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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

HISTORIC COURTHOUSE

PABLO PINEDA ALFARO, individually,
and on behalf of all others similarly
situated,

Plaintiff,

v.

CLASS LEASING, LLC, a California
limited liability company;
SCHOOLHOUSE MANUFACTURING,
LLC, a Delaware limited liability company;
and DOES 1 through 50, inclusive,

Defendants.

CASE NUMBER: CVRI2501545

[Hon. Harold Hopp, Dept. 1]

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
RELEASE**

Action Filed: March 21, 2025
Trial Date: None Set

1 This Class Action and PAGA Settlement and Release ("Settlement Agreement") is entered
2 into by and between Plaintiff Pablo Pineda Alfaro ("Plaintiff"), on behalf of himself and all others
3 similarly situated, on the one hand, and Defendant Schoolhouse Manufacturing, LLC, and the
4 Released Parties ("Defendant"), on the other hand. Plaintiff and Defendant are collectively referred
5 to herein as "Parties" and individually referred to herein as "Party."

6 In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties
7 agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the
8 Court, this Action and the Released Claims shall be settled and compromised as between Plaintiff and
9 the Class on the one hand and Defendant on the other hand.

10 DEFINITIONS

11 1. "Action" means: *Pablo Pineda Alfaro v. Schoolhouse Manufacturing, LLC*, Superior
12 Court of the State of California for the County of Riverside, Case No. CVRI2501545.

13 2. "Class" means: All non-exempt employees who were employed by Defendant, in the
14 State of California, at any time from June 6, 2023 through February 14, 2026.

15 3. "Class Counsel" means The Wheeler Law Firm, APC.

16 4. "Class Counsel Award" means attorneys' fees for Class Counsel's litigation and
17 resolution of this Action and Class Counsel's expenses and costs incurred in connection with this
18 Action.

19 5. "Class Information" means information regarding Class Members that Defendants will
20 in good faith compile from its records and provide to the Settlement Administrator. It shall be
21 formatted as a Microsoft Excel spreadsheet or Microsoft Word Document and shall include: each
22 Class Member's full name; social security number; last known address; last known telephone number;
23 and number of Compensable Work Weeks and Compensable PAGA Work Weeks.

24 6. "Class Member" means each person who is a member of the Class defined above and
25 who is eligible to participate in this Settlement.

26 7. "Class Period" means the time period from June 6, 2023 through February 14, 2026.

27 8. "Class Representative Service Award" means the amount that the Court authorizes to
28 be paid individually to each Plaintiff in recognition of, *inter alia*, each Plaintiff's efforts and risks in

1 assisting with the prosecution of the Action and in return for executing a general release with
2 Defendants.

3 9. "Compensable Work Week" or "Compensable Work Weeks" means a reasonable
4 estimate of weeks worked by each Class Member as a non-exempt employee in California for
5 Defendant individually and collectively by all Class Members during the Class Period based on
6 Defendant's records and used as a value to calculate Individual Settlement Payments. The number of
7 Compensable Work Weeks for each Class Member will be determined by adding all the calendar days
8 within the inclusive dates of employment for the employee and dividing that number by seven. Any
9 partial workweek will be expressed as a percentage of a full workweek. If it can be readily determined,
10 workweeks where someone was employed but did not record any hours can be excluded from this
11 calculation.

12 10. "Compensable PAGA Pay Periods" or "Compensable PAGA Pay Periods" means a
13 reasonable estimate of weeks worked by each PAGA Member, as a nonexempt employee in
14 California for Defendants, individually and collectively by all PAGA Members, during the period
15 from January 14, 2024, through February 14, 2026, based on Defendant's records and used as a
16 value to calculate PAGA Payments. The number of Compensable PAGA Pay Periods for each
17 PAGA Member, will be determined by adding all the calendar days within the inclusive dates of
18 employment for the employee and dividing that number by seven. Any partial pay period will be
19 expressed as a percentage of a full pay period. If it can be readily determined, pay periods where
20 someone was employed but did not record any hours can be excluded from this calculation.

21 11. "Court" means the Superior Court for the County of Riverside, State of
22 California.

23 12. "Defendant" means Defendant Schoolhouse Manufacturing, LLC

24 13. "Effective Date" means the date on which the Superior Court's Final Approval Order
25 and Judgment becomes final and the Gross Settlement Amount is fully funded. The Superior Court's
26 Final Approval Order and Judgment "becomes final" upon the latter of: (a) if there is no Objection to
27 the Settlement, or if there is an Objection but it is withdrawn, then, the date that the Final Approval
28 Order and Judgment is filed by the Court; (b) if there is an Objection to the Settlement that is not

1 withdrawn, but no appeal is commenced thereafter, then, sixty-five (65) calendar days following the
2 date that the Final Approval Order and Judgment is filed by the Court; or (c) if there is an Objection
3 to the Settlement, that is not withdrawn, and any appeal, writ, or other appellate proceeding opposing
4 the Settlement has been filed within sixty-five (65) calendar days following the date that the Final
5 Approval Order and Judgment is filed by the Court, then, when any such appeal, writ, or other
6 appellate proceeding opposing the validity of the Settlement has been resolved finally and
7 conclusively with no right to pursue further remedies or relief.

8 14. "Final Approval Order and Judgment" means an order and judgment that the Court
9 will file which finally approves this Settlement and enters a judgment in favor of Plaintiff.

10 15. "Gross Settlement Amount" means the maximum amount which Defendant is
11 obligated to pay under this Settlement Agreement, which is Five Hundred and Fifty Thousand Dollars
12 and Zero cents (\$550,000.00), subject to increase under the circumstances as set forth in paragraph
13 58. This is an "all in" non-reversionary Settlement in which Defendant is required to pay the entire
14 Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under
15 any circumstances. Payments of any appropriate and lawfully-required employer's share of the payroll
16 taxes on the taxable portion of the settlement payments shall be paid separately from the Gross
17 Settlement Amount by Defendant at the time the Gross Settlement Amount is funded.

18 16. "Individual Settlement Payment" means the amount payable from the Net Settlement
19 Amount to each Settlement Class Member.

