

1 Elliot J. Siegel (Bar No. 286798)
2 elliot@kingsiegel.com
3 Melissa R. Rinehart (Bar No. 331315)
4 melissa@kingsiegel.com
5 **KING & SIEGEL LLP**
6 724 S. Spring Street, Ste. 201
7 Los Angeles, California 90014
8 *tel:* (213) 465-4802
9 *fax:* (213) 465-4803
10 Attorneys for Plaintiff and Putative Class

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **FOR THE COUNTY OF LOS SACRAMENTO**

13 **Chase McCartney**, individually and on
14 behalf of all similarly situated individuals,

15 Plaintiff,

16 vs.

17 **Vasko Electric, Inc.**, a California limited
18 liability company; and DOES 1-100,
19 inclusive,

20 Defendant.

CASE NO. 25CV002553

[Assigned for all purposes to the Hon. Jill
Talley Dept. 23]

CLASS ACTION

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

Case Filed: January 30, 2025
Trial Date: None set

1 This Joint Stipulation of Settlement and Release of Class and PAGA Action
2 (“Agreement” or “Settlement Agreement”) is made and entered into by and between
3 Plaintiff Chase McCartney (“Plaintiff” or “Class Representative”), as an individual and on
4 behalf of all others similarly situated, and Defendant Vasko Electric, Inc. (“Defendant”).
5 Plaintiff and Defendant may be referred to herein as the “Parties,” singularly as a “Party,”
6 or by their designated names.

7 This Agreement is subject to the approval of the Court, pursuant to California Rules
8 of Court, Rule 3.769(c), (d) and (e), and is made for the sole purpose of attempting to
9 consummate settlement of the Action on a class-wide basis subject to the following terms
10 and conditions.

11 This Settlement Agreement shall be binding on Plaintiff, the Settlement Class, and
12 the Aggrieved Employees, on the one hand, and Defendant, on the other hand, subject to
13 the terms and conditions hereof and the approval of the Court.

14 RECITALS

15 1. Plaintiff filed his complaint on January 30, 2025 against Defendant in the
16 Sacramento County Superior Court. Plaintiff’s lawsuit, entitled *Chase McCartney v. Vasko*
17 *Electric, Inc.* Case Number 25CV002553 (“Action”), sets forth the following class-wide
18 causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3)
19 failure to provide rest periods or premium pay in lieu thereof; (4) failure to provide meal
20 periods or premium pay in lieu thereof; (5) failure to reimburse necessary business
21 expenses; (6) failure to provide and maintain accurate records; and (7) failure to timely pay
22 wages after employment; (8) Private Attorneys General Act (“PAGA”) penalties; and (9)
23 violation of California Business and Professions Code §§ 17200, et seq.

24 2. Defendant denies all material allegations set forth in the Action and has
25 asserted numerous affirmative and other defenses in response to the Class, PAGA, and
26 individual claims. Defendant contends it has complied with the California Labor Code, the
27 California Business & Professions Code, the applicable IWC Wage Orders, and all other
28

1 applicable California and Federal law.

2 3. Notwithstanding the foregoing and in the interest of avoiding further
3 litigation, the Parties desire to fully and finally settle the Class and PAGA claims plead in
4 the operative.

5 4. This Settlement Agreement is made and entered into by and between Plaintiff
6 individually and on behalf of all other allegedly similarly situated Aggrieved Employees and
7 Settlement Class Members on the one hand, and Defendant on the other hand. This
8 Settlement Agreement is subject to the terms and conditions hereof, as well as the Court's
9 approval. The Parties expressly acknowledge that this Agreement is entered into solely for
10 the purpose of compromising disputed claims and that nothing herein is an admission of
11 any liability or wrongdoing by Defendant.

12 5. The Parties agree to abide by the terms of the Settlement Agreement in good
13 faith and to support the Settlement Agreement fully and to use their best efforts to defend
14 this Settlement Agreement from any legal challenge, whether by appeal or collateral attack.

15 6. On January 14, 2026, the Parties participated in a full-day of mediation with
16 Hon. Peter Lichtman (the "Mediator"), a well-respected mediator in the field of
17 employment law and wage-and-hour class actions. After a full-day of mediation, the Parties
18 received a mediator's proposal containing the principal terms of a class action and PAGA
19 settlement. After further negotiations with the assistance of the Mediator, the parties
20 accepted the Mediator's proposal with an increase in the settlement amount, and the terms
21 of which proposal have now been expanded upon in this Stipulation.

22 7. Class Counsel conducted a significant investigation during the prosecution of
23 the Action. This investigation included, among other things, (a) telephonic and Zoom
24 conferences with Plaintiff; (b) inspection and analysis of numerous payroll, time entry, and
25 policy documents and other information produced by Plaintiff and Defendant; (c) analysis
26 of the legal positions taken by Defendant; (d) investigation into the viability of class
27 treatment of the claims asserted in the Action; (e) analysis of potential class-wide damages,
28

1 including information sufficient to understand Defendant's potential defenses to Plaintiff's
2 claims; (f) research of the applicable law with respect to the claims asserted in the Action
3 and the potential defenses thereto; (g) assembling and analyzing of data for calculating
4 damages; (i) hired the services of an expert to analyse and prepare Defendant's exposure;
5 (j) interviewed putative Class Members to obtain information about their employment
6 experience and verify the allegations in the Complaint; and (k) considered sworn
7 declarations executed by putative Class Members.

8 8. The informal discovery conducted in this matter, as well as discussions
9 between counsel, and consultation with Class Counsel's expert, have been adequate to give
10 the Class Representative and Class Counsel a sound understanding of the merits of their
11 positions, to evaluate the risks of continued litigation and the value of the Settlement
12 Class's claims, to reliably assess the merits of the Parties' positions, and to compromise the
13 issues on a fair and equitable basis.

14 9. The settlement discussions before, during, and after mediation were
15 conducted at arm's length and the settlement of the Action is the result of an informed and
16 detailed analysis of Defendant's potential liability and defenses in relation to the costs and
17 risks associated with continued litigation.

18 10. Plaintiff and Class Counsel believe that the claims, causes of action,
19 allegations, and contentions asserted in the Action have merit. However, Plaintiff and Class
20 Counsel recognize and acknowledge the expense and delay of continued lengthy
21 proceedings necessary to prosecute the Action against Defendant through trial and appeals.
22 Class Counsel has taken into account: 1) the uncertain outcome of the litigation; 2) the risk
23 of continued litigation in complex actions such as this lawsuit; 3) the difficulties and delays
24 inherent in such litigation; 4) the potential difficulty of obtaining certification of the Action;
25 and 5) the potential risk of trying the claims of the class. Class Counsel is mindful of the
26 potential problems of proof under, and possible defenses to, the claims alleged in the
27 Action and litigation of those claims on a class-wide basis.

11. Class Counsel believes that the Settlement set forth in this Settlement Agreement confers substantial benefits upon Plaintiff and the Class Members, and that an independent review of this Settlement Agreement by the Court in the approval process will confirm this conclusion. Based on their own independent investigation and evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation is in the best interests of Plaintiff and the Class Members.

12. Based on the data and documents produced during formal and informal discovery and in response to Plaintiff's Labor Code sections 226 and 1198.5 records request, Class Counsel's own independent investigation and evaluation, and the Mediator's efforts, Class Counsel believes that Plaintiff's settlement with Defendant for the consideration provided and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate, and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, the contested legal and factual issues involved, and potential appellate issues.

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

13. "**Action**" means *Chase McCartney v. Vasko Electric, Inc.*, Sacramento Superior Court Case No. 25CV002553.

14. "**Aggrieved Employees**" means those Class Members who worked for Defendant within the PAGA Period.

15. "**Class Counsel**" means Elliot J. Siegel and Melissa Rinehart of King & Siegel LLP.

16. "**Class Counsel's Fees and Costs**" means attorneys' fees agreed upon by the Parties and approved by the Court for Class Counsel's litigation and resolution of this Action. Class Counsel's Fees and Costs shall include all costs incurred and to be incurred

1 by Class Counsel in the Action, including, but not limited to, costs associated with
2 documenting the Settlement, securing the Court's approval of the Settlement, responding
3 to any objections to the settlement and appeals arising therefrom, administering the
4 Settlement, and obtaining entry of a Judgment terminating this Action, and expenses for
5 any experts. Class Counsel will request attorneys' fees not in excess of one-third of the
6 Maximum Settlement Amount (i.e., up to Two Hundred Sixteen Thousand Six Hundred
7 Sixty Six Dollars and Sixty Seven Cents \$216,666.67)). The Class Counsel's Fees and Costs
8 will also mean and include the additional reimbursement of Class Counsel's actual
9 reasonable costs incurred in connection with Class Counsel's litigation and settlement of
10 the Action, up to Thirty Thousand Dollars and Zero Cents (\$30,000), subject to the Court's
11 approval. Defendant agrees not to oppose Class Counsel's request for fees and
12 reimbursement of costs as set forth above. For the avoidance of doubt, any increase to the
13 Maximum Settlement Amount shall apply to Class Counsel's fees such that they shall be
14 equal to one-third of the amount of the escalated Maximum Settlement.

15 17. **"Class List"** means a complete list of all Class Members that Defendant will
16 diligently and in good faith compile from their records and provide confidentially to the
17 Settlement Administrator within 10 calendar days after Preliminary Approval of this
18 Settlement. The Class List will be formatted in a readable Microsoft Office Excel
19 spreadsheet and will include, to the extent in the possession of Defendant or its agents,
20 Class Members' names; last-known addresses; last-known telephone numbers; last-known
21 email address; social security numbers; start dates of employment; end dates of
22 employment; number of weeks worked by each Class Member during the Class Period; the
23 number of pay periods worked by each Aggrieved Employee during the PAGA Period.

24 18. **"Class Member(s)"** or **"Settlement Class"** or the **"Class"** means *all*
25 *persons who worked at least one 3.5-hour shift as a non-exempt employee for Defendant*
26 *in California during the Class Period.*

27 19. **"Class Period"** means the period from period from January 30, 2021
28

1 through January 14, 2026.

