

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

Subject to court approval, this Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Nathan Perez (“Plaintiff”), individually and on behalf of the Settlement Class, and Defendant Waterco of the Central States, Inc., Culligan International Company, and Culligan by Waterco dba Culligan (hereinafter, “Defendants” or “Defendant(s)”). The Agreement refers to Plaintiff and Defendants collectively as “Parties” or as a “Party.”

RECITALS

A. On March 15, 2025, Plaintiff filed his class action complaint in the action titled *Nathan Perez et al. v. Waterco of the Central States, Inc. et al*, San Diego Superior Court Case No. 25CU013404C and alleged the following causes of action on behalf of individuals employed by Defendants in California: (1) failure to pay all wages owed (2) failure to pay overtime; (3) meal period violations; (4) rest period violations; (5) paid sick leave violations; (6) untimely payment of wages; (7) wage statement violations; (8) waiting time penalties; (9) failure to reimburse expenses; and (10) unfair competition pursuant to Business & Professions Code section 17200 *et seq.* (“UCL”) (the “Class Action”).

B. On April 21, 2025, Defendants removed the Class Action to the Southern District of California, which is now pending as Case No. 3:25-cv-0922-RSH-KSC.

C. On May 15, 2025, Plaintiff filed a separate lawsuit entitled *Nathan Perez et al. v. Waterco of the Central States, Inc. et al.*, San Diego Superior Court Case No. 25CU026729C, alleging claims for civil penalties under the Private Attorneys General Act (“PAGA”) for the same underlying California Labor Code violations as alleged in the Class Action.

D. On January 9, 2026, following a full day mediation with renowned wage and hour mediator Hunter Hughes, Esq., the Parties agreed to the Settlement memorialized herein.

E. On January 30, 2026, the parties filed a Joint Notice of Settlement and Joint Motion to Stay the Class Action pending in District Court. The Court granted the Joint Motion and stayed the Class Action until July 27, 2026.

F. As a term and condition of the Settlement, the Parties agree that Plaintiff shall file an amended complaint in the PAGA Action to assert the class claims alleged in the Class Action. Within 3 days of full execution of this Agreement, the Parties shall file a stipulation to amend the complaint in the PAGA action. The amended complaint shall become the operative complaint for purposes of this Settlement.

G. The Parties agree that this Settlement is contingent upon the Court’s approval of the settlement of the claims on behalf of the Class and the PAGA claim. If the Court does not approve amending the complaint in the PAGA Action to effectuate the Operative Complaint, the Settlement shall become null and void, unless otherwise agreed by the Parties in writing. Further, if the Court does not approve the Settlement or any portion thereof, including settlement of the PAGA claim, or if the Settlement becomes null and void in any way, the Parties agree that the

class claims asserted in the Operative Complaint shall be dismissed and the Operative Complaint shall revert to the original complaint in the PAGA Action.

H. If, for any reason, the District Court declines to dismiss the Class Action based upon the Parties' stipulation and/or the Judgment, the Settlement shall not become effective and the Parties shall take all necessary steps to modify and/or nullify the Judgment or otherwise seek relief from the Court in the interest of comity, unless otherwise agreed by the Parties in writing.

1. DEFINITIONS.

1.1. "Action" means Plaintiff's lawsuit alleging wage and hour violations against Defendants captioned *Nathan Perez et al. v. Waterco of the Central States, Inc. et al.*; Case No. 25CU026729C, pending in San Diego Superior Court.

1.2. "Address Search" means the Administrator's search for Covered Employees' mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator.

1.3. "Administrator" means CPT Group.

1.4. "Administration Expenses" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator's bid as approved by the Court. The Administration Expenses shall not exceed \$10,000, except for a showing of good cause and as approved by the Court.

1.5. "Attorneys' Fees" mean the amounts allocated to Plaintiff's Counsel for reimbursement of reasonable attorneys' fees in connection with this Settlement in an amount not to exceed 33.33% of the Gross Settlement Amount.

1.6. "Class" or "Class Member(s)" means all individuals currently or formerly employed by Defendants in California as hourly, non-exempt employees during the Class Period.

1.7. "Class Counsel" or "Plaintiff's Counsel" means Ferraro Vega Employment Lawyers, Inc.

1.8. "Class Period" means the period from March 14, 2021, through the date of Preliminary Approval or the date the total number of workweeks reaches 15,532 workweeks, as provided in Section 7(b).

