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FILED
SUPERIOR COURT SAN JOAQUIN
2026 SEP 21 A 11:53
STEPHANIE BOHRER, CLERK
BY _____ DEPUTY

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SAN JOAQUIN**

MARY MOYSES, individually, and on behalf of other members of the general public similarly situated, and CINDI GARCIA, individually, and on behalf of other members of the general public similarly situated,

*Plaintiffs,*

v.

PELTON-SHEPHERD INDUSTRIES, INC., a Nevada corporation; and DOES 1 through 10, inclusive,

*Defendants.*

Case No.: STK-CV-UOE-2025-0001410
Consolidated with Case No: STK-CV-UOE-2025-0004802

*[Assigned for All Purposes to the Honorable Jayne Lee, Dept. 10C]*

**DECLARATION OF BENJAMIN H. HABER IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

PRELIMINARY APPROVAL HEARING:
Date: October 16, 2026
October 20, 2026
October 22, 2026
October 28, 2026
~~October 29, 2026~~
Time: ~~9:00 a.m.~~
Dept.: 10C

Action Filed: April 3, 2025

# DECLARATION OF BENJAMIN H. HABER

I, Benjamin H. Haber, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a Partner at Wilshire Law Firm, PLC ("WLF"), counsel for Plaintiffs Mary Moyses and Cindi Garcia (collectively, the "Plaintiffs") in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement.

## Procedural History

3. On January 29, 2025, Plaintiffs filed this putative class action against Defendant Pelton-Shepherd Industries, Inc. ("Defendant") alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to indemnify employees for expenditures; (6) failure to provide accurate itemized wage statements; (7) failure to timely pay wages upon separation of employment; (8) failure to timely pay wages during employment; and (9) unfair business practices ("Class Action").

4. On January 28, 2025, Plaintiffs provided written notice to the LWDA and Defendant the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. A true and correct copy of Plaintiffs' January 28, 2025, letter to Defendant and the LWDA is attached hereto as **Exhibit 1**. The LWDA did not notify Plaintiffs that intended to investigate within 65 days of this written notice. Therefore, on April 3, 2026, Plaintiffs filed a separate action in the Superior Court of California, County of San Joaquin, for civil penalties under PAGA, Case No. STK-CV-UOE-2025-0004802 (the "PAGA Action"). On April 3, 2026, the Parties filed a Stipulation and Proposed Order Consolidating the Actions, with the Class Action as the lead case. On April 7, 2026, the Court consolidated the Actions.

5. On February 19, 2026, the Parties subsequently participated in a private full-day mediation with Todd Smith, Esq. The negotiations were adversarial, conducted at arm's length, and

tempered by the efforts of both sides to serve the interests of their clients. The mediator made a proposal, which was accepted by the Parties.

6. The parties negotiated the terms of the Settlement over the next several months, which was finalized on June 10, 2026. A true and correct copy of the Parties' fully executed Class Action and PAGA Settlement Agreement ("Settlement Agreement") is attached hereto as **Exhibit 2**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice.

7. On September 21, 2026, Plaintiffs submitted a copy of the Settlement Agreement to the LWDA. A true and correct copy of the confirmation of submission my office received after submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 3**.

**Investigation and Exposure Analysis**

8. Prior to attending mediation, Plaintiffs' Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiffs' Counsel assessed the value to the class claims using the data and documents that Defendant produced in informal discovery, including class data providing the number of Class Members, the number of workweeks in the Class Period, and the number of pay periods in the PAGA Period, Plaintiffs' personnel file/documents concerning Plaintiffs, Defendant's employee handbook(s), Defendant's written wage-and-hour policies, job descriptions, and a random sampling of time and payroll records. Plaintiffs' Counsel engaged an expert consultant to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

9. Defendant's records show that there are approximately 220 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery.

10. Plaintiffs have alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon

separation of employment. These allegations present common factual and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies to all Class Members, whether these policies and practices resulted in Labor Code violations, whether Defendant's conduct was intentional, and whether Class Members are entitled to damages and/or penalties. These common questions could be resolved using Class Members' time records, payroll records, testimony from Defendant's designated representative(s), and Class Members' testimony.

11. Although the exposure Plaintiffs' Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes.

12. Minimum and Overtime Wages: Plaintiffs' unpaid minimum and overtime wage claims were based on the allegation that Defendant required Class Members to perform work duties while off the clock, without compensation. For example, Plaintiffs alleged that Defendant required them and other Class Members to strictly clock in and out at the scheduled shift times, yet prepare work materials and engage in "pass downs" before shifts and complete outstanding tasks after clocking out. This included having work-related conversations about tasks before and after shifts started. For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel assumed that all unpaid worktime should have been paid at the overtime rate of pay and conservatively estimated that Defendant is liable for three (3) hours of unpaid worktime per workweek. This results in potential exposure for this claim of approximately $1,488,677.58 (16,106 workweeks x $20.54 average hourly rate of pay x 3 hours/workweek x 1.5 overtime rate). Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification and trial was substantial. Accordingly, Plaintiffs' Counsel applied a risk discount based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately $238,188.41 ($1,488,677.58 x 40% x 40%).

13. Meal Periods: Plaintiffs' meal period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant meal periods or pay meal period premiums in lieu thereof. For example, Plaintiffs alleged that Defendant required themselves and other Class Members to work through meal periods and take late meal periods due to the broken bell system and supervisors' failure to timely relieve employees of their duties. Further, when Class Members were provided meal periods, they were regularly interrupted by supervisors asking work-related questions and instructing employees to return to work timely, without opportunity to make up the meal period time. Additionally, Plaintiffs' Counsel's expert consultant determined there was a 13.2% meal period violation rate from the sampling of Defendant's time and payroll records, where meal periods were short, late, or missed. Therefore, potential liability for the meal period claim is approximately $189,480.51 (69,886 shifts over 5 hours x $20.54 average hourly rate x 13.2% violation rate). After taking into account the difficulty of certifying and proving meal period claims, as well as Defendant's contention that the claim lacks merit and that a 13.2% violation rate is unrealistic, Plaintiffs' Counsel discounted this figure based on a 50% chance of succeeding at class certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately $37,896.10 ($189,480.51 x 50% x 40%).

14. Rest Periods: Plaintiffs' rest period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu thereof. For example, Plaintiffs alleged that Defendant required themselves and other Class Members to miss or take shortened rest periods due to company pressure to hit production goals and tend to their machines. Where rest periods were provided, Defendant's policy and practice was to require on-premises and on-duty rest periods. Based on Plaintiffs' allegations and Plaintiffs' and other Class Members' experience working for Defendant, Plaintiffs' Counsel applied a 100% violation rate to all qualifying shifts during the Class Period. Therefore, Defendant's potential liability for the rest period claim is approximately $1,476,887.62 (71,903 shifts of 3.5 hours or longer x $20.54 average hourly rate x 100% violation rate). However, Plaintiffs' Counsel discounted this figure to account for the difficulty of certifying and proving rest period claims, particularly because rest periods do not have to be recorded, and to account for the possibility of

Class Members voluntarily choosing to forego a rest period. Because this claim would have relied exclusively on Class Member testimony, Plaintiffs' Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately $177,226.52 ($1,476,887.62 x 30% x 40%).

15. Reimbursements: Plaintiffs' reimbursement claim was based on the allegation that Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing their job duties for Defendant, such as mandatory use of personal cell phones for work purposes. For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel estimated that Defendant was liable to each Class Member for $12.50 per workweek in unreimbursed expenses, for a total amount of approximately $201,325.00 ($12.50 x 16,106 workweeks). However, Defendant argued that these expenses were not required by Defendant, and that it could not have known that these expenses were being incurred. Accordingly, Plaintiffs' Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding a realistic damage estimate of approximately $12,079.50 ($201,325.00 x 30% x 20%).

16. In sum, Plaintiffs' Counsel estimated that Plaintiffs' maximum recovery for the off-the-clock claim, meal period violations, and rest period violations (i.e., the wage claims) is approximately $3,155,045.71. However, after factoring in the risk and uncertainty of prevailing at certification and trial, Plaintiffs' Counsel estimates that Plaintiffs' realistic estimated recovery for these non-penalty wage claims is approximately $453,311.03.