20 17. "LWDA" means the California Labor and Workforce Development Agency.

21 18. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel
22 Award, Class Representative Service Awards, payment to the LWDA and PAGA Members for PAGA
23 penalties, and Settlement Administration Costs.

24 19. "Notice of Class and PAGA Settlement" means the notice, substantially in the form
25 attached hereto as **Exhibit 1**, which the Settlement Administrator will mail to each Class and PAGA
26 Member, and which explains, *inter alia*, the terms of this Settlement Agreement, the settlement
27 process, and each Class Member's estimated Individual Settlement Payment. Notice of Class
28 Settlement will be provided to the Class in English and Spanish.

20. “Operative Complaint” means the Class and PAGA Representative Action Complaint on file in this action.

21. “Objection” means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is objecting to any of the terms of the Settlement.

22. “PAGA Member” or “PAGA Members” means any Class Member who was employed or has been employed by Defendants at any time during the time period of January 14, 2024, through February 14, 2026.

23. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either Plaintiff or Defendant, individually.

24. “Payment Ratio” means the respective Compensable Work Weeks for each Settlement Class Member divided by the total Compensable Work Weeks for all Settlement Class Members.

25. “PAGA Payment Ratio” means the respective Compensable PAGA Pay Periods for each PAGA Member divided by the total Compensable PAGA Pay Periods for all PAGA Members.

26. “PAGA Period” means the time period from January 14, 2024, through February 14, 2026.

27. “Plaintiff” refers to Pablo Pineda Alfaro.

28. “Preliminary Approval Date” means the date upon which the Court grants preliminary approval of the Settlement.

29. “Request for Exclusion” means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is electing to be excluded from the Settlement.

30. “Released Claims by Plaintiff” is set forth in paragraph 48 below. Plaintiff releases the “Released Claims by Plaintiff” as of the date Defendant fully fund this Settlement.

31. “Released Claims by Settlement Class Members” means: As of the date Defendant fully funds this Settlement, Settlement Class Members shall fully and finally release and discharge Released Parties, from June 6, 2023 through February 14, 2026, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of

1 action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts
2 and claims alleged in the Operative Complaint, including any claims for: (a) failure to provide required
3 meal periods and pay premium payments, California Labor Code Sections 226.7, 510, 512, 558, 1194,
4 1197; (b) failure to provide required rest periods and pay premium payments, California Labor Code
5 Sections 226.7 and 512; (c) failure to provide required recovery periods and premium payments,
6 California Code of Regulations, Title 8, Sections 3395 and 3396; (d) failure to pay overtime wages,
7 California Labor Code Sections 510, 1194, 1198; (e) failure to pay minimum and straight time wages,
8 California Labor Code Sections 1194, 1197, IWC Wage Order 1-2001, Section 5; (f) failure to pay all
9 wages during employment and to discharged and quitting employees, California Labor Code Sections
10 201, 202 and 203; (g) failure to furnish accurate, itemized wage statements, California Labor Code
11 Section 226; (h) failure to maintain required records, Labor Code Sections 226 and 1174; (i) failure
12 to indemnify for reasonable and necessary business expenses California Labor Code § 2802; and (k)
13 unlawful business practices under California, Business and Professions Code §17200, et seq.;
14 predicated on any of the violations of the California Labor Code and the applicable IWC Wage Orders
15 as alleged in the Operative Complaint including but not limited to, claims for restitution and other
16 equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other
17 amounts claimed on account of the allegations asserted or which could have been asserted in the
18 Operative Complaint and Plaintiff's LWDA Notice dated January 14, 2025. This release shall apply
19 to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval
20 Order and the Effective Date, all Participating Class Members will forever completely release and
21 discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and
22 Defendant intend that the Settlement described in this Settlement Agreement will release and preclude
23 any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other
24 action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and
25 all of the Released Claims. This release excludes the release of claims not otherwise permitted by law,
26 i.e. Worker's Compensation and unemployment insurance benefits.

27 32. "Released Parties" collectively mean: 1) Defendant, and 2) Defendant's officers,
28 directors, employees and agents.

33. “Response Deadline” means forty-five (45) days after the postmark date of the Notice of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date on which Class Members may: (a) submit a Request for Exclusion; or (b) submit an Objection to the Settlement.

34. “Settled PAGA Claims” means: Plaintiff releases all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff’s pre-filing letter to the LWDA; Plaintiff does not release any aggrieved employee’s claim for wages or damages.”

35. "Settlement" means the disposition of the Action pursuant to this Agreement.

36. "Settlement Administration Costs" means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

37. “Settlement Administrator” means Phoenix Settlement Administrators (“Phoenix”), the Settlement Administrator shall be responsible for, *inter alia*: (a) performing Spanish translations of the Notice of Class Settlement; printing and mailing the Notice of Class Settlement to the Class in English and Spanish; (b) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members; (c) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (d) processing and mailing payments to Plaintiffs, Class Counsel, the LWDA, and Settlement Class Members; and (e) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with Phoenix that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.

38. "Settlement Class" or "Settlement Class Members" means all Class Members who have not opted out of the Class by submitting a valid and timely Request for Exclusion.

RECITALS

39. Procedural History. On March 21, 2025, Plaintiff filed a complaint against Defendant in Riverside Superior Court, Case No. CVRI2501545. Defendant has filed an answer to Plaintiff's

1 complaint. Plaintiff filed a First Amended Class and PAGA Representative Action Complaint on June
2 25, 2025.

3 40. Investigation and Discovery. The Parties have conducted significant investigation of
4 the facts and law during the prosecution of this Action and before this Settlement was reached. Such
5 discovery and investigation included, *inter alia*, the exchange of information and extensive documents
6 pertaining to Plaintiff and the Class, and numerous meetings and informal conferences wherein the
7 Parties exchanged information, class data, and theories of the case. Plaintiff has also investigated the
8 law as applied to the facts of Plaintiff's claims and Defendant's potential defenses thereto.

9 41. Mediation. The Parties initially participated in a mediation session with the highly
10 experienced mediator, Steven Rottman, Esq., on January 20, 2025. After a full day of mediation, a
11 Mediator's Proposal was the Parties were unable to reach a proposed settlement regarding the material
12 terms for a proposed class action and PAGA settlement that would fully resolve this matter.