2 20. “**Class Representative**,” “**Plaintiff**,” or “**Named Plaintiff**” means
3 Plaintiff Chase McCartney who will seek to be appointed as the representative for the
4 Settlement Class.

5 21. “**Class Representative Enhancement Payment**” means the amounts to
6 be paid to Plaintiff in recognition of his efforts and work in prosecuting the Action on behalf
7 of Class Members and negotiating the Settlement. Defendant agrees not to dispute that the
8 Class Representative will be paid, subject to Court approval, up to Ten Thousand Dollars
9 and Zero Cents (\$10,000) from the Maximum Settlement Amount for his services on behalf
10 of the class, subject to the Court granting Final Approval of this Settlement Agreement and
11 subject to the exhaustion of any and all appeals. Should the Court reduce the Class
12 Representative Enhancement Payment, any such reduction shall revert to the Net
13 Settlement distributed to Participating Class Members.

14 22. “**Court**” means the Superior Court of California, County of Sacramento.

15 23. “**Defendant**” means Vasko Electric, Inc.

16 24. “**Defense Counsel**” means Dennis B. Cook, Stephen McCutcheon and Alexis
17 Gabrielson of Cook Brown, LLP.

18 25. “**Effective Date**” means the date on which the settlement embodied in this
19 agreement shall become effective and is the date after all of the following events have occurred:
20 (i) this long-form Stipulation of Settlement has been executed by Plaintiff and Defendant; (ii)
21 the Court has given Preliminary Approval to the Settlement, including approving a provisional
22 Settlement Class; (iii) notice has been given to the putative members of the Settlement Class,
23 providing them with an opportunity to object to the terms of the Settlement or to opt-out of
24 the Settlement; and (iv) either (1) the Court has held a formal fairness hearing and, having
25 heard no objections by any Class Members to the Settlement, has given Final Approval to the
26 Settlement, including entering a final order and judgment certifying the Settlement Class and
27 approving this Settlement Agreement; or (2) in the event there are oral or written objections
28

1 filed by Class Members prior to or at the formal fairness hearing which are not later withdrawn
2 or denied, the later of the following events: (a) five (5) business days after the period for filing
3 any appeal, writ, or other appellate proceeding opposing the Court's Final Approval of the
4 Settlement have elapsed without any appeal, writ, or other appellate proceeding having been
5 filed; or (b) five (5) business days have elapsed following the final and conclusive dismissal or
6 resolution of any appeal, writ, or other appellate proceeding opposing the Settlement, with no
7 right to pursue further appellate remedies or relief.

8 26. **"Individual Class Payment"** means each Participating Class Member's
9 share of the Net Settlement Amount, to be distributed to the Class Members who do not
10 submit a valid Request for Exclusion, to be paid without the need to submit a claim.

11 27. **"Individual PAGA Payment"** means each Aggrieved Employee's pro rata
12 share of the 35% of the Labor and Workforce Development Agency Payment allocated to
13 the Aggrieved Employees. Aggrieved Employees will receive their Individual PAGA
14 Payment regardless of whether they submit a valid Request for Exclusion.

15 28. **"Labor and Workforce Development Agency Payment"** means the
16 amount that the Parties have agreed that Defendant will pay in connection with Plaintiff's
17 Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*
18 ("PAGA")) cause of action. The Parties have agreed that Sixty-Five Thousand Dollars and
19 Zero Cents (\$65,000) of the Maximum Settlement Amount will be allocated to the
20 resolution of the Aggrieved Employees' claims arising under PAGA ("PAGA Settlement
21 Amount"). Pursuant to PAGA, Sixty-Five Percent (65%), or Forty Two Thousand Two
22 Hundred Fifty Dollars and Zero Cents (\$42,250), of the PAGA Settlement Amount will be
23 paid to the California Labor and Workforce Development Agency ("LWDA"), and Thirty-
24 Five Percent (35%), or Twenty Two Thousand Seven Hundred Fifty Dollars and Zero Cents
25 (\$22,750), of the PAGA Settlement Amount will be paid to the Class Members, as allegedly
26 Aggrieved Employees, as part of the Net Settlement Amount.

27 29. **"Maximum Settlement Amount"** ("MSA") means the maximum
28

1 settlement amount of Six Hundred Fifty Thousand and Zero Cents (\$650,000) to be paid
2 by Defendant in full satisfaction of all claims arising from the Action. The Maximum
3 Settlement Amount shall include all Individual Class Settlement Payments to Participating
4 Class Members, Individual PAGA Payments, the Class Representative Enhancement
5 Payment, Settlement Administration Costs to the Settlement Administrator, the Labor and
6 Workforce Development Agency Payment, and the Class Counsel's Fees and Costs.
7 Defendant agrees that it is responsible for employer-side payroll taxes, which are not
8 included in the Maximum Settlement Amount and are to be paid in addition to the
9 Maximum Settlement Amount. The Maximum Settlement Amount is non-reversionary.

10 30. **"Net Settlement Amount"** means the portion of the Maximum Settlement
11 Amount remaining after deduction of the approved Class Representative Enhancement
12 Payment, Settlement Administration Costs, Labor and Workforce Development Agency
13 Payment, and Class Counsel's Fees and Costs. The Net Settlement Amount will be
14 distributed to Participating Class Members and Individual PAGA Payment.

15 31. **"Notice of Objection"** means a Class Member's valid and timely written
16 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must
17 include: (a) the objector's full name, signature, address, telephone number, and the last
18 four digits of the objector's social security number, (b) the dates the objector was employed
19 by Defendant in California, (c) a written statement of all grounds for the objection
20 accompanied by any legal support for such objection, and (d) copies of any papers, briefs,
21 or other documents upon which the objection is based.

22 32. **"Notice Packet"** or **"Notice"** means the Notice of Class Action Settlement
23 and Share Form, substantially in the form attached as **Exhibit A**.

24 33. **"PAGA Period"** shall run from January 30, 2024 through January 14, 2026.

25 34. **"Parties"** means Plaintiff and Defendant, collectively.

26 35. **"Participating Class Members"** means all Class Members who do not
27 submit valid and timely Requests for Exclusion.
28

1 36. **“Preliminary Approval”** means the Court order granting preliminary
2 approval of the Settlement.

3 37. **“Final Approval”** means the Court granting final approval of the
4 Settlement and entering final judgement.

5 38. **“Released Claims”** means all claims that were alleged or could reasonably
6 have been alleged based on the facts set forth in the Class Complaint, including but not
7 limited to all of the following claims for relief: (1) failure to pay minimum wages; (2) failure
8 to pay overtime wages; (3) failure to provide rest periods or premium pay in lieu thereof;
9 (4) failure to provide meal periods or premium pay in lieu thereof; (5) failure to reimburse
10 necessary business expenses; (6) failure to provide and maintain accurate records; and (7)
11 failure to timely pay wages after employment; (8) Private Attorneys General Act (“PAGA”)
12 penalties; and (9) violation of California Business and Professions Code §§ 17200, et seq.
13 The Release will only take effect upon the latter of the Effective Date and full funding of the
14 MSA by Defendant.

15 39. **“Release Period”** means the period from January 30, 2021 through the date
16 of preliminary approval, unless a different date is selected by Defendant pursuant to the
17 Escalator Provision in Paragraph 84.

18 40. **“Released PAGA Claims”** means the claim for civil penalties under PAGA
19 asserted in the LWDA letter, or that reasonably could have been asserted based on the
20 factual allegations contained therein.

21 41. **“PAGA Release Period”** means the period from January 30, 2024 through
22 the date of preliminary approval, unless a different date is selected by Defendant pursuant
23 to the Escalator Provision in Paragraph 84.

24 42. **“Released Parties”** shall mean Defendant, each Defendant’s parent(s) or
25 subsidiary(ies), and each of their officers, directors, owners, insurers, sureties, and
26 attorneys as applicable.

27 43. **“Request for Exclusion”** means a timely letter submitted by a Class
28

1 Member indicating a request to be excluded from the Settlement. The Request for
2 Exclusion must: (a) be signed by the Class Member; (b) contain the name, address,
3 telephone number, and the last four digits of the Social Security Number of the Class
4 Member requesting exclusion; (c) clearly state that the Class Member received the Notice,
5 does not wish to participate in the Settlement, and wants to be excluded from the
6 Settlement; (d) be returned by first class mail or overnight delivery to the Settlement
7 Administrator at the specified address; and, (e) be postmarked on or before the Response
8 Deadline. The date of the postmark on the return mailing envelope will be the exclusive
9 means to determine whether a Request for Exclusion has been timely submitted. Requests
10 for exclusion may not be submitted by email. A Class Member who does not request
11 exclusion from the Settlement will be deemed a Participating Class Member and will be
12 bound by all terms of the Settlement, if the Settlement is granted Final Approval by the
13 Court.

14 44. **“Response Deadline”** means the deadline by which Class Members must
15 postmark to the Settlement Administrator valid Share Forms, Requests for Exclusion, or
16 file and serve objections to the Settlement. The Response Deadline will be 60 calendar days
17 from the initial mailing of the Notice Packet by the Settlement Administrator, unless the
18 30th day falls on a Sunday or federal holiday, in which case the Response Deadline will be
19 extended to the next day on which the U.S. Postal Service is open. The Response Deadline
20 for Objections or Requests for Exclusion will be extended fifteen (15) calendar days for any
21 Class Member who is re-mailed a Notice Packet by the Settlement Administrator, unless
22 the 15th day falls on a Sunday or federal holiday, in which case the Response Deadline will
23 be extended to the next day on which the U.S. Postal Service is open. The Response
24 Deadline may also be extended by express agreement between Class Counsel and
25 Defendant. Under no circumstances, however, will the Settlement Administrator have the
26 authority to extend the deadline for Class Members to submit a Request for Exclusion, or
27 objection to the Settlement other than as provided herein.
28

46. **“Settlement Administrator”** means a third-party class action settlement claims administrator selected by the Parties and approved by the Court for purposes of administering this Settlement. The Parties each represent that they will not select a Settlement Administrator in which either Party has any financial interest or other relationship that could create a conflict of interest.