17. Derivative Penalties: Plaintiffs alleged that as a result of Defendant's failure to pay all wages owed, Defendant owed waiting time penalties and wage statement penalties. With respect to Plaintiffs' derivative claims for statutory penalties, Plaintiffs' Counsel estimated that Defendant's maximum potential liability is approximately $1,111,214.08. Defendant's maximum potential liability for waiting time penalties is approximately $615,214.08 (128 employees x $20.54 average hourly rate of pay x 7.8 hours/day x 30 days) based on approximately 128 formerly employed Class Members during the 3-year statute of limitations period and an average shift length of 7.8 hours. Defendant's maximum potential liability for inaccurate wage statements is

approximately $496,000.00 (124 employees x $4,000.00 statutory maximum) based on approximately 124 Class Members who worked during the 1-year statute of limitations period and that statutory maximum penalties. In light of the foregoing, Plaintiffs' Counsel believes that it would be unrealistic to expect the Court to award the full $1,111,214.08 in statutory penalties given Defendant's defenses, the contested nature of Plaintiffs' claims, the challenges of establishing willfulness as applicable, and the discretionary nature of penalties. Considering that the underlying wage claims are realistically estimated to be approximately $453,311.03, such a disproportionate award would also raise due process concerns. As such, Plaintiffs' counsel discounted these figures to account for the risk and uncertainty of obtaining class certification and prevailing at trial, resulting in a realistic evaluation of approximately $36,912.84 for waiting time penalty claims ($615,214.08 x 30% x 20%), and approximately $29,760.00 for wage statement penalty claims ($496,000.00 x 30% x 20%), or approximately $66,672.84 total for statutory penalties.

18. PAGA: For the PAGA claim, Plaintiffs' Counsel determined that Defendant's potential exposure could potentially reach $606,200.00, assuming the initial $100 penalty would apply for each of the 6,062 pay periods in the PAGA Period. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. As such, Plaintiffs' counsel discounted this figure to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately $60,620.00 for PAGA penalties ($606,200.00 x 10%). The settlement allocates $25,000.00 of the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 4.4% of the Gross Settlement Amount and approximately 41% of the realistic maximum damages for PAGA penalties ($25,000.00 / $60,620.00).

19. Using these estimated figures, Plaintiffs' Counsel predicted that the realistic maximum recovery for all claims, including penalties, would be approximately $ 592,683.37. This means that the gross settlement amount represents approximately 95% of the realistic maximum recovery ($563,710.00 / $ 592,683.37). Considering the risk and uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class. Indeed, because of the proposed

Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment.

20. Based on the figures in the Settlement Agreement, the Net Settlement Amount available for class settlement payments is currently estimated to be $295,185.70 for approximately 220 Class Members. As a result, each Settlement Class Member would be eligible to receive an average net benefit of approximately $1,341.75. Based on the estimated Net Settlement Amount available for individual class payments and there being approximately 16,106 workweeks in the Class Period, the estimated weekly valuation for Individual Class Payments is $18.43 ($295,185.70/ 16,106 workweeks).

**Plaintiffs' Counsel's Qualifications**

21. Plaintiffs are represented by WLF. The attorneys at WLF performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment.

22. WLF was selected by Best Lawyers and U.S. News & World Report as one of the nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600 employees. WLF is actively and continuously practicing in employment litigation, representing employees in both individual and class actions in both state and federal courts throughout California.

23. WLF is qualified to handle this Litigation because its attorneys are experienced in litigating Labor Code violations in individual, class action, and representative action cases. WLF has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as class actions involving consumer rights and data privacy litigation.

24. I am a Partner at WLF. I graduated from the University of California, Los Angeles, in 2012 and received my Juris Doctor from the University of California, Hastings College of the Law (now the University of California College of Law, San Francisco) in 2016. During law school, I was a member of the executive board for the *Hastings Law Journal;* a student mediator at the San Francisco Superior Court, Small Claims Division; and a managing editor for *SCOCAblog,* which continues to be a leading online publication for analysis regarding trends and cases before the California Supreme Court. Since graduating from law school, I have focused my legal work primarily on wage-and-hour litigation and have helped obtain more than one hundred class

settlements on behalf of tens of thousands of workers in California. I was also selected as a "Southern California Rising Star" in 2024, 2025, and 2026.

25. I have been appointed as class counsel in numerous wage-and-hour cases throughout California. Below is a non-exhaustive list of cases where I was appointed as class counsel or I and other members of WLF were appointed as class counsel:

a. *Colter v. Propulsion Controls Engineering*, San Diego County, Case No. 37-2020-00030682-CU-OE-CTL; Motion for Final Approval granted on October 28, 2022.

b. *Rodriguez v. Modesto Restaurant Group, LLC*, Stanislaus County, Case No. CV-21-000269; Motion for Final Approval granted on January 10, 2023.

c. *Kingsbury v. Caravan Foods II, Inc.*, Alameda County, Case No. RG21096357; Motion for Final Approval granted on January 31, 2023.

d. *Frias-Estrada v. Trek Retail Corporation*, Contra Costa County, Case No. MSC20-01916; Motion for Final Approval granted on March 3, 2023.

e. *Varez v. Valley Connection, LLC dba Carl's Jr.*, Merced County, Case No. 22CV-00985; Motion for Final Approval granted on April 27, 2023.

f. *Reyes v. Everytable, PBC, et al.*, Los Angeles County, Case No. 21STCV35987; Motion for Final Approval granted on May 3, 2023.

g. *Ortiz v. Tara Materials, Inc.*, San Diego County, Case No. 37-2021-0001473-CU-OE-CTL; Motion for Final Approval granted on May 30, 2023.

h. *Cruz-Sanchez v. Eagle Lath & Plaster, Inc.*, Sacramento County, Case No. 34-2021-00293739-CU-OE-GDS; Motion for Final Approval granted on May 30, 2023.

i. *Garduno v. New Generation Framing, Inc., et al.*, Stanislaus County, Case No. CV-21-000544; Motion for Final Approval granted on August 11, 2023.

j. *Hernandez, et al. v. Burford Farming Company, Inc.*, Fresno County, Case No. 21CECG03817; Motion for Final Approval granted on August 21, 2023.

k. *Barajas v. Final Phase Construction, Inc.*, San Bernardino County, Case No. CIVSB2118622; Motion for Final Approval granted on September 13, 2023.

l. *Jaimes, et al. v. Infiniti Health LLC*, Los Angeles County, Case No. 22STCV07261;

Motion for Final Approval granted on October 17, 2023.

m. *Nunez v. Gabriel Container*, Los Angeles County, Case No. 21STCV09787; Motion for Final Approval granted on November 2, 2023.

n. *Gutierrez v. Next Level Door & Millwork, Inc.*, Riverside County, Case No. CVRI2105455; Motion for Final Approval granted on January 11, 2024.

o. *Lupercio v. Western CNC, Inc.*, San Diego County, Case No. 37-2021-00010314-CU-OE-CTL; Motion for Final Approval granted on January 26, 2024.

p. *Jackson, et al. v. Apple Valley Communications, Inc., et al.*, San Bernardino County, Case No. CIVSB2124721; Motion for Final Approval granted on February 1, 2024.

q. *Cuadras, et al. v. Guinn Corporation*, Kern County, Case No. BCV-21-101520; Motion for Final Approval granted on February 22, 2024.

r. *Canton, et al v. John B. Sanfilippo & Sons, Inc.*, Merced County, Case No. 22-CV-01145; Motion for Final Approval granted on March 15, 2024.

s. *Williams v. Total Longterm Care, Inc., et al.*, San Bernardino County, Case No. CIVSB2213347; Motion for Final Approval granted on April 2, 2024.

t. *Espinoza v. Delallo's Italian Foods, Inc.*, Butte County, Case No. 21CV02640; Motion for Final Approval granted on April 24, 2024.

u. *Meza v. Argus Management Company, LLC, et al.*, Los Angeles County, Case No. 21STCV31612; Motion for Final Approval granted on May 20, 2024.

v. *Wade v. Mallory Safety and Supply LLC*, Siskiyou County, Case No. 23CV00951; Motion for Final Approval granted on July 11, 2024.

w. *Abarca-Rueda, et al. v. Foley Family Wines, Inc., et al.*, Sonoma County, Case No. S-CV-268148; Motion for Final Approval granted on August 21, 2024.

x. *Aguilar v. American Pasteurization Company, Inc., et al.*, Sacramento County, Case No. 34-2021-00312027-CU-OE-GDS; Motion for Final Approval granted on September 3, 2024.

y. *Hayes, et al. v. Gonzales Park, LLC, et al.*, Butte County, Case No. 21CV02456; Motion for Final Approval granted on May 1, 2024.

z. *Hernandez v. KW California, et al.*, Kern County, Case No. BCV-23-100346; Motion for Final Approval Granted on December 4, 2024.

aa. *Arias v. The Shyft Group GTB, LLC, et al.,* Los Angeles County, Case No.22STCV37390; Motion for Final Approval granted on December 3, 2024.

bb. *Barajas Maya v. United Facilities Group, Inc., et al.*, Santa Clara County, Case No. 22CV397353; Motion for Final Approval granted on November 22, 2024.