13 42. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the
14 expense and length of continued proceedings necessary to litigate Plaintiff's claims through trial and
15 any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of
16 further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel
17 are also aware of the burdens of proof necessary to establish liability for the claims asserted in the
18 Action, both generally and in response to Defendant's defenses thereto, and the difficulties in
19 establishing damages for the Class. Plaintiff and Class Counsel have also taken into account
20 Defendant's agreement to enter into a settlement that confers substantial relief upon the members of
21 the Class. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement
22 set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the
23 best interests of the Class.

24 43. Defendant's Reasons for Settlement. Defendant has concluded that any further defense
25 of this litigation would be protracted and expensive for all Parties. Substantial amounts of Defendant's
26 time, energy, and resources have been and, unless this Settlement is completed, will continue to be
27 devoted to the defense of the claims asserted by Plaintiff. Defendant has also taken into account the
28 risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant

1 continues to contend that it is not liable for any of the claims alleged by Plaintiff in this Action,
2 Defendant has agreed, nonetheless, to settle in the manner and upon the terms set forth in this
3 Settlement Agreement to put to rest the claims in this Action.

4 **STIPULATION AND AGREEMENT**

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

7 45. It is agreed by and among Plaintiff and Defendant that this Settlement shall bind the
8 Plaintiff, Settlement Class Members, and Defendant, subject to the terms and conditions hereof.

9 46. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
10 the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an
11 "other party") acknowledges and agrees that (1) no provision of this Agreement, and no written
12 communication or disclosure between or among the Parties or their attorneys and other advisers, is or
13 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
14 relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31
15 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its
16 own, independent legal and tax counsel for advice (including tax advice) in connection with this
17 Agreement, (b) has not entered into this Agreement based upon the recommendation of any other
18 party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
19 communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty
20 that may be imposed on the acknowledging party; and (3) no attorney or advisor to any other party
21 has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax
22 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
23 acknowledging party of the tax treatment or tax structure of any transaction, including any transaction
24 contemplated by this Agreement.

25 47. Released Claims by Plaintiff. As of the date Defendant fully funds the Settlement,
26 Plaintiff agrees to the Release of Claims by Settlement Class Members, which is set forth in paragraph
27 31 above. In addition to Release of Claims by Settlement Class Members and as a material
28 inducement to Defendant to enter into this Settlement Agreement, Plaintiff does hereby, for himself

1 and for his spouse, heirs, successors, beneficiaries, devisees, legatees, executors, administrators,
2 trustees, conservators, guardians, personal representatives, and assign, forever and completely release
3 and discharge the Released Parties from any and all charges, complaints, claims, liabilities,
4 obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights,
5 demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties,
6 liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature
7 whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether
8 known or unknown, suspected or unsuspected, including but not limited to all claims arising out of,
9 based upon, or relating to Plaintiff's employment with or work for Defendant or the remuneration for
10 or termination of such employment.

11 Without limiting the generality of the foregoing, Plaintiff expressly releases all claims arising
12 under the California Labor Code (including, but not limited to, Sections 201, 202, 203, 204, 210, 216,
13 218.6, 221, 222, 225.5, 224, 225, 225.5, 226.7, 227.3, 450, 510, 511, 1194, 1197, 1197.1, 1197.2,
14 1198, 2698, 2699, 2699.5, 2800 and 2802; the Wage Orders of the California Industrial Welfare
15 Commission ("IWC") Wage Orders 1-2001, 2-2001, 5-2001, 7-2001, 9-2001, 16-2001, and 17-2001;
16 the California Private Attorneys General Act of 2004 ("PAGA"); California Business and Professions
17 Code section 17200; the California Civil Code, to include, but not limited to, section 3336 and 3294;
18 the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal
19 common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's
20 Released Claims also include all claims for lost wages and benefits, emotional distress, retaliation,
21 punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for
22 discrimination, harassment, and wrongful termination such as by way of example only, (as amended)
23 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities
24 Act, the Age Discrimination in Employment Act, and the California Fair Employment and Housing
25 Act; and the law of contract and tort. This release excludes the release of claims not permitted by law.
26 As to the Plaintiff's Released Claims only, Plaintiff expressly waives all rights and benefits under
27 the terms of section 1542 of the California Civil Code. Section 1542 reads as follows:
28

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

5 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and
6 complete release and discharge of all parties, Plaintiff and Class Counsel expressly acknowledge that
7 this Settlement Agreement is intended to include in its effect, without limitation, all claims that
8 Plaintiff knew of, as well as all claims that they do not know or suspect to exist in their favor against
9 the Released Parties, or any of them, for the time period from the beginning of time to the execution
10 of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment
11 of any such claims. Plaintiff and Plaintiff's Counsel do not currently intend to pursue any claims
12 against Defendant, including, but not limited to, any and all claims relating to or arising from
13 Plaintiff's employment with Defendant, and that Plaintiff's Counsel is not currently aware of any
14 facts or legal theories upon which any claims or causes of action could be brought against
15 Defendant, excepting those facts or legal theories alleged in the Operative Complaint in this
16 Action. This release does not include claims which cannot be released such as unemployment or
17 Worker's Compensation benefits.

18 48. Class Certification. For settlement purposes only, Defendant will stipulate that the
19 Settlement Class Members described herein who do not request exclusion from the Settlement Class
20 may be conditionally certified as a settlement class. This stipulation to certification is in no way an
21 admission that class action certification is proper and shall not be admissible in this or in any other
22 action except for the sole purposes of enforcing this Agreement. Should the Court fail to issue Final
23 Approval for any reason, the Parties' stipulation to class certification as part of the Settlement
24 Agreement shall become null and void *ab initio* and shall have no bearing on but remains protected
25 by California Evidence Code Section 1152 and shall not be admissible in connection with, the issue
26 of whether or not certification would be appropriate in a non-settlement context. Defendant expressly
27 reserve its rights and declare that Defendant will continue to oppose class certification and contest the
28 substantive merits of the case should the Court fail to issue Final Approval. Plaintiff expressly

1 reserves his rights and declare that he will continue to pursue class certification and a trial should the
2 Court fail to grant Final Approval.

