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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN JOAQUIN

LARRY ATKINS, on behalf of himself and all
others similarly situated,

Plaintiff,

v.

ITS LOGISTICS, LLC, a Delaware Limited
Liability Company; and DOES 1-50, inclusive.

Defendants.

CASE NO.: STK-CV-UOE-2025-0001231

Assigned to the Hon. John Soldati

**DECLARATION OF MEHRDAD
BOKHOUR IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

HEARING INFORMATION

Date: September 29, 2026

Time: 9:00 a.m.

Dept.: 10D

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1 through 2022 and as a “Super Lawyer” from 2023-2026, a distinction reserved for the top 2.5 % of
2 attorneys in the practice area.

3 8. Plaintiff and Defendant ITS Logistics, LLC (“Defendant”) (collectively, the
4 “Parties”) entered into a Joint Stipulation and Settlement Agreement of Class Action and
5 Representative PAGA Claims resolving the wage and hour claims of the Settlement Class
6 (“Settlement Agreement” and/or “Settlement”), and a Class Notice which is attached hereto as
7 **Exhibit “A”**. The Settlement Agreement seeks to fully release and discharge Defendant from the
8 claims brought against it in this matter in exchange for Defendant’s agreement to pay \$150,000 on a
9 non-reversionary, non-claim-made basis (each Settlement Class Member will receive his/her share of
10 the Net Settlement Amount without having to submit a claim form or take action, except for those
11 who opt out).

12 9. Plaintiff seeks to represent a settlement Class consisting of all persons who are or were
13 employed by Defendant as nonexempt employees in California at any time during the Class Period,
14 defined as January 27, 2021 through August 26, 2026 (the “Class” or “Class Members”). Likewise,
15 the PAGA Members include all persons who are or were employed by Defendant as nonexempt
16 employees in California at any time during the PAGA Period, defined as January 27, 2024 to August
17 26, 2026 (“PAGA Members”).

18 10. Under the terms of the Settlement Agreement, Defendant will not oppose Class
19 Counsel’s application for an award of attorneys’ fees not to exceed \$50,000, representing one third
20 of the Gross Settlement Amount, reimbursement of Class Counsel’s litigation expenses not to exceed
21 \$20,000, Settlement Administration Expenses not to exceed \$5,000, PAGA penalties in the total
22 amount of \$10,000, of which \$6,500 or 65 percent will be paid to the California Labor and Workforce
23 Development Agency and \$3,500 or 35 percent will be paid to the PAGA Members, and a Class
24 Representative Service Payment not to exceed \$10,000 to Plaintiff Larry Atkins:

	Total Amount
<i>Gross Settlement Amount</i>	\$150,000
Class Counsel Fees Payment	\$50,000
Class Counsel Litigation Expenses Payment	\$20,000.00
Administration Expenses Payment	\$5,000.00

PAGA Penalties to LWDA (65% of \$10K award)	\$6,500.00
PAGA Penalties to PAGA Members	\$3,500.00
Class Representative Service Payment	\$10,000.00
<i>Net Settlement Amount</i>	\$55,000

Plaintiff has concurrently submitted the Settlement to the LWDA in accordance with Labor Code Section 2699(1)(2). The proof of submission is attached hereto as **Exhibit “B.”**

11. The Settlement Class consists of approximately 59 non-exempt hourly employees who worked for Defendant in California during the Class Period. Plaintiff alleges that, regardless of job title or position, all non-exempt hourly employees were subject to the same wage and hour policies and practices. Based on Defendant’s records, Class Members collectively worked approximately 1,786 Workweeks during the Class Period. After deductions approved by the Court, the Net Settlement Amount will be distributed on a pro rata basis according to each Participating Class Member’s number of Workweeks. Based on these figures, the average Individual Class Payment is conservatively estimated at \$900 to \$1,000. A Class Member who worked the entire Class Period would receive the highest Individual Class Payment, which is estimated to be approximately \$7,000 to \$8,000. Class Members who worked fewer Workweeks will receive proportionally smaller payments.

12. The Settlement is non-reversionary, and Class Members will not be required to submit claim forms to receive payment, but each Class Member will be mailed the Notice containing detailed information about his/her share, the opportunity to dispute the number of Compensable Workweeks worked by the Class Member, and the opportunity to opt out or object to the Settlement. All Class Members who do not affirmatively opt out will receive a settlement check upon the Court granting final approval of the Settlement.

13. Because the Settlement is fair, reasonable, and adequate, and is the result of arm’s-length negotiations between experienced counsel with the assistance of an experienced mediator, following a thorough exchange of relevant information and documents, it warrants preliminary approval. Plaintiff respectfully requests that the Court enter an order: (1) preliminarily approving the Settlement; (2) conditionally certifying the Settlement Class pursuant to California Code of Civil

1 Procedure section 382 for settlement purposes only; (3) approving the form and manner of
2 dissemination of the proposed Class Notice; (4) appointing Plaintiff Larry Atkins as Class
3 Representative and appointing Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua S.
4 Falakassa of Falakassa Law, P.C. as Class Counsel for settlement purposes only; (5) appointing
5 Phoenix Settlement Administrators as the Settlement Administrator; and (6) scheduling a Final
6 Approval Hearing.

7 14. Defendant is a third-party logistics (“3PL”) and supply chain management company.