26. Talar DerOhannessian is a Senior Attorney at Wilshire Law Firm. She graduated from the University of California, Los Angeles with a Bachelor of Arts in Communications Studites and earned her Juris Doctor degree from Loyola Law School, Los Angeles. She was admitted to practice law in the State of California in 2016 and has since been admitted to all four federal district courts in California. Prior to joining Wilshire Law Firm, PLC, she worked at various law firms and advocacy groups gaining experience in various areas of law and practice, including election law, mass torts, personal injury, and employment law. Since 2019, she has specialized in wage and hour class actions and representative actions brought under California's Private Attorneys General Act ("PAGA"). As a Senior Attorney at Wilshire Law Firm, she leads and manages over one hundred complex wage and hour class and PAGA matters pending in courts throughout the State of California.

27. Kareen Shatikian is an Associate Attorney at Wilshire Law Firm. She is admitted to practice in the State of California, and the United States District Courts for the Central, Southern, Eastern, and Northern Districts of California. She graduated from the California State Polytechnic University, Pomona with a Bachelor of Arts in Sociology, and earned her Juris Doctor from Southwestern Law School in 2021. Before joining Wilshire Law Firm, PLC, she practiced at a law firm dedicated to wage-and-hour class actions. At Wilshire Law Firm, Kareen focuses on class action wage-and-hour litigation, including matters brought under the Private Attorneys General Act of 2004 ("PAGA").

28. Trenten Bilodeaux is an Associate Attorney at WLF. He is currently in his sixth year of practice involving corporate entities in complex class action litigation in state and federal courts. He is admitted to practice before all courts in the State of California, the State of Oregon,

and the United States District Court for the Northern, Eastern, and Central Districts of California. Over the course of his career, he has participated in numerous class action settlements for similar employment and wage claims as those present here. Prior to practice, he graduated cum laude with a Bachelor of Arts in Political Science from California State University, Chico before accepting a scholarship to attend the University of the Pacific, McGeorge School of Law where he achieved a Juris Doctorate and graduated with honors in 2020.

**No Conflicts**

29. WLF has no actual or potential conflicts of interest with Class Members or the proposed Administrator, Apex Class Action Administration

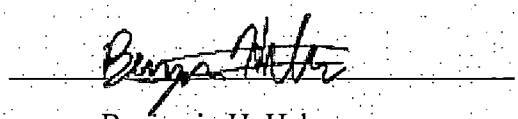
30. WLF is not aware of any pending matter or action against Defendant that may be extinguished or adversely affected by this Settlement.

**Administrator**

31. Plaintiffs' Counsel sought bids from three (3) administers to administer this Settlement. The Parties selected the bid with the lowest cost, which was from Apex Class Action Administration. A true and correct copy of the will-not-exceed bid from Apex Class Action Administration to administer this Settlement is attached hereto as **Exhibit 4**.

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

Executed on September 21, 2026 at Los Angeles, California.



Benjamin H. Haber

# EXHIBIT 1

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Pavel Rukavishnikov, Esq.

January 28, 2025

LWDA
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
***(Via Online Submission)***

Russell Kenerly
Agent of Service for Process for
Pelton-Shepherd Industries, Inc.
3120 West March Lane 1st Floor
Stockton, CA 95219
***(Via Certified Mail, Return Receipt Requested)***
***Certified # 94890090002766373973478***

Re: ***Mary Moyses v. Pelton-Shepherd Industries, Inc.***
**Notice of Labor Code Violations and PAGA Penalties**

To Whom It May Concern:

Please be advised that my office has been retained by Mary Moyses and Cindi Garcia ("Ms. Moyses" or "Employee") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, et seq.) against Employee's former employer, Pelton-Shepherd Industries, Inc. ("Employer").

The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations, which we allege Employer engaged in with respect to Employee and potentially all of Employer's Aggrieved Employees.

Employee wishes to pursue this action as an Aggrieved Employee, on behalf of the State of California, as well as on behalf of potentially all other persons who worked for Employer in California as a non-exempt or hourly-paid Employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employee and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Employer owns and operates an industry, business, and establishment within the State of California and is, therefore, subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Throughout Employee's tenure, Employer compensated him with an hourly wage and classified him as non-exempt from overtime. Employer generally scheduled Employee for at least five days a week and at least eight hours each day. However, Employee often worked more than eight hours per day and exceeded forty hours in a workweek.

Throughout Employee's tenure, Employer failed to compensate him for all hours worked, including minimum wage, straight time, and overtime wages. Employer also did not provide

legally compliant meal periods, did not authorize or permit rest periods, and failed to reimburse business expenses. Additionally, Employer did not furnish accurate wage statements, and did not pay all wages upon termination. Finally, Employer's managers systematically altered time records to conceal violations of the Labor Code. As detailed below, Employee's experiences while working for Employer were typical and illustrative of these issues.

**Ms. Moyses's Employment with Employer**

Employer is a corporation that manufactures ice and gel packs for shipping in the cold chain industry at various locations across the state, including San Joaquin County, where Employee was employed. Employee was a hourly, non-exempt worker. Ms. Moyses worked for Employer as a quality controller from approximately October 2019 to July 2024, with primary responsibilities in quality control of packages and packers and assisting with stacking and strapping pallets for forklift drivers.

In carrying out her duties, Employee was frequently required to work off-the-clock, including overtime, without compensation. This included performing job responsibilities during meal and rest periods.

Due to understaffing and heavy workloads, Employee was often unable to take timely and compliant meal and rest breaks. Additionally, Employer failed to provide Employee and other Aggrieved Employees with the required meal and rest break premiums mandated by the Labor Code for every noncompliant break. For example, Employee's meal breaks were regularly shortened due to heavy workload and supervisors' demands. Additionally, Employee and the Aggrieved Employees were not required to clock in and out for meal breaks. Employer also did not provide Employee with the opportunity to correct noncompliant meal break hours.

Employee and the Aggrieved Employees also incurred unreimbursed business expenses, which included, but were not limited to, using their personal cell phones for trainings and work-related communications without reimbursement.

Employee's pay stubs did not include all the necessary information, such as incorrect employer's address, rest and meal break premiums, as well as all wages for all hours worked, among other things.

Further, by not paying all meal and rest break penalties due and not paying all hours worked, Employer failed to pay all full and owed final wages in a timely manner.

These are just non-exhaustive examples of the facts and theories Employee asserts, which are described in more detail below.

**Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages**

Under California law, employers must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or was permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their

regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

During the statutory period, Employer failed to compensate Employee and some of the Aggrieved Employees for all hours worked, including minimum wage, straight time, and overtime wages. At times, Employer required Employee and some Aggrieved Employees to work "off-the-clock" without pay. For instance, Employer required Employee and the Aggrieved Employees to work during unpaid meal and rest periods, some of which should have been compensated at the overtime rate.

California Labor Code § 510 requires that employer compensate an employee 1.5 times their regular rate of pay when the employee work over eight hours per day, 40 hours per week, or when the employee work up to eight hours on any seventh day of a workweek. Employer failed to properly calculate Employee's regular rate of pay when paying overtime, by failing to include all compensation in Employee's overtime calculations. In failing to pay for all hours worked, Employer also failed to maintain accurate records of the hours Employee and the Aggrieved Employees, or some of them. Employer also altered, falsified, and manipulated the time records in order to pay them less.

As a result, Employer is liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

**Failure to Provide Meal Periods**

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the end of the employee's fifth hour of work in a workday, and to allow the employee to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employer occasionally failed to provide Employee and some of the Aggrieved Employees with their legally mandated 30-minute uninterrupted and duty-free meal periods. Employer maintained control over Employee and the Aggrieved Employees by requiring, pressuring, or encouraging them to complete work tasks that could not be done without skipping mandatory meal breaks. Additionally, Employer denied Employee and some Aggrieved Employees permission to take meal periods as required by law, without properly compensating them for missed meal breaks. For example, Employee's meal breaks were regularly shortened due to heavy workload and supervisors' demands. Additionally, Employees and the Aggrieved Employees were not required to clock in and out for meal breaks. Employer also did not provide Employee with the opportunity to correct noncompliant meal break hours. As a result, Employer failed to provide meal periods to Employee and some Aggrieved Employees in accordance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employer, however, at times, failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employer is liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

**Failure to Authorize and Permit Rest Periods**

An employer is required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as is required is itself a violation of California's rest break laws.

Throughout the statutory period, Employer has occasionally failed to authorize and permit Employee and some of the Aggrieved Employees to take legally compliant rest periods as required by law. At times, Employer required Employee and some Aggrieved Employees to work more than four consecutive hours without allowing them a 10-minute uninterrupted and duty-free rest period for every four hours worked (or major fraction thereof), nor did Employer compensate them for any unauthorized or unpermitted rest periods. For instance, Employee's rest breaks were regularly shortened by supervisors.