3 49. Approval of Settlement. Plaintiff will move the Court to grant preliminary and final
4 approval of this class action Settlement. The Parties agree to work diligently and cooperatively to
5 have this matter presented to the Court for preliminary and final approval.

6 50. Release of Claims by Settlement Class Members. Settlement Class Members release
7 the “Released Claims by Settlement Class Members,” as defined, on the Effective Date of the
8 Settlement.

9 51. Release of Settled PAGA Claims. PAGA Members release the “Settled PAGA
10 Claims,” as defined, on the Effective Date of the Settlement.

11 52. Settlement Administration. Within fourteen (14) calendar days after the Preliminary
12 Approval Date, Defendant shall provide the Settlement Administrator with the Class Information.

13 53. Notice to the Class. Upon receipt of the Class Information, the Settlement
14 Administrator will perform a search based on the National Change of Address Database to update and
15 correct any known or identifiable address changes. Within ten (10) calendar days after receiving the
16 Class Information, the Settlement Administrator shall mail copies of the Notice of Class Settlement
17 to all Class Members via regular First Class U.S. Mail. The Settlement Administrator shall exercise
18 its best judgment to determine the current mailing address for each Class Member. The address
19 identified by the Settlement Administrator as the current mailing address shall be presumed to be the
20 best mailing address for each Class Member.

21 a. Undeliverable Notices. Any Notice of Class Settlement returned to the
22 Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to
23 the forwarding address affixed thereto within ten (10) calendar days. For any undeliverable Notice of
24 Class Settlement returned for which no forwarding address is affixed, the Settlement Administrator
25 will conduct its investigation for an updated address of the Class Member and re-mail the Notice of
26 Class Action Settlement. If an updated address is found, the Settlement Administrator shall have
27 seven (7) days to re-mail the Notice of Class Action Settlement from receipt of the undelivered
28 envelope. The Settlement Administrator will provide a cover letter notifying the Class Member of the

1 extended Response Deadline. Any Class Member who receives a re-mailed Notice of Class Settlement
2 shall have forty-five (45) days after the postmark date of the re-mailed Notice of Class Settlement to:

3 (a) submit a Request for Exclusion; or (b) submit an Objection to the Settlement.

4 (1) Verification of Class Member Employment Status. If Notice of Class
5 Action Settlement sent to a Class Member is determined to be
6 undeliverable, the Settlement Administrator shall verify the
7 employment status of the Class Member with Defendant within five
8 (5) days of receipt of the undeliverable Notice of Class Action
9 Settlement. If the Class Member is a current employee of Defendant,
10 Defendant shall make all reasonable efforts to obtain the current
11 address from the Class Member and shall provide the same with seven
12 (7) days of notice from the Settlement Administrator.

13 b. Disputes Regarding Individual Settlement Payments. Class Members will have
14 the opportunity, should they disagree with Defendant's records regarding the dates of employment
15 stated in the Notice of Class Settlement, to provide documentation and/or an explanation to show
16 contrary information by the Response Deadline. The dispute form must: (a) contain the full name,
17 address, and telephone number of the Class Member, and the last four digits of the Class Member's
18 social security number or full employee ID number; (b) contain the case name and case number; (c) a
19 clear statement by the Class Member that he or she is disputing the number of Compensable
20 Workweeks and the basis for the dispute; (d) any documentation demonstrating that the number of
21 Compensable Workweeks listed in the Notice of Class Settlement is incorrect; (e) be signed by the
22 Class Member; and (f) be postmarked by the Response Deadline. The date of the postmark on the
23 return mailing envelope on the dispute form shall be the exclusive means used to determine whether
24 it has been timely submitted. If there is a dispute, the Settlement Administrator will consult with the
25 Parties to determine whether an adjustment is warranted. In addition to U.S. Mail, a Class Member
26 may also submit a dispute form by facsimile or email to the Settlement Administrator within the
27 Response Deadline. The Settlement Administrator shall then determine the eligibility for, and the
28 amounts of, any Individual Settlement Payments under the terms of this Agreement. In the absence of

1 circumstances indicating fraud, manipulation or destruction, Defendant's records shall be given a
2 rebuttable presumption of accuracy.

3 c. Request for Exclusion. Class Members who wish to exclude themselves from
4 the Settlement must submit to the Settlement Administrator a Request for Exclusion by the Response
5 Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number
6 of the Class Member; (b) contain the case name and case number; (c) a clear statement by the Class
7 Member that he or she is electing to be excluded from the Settlement; (d) be signed by the Class
8 Member; and (e) be postmarked by the Response Deadline if submitted by U.S. Mail. The date of the
9 postmark on the return mailing envelope on the Request for Exclusion submitted by U.S. Mail shall
10 be the exclusive means used to determine whether it has been timely submitted. In addition to U.S.
11 Mail, a Class Member may also submit a Request for Exclusion by facsimile or email to the Settlement
12 Administrator within the Response Deadline. A Request for Exclusion shall not be presumptively
13 invalid if it does not contain the requirements of (a) through (d) if the Settlement Administrator can
14 ascertain the identity of the Class Member who wants to exclude themselves from the Settlement. Any
15 Class Member who requests to be excluded from the Settlement Class shall not be entitled to any
16 recovery under the Settlement and shall not be bound by the terms of the Settlement or have any right
17 to object, appeal or comment thereon except as to any distribution based upon PAGA penalties.
18 PAGA Members will receive their share of the PAGA Payment and the Settled PAGA Claims will be
19 released even if the Class Member submits a timely Request for Exclusion. Class Members who fail
20 to submit a valid and timely Request for Exclusion on or before the Response Deadline shall be bound
21 by all terms of the Settlement and any Final Approval Order and Judgment entered in this Action.