1.9. "Class Notice" means the Notice of Class Action and PAGA Settlement, attached as **Attachment A** and including the Request for Exclusion, attached as **Attachment B**, to be mailed to Class Members and incorporated by reference into this Agreement.

1.10. "Class Response Deadline" means 45 days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail an Objection to the Settlement. Class Members to whom the Class Notice is re-sent after being returned undeliverable

to the Administrator shall have an additional 14 calendar days beyond the Response Deadline expiry.

1.11. “Class Representative” or “Named Plaintiff” refers to Nathan Perez.

1.12. “Class Workweek” means any week during which a Class Member worked for Defendants for at least one day during the Class Period.

1.13. “Class Workweek Estimate” means, based on a review of Defendant’s records to date, a total of 14,120 Class Workweeks as of January 9, 2026.

1.14. “Court” means the San Diego Superior Court, where Plaintiff’s PAGA action is pending.

1.15. “Covered Employees” means all PAGA Members and all Class Members.

1.16. “Defense Counsel” means captioned counsel of record from the law firm of Vedder Price (CA), LLP.

1.17. “Effective Date” means the date on which the Court enters Judgment on its order granting Final Approval of the Settlement and the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if an appeal, writ, or other appellate proceeding has been initiated after Final Approval, the Judgment shall be deemed final on the date on which any appeal, writ, or other appellate proceeding(s) has been dismissed or is finally resolved consistent with the terms of the settlement and with no right to pursue further remedies or relief; or (ii) if no appeal writ or other appellate proceeding is filed after Final Approval of the settlement, the Judgment shall be deemed Final sixty-one (61) days after notice of entry of Final Settlement Approval and Judgment is served. “Employee Data” means all Covered Employees’ identifying information in Defendants’ possession including their names, last-known mailing addresses, Social Security numbers, and number of Class Workweeks and PAGA Periods.

1.18. “Final Approval” means the Court’s order granting final approval of the Settlement and Judgment.

1.19. “Final Approval Hearing” means the Court’s hearing on the motion for final approval of the Settlement.

1.20. “Gross Settlement Amount” means the settlement amount of Four Hundred and Ninety Thousand Dollars (\$490,000.00), which is the maximum amount Defendant(s) agree(s) to pay under the Settlement, subject to the below terms and conditions of this Settlement.

1.21. “Individual Class Payments” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Class Workweeks.

1.22. “Individual PAGA Payments” means the PAGA Members’ pro rata share of the Net PAGA Payment, calculated according to the number of PAGA Pay Periods.

1.23. “Individual Settlement Payments” means the Individual Class Payment and the Individual PAGA Payments.

1.24. “Judgment” means the judgment entered on the Action by the Court based upon the Final Approval of the Settlement.

1.25. “Litigation Costs” means the amount incurred by Plaintiff’s Counsel to prosecute the Action, according to proof and subject to Court approval, not to exceed \$20,000.

1.26. “LWDA” means the California Labor Workforce and Development Agency.

1.27. “LWDA Payment” means the 65% share of the PAGA Payment allocated to be paid to the LWDA under Labor Code section 2699, subd. (m).

1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Service Payment, Attorneys’ Fees, Litigation Costs, the PAGA Payment (including the LWDA Payment), and the Administration Expenses.

1.29. “Net PAGA Payment” means the 35% share of the PAGA Payment allocated to be paid to the PAGA Employees under Labor Code section 2699, subd. (m).

1.30. “Non-Participating Class Member” means any Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.31. “Operative Complaint” means the most recently filed complaint, including amended complaints, filed by Plaintiff.

1.32. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.33. “PAGA” means California’s Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”), as amended.

1.34. “PAGA Period” means February 27, 2024, through the last date of the Class Period as provided in Section 7(b).

1.35. “PAGA Payment” means \$20,000, which is the amount provided in exchange for the release of the PAGA claims addressed in this Settlement, and which shall be paid from the Gross Settlement Amount, with 65% of the PAGA Payment constituting the LWDA Payment, with the remaining 35% constituting the Net PAGA Payment to be allocated and paid to PAGA Members.

1.36. “PAGA Counsel” or “Plaintiff’s Counsel” means Ferraro Vega Employment Lawyers, Inc.

1.37. “PAGA Members” means all individuals currently or formerly employed by Defendants in California as hourly, non-exempt employees during the PAGA Period.