48. **“Workweeks”** means any week during which a Class Member worked for Defendant at least one day, during the Class Period.

49. Solely for purposes of settling the Action, the Parties stipulate and agree that the requisites for establishing class certification with respect to the Settlement Class have been met and are met. If for any reason the Court does not grant Preliminary Approval, grant Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and 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

1 effectuate the Settlement and this Agreement). More specifically, the Parties stipulate and
2 agree for purposes of this Settlement only that:

3 a. The Settlement Class is ascertainable and so numerous as to make it
4 impracticable to join all Class Members;

5 b. There are common questions of law and fact including, but not limited to, the
6 following:

7 i. Whether Defendant had a common policy and/or practice of
8 accurately recording non-exempt employees' time worked;

9 ii. Whether Defendant had a common policy and/or practice of
10 requiring Plaintiff and Class Members to remain under Defendants' control and direction
11 while off-the-clock;

12 iii. Whether Defendant unlawfully and/or willfully failed to
13 compensate Plaintiff and Class Members at a minimum wage for all hours worked;

14 iv. Whether Defendant unlawfully and/or willfully failed to
15 compensate Plaintiff and Class Members required overtime wages;

16 v. Whether Defendant had a common policy and/or practice of
17 authorizing compliant meal periods to all non-exempt employees;

18 vi. Whether Defendant had a common policy and/or practice of
19 permitting compliant rest periods to all non-exempt employees;

20 vii. Whether Defendant had a common policy and/or practice of
21 depriving Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

22 viii. Whether Defendant unlawfully and/or willfully deprived
23 Plaintiff and Class Members of compliant, off-duty meal and/or rest periods;

24 ix. Whether Defendant paid Plaintiff and Class Members all
25 required premium wages for non-compliant meal and/or rest periods;

26 x. Whether Defendant unlawfully and/or willfully failed to
27 reimburse all necessary business expenses;
28

1 xi. Whether Defendant had a common policy and/or practice of
2 failing to maintain accurate payroll records in the State of California;

3 xii. Whether Defendant unlawfully and/or willfully failed to
4 maintain accurate payroll records in the State of California;

5 xiii. Whether Defendant had a policy and/or practice of failing to
6 provide accurate wage statements reflecting hours worked and wages earned to Plaintiff
7 and Class Members;

8 xiv. Whether Defendant unlawfully and/or willfully failed to
9 provide accurate wage statements reflecting hours worked and wages earned to Plaintiff
10 and Class Members;

11 xv. Whether Defendants had a policy and/or practice of failing to
12 timely pay wages during employment in violation of Labor Code §§ 204 and 210.

13 xvi. Whether Defendant had a policy and/or practice of failing to
14 pay Plaintiff and Class Members final wages owed upon termination;

15 xvii. Whether Defendant unlawfully and/or willfully failed to
16 promptly pay compensation due to Plaintiff and Class Members upon termination of
17 employment in violation of Labor Code §§ 201, 202, and 203;

18 xviii. Whether Plaintiff and Class Members sustained damages as a
19 result of any of the aforementioned violations, and, if so, the proper measure of those
20 damages, including interest, penalties, costs, attorneys' fees, and equitable relief;

21 xix. Whether Defendant violated the Unfair Competition Law, Cal.
22 Bus. & Prof. Code § 17200, *et seq.*, by violating the above provisions of law; and

23 xx. Whether Defendant violated the Unfair Competition Law, Cal.
24 Bus. & Prof. Code § 17200, *et seq.*, by treating Plaintiff and Class Members unfairly by
25 depriving them of rest and/or meal periods, failing to provide them with compensation
26 in lieu of meal and/or rest periods, failing to compensate them for all wages earned,
27 failing to timely pay wages owed, failing to pay wages upon termination, failing to furnish
28

1 accurate and timely itemized wage statements upon payment of wages, and failing to pay
2 all compensation due upon discharge.

3 c. That the Class Representative's claims are typical of the claims of the
4 members of the Settlement Class.

5 d. That the Class Representative and Class Counsel will fairly and adequately
6 protect the interests of the Settlement Class.

7 e. That the prosecution of separate actions by individual members of the
8 Settlement Class would create the risk of inconsistent or varying adjudications, which
9 would establish incompatible standards of conduct.

10 f. That questions of law and fact common to the members of the Settlement
11 Class predominate over any questions affecting any individual member in such Class, and
12 that a class action is superior to other available means for the fair and efficient adjudication
13 of the controversy.

14 g. The Parties agree that this stipulation regarding class certification is for the
15 sole purpose of facilitating settlement approval. Should the Court ultimately deny
16 settlement approval, the Parties agree that Defendant maintain and have the right to
17 contend that class certification, for all the issues enumerated herein, is improper based
18 upon all defenses available to Defendant prior to execution of this Stipulation.

19 **TERMS OF AGREEMENT**

20 NOW, THEREFORE, in consideration of the mutual covenants, promises, and
21 agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

22 50. Funding of the Maximum Settlement Amount. Within five calendar days of
23 the Effective Date, the Settlement Administrator will provide the Parties with an
24 accounting of the amounts to be paid by Defendant pursuant to the terms of the Settlement,
25 including applicable taxes. Defendant shall fully fund the MSA, plus any required employer-
26 side taxes, within seven days of the Effective Date.

27 51. Within seven calendar days of the funding of the Maximum Settlement
28

1 Amount, the Settlement Administrator will issue payments to: (a) Class Representative; (b)
2 Class Counsel; (c) the Participating Class Members; (d) the Labor and Workforce
3 Development Agency; and (e) the Settlement Administrator. The Settlement Administrator
4 shall mail separate checks for each person's Individual Class Payment and Individual PAGA
5 Payment, where applicable.

6 52. Class Counsel's Fees and Costs. Defendant agrees not to oppose or impede
7 any application or motion by Class Counsel for Class Counsel's Fees and Costs of up to one-
8 third of the Maximum Settlement Amount, or \$216,666.67 plus the reimbursement of
9 actual reasonable costs and expenses incurred in connection with Class Counsel's litigation
10 and settlement of the Action, up to Thirty Thousand Dollars and Zero Cents (\$30,000),
11 both of which will be paid from the Maximum Settlement Amount. In support of the Class
12 Counsel Litigation Expenses Payment, Class Counsel must submit a cost ledger listing each
13 expense incurred during the Action. If the Court approves a Class Counsel Fees Payment
14 or a Class Counsel Litigation Expenses Payment less than the amount requested, the
15 Administrator will allocate the remainder to the Net Settlement Amount. Released Parties
16 shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any
17 claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation
18 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class
19 Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel
20 assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment
21 and the Class Counsel Litigation Expenses Payment and holds Defendant harmless from
22 any dispute or controversy regarding any division or sharing of any of these payments. For
23 the avoidance of doubt, any increase to the Maximum Settlement Amount caused by this
24 Paragraph shall apply to Class Counsel's fees such that they shall be equal to one-third of
25 the amount of the escalated Maximum Settlement.

26 53. Class Representative Enhancement Payment. In recognition of his efforts and
27 work in prosecuting the Action on behalf of Class Members and the Aggrieved Employees
28

1 and in negotiating the Settlement, Defendant agrees not to oppose or impede any
2 application or motion for a Class Representative Enhancement Payment of up to a total of
3 Ten Thousand Dollars and Zero Cents (\$10,000) to the Class Representative, subject to the
4 Court's approval. The Class Representative Enhancement Payment, which will be paid from
5 the Maximum Settlement Amount, is in addition to the payment to which he is entitled as
6 Settlement Class Member or is entitled to as part of Plaintiff's Individual Class Payment. If
7 the Court approves a Class Representative Service Payment less than the amount
8 requested, the Administrator will retain the remainder in the Net Settlement Amount. The
9 Administrator will pay the Class Representative Service Payment using IRS Form 1099.
10 Plaintiff assumes full responsibility and liability for employee taxes owed on the Class
11 Representative Service Payment.

12 54. Settlement Administration Costs. The Settlement Administrator will be paid
13 for the reasonable costs of administration of the Settlement and distribution of payments
14 from the Maximum Settlement Amount, which is capped at no more than \$25,000. These
15 costs, which will be paid from the Maximum Settlement Amount, will include, for instance,
16 costs incurred for the required tax reporting on the Individual Class Payments, the issuing
17 of W-2 and 1099 IRS Forms, distributing the Notice Packet, calculating Class Members'
18 workweeks, and calculating and distributing the Maximum Settlement Amount and Class
19 Counsel's Fees and Costs, and providing necessary reports and declarations.

20 55. Settlement Administration Cost Decreases. Any portion of the estimated or
21 designated Settlement Administration Costs which are not required to fulfill the total
22 Settlement Administration Costs will become part of the Net Settlement Amount.

23 56. Individual Class Payment and Individual PAGA Payment Calculations.
24 Individual Class Payments will be calculated and apportioned from the Net Settlement
25 Amount based on the Workweeks a Participating Class Member worked during the Class
26 Period based upon the Class List provided by Defendant. Individual PAGA Payments will
27 be separately calculated and apportioned from the portion of the PAGA amount intended
28

1 for Aggrieved Employees based upon the Class List provided by Defendant. Specific
2 calculations of Individual Class Payments and Individual PAGA Payments will be made as
3 follows:

4 a. The Settlement Administrator will calculate the total Workweeks for
5 all Settlement Class Members by adding the number of Workweeks worked by each
6 Settlement Class Member during the Class Period.

7 b. The respective Workweeks for each Settlement Class Member will be
8 divided by the total Workweeks, resulting in the Payment Ratio for each Settlement
9 Class Member.

10 c. Each Settlement Class Member's Payment Ratio will then be
11 multiplied by the Net Settlement Amount to calculate each Settlement Class
12 Member's estimated Individual Class Payments.

13 d. Using the Class Data, the Settlement Administrator will calculate the
14 total number of pay periods in the PAGA Period and will divide each Aggrieved
15 Employees' individual number of eligible pay periods by the total number of pay
16 periods in the PAGA Period to determine their pro rata portion of the portion of the
17 PAGA payment allocated to Aggrieved Employees.