Instead, Employer, at times, continued to assert control over Employee and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks, which could not be completed without working in lieu of taking mandatory rest periods, or, at times, by denying Employee and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employer, at times, failed to authorize and permit Employee and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law.

Employee and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday he or she was not authorized and permitted to take all required rest period(s). Employer, however, at times, failed to pay Employee and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employer is liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

**Failure to Indemnify for Necessary Expenditures**

Labor Code § 2802(a) states that employers must indemnify their employees for all necessary business expenditures or losses incurred while directly discharging their duties.

Throughout the statutory period relevant to this cause of action, Employer has, at times, wrongfully required Employee and some of the Aggrieved Employees to cover expenses they incurred in the direct performance of their duties for Employer. Employee and the Aggrieved Employees, at times, paid out-of-pocket for essential employment-related expenses. These employees incurred significant expenses as a direct result of their job duties for Employer, yet Employer failed to indemnify them for these costs. For example, Employee used her personal cell phones for trainings and work-related communications without reimbursement.

As a result, Employer is liable to Employee and the Aggrieved Employees for the civil penalties outlined in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify them for necessary business expenditures.

**Failure to Furnish Accurate Itemized Wage Statements**

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish their employees an accurate itemized wage statement in writing

showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by an employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of their social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is an employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

The statute further provides: "An employee suffering injury as a result of a knowing and intentional failure by employers to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars ($4,000), and is entitled to an award of costs and reasonable attorney's fees." (Lab. Code § 226(e)(1).)

During the statutory period, Employer has occasionally failed, and continues to fail, to provide Employee and some of the Aggrieved Employees with timely, accurate, itemized wage statements that meet all legal requirements. For instance, Employee's pay stubs do not accurately reflect the accurate employer's address, rest and meal break premiums or the total wages for all hours worked, among other things.

Accordingly, Employee and similarly the Aggrieved Employees, or some of them, are entitled to recover from Employer the greater of their actual damages caused by Employer's failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars ($4,000) per employee. Moreover, Employer is liable to Employee and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226(e)(2)(B)(iii) for failing to timely furnish accurate itemized wage statements.

**Failure to Maintain Accurate Records of Hours Worked and Meal Periods**

Employee seeks penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor, who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when an employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

However, Employer occasionally failed to keep accurate records of the hours worked and all meal periods taken or missed by Employee and some of the Aggrieved Employees. Employer also altered, falsified, and manipulated these records. Despite Employee bringing these violations to management's attention, no corrective action was taken. Furthermore, Employer did not require Employees to clock in and out when taking meal breaks on the premises.

Moreover, during the relevant time period, Employer engaged in company-wide practices and/or policies of failing to record actual hours worked (including falsifying time records by recording that compliant meal periods were taken regardless of if or when meal periods were actually taken), and thereby failed to keep accurate records of work period and meal period start and end times for Employee and the Aggrieved Employees, in violation of § 1198.

Employer's failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employee and the Aggrieved Employees, or some of them,

the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employer's records. Therefore, Employee and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employer. As a direct result, Employee and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employer to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial.

As a result of Employer's knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employee and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

**Failure to Timely Pay All Wages at Termination**

Labor Code §§ 201 and 202 provide that, if employers discharge an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves their employment, their wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of their intention to quit, in which case the employee is entitled to their wages at the time of quitting. Direct deposits of wages to an employee's bank, saving and loan, or credit union account that were previously authorized by the employee are immediately terminated when the employee quits or is discharged, and the payment of wages upon termination of employment in the manner described above shall apply unless the employee has voluntarily authorized that deposit and provided that employers comply with the provisions of Labor Code § 213(d) relating to the payment of wages upon termination or quitting of employment.

Within the applicable statute of limitations, the employment of Employee and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employer, at times, failed, and continue, at times, to fail, to pay Employee and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code §§ 201 or 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employer's employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), and/or missed meal and rest period premium wages.

**Failure to Pay All Earned Wages Twice Per Month**

Based on Employer's failure, at times, to pay Employee and the Aggrieved Employees, or some of them, for all wages as discussed above, Employer also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, Employee and the Aggrieved Employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employer failed and refused to pay Employee and the Aggrieved Employees all wages due, and failed to pay those wages twice a month, in that Employee was not paid all wages for all missed meal and rest periods and all wages for all hours worked.

As a result, Employer owed Employee the legally required wages for unpaid wages, and Employee and the Aggrieved Employees, or some of them, suffered damages in those amounts. Moreover, Employer is liable to Employee and the Aggrieved Employees, or some of them, for the civil

penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

**Refusal to Make Payment**

Labor Code § 216 declares unlawful employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employer, at times, violated and continue, at times, to violate Labor Code § 216 by failing to pay Employee and Aggrieved Employees, or some of them, for all hours worked at the proper wage rate and/or by failing to pay Employee and Aggrieved Employees, or some of them, an additional hour of pay for each meal and/or rest period not provided or that was invalid. (*Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.)

These violations subject Employer to civil penalties under Labor Code § 225.5. Each violation results in a separate civil penalty, for each Aggrieved Employee (or some of them) so affected, for each pay period (or some of them) during which the statute's provisions were violated.[1]

**Statutory Wage Violations**

Labor Code § 223 makes it unlawful for employers to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employer, at times, willfully and systematically denied Employee and other Aggrieved Employees, or some of them, of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employer, at times, acted with the intent to deprive some or all of them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employer, at times, paid Employee and other Aggrieved Employees, or some of them, lower wages than those to which they were entitled, while purporting that Employee and all Aggrieved Employees were properly paid. As such, Employee and Aggrieved Employees, or some of them, are entitled to recover penalties, attorneys' fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

**Action for Civil Penalties Under PAGA**

Pursuant to Labor Code Sections 2699(a) and (f), Employee and the Aggrieved Employees are entitled to civil penalties for Employer's violations of Labor Code sections 201, 202, 203, 204, 210, 213, 216, 221, 223, 225.6, 226, 226.7, 510, 512, 551-553, 558, 1174, 1174.5, 1185, 1194, 1197, 1197.1, 1198, 1198.5, 2699, 2802, and the applicable IWC Wage Order.

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[1] Labor Code § 225.5 (establishing that "[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee") (emphasis added).

Employee has placed Employer on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

WILSHIRE LAW FIRM

m. desario

Molly DeSario, Esq.

# EXHIBIT 2

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF SAN JOAQUIN**

MARY MOYSES, individually, and on behalf of other members of the general public similarly situated, and CINDI GARCIA, individually, and on behalf of other members of the general public similarly situated,

*Plaintiffs*,

v.

PELTON-SHEPHERD INDUSTRIES, INC., a Nevada corporation; and DOES 1 through 10,inclusive,

*Defendants*.

Case No. STK-CV-UOE-2025-0001410
Consolidated with Case No: STK-CV-UOE-2025-0004802

*[Assigned for all purposes to Honorable Jayne Lee, Department. 10C]*

**CLASS ACTION AND PAGA SETTLEMENT AGREEMENT**

Complaint filed: April 3, 2025
Trial date: Not Set

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiffs Mary Moyses and Cindi Garcia (collectively, "Plaintiffs") and Pelton-Shepherd Industries, Inc. ("Defendant"). The Agreement refers to Plaintiffs and Defendant collectively as "Parties," or individually as "Party."

1. **DEFINITIONS.**

1.1 "Actions" means Plaintiffs' consolidated lawsuits alleging class action wage and hour violations against Defendant captioned *Moyses, et al. v. Pelton-Shepherd Industries, Inc.*, San Joaquin Superior Court Case No(s). STK-CV-UOE-2025-0001410 and STK-CV-UOE-2025-0004802.

1.2 "Administrator" means APEX, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "Administration Costs" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 "Aggrieved Employee" means all persons who have been employed by Defendant in California as an hourly-paid or non-exempt employees at any point during the PAGA Period, as more fully defined in Labor Code section 2775, *et seq.*, including current and former employees ("Aggrieved Employee(s)").

1.5 "Class" means all persons who were employed by Defendant in California as an hourly-paid or non-exempt employees at any point during during the Class Period, including current and former employees ("Class Member(s)").

1.6 "Class Action" means *Mary Moyses, et al. v. Pelton-Shepherd Industries, Inc.*, San Joaquin Superior Court Case No(s). STK-CV-UOE-2025-0001410.

1.7 "Class Counsel" means Benjamin H. Haber, Esq., Talar DerOhannessian, Esq., and Kareen Shatikian, Esq. of Wilshire Law Firm, PLC.

1.8 "Class Counsel Fees Payment" means an award of attorneys' fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will

request approval from the Court of up to one-third (1/3) of the GSA (currently estimated at $186,024.30).

1.9 "Class Counsel Litigation Expenses Payment" means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed $30,000.00, and paid from the Gross Settlement Amount.