8 15. Plaintiff was employed by Defendant as a non-exempt employee titled “Local Driver.”
9 Along with Mr. Atkins, other non-exempt employees—such as Yard Hostlers, Local Drivers,
10 Delivery Drivers, Loaders, Warehouse Associates, Terminal Operators, and Customer Service
11 Representatives—play vital roles in supporting Defendant’s daily operations and contributing to the
12 company’s success in California. Plaintiff alleges that, in performing these duties, Defendant failed
13 to consistently provide Plaintiff and other non-exempt hourly employees with all wages, meal and
14 rest periods, and other protections required by the California Labor Code and applicable wage orders.

15 16. On January 27, 2025, Plaintiff filed suit in San Joaquin County Superior Court,
16 asserting claims based on Defendant’s alleged: (1) failure to pay minimum and overtime wages; (2)
17 failure to provide meal periods; (3) failure to provide rest breaks under Labor Code; (4) failure to pay
18 sick time wages ; (5) failure to provide accurate itemized wage statements under Labor Code section
19 226; (6) failure to pay reporting time pay; (7) violation of California’s Unfair Competition Law
20 (“UCL”) under Business and Professions Code section 17200 *et seq.* Thereafter, Plaintiff filed a First
21 Amended Complaint alleging the same causes of action in the Complaint and adding a cause of action
22 for waiting time penalties, failure to reimburse business expenses, and alleged PAGA penalties under
23 Labor Code section 2698.

24 17. Prior to mediation, the Parties engaged in informal discovery and investigation.
25 Defendant produced, among other things, relevant policies and procedures, payroll and timekeeping
26 records, wage statements, and data regarding the size of the putative class and the number of
27 Workweeks worked during the Class Period taking into account those putative class members who
28 had released their claims in the *Guthrie* settlement. (Settlement Agreement ¶ 1.4.5.) Plaintiff and

1 Class Counsel analyzed the information produced, evaluated the claims and defenses at issue, and
2 assessed the risks associated with continued litigation.

3 18. On May 26, 2026, the Parties participated in an all-day mediation presided over by
4 Lonnie Giamela, Esq. Following arm's-length negotiations conducted under the mediator's
5 supervision, the Parties accepted the mediator's proposal and reached the Settlement now before the
6 Court.

7 19. Based upon Class Counsel's independent investigation and detailed data obtained
8 through informal discovery and information exchanges, and factoring in claim certification
9 probabilities and liability probabilities, Class Counsel formulated detailed damages models to
10 evaluate the claims in preparation for mediation and in order to reach a realistic and reasonable
11 resolution as further detailed below.

12 20. Plaintiff alleged that (1) Defendant failed to compensate Class Members for
13 mandatory pre-shift and post-shift job duties, and (2) Defendant improperly excluded certain non-
14 discretionary bonuses and incentive payments when calculating the "regular rate of pay" for purposes
15 of paying overtime and sick pay wages.

16 21. Defendant disputed these allegations, maintaining that it compensated Class Members
17 for all time worked, properly calculated the regular rate of pay, and had no uniform practice requiring
18 off-the-clock work. Defendant further contended that differences in job duties, timekeeping practices,
19 and compensation structures would require individualized inquiries.

20 22. Plaintiff acknowledges the significant risks of proving these claims and obtaining class
21 certification, including the absence of reliable classwide evidence establishing the frequency and
22 duration of any off-the-clock work and variations in compensation structures. Plaintiff also
23 determined that the estimated wage damages attributable to the regular-rate theory were relatively *de*
24 *minimus*.

25 23. Accordingly, Plaintiff attributed \$0 to the off-the-clock claim and substantially
26 discounted the estimated value of the regular-rate claim in evaluating the Settlement, keeping in mind
27 that the main value is derived from the waiting time and wage statement penalties.

28 24. Next, Plaintiff alleged that Defendant failed to timely pay all wages due upon

1 separation, thereby subjecting Defendant to waiting-time penalties under Labor Code sections 201
2 through 203. Defendant's records identified 43 Class Members who separated from employment
3 during the applicable statutory period. Assuming the statutory maximum of 30 days and an average
4 workday of 8.6 hours, Plaintiff estimated a maximum theoretical exposure of approximately
5 \$325,866.

6 25. Defendant disputed the claim, asserting that it timely paid all wages due and that any
7 alleged nonpayment was not willful. Defendant further contended that the claim was derivative of the
8 underlying wage claims and presented individualized issues unsuitable for class treatment.

9 26. To account for the risks of establishing willfulness, proving the underlying wage
10 violations, obtaining class certification, and prevailing at summary judgment or trial, Plaintiff applied
11 a 50% discount. Plaintiff therefore estimated the risk-adjusted value of the waiting-time penalty claim
12 at approximately \$162,933.

13 27. Plaintiff alleged that Defendant failed to provide putative class members with all
14 legally compliant meal and rest periods during the Class Period. The available data reflected
15 approximately 5,000 potentially eligible shifts. Because the parties disputed the frequency of any
16 violations, Plaintiff reasonably modeled a range of potential outcomes using violation rates from
17 20%—approximately one violation for every five eligible shifts—to 100% of the shifts analyzed.
18 After crediting meal-period premiums previously paid by Defendant, this analysis yielded estimated
19 meal-period exposure ranging from approximately \$35,210 to \$176,050 and estimated rest-period
20 exposure ranging from approximately \$52,572 to \$262,860.

