2) there are approximately 240 Aggrieved Employees. If, as of the end of the Class Period, the actual Class size is more than 10% of this estimate (i.e., 347 or more Settlement Class Members), the Gross Settlement Amount shall increase based on the average gross payout paid to individual Settlement Class Members.

6. Tax Matters

The Settlement Administrator will distribute IRS Forms W-2 and 1099 (and the equivalent California forms) to Settlement Class Members reflecting the payments each Settlement Class Member receives under the Settlement. For tax purposes, Net Settlement Payments will be allocated as follows: One Third (1/3) of each Participating Settlement Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). One Third (1/3) of each Participating Settlement Class Member's Individual Class Payment will be allocated to settlement of claims for interest, and One Third (1/3) as penalties (the "Non- Wage Portions"). Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code and the California Franchise Tax Board.

The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Flowserve will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Settlement Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Any payment for an Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will

¹ The Net Settlement Amount is: \$1,000,000.00 minus \$333,000.00 for Class Counsel's attorneys' fees, minus approximately \$20,000.00 for Class Counsel's litigation expenses, minus approximately \$8,500.00 in administration costs, minus \$37,500.00 for the PAGA portion sent to the LWDA, and minus \$15,000.00 for the class representative service awards.

be reported on an IRS Form-1099, if necessary. The Administrator will have the option to pay the Individual Settlement Payment and Individual PAGA Payment by way of a single check. . Settlement Class Members should consult with their tax advisors concerning the tax consequences of the payment they receive under the Settlement.

D. What are you giving up to get a payment and stay in the Class?

Effective on the date when Flowserve fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Settlement Class Members, and Class Counsel will release claims against all Released Parties as follows:

Plaintiffs' Release. Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, 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 or ascertained during the Class Action, PAGA Action, Plaintiffs' respective PAGA Notices, or ascertained during the Class Action and PAGA Action and released under 5.2, below. ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish 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.

Released Class Claims:: All Participating Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, any and all claims involving any alleged: (1) failure to pay minimum wage and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; and (7) unfair business practices. The Released Class Claims do not include any Released PAGA Claims. Except as set forth in Section 5.3 of this Agreement, Participating Settlement 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.

Released PAGA Claims: : All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the of the Class Action and PAGA

Action, including, (1) failure to pay minimum wage and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) unfair business practices; and (8) failure to reimburse necessary business expenses.

THE FINAL APPROVAL HEARING

The Court will conduct a Final Approval Hearing regarding the proposed settlement (the “Final Approval Hearing”) on XXXXXX, at Spring Street Courthouse, 312 N. Spring Street, Los Angeles, California 90012, in Department 17 of the Los Angeles County Superior Court. The Court will determine: (i) whether the settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Settlement Class members; (ii) whether the Settlement Class members should be bound by the terms of the settlement; (iii) the amount of the attorneys’ fees and costs to Plaintiff’s counsel; (iv) the amount that should be provided to the Settlement Administrator for the costs of administering the Settlement; and (v) the amount that should be awarded to the Plaintiff as an enhancement payment. At the Final Approval Hearing, the Court will hear all objections, as well as arguments for and against the proposed Settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

The Final Approval Hearing may be continued without further notice to the Class. You may contact Plaintiff’s counsel, listed in this Notice, to inquire into the date and time of the Final Approval Hearing.

Condition of Settlement. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – GET A PAYMENT**

IF YOU ARE A MEMBER OF THE SETTLEMENT CLASS AND WISH TO RECEIVE YOUR SHARE OF THE SETTLEMENT, THEN YOU DO NOT HAVE TO DO ANYTHING AND YOU WILL AUTOMATICALLY RECEIVE A SETTLEMENT PAYMENT. YOU ARE NOT REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE.

The estimated amount of your Settlement Payment is set forth on the Workweek Dispute Form which accompanies this Notice.

The amount of the Settlement Payment paid to each Settlement Class member is based upon the number of workweeks you worked between August 25, 2018 through the date of preliminary approval. The number of workweeks applicable to your claim is also set forth on the accompanying Workweek Dispute Form. If you believe that the number of workweeks stated is incorrect, you may dispute the number of workweeks by following the instructions on the Workweek Dispute Form. If you believe that the number of workweeks stated is correct, you do not have to do anything.

The Settlement Payment you will receive will be a full and final settlement of your released claims described in Section D above.

- **OPTION 2 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself (“opt out”) from the Settlement Class, but if you choose to do so, you will not receive any benefits from the proposed settlement. You will **not** be bound by a judgment in this case and you will have the right to file your own lawsuit against Flowserve, subject to time limits called statute of limitations and other potential defenses that Flowserve may assert, and to pursue your own claims in a separate suit.