1.10 "Class Data" means Class Member identifying information in Defendant's possession, custody, or control for each Class Member, including each Class Member's name, Social Security Number, last-known mailing address, last known telephone number, number of Workweeks, and number of PAGA Pay Periods.

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

1.12 "Class Notice" means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 "Class Period" means the period from January 29, 2021, through either (a) the date that the Court grants Preliminary Approval, ***or*** (b) at Defendant's election, an earlier date, but no earlier than February 19, 2026. At its option, Defendant may elect to shorten the Class Period to an earlier date so that the release covers only up to an end date not earlier than February 19, 2026 for which there are no more than 18,039 Workweeks in order to avoid any further increase to the GSA. To shorten the Class Period, Defense Counsel shall inform Class Counsel and the Administrator in writing of any election to shorten the Class Period to a date earlier than the date that the Court grants Preliminary Approval within seven (7) days of the Administrator informing Defense Counsel that the number of Workweeks exceeds 18,039. The Parties shall then disclose the modified end date of the Class Period to the Court in the motion for Final Approval of the Settlement.

1.14 "Class Representative(s)" means the named Plaintiffs Mary Moyses and Cindi Garcia in the Action.

1.15 "Class Representative Service Payment" or "Enhancement Award" means the payment to the Class Representative for initiating the Actions and providing services in support of the Action.

1.16 "Court" means the Superior Court of California, County of San Joaquin.

1.17 "Defendant" means named Defendant Pelton-Shepherd Industries, Inc.

1.18 "Defense Counsel" means Mark J. Payne, and David R. Rutan of Troutman Pepper Locke LLP.

1.19 "Effective Date" means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, or any other legal challenge to the Settlement is filed, the date the final resolution of any such appeal or challenge has been finally terminated in such a manner as to permit the Final Approval and Judgment to take effect and is no longer subject to further judicial review..

1.20 "Final Approval" means the Court's order granting final approval of the Settlement.

1.21 "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.22 "Final Judgment" means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 "Gross Settlement Amount" or "GSA" means $563,710.00 which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8, Escalator Clause.

1.24 "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the

Class Period.

1.25 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.26 "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.27 "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.28 "LWDA PAGA Payment" means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties payment, Enhancement, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.30 "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.31 "Operative Class Complaint" means the operative class action complaint filed in the Class Action.

1.32 "Operative PAGA Complaint" means the operative PAGA complaint filed in the PAGA Action.

1.33 "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.34 "PAGA Action" means *Mary Moyses, et al. v. Pelton-Shepherd Industries, Inc.*, San Joaquin County Court Case No. STK-CV-UOE-2025-4802.

1.35 "PAGA Notice" means Plaintiffs' January 28, 2025 letter (LWDA-CM-1076325-25) to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.36 "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one or more hours during the PAGA Period.

1.37 "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount ($25,000.00), allocated 35% to the Aggrieved Employees ($8,750.00)

and 65% to LWDA ($16,250.00) in settlement of PAGA claims.

1.38 "PAGA Period" means the period is January 29, 2024, through the same date on which the Class Period ends, as described in the definition of Class Period, above.

1.39 "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.40 "Plaintiffs" mean Mary Moyses and Cindi Garcia, the named plaintiffs in the Action.

1.41 "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.42 "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.43 "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.44 "Released Parties" means Defendant and each of Defendant's former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.45 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.46 "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.47 "Settlement" means the disposition of the Actions effected by this Agreement and the Judgment.

1.48 "Workweek" means any workweek in which a Class Member worked any hours for Defendant in California during the Class Period, excluding any weeks in which no work was performed.

2. **RECITALS.**

2.1 Plaintiffs filed the complaint in the Class Action on January 29, 2025, against Defendant for systemic violations of the California Labor Code and Business & Professions Code. Plaintiffs bring this Class Action on behalf of themselves and similarly situated employees for: (1) Failure to Pay Minimum and Straight Time Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) Failure to Pay Overtime Wages (Cal. Lab. Code §§ 510, 1194 and 1198); (3) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512); (4) Failure to Authorize and Permit Rest Periods (Cal. Lab. Code §§ 226.7); (5) Failure to Indemnify Employees for Expenditures (Cal. Lab. Code § 2802); (6) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); (7) Failure to Timely Pay Wages upon Separation of Employment (Cal. Lab. Code §§ 201-203); (8) Failure to Timely Pay Wages During Employment (Cal. Lab. Code § 204); and (9) Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, et seq.). On January 28, 2025, Plaintiffs filed a PAGA Notice with the California Labor & Workforce Development Agency and served to Defendant, pursuant to Labor Code § 2699.3(a). On April 3, 2026, after the 65-day statutory period passed, Plaintiffs filed the PAGA Action against Defendant, alleging claims for penalties pursuant to Labor Code § 2699, et seq. Defendant's liability is supported by Plaintiffs' testimony and corroborated by the nature of Defendant's policies and practices, which affected not only Plaintiffs but similarly situated employees across the class period.

2.2 The Class Action is assigned for all purposes to Honorable Jayne Lee, Department 10C of the San Joaquin Superior Court. The PAGA Action was assigned for all purposes to Honorable Robert T. Waters, Department 11B of the San Joaquin County Superior Court. No trial dates have been set. On April 3, 2026, the Parties filed a Stipulation and [Proposed] Order Consolidating the Actions, with the Class Action as the lead case. On April 7, 2026, the Court consolidated the Actions.

2.3 Defendant denies the allegations in the Actions, denies any failure to comply with the laws identified in the Actions, and denies any and all liability for the causes of action alleged in the Actions.

2.4 In advance of mediation, Defendant provided informal discovery, including Defendant's

informal production of Class Member and Aggrieved Employees' time and pay records; Plaintiffs' personnel files including complete time records and pay stubs; data points; an employee handbook; and other standalone policy documents. In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to the Actions.

2.5 Prior to mediation, Plaintiffs obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weaknesses of the claims and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.6 On February 19, 2026, the Parties participated in an all-day mediation presided over by mediator Todd Smith, Esq. via Zoom. The Parties thereafter accepted a mediator's proposal and agreed on general settlement terms. The Parties memorialized their agreement in a Memorandum of Understanding on March 16, 2026.

2.7 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

## 3. MONETARY TERMS.

3.1 Gross Settlement Amount. Subject to all terms of this Agreement and except as otherwise provided by Paragraph 8 below, Defendant will pay the Gross Settlement Amount to fully settle, resolve, and extinguish all claims asserted in the Actions, including without limitation all claims asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendant will pay separately.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiffs: A payment for the Enhancement Award to each Plaintiff of not more

than $10,000.00 in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member. The Enhancement Award is contingent on Plaintiffs' execution of a full general release, including a waiver under Civil Code section 1542. An award of less than the requested amount for the Class Representative Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Class Representative Service Payments, at its discretion at the final approval stage. Defendant will not oppose Plaintiffs' request for an Enhancement Award that does not exceed this amount. If the Court approves an Enhancement Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Enhancement Award.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the GSA, which is currently estimated to be $186,024.30, and a Class Counsel Litigation Expenses Payment for actual costs. Defendant will not oppose requests for these payments, provided the request does not exceed one-third of the GSA. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: Administrator Costs for actual costs, not to exceed $7,500.00 except for a showing of good cause and as approved by the Court. To the extent the

Administration Costs are less, or the Court approves payment of less than requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

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

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Defendant's payment of the wages, including but not limited to the Wage Portions of the Individual Class Payments, shall not extend or alter any Class Member's period of employment for any purpose.

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

3.2.5 To the LWDA and Aggrieved Employees: Subject to Court approval, PAGA Penalties in the amount of $25,000.00 to be paid from the Gross Settlement Amount, with 65% ($16,250.00) allocated to the LWDA PAGA Payment and 35% ($8,750.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties ($8,750.00) by

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

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

4. **SETTLEMENT FUNDING AND PAYMENTS.**

4.1 Class Workweeks. Based on a review of its records, Defendant estimates in good faith that there are 220 Class Members who collectively worked a total of 16,106 Workweeks during the Class Period.

4.2 Class Data. Within 21 days of the Court issuing an order granting Preliminary Approval of this Settlement, Defendant will deliver to the Administrator identifying information in Defendant's possession, custody, or control for each Class Member, including each Class Member's name, Social Security Number, last known mailing address, last known telephone number, number of Workweeks, and number of PAGA Pay Periods. The Administrator will maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement (such as issuing notices and payments to the Class Members) and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Administrator shall not provide Class Data to Plaintiffs, Class Counsel, or anyone representing Plaintiffs without express written authorization from Defendant which references this section of the Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data is incomplete, inaccurate, or omitted class member identifying information, and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related

to missing or omitted Class Data. Additionally, on or before the date on which Plaintiffs file the initial motion for Preliminary Approval of this Settlement, Defendant's counsel shall confirm in writing to Plaintiffs' counsel that the Class Data will be in their possession by no later than the date and time of the hearing on Plaintiffs' motion for Preliminary Approval of this settlement, to ensure that there will be no delays in providing the Class Data to the Administrator.