21 28. Defendant vigorously disputed both liability and the propriety of classwide
22 adjudication. Defendant maintained that its written policies complied with California law, that
23 employees were authorized and permitted to take legally compliant meal and rest periods, and that
24 premium compensation was paid whenever required. Defendant further contended that whether any
25 employee missed, shortened, or delayed a break depended on individualized considerations—
26 including the employee's position, duties, schedule, work location, and personal choices. These
27 defenses presented meaningful risks to Plaintiff at class certification and on the merits, including the
28 possibility that some or all of the claimed exposure would not be recoverable.

1 29. In light of these risks, Plaintiff applied a 50% litigation-risk discount to the range of
2 estimated exposure, resulting in risk-adjusted values of approximately \$17,605 to \$88,025 for the
3 meal-period claim and approximately \$26,286 to \$131,430 for the rest-period claim.

4 30. Plaintiff alleged that Defendant issued inaccurate wage statements in violation of
5 Labor Code section 226 based on the same conduct underlying the unpaid-wage and meal- and rest-
6 period claims. Defendant's records reflected approximately 498 wage statements issued to 13 Class
7 Members during the applicable statutory period. Applying the statutory penalty structure of \$50 for
8 an initial violation and \$100 for each subsequent violation, subject to the \$4,000 per-employee
9 maximum, Plaintiff estimated potential exposure of approximately \$49,150.

10 31. Defendant disputed the claim, asserting that its wage statements complied with Labor
11 Code section 226 and that any alleged deficiency was neither knowing and intentional nor injurious.
12 Defendant also maintained that the claim was derivative of the underlying wage-and-hour claims and
13 presented individualized issues.

14 32. In light of these risks, Plaintiff applied an 80% discount, resulting in an estimated risk-
15 adjusted value of approximately \$9,830.

16 33. Plaintiff also sought civil penalties under the Private Attorneys General Act of 2004
17 ("PAGA") for the alleged Labor Code violations. Defendant's records reflected approximately 711
18 pay periods during the PAGA Period. Applying the statutory penalties to the pay periods associated
19 with each alleged violation, Plaintiff estimated maximum potential PAGA exposure of approximately
20 \$309,300.

21 34. This estimate, however, did not account for substantial legal and practical
22 uncertainties, including whether penalties could be imposed cumulatively for multiple violations
23 arising from the same conduct and the Court's discretion to reduce penalties that would otherwise be
24 unjust, arbitrary, oppressive, or confiscatory. Defendant also disputed the underlying violations and
25 the availability and amount of any penalties.

26 35. In light of these risks, the Parties allocated \$10,000 of the Gross Settlement Amount
27 to PAGA Penalties. Of that amount, 65%, or \$6,500, will be paid to the LWDA, and 35%, or \$3,500,
28 will be distributed to PAGA Members. Plaintiff submits that this allocation is fair, reasonable, and

adequate under the circumstances.

36. In sum, when factoring in defenses and risks of ongoing litigation, Plaintiff estimates the risk-adjusted class recovery as follows:

Unpaid Wages Claim:	\$0 (<i>discounted</i>)
Labor Code §§ 201 – 203 Claims:	\$162,933
Meal Period Claims:	\$17,605–\$88,025
Rest Break Claims:	\$26,286–\$131,430
Wage Statement Claims:	\$9,830
PAGA Penalties	\$10,000
<u>Total Risk-Adjusted Penalties and Damages:</u>	<u>\$226,654–\$402,218</u>

37. The \$150,000 Gross Settlement Amount represents approximately 37% to 66% of Plaintiff's estimated risk-adjusted recovery. Given the substantial risks associated with class certification, proving liability and damages, and prevailing at summary judgment or trial, the Settlement provides meaningful and immediate monetary relief to Class Members and is fair, reasonable, and adequate

38. The Settlement reached is the product of substantial effort by the Parties and their counsel. Although Plaintiff and their counsel believe that there was a possibility of certifying the claims, they recognized the potential risk, expense, and complexity posed by litigation, such as unfavorable decisions on class certification, summary judgment, at trial and/or on the damages awarded, and/or on an appeal that can take several more years to litigate. In addition, if Defendant prevailed on any of their defenses, the employees may not have received any substantial monetary recovery.

39. The Settlement will result in a fair payment to each Settlement Class Member based on the number of Weeks Worked during the Class Period. After evaluating the significant risks attendant with further litigation described above and weighing them against the benefits of a known compromise and settlement as set forth in the Settlement Agreement, settlement on the terms agreed to is believed to be in the best interest of Plaintiff and the Settlement Class, and is a fair and reasonable resolution of the claims alleged.

1 40. Plaintiff's counsel brought to bear a great deal of collective experience in negotiating
2 the settlement of this case. As detailed herein, Plaintiff's counsel engaged in necessary informal
3 discovery, investigation, sampling, and expert evaluation, making it possible to exercise informed
4 judgment throughout the settlement process, including significant document review (e.g., documents
5 pertaining to Defendant's policies and procedures, personnel documents, wage statements, time
6 records, among others) and conducted an extensive analysis and extrapolation of the sampling of
7 class-wide data provided by Defendant.

8 41. Based on our experience in other cases, including wage and hour matters, I believe
9 our office, along with Joshua Falakassa, is qualified to evaluate the class claims and viability of
10 defenses in this class action. In this case, the recovery for each Settlement Class Member is
11 reasonable, fair, and adequate, and a settlement at this time is in the best interest of the Settlement
12 Class. The Settlement provides each Settlement Class Member with compensation for the alleged
13 violations when viewed in relation to the costs and risks inherent in obtaining class certification and
14 proceeding to trial.