18 57. Limited Confidentiality. The Parties agree not to issue press releases,
19 communicate with, or respond to, any media or publication entities concerning the
20 Settlement, including the fact of the Settlement, its terms or contents, and the negotiations
21 underlying the Settlement prior to final approval and Entry of Judgment, except as
22 required by law or as shall be contractually required to effectuate the terms of the
23 Settlement as set forth herein. Nothing stated herein shall prohibit Class Counsel from
24 discussing the Settlement, the fact of Settlement, and its terms and conditions: (i) with
25 Class Members and/or (ii) in court filings, including in their respective firm resumes,
26 and/or (iii) in all necessary motions and supporting memoranda related to preliminary and
27 final approval of the Settlement or for other class action settlements. This provision also
28

1 does not limit Class Counsel (i) from complying with ethical obligations; or (ii) from
2 posting a neutral description of publicly available facts regarding the Settlement, provided
3 that such posting does not expressly identify Defendant by name. Further, Defendant
4 agrees that if any person or entity shall inquire about the past employment history of
5 Plaintiff, Defendant shall give neutral references only. In response to any inquiries about
6 Plaintiff, Defendant shall disclose the dates of his employment, last position held and, with
7 written authorization and shall state that this information is being provided in accordance
8 with company policy. The Parties further agree that they, their agents, representatives and
9 attorneys shall not make any disparaging comments or statements to the public, including
10 through any social media, to the press, or to any individual or entity with whom or which
11 they, or any of their subsidiaries or affiliates, have a business relationship, or to others. For
12 purposes of this paragraph, “disparage” shall mean any negative, untruthful statement,
13 whether written or oral.

14 58. Class Member Communications. Defendant will instruct its officers,
15 directors, and exempt managers that, should they be contacted by Class Members or
16 persons who believe they may be Class Members in relation to this Agreement, such
17 officers, directors, and exempt managers should make no comment except those necessary
18 to direct the employees to Defendant’s administrators, who will be instructed to direct such
19 Class Members to the Settlement Administrator and the Class Notice, or Class Counsel, and
20 to provide such Class Members with contact information for the Settlement Administrator
21 and Class Counsel. Defendant agrees not to discourage or prevent Class Members from
22 exercising any of their rights or obligations pursuant to this Agreement. At no time will any
23 of the Parties or their counsel take any action to encourage, support, require, or induce
24 Class Members to object to the Settlement Agreement, opt-out from the Settlement, or
25 appeal from the Order and Judgment. Notwithstanding the foregoing, Defendant may ask
26 current employee Class Members to sign arbitration agreements as long as they will only
27 be considered to infringe rights after the Class Period ends and exclude from their scope
28

1 any restriction on any right to receive benefits of this Settlement.

2 59. Settlement Awards Do Not Trigger Additional Benefits. All Individual Class
3 Payments to Participating Class Members shall be deemed to be paid to such Participating
4 Class Members solely in the year in which such payments are received by the Participating
5 Class Members. It is expressly understood and agreed that the receipt of such Individual
6 Class Payments will not entitle any Participating Class Member to additional compensation
7 or benefits under any company bonus, commission, or other compensation or benefit plan
8 or agreement in place during the period covered by the Settlement, nor will it entitle any
9 Participating Class Member to any increased retirement, 401K benefits or matching
10 benefits, or deferred compensation benefits. It is the intent of the Parties to this Settlement
11 that the Individual Class Payments provided for in this Settlement are the sole payments
12 to be made by Defendant to the Participating Class Members, and that the Participating
13 Class Members are not entitled to any new or additional compensation or benefits as a
14 result of having received the Individual Settlement Payments (notwithstanding any
15 contrary language or agreement in any benefit or compensation plan document that might
16 have been in effect during the period covered by this Settlement).

17 60. Settlement Administration Process. The Parties agree to cooperate in the
18 administration of the Settlement and to make all reasonable efforts to control and minimize
19 the costs and expenses incurred in administration of the Settlement.

20 61. Delivery of the Class List. Within 10 calendar days of Preliminary Approval,
21 Defendant will provide the Class List to the Settlement Administrator.

22 62. Notice by First-Class U.S. Mail. Within five (5) calendar days following
23 receipt of the Class List, the Settlement Administrator will mail a Notice Packet,
24 substantially in the form attached hereto as **Exhibit A**, to all Class Members via regular
25 First-Class U.S. Mail, using the most current, known mailing addresses identified in the
26 Class List. Each Notice Packet will provide: (a) information regarding the nature of the
27 Action; (b) a summary of the Settlement's principal terms; (c) the Settlement Class
28

1 definition; (d) each Class Member's estimated Individual Class Payment and the formula
2 for calculating Individual Class Payments; (e) the dates which comprise the Class Period;
3 (f) instructions on how to submit valid Requests for Exclusion or objections; (g) the
4 deadlines by which the Class Member must fax or postmark Requests for Exclusions or file
5 and serve objections to the Settlement; (h) the claims to be released, as set forth herein;
6 and (i) the date for the Final Approval Hearing.

7 63. Confirmation of Contact Information in the Class Lists. Prior to mailing, the
8 Settlement Administrator will perform a search based on the National Change of Address
9 Database for information to update and correct for any known or identifiable address
10 changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable
11 on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail
12 to the forwarding address affixed thereto and the Settlement Administrator will indicate
13 the date of such re-mailing on the Notice Packet. If no forwarding address is provided, the
14 Settlement Administrator will promptly attempt to determine the correct address using a
15 skip-trace, or other search using the name, address and/or Social Security number of the
16 Class Member involved and will then perform a single re-mailing.

17 64. The Settlement Administrator shall exercise its best judgment to determine
18 the current mailing address for each Class Member. The address identified by the
19 Settlement Administrator as the current mailing address shall be presumed to be the best
20 mailing address for each Class Member.

21 65. Disputed Information on Notice Packets. Class Members and Aggrieved
22 Employees will have an opportunity to dispute the information provided in their Notice
23 Packets. To the extent Class Members/Aggrieved Employees dispute the number of weeks
24 he/she worked during the Class Period or PAGA Period, or the amount of their Individual
25 Class Payment or Individual PAGA Payment, Class Members may produce evidence to the
26 Settlement Administrator showing that such information is inaccurate. Any disputes, along
27 with supporting documentation, must be postmarked on or before the Response Deadline.
28

1 Absent evidence rebutting Defendant' records, Defendant' records will be presumed
2 determinative. However, if a Class Member or Aggrieved Employee produces evidence to
3 the contrary, the Settlement Administrator will evaluate the evidence submitted by the
4 Class Member/Aggrieved Employee in consultation with Class Counsel and counsel for
5 Defendant' and will make the final decision as to the Individual Class Payment/Individual
6 PAGA Payment to which the Class Member/Aggrieved Employee may be entitled with
7 input from Class and Defense Counsel. This determination shall be binding on the Class
8 Member and Aggrieved Employee.

9 66. Request for Exclusion Procedures. Any Class Member wishing to opt-out
10 from the Settlement Agreement must sign and postmark a written Request for Exclusion
11 to the Settlement Administrator within the Response Deadline. The date of the postmark
12 on the return mailing envelope will be the exclusive means to determine whether a Request
13 for Exclusion has been timely submitted. Requests for Exclusion shall not be accepted by
14 email. All Requests for Exclusion will be submitted to the Settlement Administrator, who
15 will certify jointly to Class Counsel and Defendant' Counsel the Requests for Exclusion that
16 were timely submitted, including the name of the Class Member and their Exclusion
17 Request. Any Class Member who submits a Request for Exclusion shall be prohibited from
18 objecting to the Settlement Agreement.

19 67. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
20 Member who does not affirmatively opt-out of the Settlement Agreement by submitting a
21 timely and valid Request for Exclusion will be bound by all of the terms of the Settlement
22 Agreement, including those pertaining to the Released Claims, as well as any Judgment
23 that may be entered by the Court if it grants Final Approval to the Settlement.

24 68. Objection Procedures. To object to the Settlement Agreement, a Class
25 Member must file a valid Notice of Objection with the Settlement Administrator on or
26 before the Response Deadline. The Settlement Administrator shall serve all objections as
27 received on Class Counsel and Defendant's Counsel. It shall not be a breach of this
28

1 Agreement for Class Counsel to file the Objections with the Court per the Court's
2 instruction, local rules, or as otherwise required for approval of this Settlement Agreement.
3 The Notice of Objection shall be signed by the Class Member and contain all information
4 required by this Settlement Agreement. The postmark date of the filing and service will be
5 deemed the exclusive means for determining that the Notice of Objection is timely. Class
6 Members may also raise objections orally at the Final Fairness and Approval hearing,
7 whether or not they previously submitted a valid Notice of Objection. At no time will any
8 of the Parties or their counsel take any action to encourage, support, or induce Class
9 Members to object to the Settlement Agreement, opt-out from the Settlement, or appeal
10 from the Order and Judgment. Class Counsel will not represent any Class Members with
11 respect to any such objections to this Settlement.

12 69. Certification Reports Regarding Individual Class Payment Calculations. The
13 Settlement Administrator will provide Defendant's counsel and Class Counsel a weekly
14 report which certifies: (a) the number of Class Members who have submitted valid
15 Requests for Exclusion; and (b) whether any Class Member has submitted a challenge to
16 any information contained in their Claim Form or Notice Packet. Additionally, the
17 Settlement Administrator will provide to counsel for both Parties any updated reports
18 regarding the administration of the Settlement Agreement as needed or requested. No later
19 than 30 days prior to the deadline for Class Counsel to file its motion in support of the Final
20 Approval and Fairness Hearing, the Settlement Administrator will compile and deliver to
21 Class Counsel and Defense Counsel a declaration with summary information of the Notice
22 process, including but not limited to: (a) the total amount of final Individual Class
23 Payments of each Settlement Class Member; (b) the number of Settlement Class Members
24 to receive such payments; (c) the final number of requests for exclusion/opt-outs requests
25 and objections; (d) the Settlement Administrator's qualifications for administration; and
26 (e) an explanation of the steps taken to implement the Notice process as set forth in this
27 Agreement. The Settlement Administrator will also provide a copy of each opt-out request
28

1 and objection, authenticate those documents, and provide all necessary details as
2 requested by Counsel regarding the timing and handling of any opt-out requests and
3 objections.