4.3 Funding of Gross Settlement Amount. The Administrator shall inform Defendant of the amount of payroll taxes due in connection with the Settlement within seven (7) days of the Effective Date. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than thirty (30) days of the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement

Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

4.4.5 The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendant's portion of payroll taxes that Defendant transmitted to the Administrator (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

5. **RELEASES OF CLAIMS**. Effective on the date when Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual

Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release. Plaintiffs, and Plaintiffs' respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, agree to a general release of all known and unknown claims against the Released Parties and waiver of Civil Code section 1542. Plaintiffs discharge Released Parties from all claims, transactions, or occurrences, including all claims that were, or reasonably could have been, alleged, based on the facts contained in the Actions; and any other claims, debts, liabilities, demands, damages, obligations, actions and causes of action, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with Defendant, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Class Representatives respectively execute this Agreement. This General Release includes, without limitation, (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post

notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 Released Class Claims: All Participating Class Members release the Released Parties from any and all claims, damages, and penalties that were or could have been alleged based on the facts alleged in the Actions and any PAGA Notices that Plaintiffs submitted in connection with the Actions during the Class Period, including, without limitation, claims for: (1) Failure to Pay All Minimum Wages (Labor Code sections 1194, 1194.2, 1197), (2) Failure to Pay All Overtime Wages (Labor Code sections 204, 510, 558, 1194, 1198), (3) Failure to Provide Meal Periods and Pay Missed Meal Period Premiums (Labor Code sections 226.7, 512, 558, 1198), (4) Failure to Provide Rest Periods and Pay Missed Rest Period Premiums (Labor Code sections

226.7, 516, 668, 1198), (5) Untimely Payment of Wages (including Failure to Pay Wages Timely During Employment and Failure to Pay All Wages Earned and Unpaid at Separation) (Labor Code sections 201, 202, 203, 204, 210, 216, 218), (6) Failure to Furnish Accurate Itemized Wage Statements (Labor Code section 226), (7) Waiting Time Penalties (Labor Code sections 201, 202, 203), (8) Failure to Reimburse Business Expenses (Labor Code section 2802), (9) Failure to Maintain Accurate Employment Records (Labor Code section 1174), (10) Unfair Competition (Business and Professions Code section 17200-17210), (11) Civil Penalties Under the Private Attorneys General Act (Labor Code section 2698, et seq.) ("Released Class Claims"). Participating Class Members do **not** release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, un-employment insurance, disability, social security, workers' compensation, or claims based on facts outside of the Operative Class Complaint or outside the Class Period..

5.3 Released PAGA Claims: All PAGA Members and the LWDA release Released Parties from, and are forever barred from pursuing such against Released Parties for, the PAGA claims that were alleged or could have been alleged based on the facts alleged in the Actions or any PAGA Notices that Plaintiffs submitted in connection with the Actions during the PAGA Period, including, without limitation penalties predicated on the underlying alleged violations of the Released Class Claims or for alleged violations of the following Labor Code sections: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 256, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2084, and California Industrial Welfare Commission Wage Orders Wage Order 4-2001.

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

6.1 Plaintiffs' Responsibilities. Plaintiffs will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;

(iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than sixteen (16) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it, provided, however, that the amounts of the Class Counsel Attorneys' Fees, Class Counsel Litigation Costs, Administration Expense Payment, and Class Representative Service Payments may be determined by the Court, subject to any applicable appellate rights, and any Court ruling(s) that reduces any of the aforementioned amounts shall not make this Settlement null and void. .

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected APEX to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into the QSF prior to distribution by the Administrator will become part of the NSA for distribution to Participating Class Members.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel and Defense Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2 At least eight days after informing Class Counsel and Defense Counsel of the information set forth in section 7.4.1, but no later than 14 days after informing Class Counsel and Defense Counsel of the information set forth in section 7.4.1, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts.

Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than five (5) calendar days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

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

election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

7.5.5 Defendant's Right to Withdraw. Defendant has the sole right to withdraw from and void the Settlement if more than ten (10) Class Members opt out by submitting a Request for Exclusion. If Defendant exercises its right to withdraw from the Settlement, Defendant will notify Class Counsel and the Court within seven (7) business days after receiving the opt-out list from

the Administrator and will remain responsible for paying the Administration Expenses incurred to that point.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

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

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

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

7.8 Administrator's Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

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

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

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

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member

challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

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

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

8. **ESCALATOR CLAUSE.** The GSA was calculated based on Defendant's above estimated number of Class Members, Workweeks, Aggrieved Employees, and PAGA Pay Periods. If, during the course of this Settlement process, the total number of Workweeks (as defined above) increases by more than 12% (i.e. an increase of more than 1,933 Workweeks), then the GSA will be increased by an amount proportional to the increase in Workweeks worked in excess of 12%. However, as described in the definition of Class Period, Defendant, at its option, may elect to shorten the Class Period and PAGA Period so that the periods cover only up to the 18,039 Workweeks in order to avoid any further increase to the Gross Settlement Amount by virtue of

this provision, so long as the Class Period and PAGA Period end date is no earlier than February 19, 2026.

9. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class

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

9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Enhancement Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

11. **ADDITIONAL PROVISIONS.**

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Class Complaint or Operative PAGA Complaint has merit or that Defendant has any liability for any claims asserted; nor should it be

intended or construed as an admission by Plaintiffs that Defendant's defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Actions, and Plaintiffs reserve 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 Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal

from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

11.4 Use and Return of Defendant's Information. Upon (i) payment of the Gross Settlement amount by Defendant and (ii) Defense Counsel's request to do so, Plaintiffs and Class Counsel agree that all records and information provided by Defendant marked "Confidential" regarding Defendant that Plaintiffs do not have legal right to retain, such as personnel and payroll records (except for Plaintiffs' own records) shall be returned or destroyed, except that Class Counsel may retain Plaintiffs' records. Plaintiffs and Class Counsel shall not use the records relating to any other Class Member (except Plaintiffs) for any purposes outside of this litigation and Settlement, including for use in any other proceeding or legal action, except as required by law. Plaintiffs and Class Counsel further agree that they will not share, distribute, copy, or divulge any such records or information to any other person, except for use in this litigation and Settlement or as required by law.

11.5 No Publicity. Plaintiffs and Class Counsel agree that they shall not discuss, answer questions about, promote, or publicize the Settlement, this Agreement and its terms, or the negotiations leading to this Agreement with anyone other than the Court or those individuals necessary to effectuate the terms of the Agreement. Plaintiffs and Class Counsel further agree that the terms of this Agreement, the negotiations leading to the execution of this Agreement, and this Agreement itself shall not at any time, both prior to and after Final Approval, be discussed with or publicized or promoted to the media including without limitation, any newspapers, magazines, radio programs, social media, or Internet news sites or blogs), legal community (including, without limitation, legal periodicals and publications, or the public at large), or anyone else without the advance written consent of Defendant. This prohibition includes, but is not limited to: (a) publications on any website of the amount or terms of the Settlement, with or without identifying information; and (b) the submission of information to any publication that summarizes the results of verdicts and settlements. The Parties intend this section to prohibit Plaintiffs and Class Counsel from discussing, answering questions about, promoting or

publicizing the Settlement, this Agreement and its terms, or the negotiations leading to this Agreement with anyone other than the Court, Class Members as outlined above, or those individuals necessary to effectuate the terms of this Agreement. Waiver. Notwithstanding this provision, Class Counsel is permitted to disclose the terms of this Agreement to the extent necessary when responding to inquiries by Class Members and is permitted to disclose information regarding this Settlement in connection with any future court filings intended to establish Class Counsel's adequacy.

11.6 Upon entry of final Judgment, Plaintiffs and Defendant, and each of them, waive any and all claims for fees, costs, indemnity or contribution against Plaintiffs, any Class Member, Class Counsel in the Actions, Defendants, or Defense Counsel in the Actions other than as provided herein.