1.38. “PAGA Notice” means Named Plaintiff’s letter to Defendant(s) and the LWDA, including any amendments thereto, pursuant to Labor Code § 2699.3(a).

1.39. “PAGA Pay Period” means any pay period during which a PAGA Member worked for Defendant(s) for at least one day during the PAGA Period.

1.40. “PAGA Representative” or “Named Plaintiff” refers to Nathan Perez.

1.41. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.42. “Released Claims” means the claims being released in connection with this Settlement, as set forth in full below.

1.43. “Released Parties” means: Defendants and each former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, parent companies, subsidiaries, and affiliates.

1.44. “Request for Exclusion” means a Class Member’s submission of a signed written request to be excluded from the Class Settlement, including on the form provided with the Class Notice.

1.45. “Service Payment(s)” means the payment to the Named Plaintiff(s) for initiating and providing services in support of the Action in an amount up to \$10,000, subject to Court approval.

1.46. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment. This Settlement was reached with the assistance of mediator Hunter Hughes after the Parties participated in a full-day private mediation with Mr. Hughes on January 9, 2026.

2. MONETARY TERMS.

2.1. Gross Settlement Amount. Subject to all terms of this Agreement, Defendant(s) shall pay the Gross Settlement Amount in connection with this Settlement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Covered Employees to submit any claim or form as a condition of payment. The Gross Settlement Amount is non-reversionary.

2.1.1. Employer Payroll Taxes: The Gross Settlement Amount does not include any employer payroll taxes owed on the Wage Portion of the Individual Class Payments, which shall be paid separately by Defendant(s) as calculated by the Administrator.

2.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts approved by the Court:

2.2.1. To Named Plaintiff: The Service Payment, in addition to any Individual Settlement Payment that they may be entitled to receive as a Covered Employee. If the Court approves a Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Service Payment(s) using IRS Form 1099. An award of less than the requested amount for the Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Service Payment, at its discretion at the final approval stage.

2.2.2. To Plaintiff's Counsel: Attorneys' Fees and Litigation Costs to Plaintiff's Counsel. Defendant(s) will not oppose requests for these payments, provided the requests do not exceed the amounts set forth in this Agreement. If the Court approves Attorneys' Fees and/or Litigation Costs in an amount less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. An award of less than the requested amount for the Attorneys' Fees and/or Litigation Costs will not give rise to a basis to abrogate the Settlement Agreement. The Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms.

2.2.3. To the Administrator: Administration Expenses to the Administrator. To the extent the Administration Expenses are less or the Court approves payment less than the Administration Expenses set forth in this Agreement, the Administrator will allocate the remainder to the Net Settlement Amount.

2.2.4. To the LWDA: Subject to Court approval, the PAGA Payment will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were, or could have been, brought in the Actions under PAGA based on the factual allegations in the Operative Complaint and PAGA Notice; 65% of the PAGA Payment will be paid to the LWDA (i.e., the LWDA Payment) and the remaining 35% of the PAGA Payment (i.e., the Net PAGA Payment) will be distributed to PAGA Members as penalties in exchange for a full and final release of the PAGA claims. The Court has authority under this Agreement to increase (or reduce) the PAGA Payment up to and including at the final approval hearing, and the Parties respectfully reserve the right to increase (or reduce) the PAGA Payment up to and including at the final approval stage, subject to the Court's final approval. If the Court approves a PAGA Payment of either less than or more than the amount requested, the Administrator will subtract the PAGA Payment from the Gross Settlement Amount and will adjust the Net Settlement Amount accordingly. (Under no circumstances will an increase to the PAGA Payment result in an increase to the Gross Settlement Amount.) The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

2.2.5. To Each Participating Class Member/Tax Allocation: An Individual Class Payment calculated by: (a) dividing the Net Settlement Amount by the total number of Class Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's Class Workweeks. Non-Participating

Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

2.2.6. To Each PAGA Member/Tax Allocation: An Individual PAGA Payment calculated by: (a) dividing the Net Settlement Amount by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period; and (b) multiplying the result by each PAGA Members' PAGA Pay Periods. The Individual PAGA Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Covered Employees assume full responsibility and liability for any individual taxes owed on their Individual PAGA Payment.