15 42. Plaintiff's counsel, as well as Defendant's counsel, fully endorse the terms and
16 conditions of the Settlement as set forth in the above-mentioned Settlement Agreement.

17 43. Of course, the Settlement Amount represents a compromise figure, taking into account
18 the various risks surrounding class certification and the merits of Defendant's asserted defenses.
19 Nevertheless, the Settlement provides for fair and adequate payments to the Settlement Class
20 Members, with no reversion to Defendant.

21 44. Plaintiff seeks a Service Award of \$10,000, which we believe is fair and warranted.
22 Plaintiff agreed to come forward in an effort to effectuate a change in policy and practice that would
23 benefit all other Settlement Class Members and to recover unpaid wages and penalties. Plaintiff
24 assumed a significant risk in bringing this litigation, namely, that if he lost, he could have been
25 ordered to pay the Defendant's costs.

26 45. Plaintiff provided invaluable assistance to the investigation and prosecution of this
27 case, including: providing factual background for the Class Complaint; reviewing the litigation
28 documents; providing information and documentation about Defendant's policies and practices;

1 participating in phone calls to discuss litigation and settlement strategy; and reviewing the settlement
2 documents. Plaintiff agreed to participate in this case with no guarantee of personal benefit. Plaintiff's
3 comprehensive declaration setting forth all of the reasons why he believes that the Service Award
4 should be approved has been filed herewith.

5 46. When this case was taken on a contingency fee basis, with our firm agreeing to assume
6 responsibility for all litigation costs, the ultimate result was far from certain. In the course of this
7 litigation, we paid all costs, including the filing fees and expert costs. There was never a guarantee
8 that our firms would recoup these expenditures. In fact, had Plaintiff lost, he could have been ordered
9 to pay Defendant's costs

10 47. It is our experience that attorneys' fee awards of one-third of a common fund
11 settlement are the standard in California. Plaintiff's counsel agreed to seek one-third of the Settlement
12 Amount for Attorneys' Fees in this case. Defendant does not oppose this fee request. The fee is further
13 warranted because it falls within the range typically awarded in class actions. Our firm's Costs will
14 not exceed \$20,000 and will be based on the actual amount incurred at the time of final approval.

15 48. Subject to the Court's approval, the parties stipulated that Phoenix Settlement
16 Administrators will serve as the Settlement Administrator. Phoenix has experience administering
17 class action settlements and will not exceed \$5,000 in administrative costs for this class action
18 Settlement.

19 49. In compliance with California Rules of Professional Conduct section 1.5.1, Plaintiff
20 signed a fee split agreement that provides that fees will be allocated between Class Counsel as
21 follows: fifty percent (50%) to the Bokhour Law Group, P.C., and fifty percent (50%) to the Falakassa
22 Law, P.C.

23 50. For the foregoing reasons, it is respectfully requested that the Court grant preliminary
24 approval of the Settlement as being fair, reasonable, and in the best interests of the Settlement Class,
25 and to preliminarily approve the notice plan and set a final approval hearing. Plaintiff will seek final
26 approval of attorneys' fees, costs, and service awards at the final approval stage.

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I declare under penalty of perjury under the laws of California that the foregoing is true and correct on this 8th day of September 2026, in Los Angeles, California.

By: 
Mehrdad Bokhour, Esq.

EXHIBIT “A”

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Larry Atkins (“Plaintiff”) and Defendant ITS Logistics, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Larry Atkins, on behalf of himself and all others similarly situated v. ITS Logistics, LLC*, initiated on January 27, 2025, and pending in the Superior Court of the State of California, County of San Joaquin, Case No. STK-CV-UOE-2025-1231.
- 1.2 “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Class” means all individuals who are or were employed by Defendant as non-exempt hourly employees in California during the Class Period.
- 1.5 “Class Counsel” means Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua S. Falakassa of Falakassa Law, P.C.
- 1.6 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.7 “Class Data” means the class member’s identifying information in Defendant’s possession, including the class member’s name, last-known mailing address, Social Security number, and number of class-period workweeks and PAGA pay periods.
- 1.8 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as a PAGA Member).
- 1.9 “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.

- 1.10 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.11 “Class Period” means the period from January 27, 2021 through August 26, 2026.
- 1.12 “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.13 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.14 “Court” means the Superior Court of California, County of San Joaquin.
- 1.15 “Defendant” means the named Defendant, ITS Logistics, LLC
- 1.16 “Defense Counsel” means Damian Moos of Scopelitis, Garvin, Light, Hanson & Feary, LLP
- 1.17 “Effective Date” means the date by when both 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 if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.18 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.19 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20 “Final Judgment” means the Judgment entered by the Court upon Granting Final Approval of the Settlement.
- 1.21 “Gross Settlement Amount” means \$150,000, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 10 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, the Class Representative Service Payment, and the Administrator’s Expenses. Defendant shall be separately responsible for the cost of its share of employer-side payroll taxes. The Settlement is non-reversionary.