4 70. Uncashed Settlement Checks. Any checks issued by the Settlement
5 Administrator to Participating Class Members will be negotiable for 180 calendar days
6 from the date the check was issued (the "Void Date"). For any Class Member whose
7 Individual Class Payment check or Individual PAGA Payment check is uncashed and
8 cancelled after the Void Date, the Administrator shall transmit the funds represented by
9 such checks to the California State Unclaimed Property Fund to be held in name of the
10 Class Member.

11 71. Certification of Completion. Upon completion of administration of the
12 Settlement, the Settlement Administrator will provide a written declaration under oath to
13 certify such completion to the Court and counsel for all Parties.

14 72. Treatment of Individual Class Payments and Individual PAGA Payments. All
15 Individual Class Payments will be allocated as follows: of each Individual Class Payment,
16 20% will be allocated as alleged unpaid wages, 80% will be allocated as alleged unpaid civil
17 penalties, and unpaid interest. The percentage of each Individual Class Payment allocated
18 as wages will be reported on an IRS Form W-2 by the Settlement Administrator. The
19 remaining percentage of each Individual Class Payment shall be allocated as interest,
20 penalties, and reimbursement, and will be reported on an IRS Form-1099 by the Settlement
21 Administrator. All Individual PAGA Payments will be allocated as alleged penalties and will
22 be reported on an IRS Form-1099 by the Settlement Administrator.

23 73. Administration of Taxes by the Settlement Administrator. The Settlement
24 Administrator will be responsible for issuing to Plaintiff, Participating Class Members,
25 Aggrieved Employees, and Class Counsel any W-2, 1099, or other tax forms as may be
26 required by law for all amounts paid pursuant to this Agreement.

27 74. Tax Liability. The Parties acknowledge that no tax advice has been offered or
28

1 given by any other Party, their attorneys, agents, or any other representatives, in the course
2 of these negotiations, and that each Party is relying upon the advice of his/its own tax
3 consultant with regard to any tax consequences that may arise as a result of the execution
4 of this Agreement. The Class Representatives and Class Counsel acknowledge that they may
5 be required to submit a Form W-9, and the Class Representatives, Class Members, and
6 Class Counsel acknowledge that the Settlement Administrator may be required to issue a
7 Form 1099 or other tax form reporting the consideration flowing to the Class
8 Representatives, Class Members, and Class Counsel under this agreement to the Internal
9 Revenue Services and/or other taxing authority. Nothing herein shall obligate the Class
10 Representatives, Class Members, and Class Counsel to pay, indemnify, or otherwise
11 assume responsibility for any taxes that would be owed by Defendant in the first instance
12 or as a result of any re-classification of the treatment of the payments, such as, for example,
13 employer-side payroll contributions.

14 75. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
15 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
16 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
17 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
18 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
19 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
20 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
21 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
22 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
23 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
24 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX
25 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
26 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
27 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
28

1 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
2 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
3 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
4 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
5 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
6 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
7 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
8 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
9 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
10 AGREEMENT.

11 76. No Prior Assignments. The Parties and their counsel represent, covenant, and
12 warrant that they have not directly or indirectly assigned, transferred, encumbered, or
13 purported to assign, transfer, or encumber to any person or entity any portion of any
14 liability, claim, demand, action, cause of action, or right herein released and discharged.

15 77. Release of Claims by Class Members. Upon the latter of the Effective Date and
16 full funding of the MSA by Defendant, each Participating Class Member, on behalf of
17 themselves and their respective former and present representatives, agents, attorneys,
18 administrators, successors and assigns, fully releases and discharges the Released Parties
19 for the Released Claims. Participating Class Members will be deemed to have
20 acknowledged and agreed thatF their claims for wages and penalties in the Action are
21 disputed, and that their Individual Class Payment constitutes payment of all sums allegedly
22 due to them. Participating Class Members will be deemed to have acknowledged and agreed
23 that California Labor Code Section 206.5 is not applicable to the Individual Class Payment.

24 78. Plaintiff's Released Claims. Upon the latter of the Effective Date and full
25 funding of the MSA by Defendant, Plaintiff will be bound by the same release as the Class.
26 In addition, Plaintiff and Plaintiff's respective former and present representatives, agents,
27 attorneys, administrators, successors and assigns, release and discharge Released Parties
28

1 from all claims, transactions or occurrences that occurred during the Class Period,
2 including, but not limited to:

3 Claims arising under federal, state, and local statutory or common law, such as: the
4 Employee Retirement and Income Security Act; Title VII of the Civil Rights Act of
5 1964; the California Fair Employment and Housing Act; the Age Discrimination in
6 Employment Act (29 USC section 621, et seq.); the Americans with Disabilities Act;
7 the Federal Family and Medical Leave Act; the Equal Pay Act; the California Family
8 Rights Act; the Fair Credit Reporting Act; the Genetic Information
9 Nondiscrimination Act of 2008; the California Constitution; the California Labor
10 Code; the Industrial Welfare Commission Wage Orders, and any and all common
11 law, contract or tort claims, such as, but not limited to, claims for wrongful
12 termination, constructive discharge, breach of contract, breach of the covenant of
13 good faith and fair dealing, violation of public policy, fraud, defamation, libel,
14 invasion of privacy, assault, negligent hiring, supervision and/or retention, and
15 intentional or negligent infliction of emotional distress, including any claims based
16 upon race, sex, sexual orientation, gender, national origin, ancestry, religion, creed,
17 age, physical disability (including HIV and AIDS), mental disability, medical
18 condition (cancer), and marital status. This Release also includes any and all claims
19 for compensation of any type whatsoever, including but not limited to claims for
20 salary, wages, bonuses, commissions, incentive compensation, vacation, sick pay,
21 inaccurate wage statements, expense reimbursements, or related penalties. This
22 release does not pertain to any right which is not otherwise waivable pursuant to
23 statute or law.

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

27 A general release does not extend to claims that the creditor or releasing party
28 does not know or suspect to exist in his or her favor at the time of executing

1 the release, and that if known by him or her would have materially affected
2 his or her settlement with the debtor or released party.

3 80. Release of Claims by Aggrieved Employees and State. Upon the Effective Date
4 and full funding the Gross Settlement Amount by Defendant, the LWDA and the State, and
5 all Aggrieved Employees through Plaintiff as their representative, are deemed to fully
6 release and discharge the Released Parties for the Released PAGA Claims for the PAGA
7 Release Period.

8 81. Duties of the Parties Prior to Court Approval. The Parties shall promptly
9 submit this Settlement Agreement to the Court in support of Plaintiff's Motion for
10 Preliminary Approval and determination by the Court as to the fairness, adequacy, and
11 reasonableness of the Settlement Agreement. Promptly upon execution of this Settlement
12 Agreement, the Parties shall apply to the Court for the entry of an order for:

13 a. Scheduling a fairness hearing on the question of whether the proposed
14 Settlement, including but not limited to, payment of Class Counsel's fees and costs, and the
15 Class Representative Enhancement Payment, should be finally approved as fair,
16 reasonable, and adequate as to the members of the Settlement Class;

17 b. Preliminarily Certifying a Settlement Class;

18 c. Approving, as to form and content, the proposed Notice;

19 d. Approving the manner and method for Class Members to request exclusion
20 from the Settlement as contained herein and within the Notice;

21 e. Directing the mailing of the Notice, by first class mail to the Class Members;
22 and

23 f. Giving Preliminary Approval to Settlement subject to final review by the
24 Court.

25 82. Duties of the Parties Following Preliminary Court Approval. Following
26 Preliminary Approval by the Court of the Settlement provided for in this Settlement
27 Agreement and Notice to the Class, Class Counsel will submit a proposed final order of
28

1 approval and judgment for:

2 a. Approval of the Settlement, adjudging the terms thereof to be fair,
3 reasonable, and adequate, and directing consummation of its terms and provisions;

4 b. Approval of Class Counsel's application for an award of attorneys' fees and
5 costs;

6 c. Approval of the Class Representative Enhancement Payment to the Class
7 Representatives;

8 d. Approval of the Settlement Administration Costs of the Settlement
9 Administrator; and

10 e. That judgment be entered in this Action.

11 83. Rescission of Settlement Agreement (by Defendant). If more than ten percent
12 (10%) of the Class Members opt-out of the Settlement by submitting Requests for
13 Exclusion, Defendant may, at their option, rescind and void the Settlement and all actions
14 taken in furtherance of it will thereby be null and void. Defendant must exercise this right
15 of rescission, in writing, to Class Counsel within fourteen (14) calendar days after the
16 Settlement Administrator notifies the Parties of the total number of Requests for Exclusion
17 received by the Response Deadline. If the option to rescind is exercised, Defendant shall be
18 solely responsible for all costs of the Settlement Administrator accrued to that point.

19 84. Escalator Clause. Defendant has represented that there are 313 Class
20 Members who worked approximately 16,607 workweeks from January 30, 2021 through
21 the mediation date. Plaintiff has relied upon these material representations in entering into
22 this MOA. In the event that the total workweek count or the number of Class Members in
23 the Class Period exceeds the representation by 10% (i.e. 344 Class Members or 18,267
24 workweeks), the GSA shall increase proportionately over that grace. Alternatively,
25 Defendant shall have the option to modify the applicable Release Period end date to an
26 earlier date at which the total workweeks worked is no greater than 16,607. Defendant shall
27 inform Plaintiff of its election simultaneously with the delivery of the Class List.
28

1 85. Adjustments to Components of Maximum Settlement Amount. This
2 Agreement contemplates those future adjustments to the amounts of components of the
3 Maximum Settlement Amount listed above may be necessary and/or may be ordered by
4 the Court. Any such future adjustments shall be made only by written stipulation of the
5 Parties or by an order of the Court. For the avoidance of doubt, this Paragraph does not
6 apply to the Escalator Clause above, and modifications to this Settlement and the Notice
7 shall be implemented upon the Escalator Clause triggering without the need for a written
8 stipulation or Court Order.