22 d. Objections. Class Members who wish to object to the Settlement can either
23 mail or send by facsimile or email to the Settlement Administrator a written Objection by the
24 Response Deadline. The Objection should: (a) contain the full name, address, and telephone number
25 of the Class Member; (b) contain the case name and case number; (c) the dates of employment of
26 the Class Member; (d) be signed by the Class Member; (e) state the basis for the Objection,
27 including any legal briefs, papers or memoranda in support of the Objection; and (f) be postmarked
28 by the Response Deadline. The date of the postmark on the return mailing envelope on the Objection

1 shall be the exclusive means used to determine whether the Objection has been timely submitted.
2 Class Members who submit a timely Objection will have a right to appear at the final approval
3 hearing in order to have their Objection heard by the Court. At no time shall any of the Parties or
4 their counsel seek to solicit or otherwise encourage Class Members to submit Objections to the
5 Settlement or appeal from the Final Approval Order and Judgment. Class Counsel shall not
6 represent any Class Members with respect to any such Objections. The Settlement Administrator
7 will provide the Parties with any Objection within five (5) calendar days of receipt of the Objection.
8 Plaintiff will file any and all Objections with the Court in advance of the Final Approval Hearing.
9 Oral or written Objections may also be made at the Final Approval hearing without a written
10 objection being submitted, but only with the Court's express permission. If the Court rejects the
11 objection, the individual will be bound by the terms of the Settlement.

12 e. If greater than fifteen (15) percent of the Class Members opt out or object to
13 this Settlement Agreement or a number of Class Members whose share of the Net Settlement Amount
14 is 15% or more, Defendant will have the right to rescind and terminate the Settlement without
15 prejudice to its pre-settlement positions and defenses in the litigation. In such a case, the Parties and
16 any funds to be awarded shall be returned to their respective statuses as of the date and time
17 immediately prior to the execution of this Agreement.

18 f. Except for those Settlement Class Members who exclude themselves in
19 compliance with the Request for Exclusion procedures set forth above, all Settlement Class Members
20 will: (i) be deemed to be Participating Class Members for all purposes under this Settlement
21 Agreement; (ii) will be bound by the terms and conditions of this Settlement Agreement, the
22 Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be
23 deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy
24 of the Settlement.

25 54. Funding Gross Settlement Amount. After Final Approval by the Court, Defendant
26 agree to pay a sum equal to \$550,000.00 ("the "Gross Settlement Amount") to fund the settlement of
27 this action within thirty (30) calendar days from the Effective Date. The Settlement is "all-in", non-
28 reversionary and no funds will return to Defendant. Payments of any appropriate and lawfully-

1 required employer share of the payroll taxes on the taxable portion of the settlement payments shall
2 be paid by Defendant separately from and in addition to the Gross Settlement Amount.

3 55. Allocation of Settlement. Individual Settlement Payments will be paid from the Net
4 Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual
5 Settlement Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members'
6 last known mailing address.

7 a. The Settlement Administrator shall calculate the total Compensable Work
8 Weeks and Compensable PAGA Pay Periods for all Settlement Class Members based on the Class
9 Information provided by Defendant. The respective Compensable Work Weeks for each Settlement
10 Class Member will be divided by the total Compensable Work Weeks for all Settlement Class
11 Members, resulting in the Payment Ratio for each Settlement Class Member; a similar calculation will
12 apply to determining the Payment Ratio for Compensable PAGA Pay Periods. Each Settlement Class
13 Member's Payment Ratio will then be multiplied by the Net Settlement Amount to determine his or
14 her Individual Settlement Payment.

15 b. Individual Settlement Payments due to each Settlement Class Member shall be
16 designated as follows:

17 1. Thirty-five percent (35%) of the Individual Settlement Payment shall
18 represent payment for alleged unpaid wages. This payment shall be subject to the withholding of all
19 applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be
20 deducted from the amount paid to Settlement Class Members. The Settlement Administrator will
21 issue a W-2 Form to each Settlement Class Member in relation to this payment.

22 2. Fifty-five percent (55%) of the Individual Settlement Payment shall
23 represent payment of all penalties. These payments will not be subject to withholding of local, state,
24 and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement
25 Class Member in relation to these payments.

26 3. Ten percent (10%) of the Individual Settlement Payment shall represent
27 payment of all interest. These payments will not be subject to withholding of local, state, and federal
28

1 taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member
2 in relation to these payments.

3 (a). Class Members With Missing/Unverifiable Social Security
4 Numbers and Withholdings of Taxes and Applicable Penalties. In the event that an Individual
5 Settlement Payment exceeds the threshold amount that must be reported to the Internal Revenue
6 Service by means of a Form 1099, Class Counsel, and the Settlement Administrator, will take all
7 necessary and reasonable steps to obtain W-9's from Class Members and to comply with applicable
8 IRS regulations on issuing 1099's without a social security number or tax entity identification number,
9 and shall take all reasonable and necessary steps to avoid imposition of IRS penalties against the Gross
10 Settlement Amount, including, but not limited to limiting payments below the reportable threshold
11 and/or withholding of taxes and any applicable penalties. The Settlement Administrator will contact
12 Class Members who are entitled to payments that exceed the taxable income threshold twice, with at
13 least 30 days between the two contacts.

14 c. Uncashed Settlement Checks. Individual Settlement Payment checks shall
15 remain negotiable for one hundred and eighty (180) days from the postmark date of issuance. The
16 Settlement Administrator will hold all Unclaimed Funds (i.e., un-negotiated settlement checks for
17 Individual Settlement Payments) in a trust account. Uncashed Settlement Checks shall be paid to
18 Settlement Class Members who negotiated their Individual Settlement Payment checks on a pro rata
19 basis according to the formula set forth below ("Reapportioned Settlement Payments"). Any and all
20 Unclaimed Funds shall be paid within Twenty (20) calendar days after the time for Settlement Class
21 Members negotiate their Individual Settlement Payment checks has expired (i.e., One Hundred and
22 Eighty (180) calendar days from the postmark date of issuance of Individual Settlement Payment
23 checks).

24 1) Reapportioned Settlement Payment Checks. Any checks issued
25 Settlement Class Members as Reapportioned Settlement Payments shall remain negotiable for Ninety
26 (90) calendar days from the postmark date of issuance. The sum of any and all unnegotiated
27 Reapportioned Settlement Payment checks shall continue to be redistributed to Settlement Class
28 Members under this formula until no funds remain.