- 1.22 “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.
- 1.23 “Individual PAGA Payment” means the PAGA Member’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.24 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.25 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled to receive a portion of civil penalties recovered by PAGA Members under Labor Code section 2699, subd. (i).
- 1.26 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.28 “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.
- 1.29 “PAGA Member” means any non-exempt hourly employee who works or worked for Defendant in California at any time during the PAGA Period.
- 1.30 “PAGA Pay Period” means any Pay Period during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.
- 1.31 “PAGA Period” means the period from January 27, 2024 to August 26, 2026.
- 1.32 “PAGA” means the Private Attorneys General Act (Labor Code § 2698 et seq.).
- 1.33 “PAGA Notice” means Plaintiff’s January 30, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a), as amended on June 2, 2026.
- 1.34 “PAGA Penalties” means \$10,000, the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the PAGA Members (\$3,500) and 65% to the LWDA (\$6,500) in settlement of the PAGA claims.
- 1.35 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

- 1.36 “Plaintiff” means Larry Atkins, the named plaintiff in the Action.
- 1.37 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.38 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.39 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.40 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.41 “Released Parties” means ITS Logistics, LLC, and any of its former, present, and future parents, directors, officers, trustees, agents, employees, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, parents, subsidiaries, and affiliates.
- 1.42 “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.
- 1.43 “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and PAGA Members 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 their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline.
- 1.44 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 “Workweek” means a week in which a Class Member worked during the Class Period but, for any Class Members or PAGA Members who participated in the class action and PAGA settlement in *Guthrie v. ITS Logistics, LLC*, Case No 1:21-CV-00729-EPG in the U.S. District Court for the Eastern District of California, workweeks will not include any workweeks prior to June 27, 2024.

2. RECITALS.

- 2.1 On January 27, 2025, Plaintiff filed suit in San Joaquin County Superior Court, asserting claims based on Defendant’s alleged: (1) failure to pay minimum and overtime wages; (2) failure to provide meal periods; (3) failure to provide rest breaks under Labor Code; (4) failure to pay sick time wages ; (5) failure to provide accurate itemized wage statements under Labor Code section 226; (6) failure to pay reporting time pay; (7) violation of California’s Unfair Competition Law (“UCL”) under Business and Professions Code section 17200 *et seq.*

- 2.2 On ____, Plaintiff filed a First Amended Complaint alleging the same causes of action in the Complaint and adding a cause of action for waiting time penalties, failure to reimburse business expenses, and alleged PAGA penalties under Labor Code section 2698. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”).
- 2.3 Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.
- 2.4 Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.5 On May 26, 2026, the Parties participated in an all-day mediation presided over by Lonnie Giamela, Esq., which led to this Agreement to settle the Action.
- 2.6 Prior to mediation, Plaintiff obtained relevant documents and class data from Defendant, including (1) Plaintiff’s personnel file, (2) Plaintiff’s time and payroll records, (3) employee handbooks in effect during the Class Period, (4) applicable company policies in effect during the Class Period, and (5) compensation and a sample of time records for Class Members. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.7 The Court has not granted class certification.
- 2.8 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraph 10 below, Defendant promises to pay \$150,000.00, and no more, as the Gross Settlement Amount, and to separately pay any and all employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or PAGA Members to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 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 Order:

- 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments by no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than \$50,000 (representing 33.33% of the Gross Settlement Amount), and a Class Counsel Litigation Expenses Payment of not more than \$20,000. Defendant will not oppose requests for these payments, provided that they do not exceed the amounts set forth herein. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and the Class Counsel Expenses Payment using one or more IRS Form 1099s. 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: An Administrator Expenses Payment not to exceed \$5,000, except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment of less than \$5,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 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 Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on IRS W-2 Forms. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for all interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholding and will be reported on IRS Form 1099. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.5 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 from the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis based on their respective workweeks.

3.2.6 To the LWDA and Covered Employees: PAGA Penalties in the amount of \$10,000 will be paid from the Gross Settlement Amount, with 65% allocated to the LWDA PAGA Payment (\$6,500) and 35% allocated to the Individual PAGA Payments (\$3,500).

3.2.6.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Member's 35% share of PAGA Penalties (\$3,500) by the total number of PAGA Period Pay Periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Period Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and PAGA Member Pay Periods. Based on a review of its records, Defendant estimates that there are 59 Class Members who collectively worked a total of 1,786 Workweeks and 13 PAGA Members who collectively had a total of 711 PAGA pay periods.

4.2 Class Data. No later than fourteen days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the

Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omits 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.

4.3 Funding of Gross Settlement Amount. The Settlement Administrator will provide Defendant with wire transfer information within three (3) days after the Effective Date. Defendant shall fund the Gross Settlement Amount within 15 days of the Effective Date.

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

4.4.1 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, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the mailing date) on which the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all PAGA Members including Non-Participating Class Members who qualify as PAGA Members (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 a USPS forwarding address. Within seven 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, upon the Class Member's request 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.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds 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 **Release by Plaintiff.** In consideration of Plaintiff's awarded Class Representative Service Payment, Plaintiff's Individual Class Payment, Plaintiff's Individual PAGA Payment, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final and is fully funded, Plaintiff, on behalf of himself and his respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, releases any and all known and unknown claims, transactions, or occurrences that arose on or before the date he signs this agreement against Defendant and the Released Parties, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged based on the facts contained in the Operative Complaint; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and Plaintiff's PAGA Notice and any supplements, and (c) any and all other claims, known or unknown, at law or in equity, arising out of all transactions, matters, and occurrences between Plaintiff and Defendant during the Class Period. Expressly excluded from Plaintiff's release are any claims for workers' compensation benefits, unemployment insurance benefits, and any other claims that cannot be released by law. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Released Claims shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