3. SETTLEMENT FUNDING AND PAYMENTS.

3.1. Delivery of Employee Data to Administrator. Not later than 15 business days after the Court grants Preliminary Approval, Defendants will deliver the Employee Data to the Administrator, in the form of a password protected Microsoft Excel spreadsheet. To protect Covered Employees' privacy, the Administrator must maintain the Employee Data in confidence, use the Employee Data only for purposes of this Settlement, and restrict access to the Employee Data to Administrator employees who need access to the Employee Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Plaintiff's Counsel if it discovers that the Employee Data omitted Covered Employees' identifying information and to provide corrected or updated Employee Data as soon as reasonably feasible. Without any extension of the foregoing deadline the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Employee Data.

3.2. Funding of Gross Settlement Amount. Within 15 business days of the Effective Date, Defendants shall fully fund the Gross Settlement Amount and fund the amounts necessary to fully pay its share of payroll taxes by transmitting the funds into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. The Settlement Administrator shall maintain the QSF as a Qualified Settlement Fund within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., and shall request and obtain from the IRS an appropriate Tax ID for the QSF. Defendant(s) shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than ten (10) business days of the Effective Date. The Settlement Administrator shall be responsible for calculating, withholding, reporting and paying all required taxes and other required deductions, contributions and payments. The Settlement Administrator shall provide to Defendant(s) at least twenty (20) business days prior to the funding date the amount required to cover the employer

payroll taxes. Payments from the Gross Settlement Amount. Within 10 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Settlement Payments, the Administration Expenses, the LWDA Payment, Attorneys' Fees, Litigation Costs, and Service Payment(s).

3.2.1. The Administrator will issue checks for the Individual Settlement Payments and send them to Covered Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

3.2.3. For any Covered Employee whose Individual Settlement Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of the Covered Employee, to the State of California's Unclaimed Property Division.

3.2.4. The payment of Individual Settlement Payments shall not obligate Defendants to confer any additional benefits or make any additional payments to Covered Employee beyond those specified in this Agreement.

3.2.5. The Administrator will send checks for Individual PAGA Payments to all PAGA Members, who have no right to opt-out or otherwise exclude themselves from the settlement and release of PAGA claims set forth in this Settlement.

3.3. Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendants' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendants' portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

4. RELEASES OF CLAIMS.

Effective on the date when Defendants fully fund the Gross Settlement Amount and all associated employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the following releases of claims will take effect:

4.1. Release by Participating Class Members: All Participating Class Members release Released Parties from any and all claims, damages, and penalties alleged in the Operative Complaint and arising out of the facts in the Operative Complaint during the Class Period, including, without limitation, claims for: (1) failure to pay all wages owed, (2) failure to pay all overtime wages, (3) meal period violations, (4) rest period violations, (5) paid sick leave violations, (6) untimely payment of wages, (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse business expenses, (10) unfair competition, and (11) civil penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.). Participating Class Members **do not** release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts outside of the Operative Complaint or outside the Class Period.

4.2. Release by PAGA Members: All PAGA Members and the LWDA release Released Parties from, and are forever barred from pursuing such against Released Parties for, the PAGA claims alleged in and/or arising out of the facts alleged in the Operative Complaint during the PAGA Period, including, without limitation penalties predicated on the underlying alleged violations for: (1) failure to pay all wages owed, (2) failure to pay all overtime wages, (3) meal period violations, (4) rest period violations, (5) paid sick leave violations, (6) untimely payment of wages, (7) wage statement violations, (8) waiting time penalties, and (9) failure to reimburse business expenses.

5. MOTION FOR SETTLEMENT APPROVAL.

5.1. Preliminary Approval. Plaintiff will prepare the Motion for Preliminary Approval and will provide Defendants with a reasonable period of time to review and approve the motion papers prior to filing with the Court. Not later than 16 court days before the Preliminary Approval Hearing, Named Plaintiff shall move for an order conditionally certifying the Class for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice. Defendants shall accept service of the Motion (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement.

5.2. PAGA Approval. Plaintiff shall prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this PAGA Settlement under Labor Code § 2699(s)(2), including proper and timely notice of the PAGA Settlement to the LWDA. To effectuate Final Approval and Judgment of the Settlement of PAGA claims, Plaintiff shall prepare either a Joint Stipulation Approving PAGA Settlement (subject to Defense Counsels' review and

revision) or a Motion for Approval of PAGA Settlement. Plaintiff shall file declarations from Plaintiff's Counsel and the Named Plaintiff to support the Settlement.