9 86. Duty to Cooperate. If the Parties disagree on any aspect of the proposed
10 Motion for Preliminary Approval and/or the supporting declarations and documents, Class
11 Counsel and Defense Counsel will expeditiously work together by meeting in person or by
12 telephone, and in good faith, to resolve the disagreement. If the Court does not grant
13 Preliminary Approval or conditions Preliminary Approval on any material change to this
14 Agreement, Class Counsel and Defense Counsel will expeditiously work together by
15 meeting in person or by telephone and in good faith to modify the Agreement and otherwise
16 satisfy the Court's concerns.

17 87. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court
18 to request the Preliminary Approval of the Settlement Agreement, and the entry of a
19 Preliminary Approval Order for: (a) conditional certification of the Settlement Class for
20 settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement,
21 and (c) setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary
22 Approval Order will provide for the Notice Packet to be sent to all Class Members as
23 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will
24 submit this Settlement Agreement, which sets forth the terms of this Settlement, and will
25 include the proposed Notice Packet; *i.e.*, the proposed Notice of Class Action Settlement
26 document and share form, attached as **Exhibit A**. Class Counsel will be responsible for
27 drafting all documents necessary to obtain Preliminary Approval. Defendants agree not to
28

1 oppose the Motion for Preliminary Approval.

2 88. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration
3 of the deadlines for Class Members to submit Requests for Exclusion, or objections to the
4 Settlement Agreement, and with the Court's permission, a Final Approval/Settlement
5 Fairness Hearing will be conducted to determine the Final Approval of the Settlement
6 Agreement along with the amounts properly payable for: (a) Individual Class Payments;
7 (b) Individual PAGA Payments; (c) the Labor and Workforce Development Agency
8 Payment; (d) the Class Counsel's Fees and Costs; (e) the Class Representative
9 Enhancement Payment; (f) all Settlement Administration Costs; and (g) the Defendant's
10 share of payroll taxes for wages paid in connection with the Individual Class Payments.
11 Class Counsel will be responsible for drafting all documents necessary to obtain Final
12 Approval, including responding to any objections and appeals arising therefrom. Class
13 Counsel will also draft the attorneys' fees and costs application to be heard at the Final
14 Approval hearing. Defendant agrees not to oppose the Motion for Final Approval.

15 89. Judgment and Continued Jurisdiction. Upon Final Approval of the
16 Settlement by the Court or after the Final Approval/Settlement Fairness Hearing, the
17 Parties will present the Judgment pursuant to California Code of Civil Procedure section
18 664.6 to the Court for its approval. After entry of the Judgment, the Court will have
19 continuing jurisdiction for purposes of addressing: (a) the interpretation and enforcement
20 of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-
21 Judgment matters as may be appropriate under court rules or as set forth in this
22 Agreement.

23 90. Exhibits Incorporated by Reference. The terms of this Agreement include the
24 terms set forth in any attached Exhibits, which are incorporated by this reference as though
25 fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

26 91. Entire Agreement. This Settlement Agreement, the general release of all
27 claims by the Class Representative, and any attached Exhibits constitute the entirety of the
28

1 Parties' settlement terms. No other prior or contemporaneous written or oral agreements
2 may be deemed binding on the Parties. The Parties expressly recognize California Civil
3 Code section 1625 and California Code of Civil Procedure section 1856(a), which provide
4 that a written agreement is to be construed according to its terms and may not be varied or
5 contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or
6 written representations or terms will modify, vary, or contradict the terms of this
7 Agreement.

8 92. Amendment or Modification. This Settlement Agreement may be amended or
9 modified only by a written instrument signed by the named Parties or their successors-in-
10 interest.

11 93. Authorization to Enter into Settlement Agreement. Counsel for all Parties
12 warrant and represent they are expressly authorized by the Parties whom they represent to
13 negotiate this Settlement Agreement and to take all appropriate action required or
14 permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate
15 its terms and to execute any other documents required to effectuate the terms of this
16 Settlement Agreement. The Parties and their counsel will cooperate with each other and
17 use their best efforts to effectuate the implementation of the Settlement. If the Parties are
18 unable to reach agreement on the form or content of any document needed to implement
19 the Settlement, or on any supplemental provisions that may become necessary to effectuate
20 the terms of this Settlement, the Parties shall submit such disputes to mediator Hon. Peter
21 D. Lichtman (Ret.), who shall have final adjudication over such disputes.

22 94. Signatories. It is agreed for the purposes of this Settlement Agreement only
23 that because the members of the Class are so numerous, it is impossible or impractical to
24 have each member of the Class execute this Settlement Agreement. The Notice, attached
25 hereto as **Exhibit A**, will advise all Class Members of the binding nature of the release, and
26 the release shall have the same force and effect as if this Settlement Agreement were
27 executed by each member of the Class.
28

1 95. Binding on Successors and Assigns. This Settlement Agreement will be
2 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as
3 previously defined.

4 96. California Law Governs. All terms of this Settlement Agreement and Exhibits
5 hereto will be governed by and interpreted according to the laws of the State of California.

6 97. Execution and Counterparts. This Settlement Agreement is subject only to the
7 execution of all Parties. The Agreement may be executed in one or more counterparts either
8 by ink or electronic signature. All executed counterparts and each of them, including
9 electronic, facsimile, and scanned copies of the signature page, will be deemed to be one
10 and the same instrument.

11 98. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
12 believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the
13 Action. The Parties further agree that they have arrived at this Settlement after arm's-
14 length negotiations and in the context of adversarial litigation, taking into account all
15 relevant factors, present and potential. The Parties further agree that they and their
16 respective counsel have conducted informal discovery, including but not limited to time
17 keeping data, payroll data, and evidence of wage and hour policies, and that the
18 investigation conducted by the Parties was sufficient to satisfy the criteria for court
19 approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and
20 *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
21 The Parties further acknowledge that they are each represented by competent counsel and
22 that they have had an opportunity to consult with their counsel regarding the fairness and
23 reasonableness of this Agreement.

24 99. Invalidity of Any Provision. Before declaring any provision of this Settlement
25 Agreement invalid, the Court will first attempt to construe the provision as valid to the
26 fullest extent possible consistent with applicable precedents so as to define all provisions
27 of this Settlement Agreement valid and enforceable.
28

1 100. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiff agrees to sign
2 this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by
3 the terms herein. For good and valuable consideration, Plaintiff further agrees that she will
4 not request to be excluded from the Settlement Agreement, nor object to any terms herein,
5 except as stipulated by the Parties in regard to her individual claims. Any such request for
6 exclusion or objection by Plaintiff will be void and of no force or effect. Any efforts by
7 Plaintiff to circumvent the terms of this paragraph will be void and of no force or effect.

8 101. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate
9 to class certification for purposes of this Settlement only; except, however, that Plaintiff or
10 Class Counsel may appeal any reduction in the Class Counsel's Fees and Costs below the
11 amount requested from the Court but must inform Defense Counsel and the Class
12 Administrator of any intent to appeal prior to the distribution of any funds from the Class
13 Administrator to any Settlement Class Members or any other Parties. Any Party may
14 terminate this Settlement or appeal any Court order which is not in substantially the form
15 submitted by the Parties.

16 102. Non-Admission of Liability. The Parties enter into this Agreement to resolve
17 the dispute that has arisen between them and to avoid the burden, expense, and risk of
18 continued litigation. In entering into this Agreement, Defendant does not admit, and
19 specifically deny, they have violated any federal, state, or local law; violated any regulations
20 or guidelines promulgated pursuant to any statute or any other applicable laws,
21 regulations, or legal requirements; breached any contract; violated or breached any duty;
22 engaged in any misrepresentation or deception; or engaged in any other unlawful conduct
23 with respect to its employees. Neither this Agreement, nor any of its terms or provisions,
24 nor any of the negotiations connected with it, shall be construed as an admission or
25 concession by Defendant of any such violations or failures to comply with any applicable
26 law. The Parties agree that there exists a bona fide dispute as to whether any compensation
27 is actually due to Plaintiff, the putative class, and Aggrieved Employees, and if so, the
28

1 amount thereof, and no legal determinations have been made with respect to the legal
2 claims bought in the Action and resolved in this Settlement. Except as necessary in a
3 proceeding to enforce the terms of this Agreement, this Agreement and its terms and
4 provisions shall not be offered or received as evidence in any action or proceeding to
5 establish any liability or admission on the part of Defendant or to establish the existence of
6 any condition constituting a violation of, or a non-compliance with, federal, state, local, or
7 other applicable law.

8 103. Captions. The captions and section numbers in this Agreement are inserted
9 for the reader's convenience, and in no way define, limit, construe, or describe the scope or
10 intent of the provisions of this Agreement.

11 104. Waiver. No waiver of any condition or covenant contained in this Agreement
12 or failure to exercise a right or remedy by any of the Parties hereto will be considered to
13 imply or constitute a further waiver by such Party of the same or any other condition,
14 covenant, right, or remedy.

15 105. Enforcement Actions. In the event that one or more of the Parties institute
16 any legal action, motion, petition, or other proceeding against any other Party or Parties to
17 enforce the provisions of this Settlement or to declare rights and/or obligations under this
18 Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful
19 Party or Parties reasonable attorneys' fees and costs, including expert witness fees
20 incurred.

21 106. Mutual Preparation. The Parties have had a full opportunity to negotiate the
22 terms and conditions of this Agreement. Accordingly, this Agreement will not be construed
23 more strictly against one Party than another merely by virtue of the fact that it may have
24 been prepared by counsel for one of the Parties, it being recognized that, because of the
25 arm's-length negotiations between the Parties, all Parties have contributed to the
26 preparation of this Agreement.

27 107. Representation By Counsel. The Parties acknowledge that they have been
28

1 represented by counsel throughout all negotiations that preceded the execution of this
2 Agreement, and that this Agreement has been executed with the consent and advice of
3 counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent
4 that there are no liens on the Settlement Agreement.