11.7 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.8 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.9 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.10 No Prior Assignments. The Parties separately represent and warrant that they have

not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.11 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.12 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.13 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.14 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

11.15 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.16 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Actions and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

11.17 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

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

11.19 Notice. All notices, demands, or other communications between the Parties in

connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

**WILSHIRE LAW FIRM, PLC**
Benjamin H. Haber, Esq.
bejamin.haber@wilshirelawfirm.com
Talar DerOhannessian, Esq.
talar.derohannessian@wilshirelawfirm.com
Kareen Shatikian, Esq.
kareen.shatikian@wilshirelawfirm.com
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

To Defendant:

**TROUTMAN PEPPER LOCKE LLP**
Mark J. Payne, Esq.
mark.payne@troutman.com
100 Spectrum Center Drive, Suite 1500
Irvine, CA 92618
Telephone: (949) 622-2700
Facsimile: (949) 622-2739

David R. Rutan, Esq. (SBN 311345)
david.rutan@troutman.com
350 South Grand Avenue, Suite 3400
Los Angeles, CA 90071
Telephone: (213) 928-9800
Facsimile: (213) 928-9850

11.20 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

11.21 Stay of Litigation. The Parties agree that upon the execution of this Agreement the Actions shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to Code of Civil Procedure section 583.330 to

extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

11.22 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Evidence Code sections 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the San Joaquin County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure section 664.6.

IT IS SO AGREED.

Plaintiff:

Dated: _____

_____
MARY MOYSES

Plaintiff:

Dated: _____

_____
CINDI GARCIA

Defendant:

Dated: Jun 9, 2026

Tim Shepherd
boxSIGN 4ZX5XWY9-4PL75WWW
PELTON-SHEPHERD INDUSTRIES, INC.

By (name): Tim Shepherd

Title: Chief Executive Officer

Approved as to form:

WILSHIRE LAW FIRM, PLC

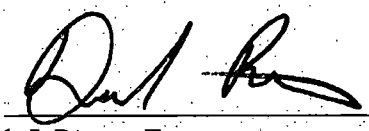
Dated: _____

By: _____
Benjamin H. Haber, Esq.
Talar DerOhannessian, Esq.

Kareen Shatikian, Esq.
Counsel for Plaintiffs Mary Moyses and Cindi Garcia

TROUTMAN PEPPER LOCKE LLP

Dated: June 10, 2026

By: 

Mark J. Payne, Esq.
David R. Rutan, Esq.
Counsel for Defendant Pelton-Shepherd Industries, Inc.

extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

11.22 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Evidence Code sections 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the San Joaquin County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure section 664.6.

IT IS SO AGREED.

Plaintiff:

Dated: _____

MARY MOYSES

Plaintiff:

Dated: 6/9/2026

Signed by:
87F6BE05BEE64BD...

CINDI GARCIA

Defendant:

Dated: _____

PELTON-SHEPHERD INDUSTRIES, INC.

By (name): _____

Title: _____

Approved as to form:

WILSHIRE LAW FIRM, PLC

Dated: _____

By: _____
Benjamin H. Haber, Esq.
Talar DerOhannessian, Esq.

extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

11.22 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Evidence Code sections 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the San Joaquin County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure section 664.6.

IT IS SO AGREED.

Plaintiff:

Dated: 6/10/2026

Signed by:
25A6E40DB78D4D2...

MARY MOYSES

Plaintiff:

Dated: _____

_____

CINDI GARCIA

Defendant:

Dated: _____

_____

PELTON-SHEPHERD INDUSTRIES, INC.

By (name): _____

Title: _____

Approved as to form:

WILSHIRE LAW FIRM, PLC

Dated: June 10, 2026

By: _____

Benjamin H. Haber, Esq.
Talar DerOhannessian, Esq.

# EXHIBIT A

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

*Moyses et al. v. Pelton-Shepherd Industries, Inc.*

San Joaquin County Superior Court, Case Nos. STK-CV-UOE-2025-1410 and STK-CV-UOE-2025-4802

***The San Joaquin County Superior Court authorized this notice.***
***It is not junk mail, spam, an advertisement, or solicitation by a lawyer.***
***Please read it carefully! You are not being sued.***

**You may be eligible to receive money** from the consolidated employee class and representative action lawsuits ("Actions") against Pelton-Shepherd Industries, Inc. ("Defendant") for alleged wage and hour violations. The Actions were filed by former employees, Mary Moyses and Cindi Garcia, and seek (1) payment of unpaid wages and other relief for a class of non-exempt or hourly-paid employees ("Class Members") who worked for Defendant during the Class Period (January 29, 2021, through either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement); and (2) penalties under the California Private Attorneys General Act ("PAGA") for all Class Members who worked for Defendant during the PAGA Period (January 29, 2024, through the either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement ) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA settlement requiring Defendant to fund Individual PAGA Payments and pay PAGA Penalties to the California Labor and Workforce Development Agency ("LWDA").

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

The above estimates are based on Defendant's records showing that **you worked [redacted] Workweeks during the Class Period and you worked [redacted] Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

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

| YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT | |
|---|---|
| **DO NOTHING** | Receive money. Give up rights to sue Defendant for claims released in the Settlement. |
| **EXCLUDE YOURSELF** | Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period. |
| **OBJECT** | Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement. |
| **CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS** | Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement. |

# BASIC INFORMATION

## 1. WHY AM I RECEIVING THIS NOTICE?

Defendant's records indicate that you worked for Defendant Pelton-Shepherd Industries, Inc. at some point(s) between January 29, 2021, through either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is January 29, 2024, through either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Actions is the San Joaquin County Superior Court. The case is *Moyses et al. v. Pelton-Shepherd Industries, Inc.*, Case Nos. STK-CV-UOE-2025-1410 and STK-CV-UOE-2025-4802. The people who sued, Mary Moyses and Cindi Garcia, are the Plaintiffs, and the company sued, Pelton-Shepherd Industries, Inc., is the Defendant.

## 2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiffs in the Actions allege wage and hour violations against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods and pay meal period premiums; (4) failure to provide rest periods and pay missed rest period premiums; (5) failure to indemnify all necessary business expenditures; (6) failure to provide accurate itemized wage statements; (7) failure to timely pay wages upon separation of employment; (8) failure to timely pay wages during employment; (9) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* In addition, Plaintiffs are seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiffs' claims and denies any wrongdoing.

## 3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiffs) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

## 4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiffs or Defendant on the merits of the claims alleged in the lawsuit. Plaintiffs believe Plaintiffs would win at trial. Defendant thinks that Plaintiffs' lawsuit would not proceed to a trial and/or that Plaintiffs would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff, as well as Plaintiffs' lawyers (called "Class Counsel"), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

# WHO IS INCLUDED IN THE SETTLEMENT?

## 5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: The Class includes: all persons who worked for any Defendant in California as an hourly-paid or non-exempt employee at any time from January 29, 2021, through either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement.

### 6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

## THE SETTLEMENT BENEFITS—WHAT YOU GET

### 7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount ("GSA") of $563,710.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys' fees up to one-third of the GSA or $186,024.30 and reimbursement for reasonable costs; Enhancement Award up to $10,000.00 to Plaintiff Mary Moyses, and $10,000.00 to Plaintiff Cindi Garcia (for Plaintiffs' work and efforts prosecuting this case); a PAGA Penalties payment of $25,000.00 to resolve the PAGA claims; and Settlement Administration Costs to [redacted] not to exceed [redacted] The exact amount of the Class Counsel's Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the "Net Settlement Amount" or the "NSA," is currently estimated to be approximately [redacted] The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded ("opt out") of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a $25,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 65% of the PAGA Penalties payment, or $16,250.00, will be paid to the California Labor and Workforce Development Agency. The remaining 35% of the PAGA Penalties payment, or $8,750.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

### 8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

**Individual Class Payment:** Your Individual Class Payment is based on the number of Workweeks you worked, as reflected in Defendant's records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period from January 29, 2021, through either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement. **Twenty percent (20%)** of each Individual Class Payment will be treated as payment for alleged unpaid wages and will be reported on an IRS Form W-2, subject to applicable payroll tax withholdings and deductions. **Eighty percent (80%)** will be treated as payment for alleged penalties and interest, which will be reported on IRS Forms 1099.

**Individual PAGA Payment:** If you worked for Defendant from January 29, 2024, through either the date that the Court grants preliminary approval or February 19, 2026, to be determined at the hearing for final approval of the settlement ("PAGA Period"), you are also an "Aggrieved Employee" and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees' Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement. *See, e.g., Robinson v So. County Oil*, 53 Cal. App. 476 (2020).

## HOW YOU GET A PAYMENT

### 9. HOW DO I RECEIVE A PAYMENT?

**You do not need to do anything to receive a payment.** However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

### 10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on _____, to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 65 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

**Settlement checks should be cashed promptly upon receipt.** Proceeds of checks which remain uncashed 180 days after the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

## 11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you timely exclude yourself, you will become a Participating Class Member. This means that you may not sue, continue to sue, or participate in any other lawsuit against Defendant concerning the legal claims resolved by this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and related entities and individuals (collectively, the "Released Parties"). These releases will become effective after the Court's approval of the Settlement becomes final.