You can opt out of the Settlement Class by completing the form on **Page 8** of this Notice and mailing it by First Class U.S. Mail or equivalent to the Settlement Administrator at the following address: CPT Group Class Action Administration Solutions, 50 Corporate Park, Irvine, CA, 92606. To be valid, your request for exclusion must be postmarked no later than [60 days after mailing].

- **OPTION 3 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Approval Hearing, you may object to the proposed settlement in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense.

Any written objection may be mailed to the Settlement Administrator at P.O. Box 7208, Orange, CA, 92863 by [60 days after mailing].

PLAINTIFFS’/CLASS COUNSEL

Nicol E. Hajjar, Esq.
nicol@wilshirelawfirm.com
Tina Petrosian, Esq.
tpetrosian@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

FLOWSERVE’S COUNSEL

Marytza J. Reyes, Esq.
reyes@sanchez-amador.com
Brittaney D. de la Torre, Esq.
delatorre@ sanchez-amador.com
SANCHEZ & AMADOR, LLP
800 S. Figueroa Street, 11th Floor
Los Angeles, California 90017
Tel.: (213) 955-7200
Fax: (213) 955-7201

CHANGE OF ADDRESS

If you move after receiving this Notice, if it was misaddressed, or if for any reason you want your Settlement Award or future correspondence concerning this Action to be sent to a different address, you must supply your preferred address to the Settlement Administrator at:

CPT Group Action Administration Solutions
50 Corporate Park
Irvine, CA, 92606

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you may review the detailed “Stipulation of Settlement” which is available for viewing online on the following website:

URL: [Insert website provided by Settlement Administrator]

The pleadings and other records in the lawsuit are also available on the website.

ANY INQUIRIES REGARDING THIS LITIGATION SHOULD BE MADE TO PLAINTIFF'S COUNSEL LISTED ABOVE OR TO THE SETTLEMENT ADMINISTRATOR, CPT Group Class Action Administrators, 50 Corporate Park, Irvine, CA, 92606, (800) 542-0900. Please refer to the *John Arias; Jeffrey Hensley v. Flowserve* Class Action Settlement.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE SETTLEMENT PROCESS

**[COMPLETE THIS FORM *ONLY IF YOU CHOOSE TO*
NOT PARTICIPATE IN THIS SETTLEMENT AND
CHOOSE *NOT* TO RECEIVE A SETTLEMENT SHARE]**

OPT-OUT FORM

John Arias; Jeffrey Hensley v. Flowserve
LOS ANGELES COUNTY SUPERIOR COURT CASE NUMBER 22STCV27829

INSTRUCTIONS: TO OPT-OUT OF THE SETTLEMENT, YOU MUST COMPLETE, SIGN AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL OR EQUIVALENT, POSTAGE PAID, POSTMARKED ON OR BEFORE **[+60 DAYS FROM MAILING]**, ADDRESSED TO:

INSERT ADMINISTRATOR INFO

Please fill in all of the following information (type or print):

NAME (First, Middle, Last): _____
STREET ADDRESS: _____
CITY, STATE, ZIP CODE: _____
TELEPHONE NUMBERS: Home: _____ Work: _____

**IT IS STRONGLY RECOMMENDED THAT YOU RETAIN PROOF OF MAILING
THIS FORM POSTMARKED ON OR BEFORE **[DATE]**.**

I [insert your name] wish to be excluded from the Settlement Class in the case of *John Arias; Jeffrey Hensley v. Flowserve*, Los Angeles County Superior Court Case Number 22STCV27829. I understand I will not receive money from the proposed class action settlement.

I further verify that the following is true: My name, address and other contact information are accurately set forth above. I received and had the opportunity to read the Notice of Proposed Class Action Settlement that were sent to me along with this Opt-Out Form. I understand that by signing this side of the form, I voluntarily choose to exclude myself from the proposed settlement of this class action. **I understand that by excluding myself, I may not accept any money allocated for me in the proposed settlement and may not object to the settlement.** On the other hand, I also understand that if I wish to assert any claims related to those set forth in this lawsuit in my individual capacity, I shall have to do so separately. I understand that any such claims are subject to strict time limits, known as statutes of limitations, which restrict the time within which I may file any such action. I understand that I should consult with an attorney at my own expense if I wish to obtain advice regarding my rights with respect to this settlement or my choice to opt out of the settlement. Flowserve has not encouraged me to opt out, and I choose to opt out of my own free will.

I declare under penalty of perjury under the laws of the State of California that the forgoing is true and correct.

Signed: _____

Date: _____

Print Name: _____

Last four digits of Social Security Number _____