5 108. All Terms Subject to Final Court Approval. All amounts and procedures
6 described in this Settlement Agreement herein will be subject to the Court's Final Approval.

7 109. Notices. Unless otherwise specifically provided herein, all notices, demands,
8 or other communications given hereunder shall be in writing and shall be transmitted to a
9 Party via email:

10 To Plaintiff and the Settlement Class:

11 Elliot J. Siegel
12 elliot@kingsiegel.com
13 Melissa R. Rinehart
14 melissa@kingsiegel.com
15 **KING & SIEGEL LLP**
16 724 S. Spring Street, Suite 201
17 Los Angeles, California 90014

18 To Defendant:

19 Dennis B. Cook
20 dcook@cookbrown.com
21 Stephen McCutcheon
22 smccutcheon@cookbrown.com
23 Alexis Gabrielson
24 agabrielson@cookbrown.com
25 **COOK BROWN, LLP**
26 2407 J Street, Second Floor
27 Sacramento, CA 95816

28 110. Cooperation and Execution of Necessary Documents. All Parties will
cooperate in good faith and execute all documents to the extent reasonably necessary to
effectuate the terms of this Settlement Agreement.

111. Binding Agreement. The Parties warrant that: 1) they understand and have
full authority to enter into this Agreement; 2) they intend that this Agreement will be fully
enforceable and binding on all Parties; and 3) agree that it will be admissible and subject

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Settlement and Release Between Plaintiff and Defendant as of the date(s) set forth below:

SIGNATURES

READ CAREFULLY BEFORE SIGNING

PLAINTIFF: Chase McCartney

Dated: 02 / 26 / 2026


Chase McCartney

DEFENDANT: Vasko Electric, Inc.

Dated: 3/5/2026

By: 
Its: Andrew Vasko

Exhibit A

**NOTICE OF PROPOSED CLASS AND PAGA ACTION SETTLEMENT
AND HEARING DATE FOR COURT APPROVAL**

***Chase McCartney v. Vasko Electric, Inc., Sacramento Superior Court Case
No. 25CV002553***

*You are **not** being sued. This is **not** an advertisement. This notice affects your rights.*

YOU ARE ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT.

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice of Class Action Settlement because Vasko Electric, Inc.'s records show you are what is called a "Class Member," and are entitled to a payment from this class action settlement ("Settlement"). Class Members are all current and former employees of Defendants who *worked at least one 3.5-hour shift as a non-exempt employee for Defendant in California during the period from January 30, 2021 through January 14, 2026.*

On [REDACTED], the Honorable Jill Talley of the Superior Court of California for the County of [REDACTED] granted preliminary approval of this Class Action Settlement and ordered that all Class Members be notified of the Settlement.

Unless you choose not to participate in the Settlement (in other words, should you choose to "opt out") by following the procedures described below, you will be considered a Participating Class Member. If the Court grants final approval of the Settlement, you will be mailed a check for your share of the Settlement fund, which is estimated to be <<\$650,000.00>>. [For PAGA Aggrieved Employees only: You are also a PAGA Aggrieved Employee, and will be mailed a check for you portion of the civil penalties under PAGA allocated in this Settlement, which is estimated to be <<estAmount>>.¹]

IF YOU STILL WORK FOR DEFENDANT, PARTICIPATION IN THIS SETTLEMENT
WILL NOT AFFECT OR DISRUPT YOUR WORK IN ANY MANNER. YOU WILL NOT
BE RETALIATED AGAINST BY DEFENDANT FOR YOUR PARTICIPATION.

California law strictly prohibits retaliation. Defendants are prohibited by law from taking any adverse action against any Class Member or otherwise targeting, retaliating, or discriminating against any Class Member because of the Class Member's participation in

¹ By law, under the Private Attorney Generals Act ("PAGA"), the amount recovered in settlement, after paying for attorney's fees and costs, and costs of administration of settlement, are to be split between the State of California and the PAGA Settlement Members. The State receives 65% of the net settlement amount and the PAGA Settlement Members receive 35% of the net settlement (to be allocated on a pro rata basis). Each PAGA Settlement Member will receive a pro rata share of the PAGA Settlement Members Payment based on their Eligible Pay Periods relative to the total Eligible Pay Periods of all PAGA Settlement Members ("Individual PAGA Settlement Member Payment").

Questions? Contact the Settlement Administrator toll free at [REDACTED]

or decision not to participate in this Settlement.

You can view the proposed Final Approval Order, Final Judgment, and payment schedule at [www._____](http://www._____.).

What Is This Case About?

Chase McCartney was an employee of Defendant. He is the “Plaintiff” in this case and is suing Vasko Electric, Inc. (“Defendant”) on behalf of himself and all Class Members. Plaintiff sued Defendants, alleging : (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide rest periods or premium pay in lieu thereof; (4) failure to provide meal periods or premium pay in lieu thereof; (5) failure to reimburse necessary business expenses; (6) failure to provide and maintain accurate records; and (7) failure to timely pay wages after employment; (8) Private Attorneys General Act (“PAGA”) penalties; and (9) violation of California Business and Professions Code §§ 17200, et seq.

This notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations raised in the Action or the merits of the claims or defenses asserted. The Court has made no ruling on the merits of Plaintiff’s claims or Defendant’s defenses thereto.

Defendant denies all material allegations set forth in the Action and has asserted numerous affirmative and other defenses in response to the Class, PAGA, and individual claims. Defendant contends that they have fully complied with the California Labor Code, the California Business & Professions Code, the applicable IWC Wage Orders, and all other applicable California and Federal law.

Plaintiff entered into settlement discussions with Defendant in an attempt to resolve the disputed claims in this case. On January 26, 2026, the Parties negotiated a settlement on behalf of themselves and the Class Members with the assistance of a third-party mediator. The Parties’ agreement has been documented in a Joint Stipulation of Settlement and Release of Class and PAGA Action (“Joint Stipulation”).

The Court has preliminarily approved the Joint Stipulation. The Court will decide whether to give final approval to the Settlement at the Final Fairness and Approval Hearing. The Final Fairness and Approval Hearing (“Hearing”) on the adequacy, reasonableness, and fairness of the Settlement will be held at _____ on _____, in Department 23 of the Superior Court of California for the County of Sacramento, 720 9th Street, Sacramento, CA 95814. You are not required to attend the Hearing.

Attorneys for Plaintiff and the Class Members (“Class Counsel”) are:

Elliot J. Siegel
Melissa R. Rinehart
KING & SIEGEL LLP
(213) 465-4802

Questions? Contact the Settlement Administrator toll free at _____

724 S. Spring Street, Ste. 201
Los Angeles, California 90014

Attorneys for Defendant Vasko Electric, Inc. are:

Stephen R. McCutcheon
Alexis M. Gabrielson
COOK BROWN, LLP
(916) 442-3100
2407 J Street, Second Floor
Sacramento, California 95816

Summary of the Settlement Terms

Plaintiff and Defendant have agreed to settle this case on behalf of themselves and the Class Members for \$650,000.00 ("Maximum Settlement Amount").

The Maximum Settlement Amount includes: (1) Individual Class Settlement Payments to Participating Class Members; (2) a \$10,000 service payment to the Representative Plaintiff for his time and effort in pursuing this case and in exchange for a general release of claims against Defendants, subject to Court approval; (3) Settlement Administration Costs not to exceed \$25,000; (4) \$42,250 to the California Labor & Workforce Development Agency, representing the State of California's portion of civil penalties under PAGA (or 65% of the \$65,000 allocated to PAGA penalties); (5) an aggregate of \$22,750 to alleged PAGA Aggrieved Employees (or 35% of the \$65,000 allocated to PAGA penalties); and (6) subject to Court approval of an application for fees and costs, an award of up to \$216,666.67 in attorneys' fees and up to \$30,000 in litigation costs and expenses to Class Counsel.

After deducting the service payments to Plaintiff, the Settlement Administration Costs, the portion of the PAGA payment to be paid to the California Labor and Workforce Development Agency, payments to PAGA Aggrieved Employees, and attorneys' fees and costs/expenses, a total of approximately [\$_____] will be available to Class Members who do not opt out of the Settlement ("Net Settlement Amount"). Employer-side payroll taxes will be paid by Defendant *outside* of the Maximum Settlement Amount.

Plan of Distribution to Class Members and PAGA Aggrieved Employees

Individual Settlement Payments will be calculated and apportioned from the Net Settlement Amount based on the number of weeks a Participating Class Member worked during the Class Period ("Workweeks"). Individual PAGA Payments will be separately calculated and apportioned from the portion of the PAGA amount intended for PAGA Aggrieved Employees.

Specific calculations of Individual Settlement Payments will be made as follows:

Questions? Contact the Settlement Administrator toll free **at** _____

- a. Workweeks are determined by identifying each week an employee actually worked based on Defendant's timekeeping and/or payroll data. A Class Member who worked only one day during the Class Period will be credited with having worked one Workweek for purposes of the Settlement.
- b. Using the Class Data, the Settlement Administrator will calculate the total Workweeks for all Settlement Class Members by adding the number of Workweeks worked by each Settlement Class Member during the Class Period. The respective Workweeks for each Settlement Class Member will be divided by the total Workweeks for all Settlement Class Members, resulting in the Payment Ratio for each Settlement Class Member.
- c. Each Settlement Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Settlement Class Member's estimated Individual Settlement Payments.
- d. Using the Class Data, the Settlement Administrator will calculate the total number of pay periods in the PAGA Period and will divide each Aggrieved Employee's individual number of eligible pay periods in the PAGA Period to determine their pro rata portion of the portion of the PAGA Payment allocated to each Aggrieved Employees. Partial pay periods will not be counted, meaning incomplete pay periods will be rounded down; however, an Aggrieved Employee who worked only one day during the PAGA Period will be credited with having worked one pay period for purposes of the Settlement.