1 d. Un-Negotiated Individual Checks to PAGA Aggrieved Employees. All
2 uncashed checks pursuant to Paragraph c regarding "Uncashed Checks" shall apply to checks to
3 PAGA Aggrieved Employees shall be distributed to the LWDA consistent with the purposes of
4 PAGA.

5 e. Certification By Settlement Administrator. The Parties have the right to
6 monitor and review administration of the Settlement. Any disputes not resolved by the Settlement
7 Administrator concerning the administration of the Settlement will be resolved by the Court, under
8 the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties
9 will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon
10 completion of administration of the Settlement, the Settlement Administrator shall provide written
11 certification of such completion to counsel for the Parties, and which shall be filed with the Court as
12 necessary.

13 f. Settlement Awards Do Not Trigger Additional Benefits. All monies received
14 by Settlement Class Members shall be deemed to be income to such Settlement Class Members solely
15 in the year in which such awards actually are received by the Settlement Class Members. It is expressly
16 understood and agreed that the receipt of such Individual Settlement Payments will not entitle any
17 Settlement Class Member to additional compensation or benefits under any company compensation
18 or benefit plan or agreement in place during the period covered by the Settlement, nor will it entitle
19 any Settlement Class Member to any increased pension and/or retirement, or other deferred
20 compensation benefits. It is the intent of this Settlement that any Individual Settlement Payments
21 provided for in this Agreement are the sole payments to be made by Defendant to the Settlement Class
22 Members in connection with this Settlement, and that the Settlement Class Members are not entitled
23 to any new or additional compensation or benefits as a result of having received the Individual
24 Settlement Payments (notwithstanding any contrary language or agreement in any benefit or
25 compensation plan document that might have been in effect during the period covered by this
26 Settlement).

27 g. Class Representative Service Award. Defendant agrees not to oppose or object
28 to Class Representative Service Awards to Plaintiff of up to Seven Thousand Dollars and Zero cents

1 (\$7,000.00), combined between both Class Representatives, subject to Court approval. The Settlement
2 Administrator shall issue an IRS Form 1099 – MISC to Plaintiff in connection with the Class
3 Representative Service Awards payment. Plaintiff shall be solely and legally responsible to pay any
4 and all applicable taxes on their Class Representative Service Awards and shall hold harmless
5 Defendant and Class Counsel from any claim or liability for taxes, penalties, or interest arising as a
6 result of the Class Representative Service Award payment. The Class Representative Service Award
7 shall be in addition to Plaintiff's Individual Settlement Payments. This Settlement is not contingent
8 upon the Court awarding Plaintiff a Class Representative Service Award in any amount, and any
9 amount requested by Plaintiff for the Class Representative Service Award that is not granted by the
10 Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as
11 provided in this Amended Agreement.

12 h. Class Counsel Award. Defendant agrees not to oppose or object to any
13 application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross
14 Settlement Amount, or One Hundred and Eighty-Three Thousand, One Hundred and Fifty Dollars
15 and Zero cents (\$183,150.00). Defendant further agrees not to oppose any application or motion by
16 Class Counsel for the reimbursement of any costs or expenses associated with Class Counsel's
17 prosecution of this matter from the Gross Settlement Amount not to exceed Twenty-Five Thousand
18 Dollars and Zero cents (\$25,000.00). Class Counsel shall be solely and legally responsible to pay all
19 applicable taxes on the payment made pursuant to this paragraph. The Settlement Administrator shall
20 issue an IRS Form 1099 – MISC to Class Counsel for the payments made pursuant to this paragraph.
21 This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in
22 attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel Award and
23 costs that are not granted by the Court shall return to the Net Settlement Amount and be distributed
24 to Settlement Class Members as provided in this Agreement.

25 i. Settlement Administration Costs. The Settlement Administrator shall be paid
26 for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of
27 notice and administration for the disbursement of the Gross Settlement Amount shall not exceed
28 Fifteen Thousand Dollars and Zero cents (\$15,000.00). Prior to the filing of a motion for final approval

1 of this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing
2 the costs of administration. Any amount requested by the Settlement Administrator for administration
3 costs that is not granted by the Court shall return to the Net Settlement Amount and be distributed to
4 Settlement Class members as provided in this Settlement Agreement. Defendant will pay any fees
5 incurred by the Settlement Administrator if the settlement is not approved.

6 j. PAGA Payment. Twenty-Five Thousand dollars and Zero cents (\$25,000.00)
7 from the Gross Settlement Amount will be allocated to penalties under the Private Attorneys General
8 Act of 2004. Seventy-five percent (65%) of that amount, or \$16,250, will be paid to the LWDA and
9 twenty-five (35%) of that amount, or \$8,750, will be paid to the PAGA Members based upon
10 Compensable PAGA Pay Periods as determined by the PAGA Payment Ratio as set forth in Paragraph
11 25. This PAGA Payment is made pursuant to California Labor Code § 2699(i).

12 56. Tax Liability: Class Counsel and Defendant make no representation as to the tax
13 treatment or legal effect of payments called for hereunder, and Plaintiff and the Settlement Class
14 Members are not relying on any statement or representation by Class Counsel or Defendant in this
15 regard. Plaintiff and Participating Class Members understand and agree that they will be solely
16 responsible for the payment of any taxes and penalties assessed on their respective payments described
17 herein. The amount of federal income tax withholding will be based upon a flat withholding rate for
18 supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or
19 supplemented. Income tax withholding will also be made pursuant to applicable state and/or local
20 withholding codes or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in
21 the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this
22 Settlement Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax
23 law, is changed after the date of this Settlement Agreement, the processes set forth in this Section may
24 be modified in a manner to bring Defendant into compliance with any such changes.

25 57. Distribution of Settlement Payments. Individual Settlement Payments to Settlement
26 Class Members, the Class Representative Service Awards, the Class Counsel Award, Settlement
27 Administration Costs, Defendant's share of employer payroll taxes and PAGA Payment, shall all be
28 distributed by the Settlement Administrator within thirty (30) calendar days of receipt of the full Gross

1 Settlement Amount from Defendant. Prior to distribution of Individual Settlement Payments to the
2 Settlement Class Members and PAGA Settlement Members, the Settlement Administrator shall
3 update the Class and PAGA Members addresses using the National Change of Address Database.