- 5.2 Release by Participating Class Members. In consideration for their awarded Individual Class Payments, as of the date the Settlement becomes Final, all Participating Class Members release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, any and all claims against Defendant and the Released Parties that arise out of or reasonably relate to the claims, rights, demands, liabilities, and causes of action, whether known or unknown, arising from the same set of operative facts as those alleged in the original complaint, the Operative Complaint, and/or the applicable LWDA letters, including those claims which could have been asserted based on the facts alleged in the original complaint, the Operative Complaint, and/or LWDA letters, through August 26, 2026. Such released claims include, but are not limited to, claims for failure to pay overtime, failure to calculate any wages based on the regular rate of pay (including sick time or any other time off that must be paid based on the regular rate of pay), failure to pay minimum wages, for meal period violations, for rest period violations, failure to pay sick time, failure to pay reporting time, failure to reimburse necessary business expenses, wages statement violations, failure to timely pay all final wages, for expenses, statutory penalties, civil penalties, or other relief under the California Labor Code, relief from unfair competition under California Business and Professions Code section 17200 et seq.; attorneys' fees and costs; and interest (the "Participating Class Members' Released Claims").
- 5.3 Release by PAGA Members. In consideration for their awarded Individual PAGA Payments, as of the date the Settlement becomes Final, all PAGA Members will release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns any and all claims for civil penalties under PAGA against Defendant and the Released Parties that arise out of or reasonably relate to the claims alleged in the original complaint, the Operative Complaint, and/or the applicable LWDA letters, including those claims which could have been asserted based on the facts alleged in the original complaint, the Operative Complaint, and/or LWDA letters. Such released claims include, but are not limited to, failure to pay minimum wages, failure to pay overtime, failure to pay sick time, failure to calculate any wages based on the regular rate of pay (including sick time or any other time off that must be paid based on the regular rate of pay), meal period violations, rest period violations, failure to pay reporting time, wage statement violations, failure to timely pay all final wages, and failure to reimburse necessary business expenses (the "Released PAGA Claims"). All PAGA Members who worked for Defendant during the PAGA Period will release the PAGA claims described herein and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt out of the release of the Class Claims. PAGA Members may not opt out of the PAGA portion of this settlement.
- 5.4 Waiver Of Unknown Claims (California Civil Code § 1542). With respect to the Plaintiff's Released Claims only, the Parties stipulate and agree that the Plaintiff shall have, by operation of the judgment and approval order entered by the Court,

waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of section 1542 of the California Civil Code, which provides:

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.

The Plaintiff shall be deemed to have acknowledged that this Settlement Agreement is intended to waive and release all released claims that he does not know or suspect to exist in his favor at the time of the approval of this Settlement Agreement.

6. **MOTION FOR PRELIMINARY APPROVAL.** Within a reasonable time, Plaintiff will move for an order giving preliminary approval of the Settlement (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

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

6.2 Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 45 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval 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.
- 6.4 On the same date, or prior to the date that Class Counsel files the Motion for Preliminary Approval, Class Counsel shall additionally file a notice with the LWDA providing the LWDA with notice of the Settlement as required by Cal. Lab. Code § 2699(s)(2)

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising from prior experience 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 under U.S. Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
 - 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.
 - 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 15 days after receiving the Class Data, 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 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 (if applicable) used

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

- 7.4.3 Not later than 5 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a 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 by re-mailing the 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, and 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 from (opt out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 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' Release under Paragraph 5.2 of this Agreement, regardless 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. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are PAGA Members are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.
- 7.5.5 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review Requests for Exclusion on a rolling basis to ascertain their validity. Not later than 10 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).
- 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. 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 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 Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail by the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed). 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.

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

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval 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 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.

- 7.8.3 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.
- 7.8.4 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator 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.
- 7.8.5 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**. Defendant has represented that the actual weeks worked by the Settlement Class are approximately 1,786 workweeks (based on the class data set through May 8, 2026). If the actual number of workweeks worked through August 26, 2026 (the date of the end of the Class Period) is more than 10% greater than 1,786, Defendant shall increase the Gross Settlement Amount on a proportional basis that reflects the percentage over 10%. Alternatively, Defendant can elect that should the 10% settlement escalator be triggered, the workweeks will be capped at 10% over 1,786.

9. **DEFENDANT'S RIGHT TO WITHDRAW**. If ten percent (10%) or more of the Class Members, or a number of Class Members whose Individual Settlement Shares represent ten percent (10%) or more of the total of all Individual Settlement Shares, validly elect not to participate in the Settlement, Defendant will have the right to rescind the Settlement, and the Settlement and all actions taken in its furtherance will be null and void. Defendant must exercise this right within 15 days after the Settlement Administrator notifies the parties of the number of opt-outs, which the Settlement Administrator will do within 10 days after the deadline for submission of opt-outs. If Defendant exercises the right to

rescind, it will be responsible for the costs of administration of the Settlement incurred through that time.