5.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming motions or joint stipulations for approval, Plaintiff's Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement. If the Court does not grant settlement approval or conditions any approval or review on any material change to this Agreement, Plaintiff's Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it.

6. SETTLEMENT ADMINISTRATION.

6.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. The Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.2. Employer Identification Number. The Administrator shall obtain an Employer Identification Number for the Qualified Settlement Fund to calculate payroll tax withholdings and report to state and federal tax authorities.

6.3. 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.

6.4. Notice to Class Members.

6.4.1. No later than 5 business days after receipt of the Employee Data, the Administrator shall notify Plaintiff's Counsel that the list has been received and state the number of Covered Employees and Class Workweeks and PAGA Pay Periods in the Employee Data.

6.4.2. Using best efforts to perform as soon as possible, and no later than 14 days after receiving the Employee Data, the Administrator will send to all Class Members identified in the Employee Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Attachment A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment payable to the Class Member, and the number of Class Workweeks used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Covered Employees' addresses using the National Change of Address database.

6.4.3. Not later than 3 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 an 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.

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

6.4.5. If the Administrator, Defendants or Plaintiff's Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Employee Data and should have received Class Notice, the Parties will expeditiously meet and confer in a good-faith 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.

6.5. Requests for Exclusion (Opt-Outs).

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

6.5.2. 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.

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

6.5.4. 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, nor shall they have the right to object to the class action components of the Settlement.

6.6. Challenges to Calculation of Class Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks 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 Class Workweeks contained in the Class Notice are correct so long as they are consistent with the Employee Data. The Administrator's determination of each Class Member's allocation of Class Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Class Workweeks to Defense Counsel and Plaintiff's Counsel and the Administrator's determination of the challenges.

6.7. Objections to Settlement.

6.7.1. Only Participating Class Members may object to the Settlement, including contesting the fairness of the Settlement.

6.7.2. Participating Class Members may send written objections to the Administrator, by email or mail, who, in turn, must promptly provide all objections to Class Counsel and counsel for the Defendant(s) within two (2) business days of receipt. Class Counsel must thereafter file all such objections with the Court. Class Counsel will be responsible for responding to and opposing any objections or challenges to the settlement before the Final Approval Hearing. To be valid, any objection must: (1) contain the objecting Class Member's full name, last four digits of his or her Social Security Number, telephone number, and current address; (2) include all objections and the factual and legal bases for same; (3) include all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Class Members who fail to object in the manner specified above will be foreclosed from making a written objection, but shall still have a right to appear at the Final Approval Hearing, either personally or through their own counsel, in order to have their objections heard by the Court. Class Members who submit a request for exclusion are prohibited from submitting or making any objection. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

6.7.3. Alternatively, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.

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

6.8. Administrator Duties. The Administrator has a duty and is authorized to perform and observe all tasks necessary to effectuate and administer the Settlement in a manner consistent with the terms of this Agreement.

6.8.1. Email Address and Toll-Free Number. The Administrator will establish, maintain, and use its own company website with their contact information included so that Covered Employees may find the Administrator on the World Wide Web. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member telephone calls and emails.

6.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the Response Deadline, the Administrator shall email a list to Plaintiff's 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).

6.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Plaintiff's Counsel and Defense Counsel that 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 Class Workweeks received and/or resolved, and checks mailed for Individual Class Payments. The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

6.8.4. Class Workweek 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 Class Workweeks. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

6.8.5. 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 Plaintiff's 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 Covered Employees, 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. Plaintiff's Counsel is responsible for filing the Administrator's declaration(s) in Court.

6.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Plaintiff's 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, if applicable and if requested by either Party, the Administrator will prepare, and submit to Plaintiff's Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.

7. ESCALATION CLAUSE. Based on their records, Defendants have provided a Class Workweek Estimate. In the event the total Class Workweeks set forth in the Class Workweek Estimate is incorrect by more than 10%, the Parties agree that Defendant shall have the option of (a) proportionately increasing the Gross Settlement Amount to account for the increased workweeks (For example, if the total Class Workweeks is in fact 11% higher than the Class Workweek Estimate, the Gross Settlement Amount will be increased by 1%) or (b) rolling back the end of the Class Period and release date to a date in which 15,532 workweeks are met.