4 58. Additional Work Weeks. It is currently estimated that there are 18,000 Work Weeks.
5 Defendant shall provide Plaintiff with a current number of Work Weeks at the time that Plaintiff will
6 file a Motion for Preliminary Approval. If more than 19,800 (which is 10% more than the estimated
7 18,000 Work Weeks) Work Weeks are identified, the Gross Settlement Amount shall increase by
8 \$30.56 (GSA divided by 18,000) for each additional workweek above 19,800 with respect to the total
9 number of Work Weeks worked by the entire Class.

10 59. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of
11 the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final
12 approval of the Settlement and amounts properly payable for: (a) Individual Settlement Payments; (b)
13 the Class Counsel Awards; (c) the Class Representative Service Award; (d) PAGA Payment; and (e)
14 the Settlement Administration Costs.

15 60. Nullification of Settlement Agreement. In the event: (a) the Court does not enter the
16 Order for preliminary approval of the Settlement; (b) the Court does not finally approve the
17 Settlement; (c) the Court does not enter a Final Approval Order and Judgment as provided herein; (d)
18 the Settlement does not become final for any other reason; or (e) the Court fails or refuses to approve
19 any material condition of this Settlement Agreement which effects a fundamental change of the
20 Settlement Agreement, this entire Settlement Agreement shall be null and void and unenforceable as
21 to all Parties herein at the option of any Party but remains protected by California Evidence Code
22 Section 1152, and any order or judgment entered by the Court in furtherance of this Settlement shall
23 be treated as void from the beginning. In such cases, the Parties and any funds to be awarded under
24 this Settlement shall be returned to their respective statuses as of the date and time immediately prior
25 to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement
26 had not been executed, except that any fees already incurred by the Settlement Administrator shall be
27 paid by Defendant. Further, if the Settlement Agreement is voided or fails for any reason, Plaintiff
28 and Defendant will have no further obligations under the Settlement Agreement, including any

1 obligation by Defendant to pay the Settlement Amount, or any amounts that otherwise would have
2 been owed under this Settlement Agreement. In the event an appeal is filed from the Court's Final
3 Approval Order and Judgment, or any other appellate review is sought, administration of the
4 Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any
5 fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from
6 the Court's Final Approval Order and Judgment, or any other appellate review, shall be paid to the
7 Settlement Administrator by the party or person that filed the appeal, within thirty (30) calendar days
8 of said notification.

9 61. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement Class
10 Members pursuant to this Agreement shall be deemed not to be pensionable earnings and shall not
11 have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations,
12 holiday pay, retirement plans, etc.) of Plaintiff or Settlement Class Members.

13 62. No Admission by Defendant. Defendant denies any and all claims alleged in this
14 Action and deny all wrongdoing whatsoever. This Settlement Agreement is not a concession or
15 admission and shall not be used against Defendant as an admission or indication with respect to any
16 claim of any fault, concession, or omission by Defendant. Nonetheless, Defendant desires to settle
17 and compromise the matters at issue in the Action to avoid further substantial expense and the
18 inconvenience and distraction of protracted and burdensome litigation. Defendant also has taken into
19 account the uncertainty and risks inherent in litigation, and without conceding any infirmity in the
20 defenses that they have asserted or could assert against Plaintiff and/or any Settlement Class Member,
21 have determined that it is desirable and beneficial that the claims of Plaintiff and the Settlement Class
22 be settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

23 63. Mutual Non-Disparagement. The Parties mutually agree that they shall not publicly
24 assert, declare, avow, lay claim to, or in any other manner represent that any of them engaged in
25 actions or conduct with the purpose of attempting to harass, embarrass, ridicule, demean, demote,
26 defame, or otherwise denigrate each other, and any of them, their good name(s), personal and/or
27 professional reputations, and/or community standing. In the event of an employment inquiry regarding
28 the Plaintiff, Defendant shall only provide dates of employment and last position held. The Parties

1 and their counsel agree not to issue any press releases, initiate contact with press, or respond to press
2 inquiry regarding the Settlement.

3 64. No Publicity. Plaintiff and Plaintiff's Counsel agree not to disclose or publicize the
4 settlement, including the Memorandum of Understanding, the fact of the Settlement, its terms or
5 contents, and the negotiations underlying the Settlement, in any manner or form, directly or
6 indirectly, to any person or entity, except potential class members and as shall be contractually
7 required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt,
8 this section means Plaintiff and Class Counsel will not to issue press releases, communicate with,
9 or respond to any media or publication entities, publish information in manner or form, whether
10 printed or electronic, on any medium or otherwise communicate, whether by print, video,
11 recording or any other medium, with any person or entity concerning the Settlement, including
12 the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement,
13 except as shall be contractually required to effectuate the terms of the Settlement as set forth
14 herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class
15 counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the
16 venue/case number of this action (but not any other settlement details) for such purposes.

17 65. Exhibits and Headings. The terms of this Settlement Agreement include the terms set
18 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
19 Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any
20 paragraphs or sections of this Agreement are inserted for convenience of reference only and do not
21 constitute a part of this Agreement.

22 66. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
23 except such proceedings necessary to implement and complete the Settlement, holding the Action in
24 abeyance pending the final approval hearing to be conducted by the Court.

25 67. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the
26 interpretation, calculation or payment of Settlement claims, or other disputes regarding compliance
27 with this Agreement shall be resolved as follows:
28

1 a. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class
2 Member, or Defendant's Counsel, on behalf of Defendant, at any time believe that the other Party has
3 breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the
4 alleged violation.

5 b. Upon receiving notice of the alleged violation or dispute, the responding Party
6 shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party
7 with the reasons why the Party disputes all or part of the allegation.

8 c. If the response does not address the alleged violation to the initiating Party's
9 satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their
10 differences.