10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the scheduled Final Approval Hearing, Plaintiff 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”).
 - 10.1 **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 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to attempt to address the Court’s concerns. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
 - 10.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
 - 10.4 **Waiver of Right to Appeal.** The parties and all Participating Class Members who did not object to the Settlement as provided in this Agreement waive all appeals from the final approval of the Settlement unless the Court materially modifies the Settlement, except that Plaintiff and Class Counsel may appeal from an order by the Court that reduces the amounts sought for the Class Representative Payment or the Class Counsel Fees or Expenses Payment. Such an order or affirmance of such an order will not entitle Plaintiff or the Class to avoid the Settlement. Defendant’s payment obligation under the Settlement will be suspended pending an appeal of the Judgment.
 - 10.5 **Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.** If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless work together expeditiously and in good faith to address the appellate court’s concerns, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court’s award of the Class

Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged

11. **AMENDED JUDGMENT.** If an 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.

12. **ADDITIONAL PROVISIONS.**

12.1 **No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the original complaint, Operative Complaint, or LWDA letters have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment are for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and the Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 **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 Class Counsel's ethical obligations owed to Class Members.

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

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

12.5 **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 as agreed by the Parties, 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 Mediator Lonnie Giamela, Esq. and/or the Court for resolution.

- 12.6 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.7 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.
- 12.8 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.9 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.10 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.11 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.12 Confidentiality. The Parties represent and agree that confidentiality is of the essence of this Agreement. The Parties mutually agree they and their attorneys will not publicize or disclose or cause or knowingly permit or authorize the publicizing or disclosure of the fact of this Agreement, the Settlement Amount, the terms or contents of this Agreement or of the negotiations leading up to it, to any person, firm, organization or entity of any and every type, public or private, for any reason, at any time, unless compelled to by operation of law or as required to obtain approval of this Settlement.

Notwithstanding the foregoing, the Parties are permitted to disclose the existence and terms of the Agreement to their attorneys, financial advisors, doctors, therapists, or accountants, and Plaintiff will request that each such party abide by the restrictions of confidentiality described herein. In addition, Plaintiff shall not publicize or disclose the Settlement Amount or the terms of this Agreement or the

negotiations leading to it, in any manner whatsoever, whether in writing or orally, to any person, directly or indirectly except as necessary to effectuate the terms of the Agreement, other than to his attorneys or accountants or if required by law or in connection with any tax matters.

- 12.13 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff or Class Counsel shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction of, Class Data.
- 12.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.15 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter:
- 12.16 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 Plaintiff and the Settlement Class:

Joshua S. Falakassa
josh@falakassalaw.com
FALAKASSA LAW, P.C.
1901 Avenue of the Stars, Suite 520
Los Angeles, California 90067

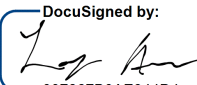
Mehrdad Bokhour
mehrdad@bokhourlaw.com
BOKHOUR LAW GROUP, P.C.
1901 Avenue of the Stars, Suite 520
Los Angeles, California 90067

To Defendant:

Damian M. Moos
dmoos@scopelitis.com
SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, LLP
100 Spectrum Center Drive, Suite 900
Irvine, CA 92618

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

Dated: 8/25/2026, 2026

DocuSigned by:

007867B0AE944D4
Plaintiff Larry Atkins

Dated: 8/27/2026, 2026

DocuSigned by:

9BB143A3687E4B4
Defendant ITS Logistics, LLC

Approved As to Form:

Dated: 8/25/2026, 2026

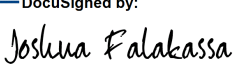
BOKHOUR LAW GROUP, P.C.

Signed by:

D8D3643F271940F...
Mehrdad Bokhour
Attorneys for Plaintiff

Dated: 8/25/2026, 2026

FALAKASSA LAW, P.C.

DocuSigned by:

15A628B2C5A149G...
Joshua Falakassa
Attorneys for Plaintiff

Dated: 8/31/2026, 2026

SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, LLP

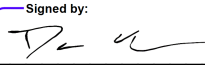
Signed by:

43D3923C6A824C8...
Damian Moos
Attorney for ITS Logistics, LLC

EXHIBIT “A”

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN JOAQUIN**

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

(Larry Atkins v. ITS Logistics, LLC, Case No. STK-CV-UOE-2025-1231)

The Superior Court for the State of California authorized this Notice, but it is not an expression by the Court of any opinion as to the merits of any claims or defenses asserted by any party to this action. Read it carefully!

It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against ITS Logistics, LLC (“Defendant”) for alleged wage and hour violations. The Action was filed by a former Defendant employee, Larry Atkins (“Plaintiff”) and seeks payment of (1) back wages, statutory penalties, and interest for a class of non-exempt hourly employees who work or worked for Defendant in California during the Class Period (January 27, 2021 through August 26, 2026) (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt hourly employees who work or worked for Defendant in California during the PAGA Period (January 27, 2024 to August 26, 2026) (“PAGA Members”).

The proposed Settlement has two main parts: (1) a Class Settlement consisting of Individual Class Payments, and (2) a PAGA Settlement consisting of Individual PAGA Payments and a payment to the California Labor and Workforce Development Agency (“LWDA”).

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

The above estimates are based on Defendant’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you participated in a prior class action settlement with Defendant, workweeks prior to June 27, 2024 will not be included. See Section 4 of this Notice. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment

that requires Defendant to make payments under the Settlement and requires Class Members and PAGA Members to give up their rights to assert certain claims against Defendant.