If you believe the information provided above as to the number of your Individual Workweeks is incorrect and you wish to dispute it, please submit the Challenge Form attached to your Share Form to the Settlement Administrator at *Chase McCartney v. Vasko Electric, Inc.*, Settlement Administrator, c/o _____ no later than 60 days after the date this Notice of Class Action Settlement was mailed to you.²

If you dispute the information stated above, the information provided to the Settlement Administrator will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation ("Disputes"), must be postmarked no later than _____. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

Class Member Tax Matters

IRS Forms W-2 and 1099-MISC will be distributed to participating Class Members and Aggrieved Employees, and the appropriate taxing authorities reflecting the payments

² Unless the 30th day falls on a Sunday or federal holiday, in you have until the next day on which the U.S. Postal Service is open.

Questions? Contact the Settlement Administrator toll free at _____

Class Members and Aggrieved Employees receive under the Settlement. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, 20% of each Individual Settlement Payment will be allocated to alleged unpaid wages, 80% will be allocated as alleged unpaid civil penalties and interest. All Individual PAGA Payments will be allocated as penalties and will be reported on an IRS Form-1099 by the Settlement Administrator. Again, please consult with a tax advisor regarding the significance of how each Individual Settlement Payment is allocated between wages, penalties, and interest. This notice is not intended to provide legal or tax advice. To the extent this notice or any of its attachments is interpreted to contain or constitute advice regarding any tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your Individual Settlement Payment and Individual PAGA payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1** and the Court grants final approval of the Settlement, you will be mailed a check for your share of the Settlement funds. In addition, you will be deemed to have released or waived the following claims (“Released Claims”) against the Released Parties for the Release Period.

The Released Claims are defined as “all claims that were alleged or could reasonably have been alleged based on the facts set forth in the Class Complaint, including but not limited to all of the following claims for relief: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide rest periods or premium pay in lieu thereof; (4) failure to provide meal periods or premium pay in lieu thereof; (5) failure to reimburse necessary business expenses; (6) failure to provide and maintain accurate records; and (7) failure to timely pay wages after employment; (8) Private Attorneys General Act (“PAGA”) penalties; and (9) violation of California Business and Professions Code §§ 17200, et seq.”

The Released PAGA Claims means the claim for civil penalties under PAGA asserted in the LWDA letter, or that reasonably could have been asserted based on the factual allegations contained therein

Released Parties shall mean each Defendant, each Defendant’s parent(s) or subsidiary(ies), and each of their officers and owners, as applicable.

The “Release Period” is the period from January 30, 2021 through January 14, 2026. The PAGA Release Period is the period from January 30, 2024 through January 14, 2026

Questions? Contact the Settlement Administrator toll free at _____

Option 2 – Opt-Out of the Settlement

You will be treated as a participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator, in writing, not later than [60 days from mailing], that you wish to opt-out.

If you do not wish to participate in the Settlement, you may exclude yourself from participating by submitting a written “Request for Exclusion from The Class Action Settlement” letter or card to the Settlement Administrator postmarked no later than [redacted]. Your written request should clearly state your intent to opt out or be excluded. For instance, you could write:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE VASKO ELECTRIC, INC. LAWSUIT.”

The written request for exclusion should also include sufficient information to identify you, including your name, address, telephone number, or last four digits of your Social Security Number. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail or equivalent, to the address below.

McCartney v. Vasko Electric, Inc., Settlement Administrator

c/o [redacted]
[redacted]
[redacted]

Telephone: [redacted]

The written request to be excluded from the Settlement must be postmarked to the Settlement Administrator not later than [redacted] [60 days from mailing]. If you submit a request for exclusion which is not postmarked by [redacted], your request for exclusion will be rejected, and you will be included in the Settlement Class. Requests for Exclusion may not be submitted by email.

If you choose **Option 2**, you will no longer be a Class Member. Therefore, you (1) will **not** receive any payment from the Settlement, with the exception of your pro-rata portion of the Aggrieved Employees’ portion of the civil penalties allocated to PAGA³; (2) will not be deemed to have released any claims due to this Settlement with the exception of the PAGA cause of action, and (3) will be barred from filing an objection to the Settlement.

Do not submit both a Dispute and a Request for Exclusion. If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

³ By law, Aggrieved Employees cannot opt out of the Settlement with respect to the PAGA claims and will release their claims for civil penalties under PAGA as set forth in the Settlement regardless of whether they cash their Individual PAGA Payment.

Questions? Contact the Settlement Administrator toll free at [redacted]

Option 3 – File an Objection to the Settlement

If you wish to object to the Settlement, you can mail a written objection to the Settlement Administrator. Your objection should provide: your full name, address and telephone number, the last four digits of your Social Security Number, the dates you were employed by Vasko Electric, Inc. in California, and your objections to the Settlement, including each specific reason in support of each objection and any legal support for each objection together with any evidence in support of your objection. Your objection should be mailed to the Settlement Administrator on or before [REDACTED]. All objections or other correspondence should state the name and number of the case, which is *Chase McCartney v. Vasko Electric, Inc.*, Settlement Administrator Sacramento County Case Number No. 25CV002553.

You may also appear at the Final Fairness and Approval Hearing set for [REDACTED] at [REDACTED] in Department 23 of the Superior Court of California for the County of Sacramento located at 720 9th Street, Sacramento, CA 95814, and discuss your objections with the Court and the Parties at your own expense.

You may appear at the Hearing regardless of whether you submitted a written objection. You may also retain an attorney to represent you at the Hearing at your own expense.

If you choose **Option 3**, you will still be entitled to the money from the Settlement. You will remain a member of the Settlement Class, and if the Court overrules your objections and approves the Settlement, you will receive your Individual Settlement Payment and will be bound by the terms of the Settlement in the same way as Class Members who do not object, including being deemed to have released the Released Claims. You cannot both object to the settlement and exclude yourself. You must choose one option only.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may refer to the pleadings, the Joint Stipulation of Settlement, and other papers filed in this case, which may be inspected at the Office of the Clerk of the Superior Court of California for the County of Sacramento, during regular business hours of each court day.

All questions from Class Members regarding this Notice of Class and PAGA Action Settlement and/or the Settlement should be directed to the Settlement Administrator or Class Counsel.

You can view the final approval order and final judgment and payment schedule at [www.\[REDACTED\]](http://www.[REDACTED]).

PLEASE DO NOT CONTACT THE COURT WITH QUESTIONS ABOUT THIS NOTICE.

Questions? Contact the Settlement Administrator toll free at [REDACTED]

Share Form

Chase McCartney v. Vasko Electric, Inc.,
Superior Court of the State of California, Sacramento County
Case No. 25CV002553

For all persons who are or previously were employed by Vasko Electric, Inc. ("Defendant") in the State of California as a non-exempt employee in the State of California from January 30, 2021 through January 14, 2026 ("Class Period").

Your Estimated Payment

Your total Individual Settlement Payment is currently estimated at \$ [REDACTED]. [[Your total Individual PAGA Payment is currently estimated at \$ [REDACTED].]] Your estimated pro-rata share of the Net Settlement Amount, as defined in the accompanying Notice of Proposed Class and PAGA Action Settlement and Hearing Date for Court Approval ("Notice"), may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement. The Net Settlement Amount to be distributed to all Class Members who do not opt-out of the settlement is currently estimated to be \$ [REDACTED].

Your estimated award is based on your pro-rata percentage of the Net Settlement Amount. Your award is calculated based on your Workweeks as a non-exempt employee in California during the Class Period, as a percentage of all of Class Members' Workweeks in California during the Class Period, as adjusted per the allocation method set forth in the Joint Stipulation of Settlement and Release of Class Action and the accompanying Notice. "Workweeks" means the number of weeks actually worked by each Class Member as a non-exempt employee during the Class Period. Workweeks are determined by identifying each week an employee actually worked based on Defendant's timekeeping and/or payroll data. A Class Member who worked only one day during the Class Period will be credited with having worked one Workweek for purposes of the Settlement. Defendant's records show that during the Class Period, you worked a total of [REDACTED] Workweeks. [[Defendant's records show that during the PAGA Period you worked a total of [REDACTED] Pay Periods.]]

YOU DO NOT NEED TO DO ANYTHING IN ORDER TO RECEIVE MONEY UNDER THE SETTLEMENT.

If you believe the total number of your Workweeks during the Class Period or Pay Periods during the PAGA Period (listed above) are accurate, you do not need to take any further action in order to receive your payment(s).

TO CHALLENGE THE NUMBER OF YOUR WORKWEEKS DURING THE CLASS PERIOD OR PAY PERIODS DURING THE PAGA PERIOD, THE SHARE FORM AND THE CHALLENGE PORTION OF THE FORM BELOW MUST BE SIGNED AND POSTMARKED NO LATER THAN [DATE].

CHALLENGE FORM

Important:

1. You do NOT have to complete this part of the Share Form if the total number of your Workweeks during the Class Period as stated above is accurate.
2. If you do submit this form, it is strongly recommended that you keep proof of timely mailing of this form until receipt of your settlement payment.
3. If you change your mailing address, please provide your new mailing address to the Settlement Administrator. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment.

Check the box below ONLY if you wish to challenge the total number of your Workweeks or Pay Periods as stated above. All fields on this Challenge Form must be complete for your challenge to be accepted:

- ☐ I wish to challenge the total number of my Workweeks or Pay Periods. I have included a written statement detailing what I believe to be the correct number of weeks or pay periods I was employed as an hourly, non-exempt employee in California during the Class Period or PAGA Period. I have also included information and/or documentary evidence that support my challenge. I understand that by submitting this challenge I authorize the Settlement Administrator to review Defendant's records and determine the validity of my challenge.

Signature

Name of Class Member _____
[preprinted]

Class Member ID Number (from address label): _____
[preprinted]

I believe that the correct number of Workweeks I was employed by Defendants as an hourly, non-exempt employee in California during the Class Period is:_____

I believe that the correct number of Pay Periods I was employed by Defendants as an hourly, non-exempt employee in California during the PAGA Period is:_____

The following is a statement of my reasons and documentation to support this number of Workweeks or Pay Periods:

[Attach documentation and use separate page(s) as necessary]

Mail to:

insert address