**Released Class Claims:** The "Released Class Claims" include all claims under state, federal, and local law that were asserted or could have been asserted based on the facts alleged in the lawsuit against Defendant, arising during the Class Period, against the Released Parties. The Released Class Claims do not include claims for retaliation, discrimination, workers' compensation, unemployment insurance, disability benefits, or claims outside the Class Period.

**Released PAGA Claims:** If you are an Aggrieved Employee (that is, if you worked for Defendant during the PAGA Period), you will also release all claims for civil penalties under the California Private Attorneys General Act ("PAGA") arising during the PAGA Period that were asserted or could have been asserted based on the facts alleged in Plaintiffs' PAGA notice to the California Labor and Workforce Development Agency and the lawsuit. Aggrieved Employees cannot opt out of the release of the PAGA claims, regardless of whether they exclude themselves from the class settlement.

# EXCLUDING YOURSELF FROM THE SETTLMENT

## 12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than [45 days after Class Notice is Mailed]. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

[redacted]
*Pelton-Shepherd Industries, Inc.*, Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (January 29, 2024, through the earlier of the date that the Court grants preliminary approval or April 19, 2026). If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

[redacted]

## 13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you timely exclude yourself from the Settlement, you will give up any right to sue Defendant for the claims resolved by this Settlement. If you have a pending lawsuit against Defendant relating to the claims covered by this Settlement, you should speak to your attorney in that case immediately. To continue your own lawsuit, you must exclude yourself from this Settlement.
The deadline to request exclusion is forty-five (45) days from the date the Class Notice is mailed.

## 14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, if you desire.

# THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

## 15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm, PLC is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel, and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

**WILSHIRE LAW FIRM, PLC**

Benjamin H. Haber
benjamin.haber@wilshirelawfirm.com
Talar DerOhannessian
talar.derohannessian@wilshirelawfirm.com
Kareen Shatikian
kareen.shatikian@wilshirelawfirm.com
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

## 16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve attorneys' fees of up to one-third (1/3) of the Gross Settlement Amount, currently estimated at $186,024.30 for work performed in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also ask the Court to approve reimbursement of litigation expenses not to exceed [redacted]. The Court may award Class Counsel less than the amounts requested.

Class Counsel will also ask the Court to approve an enhancement award to Plaintiff Mary Moyses in the amount of $10,000.00, Plaintiff Cindi Garcia in the amount of $10,000.00, in addition to Plaintiffs' Individual Class Payment and Individual PAGA Payment, for the initiative, risk, and time and effort

Plaintiffs spent serving as the Class Representative. The Court may award a Class Representative less than the amount requested.

# OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

## 17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before _____, 2026, at the following address:

[redacted]
*Pelton-Shepherd Industries, Inc.*, Settlement
XXXXX
City, State, XXXXX
Email:
Fax

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

## 18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

# THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

**19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?**

The Court will hold a Final Approval Hearing at _____ on _____ in Department 10 of the San Joaquin County Superior Court (Stockton Courthouse) located at 180 E. Weber Avenue, Stockton, California 95202, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

**20. DO I HAVE TO COME TO THE HEARING?**

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

## IF YOU DO NOTHING

**21. WHAT IF I DO NOTHING AT ALL?**

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendant about the legal issues in the Action.

## GETTING MORE INFORMATION

**22. HOW DO I GET MORE INFORMATION?**

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, [redacted] by calling toll free 1-800_____, or you can write to the Administrator at the following address:

[redacted]
*Pelton-Shepherd Industries, Inc.*, Settlement
XXXXX
City, State, XXXXX
Email:
Fax

**PLEASE DO NOT TELEPHONE THE COURT OR PELTON-SHEPHERD INDUSTRIES, INC.'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.**

# EXHIBIT 3

Outlook

## Thank you for your Proposed Settlement Submission

**From** no-reply@formassembly.com <no-reply@formassembly.com>
**Date** Mon 9/21/2026 9:02 AM
**To** Giancarlo Recinos' Team <Giancarlorecinosteam@wilshirelawfirm.com>

09/21/2026 09:02:20 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 09/21/2026 09:02:20 AM your Proposed Settlement was successfully processed for case number LWDA-CM-1076325-25

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Cdariane.rose%40wilshirelawfirm.com%7C00b9868adfa742e6040e08df17f9c079%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639256033608190578%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMiIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=5pEvq2QSggEjvvFt9hfExCDc2cj3YdyGI4vDIeKXNNo%3D&reserved=0

# EXHIBIT 4

APEX
CLASS ACTION ADMINISTRATION

**Quotation Request:**

Kareen Shatkian
Wilshire Law Firm
kareen.shatikian@wilshirelawfirm.com

**Case Name:** **Moyses et al. v. Pelton-Shepherd Industries, Inc**
Date: Wednesday, March 11, 2026
RFP Number: 207410006

**Prepared By:**

Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

| Settlement Specifications | |
|---|---|
| **Estimated Class Size:** | **230** |
| **Certified Language Translation:** | **Yes** |
| **Static Settlement Website:** | **Yes** |
| **Percentage of Undeliverable Mail:** | **20%** |

| Professional Services | Fee Calculation | Rate(s) | Quantity | Estimated Cost |
|---|---|---|---|---|
| **Data Analytics and Standardization** | | | | |
| Import and Standardize Data* | Per Hour | $125.00 | 1 | $125.00 |
| Data Analyst | Per Hour | $150.00 | 1 | $150.00 |
| *Data provided must be in a workable format. Apex can standardize provided data at an additional cost of $150/hr. | | | | |
| | | | Sub Total: | $275.00 |
| **Mailing of Class Notice** | | | | |
| Form Set Up | Per Hour | $120.00 | 1 | WAIVED |
| Print & Mail Class Notice | Per Piece | $1.20 | 230 | $276.00 |
| USPS First Class Postage | Per Piece | $0.78 | 230 | $179.40 |
| Remail Undeliverable Mail (Skip-Trace) | Per Piece | $2.00 | 23 | $46.00 |
| Receive and Process Undeliverable Mail | Per Hour | $75.00 | 1 | $37.50 |
| Process Class Member Correspondence via mail, e-mail & fax | Per Piece | $75.00 | 2 | $150.00 |
| NCOA Address Update (USPS) | Static Rate | $25.00 | 1 | $25.00 |
| Certified Language Translation: Spanish | Static Rate | $950.00 | 1 | $950.00 |
| | | | Sub Total: | $1,663.90 |
| **Project Management** | | | | |
| Project Management | Per Hour | $150.00 | 2 | $300.00 |
| Project Coordinator | Per Hour | $90.00 | 2 | $180.00 |
| Data Analyst and Reporting | Per Hour | $140.00 | 2 | $280.00 |
| | | | Sub Total: | $760.00 |

APEX

CLASS ACTION ADMINISTRATION

| Professional Services | Fee Calculation | Rate(s) | Quantity | Estimated Cost |
|---|---|---|---|---|
| **Toll-Free Contact Center, Website & Reporting** | | | | |
| Bilingual Toll-Free Contact Center | Static Rate | $207.20 | 1 | $207.20 |
| Settlement Status Reports | Static Rate | $750.00 | 1 | WAIVED |
| Static Apex Website | Static Rate | $300.00 | 1 | $300.00 |
| | | | Sub Total: | $507.20 |
| **Distribution & Settlement Fund Management** | | | | |
| Settlement Calculations (Preliminary and Final) | Per Hour | $120.00 | 3 | $360.00 |
| Account Management and Reconciliation | Per Hour | $140.00 | 3 | $420.00 |
| Print & Mail Distribution Settlement Check (W-2/1099) | Per Piece | $1.00 | 230 | $230.00 |
| USPS First Class Postage | Per Piece | $0.78 | 230 | $179.40 |
| Remail Distribution to Updated Address (Skip Trace) | Per Piece | $1.50 | 23 | $34.50 |
| Individual Income Tax Preparation & Reporting | Per Hour | $100.00 | 6 | $600.00 |
| QSF Income Tax Reporting (per calendar year) | Per Year | $1,000.00 | 1 | $1,000.00 |
| Unclaimed Funds: State Controller's Unclaimed Property Fund-CCP 384 | Static Rate | $250.00 | 1 | $250.00 |
| | | | Sub Total: | $3,073.90 |
| **Post Distribution Reconciliation** | | | | |
| Bank Account Reconciliation | Per Hour | $135.00 | 2 | $270.00 |
| Project Management Reconciliation | Per Hour | $100.00 | 2 | $200.00 |
| Declarations | Per Hour | $120.00 | 2 | $240.00 |
| | | | Sub Total: | $710.00 |
| | | | **TOTAL CAPPED ADMINISTRATION COST:** | **$6,990.00** |

Thank you for your business!

APEX

CLASS ACTION ADMINISTRATION

# Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In case of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (I) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays; and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of $1.50 per storage box for paper documents and $0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.