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

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant. You cannot opt out of the PAGA portion of the proposed Settlement, and thus, if you are a PAGA member, you will remain eligible for an Individual PAGA Payment regardless of whether you opt out of the Class Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all PAGA Members and the PAGA Members must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the _____ Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____ _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. If you participated in a prior class action settlement with Defendant, workweeks prior to June 27, 2024 will not be included. See Section 4 of this Notice. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws, asserting claims based on Defendant’s alleged: (1) failure to pay overtime wages; (2) failure to provide meal and/or rest periods; (3) failure to pay all sick time; (4) failure to provide accurate itemized wage statements; (5) failure to pay all wages due upon separation of employment; (6) failure to reimburse incurred business expenses; (7) failure to pay reporting time pay; and (8) failure to pay minimum wages. Plaintiff also asserted a violation of California’s Unfair Competition Law (“UCL”). Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code § 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: Mehrdad Bokhour of Bokhour Law Group, P.C., and Joshua S. Falakassa of Falakassa Law, P.C. (“Class Counsel”).

Defendant denies all allegations made by Plaintiff and denies that it violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily

approved this class and representative action settlement. The Court will decide whether to give final approval to the settlement at the Final Approval Hearing.

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

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

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and PAGA Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine whether to give final approval to the Settlement.

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

1. Defendant Will Pay \$150,000 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 15 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$50,000 (33.33% of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Award for Plaintiff for filing the Action,

working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to \$ 5,000 to the Administrator for services administering the Settlement.

D. Up to \$10,000 for PAGA Penalties, allocated 65% to the LWDA PAGA Payment and 35% in Individual PAGA Payments to the PAGA Members based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholding and will be reported on IRS Form W-2s. Defendant will separately pay the employer-side payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portion of the Individual Class Payments on IRS Form 1099s.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller's Unclaimed Property, you can visit <https://claimit.ca.gov/> to determine how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt out. The easiest way to notify the Administrator is to send a written and signed Request for

Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, PHOENIX, Phoenix Settlement Administrators (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release any and all claims against Defendant and any present and former parents, subsidiaries, and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Released Parties") that arise out of or reasonably relate to the claims alleged in the in the original complaint, the Operative Complaint, and/or the applicable

LWDA letters, including those claims which could have been asserted based on the facts alleged in the original complaint, the Operative Complaint, and/or LWDA letters through August 26, 2026. Such released claims include, but are not limited to, claims for failure to pay overtime, failure to calculate any wages based on the regular rate of pay (including sick time or any other time off that must be paid based on the regular rate of pay), failure to pay minimum wages, for meal period violations, for rest period violations, failure to pay sick time, failure to pay reporting time, failure to reimburse necessary business expenses, wage statement violations, failure to timely pay all final wages, for expenses, statutory penalties, civil penalties, or other relief under the California Labor Code, relief from unfair competition under California Business and Professions Code section 17200 et seq.; attorneys' fees and costs; and interest.

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

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

All Class Members who are PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, any and all claims for civil penalties under PAGA against Defendant and the Released Parties that arise out of or reasonably relate to the claims alleged in the in the original complaint, the Operative Complaint, and/or the applicable LWDA letters, including those claims which could have been asserted based on the facts alleged in the original complaint, the Operative Complaint, and/or LWDA letters. Such released claims include, but are not limited to, failure to pay minimum wages, failure to pay overtime, failure to pay sick time, failure to calculate any wages based on the regular rate of pay (including sick time or any time off that must be paid based on the regular rate of pay), meal period violations, rest period violations, failure to pay reporting time, wage statement violations, failure to timely pay all final wages, and failure to reimburse necessary business expenses.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of

Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$3,500.00 by the total number of PAGA Pay Periods worked by all PAGA Members and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual PAGA Member.
3. Workweeks Not Included in this Settlement Due to Prior Release of Claims. If you participated in a prior class action and PAGA settlement in a case involving Defendant – *Guthrie v. ITS Logistics, LLC*, Case No 1:21-CV-00729-EPG, in the U.S. District Court for the Eastern District of California, your Workweeks and/or PAGA Period Pay Periods will NOT include any Workweeks prior to June 27, 2024 as claims for work prior to that time were paid through the *Guthrie* settlement and released as part of that settlement.
4. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Larry Atkins v. ITS Logistics, LLC*, Case No. STK-CV-UOE-2025-1231, and include your identifying information (full name, address, telephone number, approximate dates of employment, and Social Security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by , or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

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

_____ (url) _____ or the Court's website _____ (url) _____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Larry Atkins v. ITS Logistics, LLC*, Case No. STK-CV-UOE-2025-1231, and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing at (date/time) in Department 10D of the San Joaquin County Superior Court, located at 180 E Weber Ave, Stockton, CA 95202. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer, at your own expense, to attend) either personally or virtually via Zoom. Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) _____'s website at _____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to ([https://www.San Joaquin.courts.ca.gov/online-services/online-case-access](https://www.SanJoaquin.courts.ca.gov/online-services/online-case-access)) and entering the Case Number for the Action, Case No. STK-CV-UOE-2025-1231.

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

Class Counsel:

Joshua S. Falakassa josh@falakassalaw.com FALAKASSA LAW, P.C. 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067	Mehrdad Bokhour mehrdad@bokhourlaw.com BOKHOUR LAW GROUP, P.C. 1901 Avenue of the Stars, Suite 520 Los Angeles, California 90067
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Settlement Administrator:

[INSERT INFO]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

11. WHAT IF I CHANGE MY ADDRESS?

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

4921-7577-4898, v. 9

EXHIBIT “B”