11 d. If Class Counsel and Defendant's Counsel are unable to resolve their
12 differences after twenty (20) calendar days, either Party shall first contact the mediator (Steve
13 Rottman, Esq.) to try to resolve the dispute. If that proves unsuccessful, the party may file an
14 appropriate motion for enforcement with the Court. The briefing of such motion should be in letter
15 brief form and shall not exceed five (5) single-spaced pages (excluding exhibits).

16 e. Reasonable attorneys' fees and costs for work done in resolving a dispute under
17 this Section may be recovered by any Party that prevails under the standards set forth within the
18 meaning of applicable law.

19 68. Notice. Unless otherwise specifically provided herein, all notices, demands or other
20 communications given hereunder shall be in writing and shall be deemed to have been duly given as
21 of the third business day after (i) emailing and (ii) mailing by United States registered or certified
22 mail, return receipt requested, addressed:

23 To the Settlement Class:

24 THE WHEELER LAW FIRM, APC
25 Scott Ernest Wheeler
26 Justin A. Wheeler
27 250 West First Street, Suite 216
28 Claremont, California 91711
 Telephone: (909) 621-4988
 Facsimile: (909) 621-4622
 Email: sew@scottwheelerlawoffice.com

1 jaw@scottwheelerlawoffice.com

2 To Defendant:

3 KOEGLE LAW GROUP
4 Brian E. Koegle (SBN 218800)
5 Ransom D. Boynton (SBN 333262)
6 27240 Turnberry Lane, Suite 200
Valencia, California 91355
Telephone: (661) 362-0813

7 69. Amendment or Modification. This Agreement may be amended or modified only by
8 a written instrument signed by counsel for all Parties and approved by the Court.

9 70. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
10 the entire Agreement among these Parties, and no oral or written representations, warranties, or
11 inducements have been made to any Party concerning this Agreement or its Exhibits other than the
12 representations, warranties, and covenants contained and memorialized in the Agreement and its
13 Exhibits.

14 71. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
15 represent they are expressly authorized by the Parties whom they represent to negotiate this
16 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
17 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to
18 effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other
19 and use their best efforts to affect the implementation of the Settlement. In the event the Parties are
20 unable to reach agreement on the form or content of any document needed to implement the
21 Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of
22 this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such
23 disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that
24 they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represent and warrant that
25 they are authorized to sign this Agreement and that they have not assigned any claim, or part of a
26 claim, covered by this Settlement to a third-party.

27 72. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
28 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

1 73. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they
2 have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or
3 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action
4 or rights released and discharged by this Settlement Agreement.

5 74. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
6 Order and Judgment, nothing contained herein, nor the consummation of this Settlement Agreement,
7 is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
8 part of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
9 Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant
10 inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with
11 all related documents such as the notices, and motions for preliminary and final approval, shall,
12 pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be
13 inadmissible as evidence in any proceeding, except an action or proceeding to approve the Settlement,
14 and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part
15 of this Settlement Agreement is for settlement purposes only and if for any reason the Settlement is
16 not approved, the stipulation will be of no force or effect.

17 75. California Law Governs. All terms of this Settlement Agreement and the Exhibits
18 hereto shall be governed by and interpreted according to the laws of the State of California.

19 76. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement
20 is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after
21 extensive arms-length negotiations, taking into account all relevant factors, present and potential.

22 77. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section 664.6,
23 the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement
24 of the terms of this Settlement Agreement and all orders and judgments entered in connection
25 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes
26 of interpreting, implementing, and enforcing the settlement embodied in this Agreement and all orders
27 and judgments entered in connection therewith. All terms of this Settlement Agreement are subject to
28 approval by the Court.

1 78. Construction. The Parties hereto agree that the terms and conditions of this Settlement
2 Agreement are the result of lengthy, intensive arms'-length negotiations among the Parties and that
3 this Settlement Agreement shall not be construed in favor of or against any Party based on the extent
4 to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff
5 and Defendant expressly waive the common-law and statutory rule of construction that ambiguities
6 should be construed against the drafter of an agreement and further agree, covenant, and represent that
7 the language in all parts of this Settlement Agreement shall be in all cases construed as a whole,
8 according to its fair meaning.

9 79. Captions and Interpretations. Paragraph titles or captions contained herein are inserted
10 as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope
11 of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is
12 contractual and not merely a recital.

13 80. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to
14 the benefit of the Parties hereto, and their respective heirs, trustees, executors, administrators,
15 successors and assigns.

16 81. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because
17 the members of the Settlement Class are numerous, it is impossible or impractical to have each
18 Settlement Class Member execute this Settlement Agreement. The Notice will advise all Settlement
19 Class Members of the binding nature of the release provided herein and such Release shall have the
20 same force and effect as if this Settlement Agreement were executed by each Settlement Class
21 Member.

22 82. Voluntary Agreement. The Parties acknowledge that they have entered into this
23 Settlement Agreement voluntarily, on the basis of their own judgment and without coercion, duress,
24 or undue influence of any Party, and not in reliance on any promises, representations, or statements
25 made by the other Parties other than those contained in this Settlement Agreement. Each of the Parties
26 hereto expressly waives any right they might ever have to claim that this Settlement Agreement was
27 in any way induced by fraud.

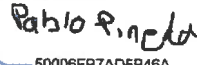
28 83. Opportunity to Consult with Counsel. Prior to execution of this Settlement Agreement,

each Party has read this entire Settlement Agreement and has been given the opportunity to consult with independent counsel of their choosing and to have such independent counsel advise as to the meaning of this Settlement Agreement and its legal effect.

84. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

85. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

Dated: 3/12/2026

Signed by:

50006FB7AD5B46A...
By: Pablo Pineda Alfaro

Dated: 3/17/2026

Signed by:

C9958DFC5013486...
By: Katie Roman
Chief Administrative Officer
Schoolhouse Manufacturing, LLC

APPROVED AS TO FORM:

Dated: March 13, 2026

THE WHEELER LAW FIRM, APC


By: Scott Ernest Wheeler
Justin A. Wheeler

1 Dated: March 17, 2026

KOEGLE LAW GROUP

2
3 By: 
4 Brian E. Koegle
5 Ransom D. Boynton
6 *Attorneys for Defendant, Schoolhouse*
7 *Manufacturing, LLC*