8. EMPLOYEE ESTIMATE. Based on the records evaluated, there are an estimated 223 Class Members and 93 PAGA Members covered by this Agreement.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds five percent (5%) of the total of all Class Members, Defendant(s) may, but are not obligated to, elect to withdraw from the Settlement. If Defendant(s) withdraw, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party shall have any further obligation to perform under this Agreement; provided, however, Defendant(s) will remain responsible for paying all Settlement Administration Expenses incurred to that point. To elect to withdraw, Defendant(s) must notify Plaintiff's Counsel and the Court of its election to withdraw not later than 7 days after the Response Deadline.

10. MOTION FOR FINAL APPROVAL. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Class Counsel will provide Defendant(s) with a reasonable period of time to review and approve the final approval papers prior to Plaintiffs filing the motion. Not later than 16 court days before the Final Approval Hearing, Named Plaintiff will file in Court and serve on Defendants a Motion for Final Approval of the Settlement that includes a Proposed Final Approval Order and a Proposed Judgment, which shall specifically state and include a request for approval of the PAGA settlement under Labor Code § 2699, subd. (s). Plaintiff's Counsel will provide drafts of the Proposed Final Approval Order and Proposed Judgment to Defense Counsel in advance of filing for Defense Counsel's review. Defendants shall accept service of the Motion for Final Approval (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement. The Parties agree that for good cause and approval by the Court, the Final Approval/Settlement Fairness Hearing may be moved to a later date without the necessity of further notice to the Class Members.

10.1. Response to Objections. Class Counsel will be responsible for responding to and opposing any objections or challenges to the settlement before the Final Approval Hearing. Notwithstanding, Defendant(s) retain the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise provided by the Court.

10.2. Notice to the LWDA. On or before the date on which the Motion for Preliminary Approval of Settlement is filed, Class Counsel shall provide notice to the LWDA of the settlement and its terms as required by PAGA. Within ten (10) days after entry of the Final Approval, Class Counsel shall provide a copy of the Final Approval and Judgment to the LWDA as required by PAGA.

10.3. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, the Parties will expeditiously work together through counsel in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.

10.4. Continuing Jurisdiction of the Court. The Parties agree, 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.

10.5. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Covered Employees, excluding opt outs, as applicable and provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

10.6. 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 Covered Employees), this Agreement shall be null and void. The Parties shall agree to expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit 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 the Parties that any of the allegations or the defenses in the Operative Complaint have merit or that there is any liability for any claims asserted or that any claims may proceed on a class, collective, or representative basis. 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. Confidentiality. This settlement is not confidential. However, prior to Final Approval, Class Counsel and Plaintiff agree to make no statement to the media relative to the Action or the Agreement, agree to make no press or media release, agree not to post information about the Action or the Agreement on any website or social media site, and agree they will not otherwise publicize the Action or the terms of the Agreement in any way. Communications to the Class Members regarding the Settlement of the Action shall be made only pursuant to the Court-approved Notice. Plaintiff and Class Counsel further agree that they will not at any time issue any press or media releases about the Settlement, or post information about the Settlement on any media site, or engage in any advertising or distribution of any marketing materials relating to the Settlement that in any manner identifies the Defendant, except that Class Counsel may identify this Settlement in other Action matters to demonstrate to the Court in such other matters their adequacy to serve as class counsel. This provision does not apply to prevent any necessary disclosure to the Court or the LWDA to seek approval of the Settlement, any court filings or notices to be sent to Class Members by the Settlement Administrator, or the posting of the Final Judgment of this Settlement on the Settlement Administrator's website to the extent required by the Court in connection with approval of the Settlement.

12.3. Acknowledgment that Settlement is Fair and Reasonable. The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial Action, taking into account all relevant factors, present and potential and with the assistance of an experienced mediator. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

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

12.5. Labor Code Sections 206 and 206.5. The Parties agree that this Settlement involves the settlement of highly contested and disputed claims, such that the provisions of California Labor Code sections 206 and 206.5 are not applicable to this Settlement or the Releases required by this Agreement.

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

12.7. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party. The Parties further agree that the provisions of California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a) shall fully apply to this Agreement.

12.8. Attorney Authorization. Plaintiff's Counsel and Defense Counsel separately warrant and represent that they are authorized by the Parties, 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.

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

12.10. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.11. No Tax Advice. Neither the Parties, Plaintiff's Counsel, 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.

12.12. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or Plaintiff's Counsel and Defense Counsel, as their legal representatives.

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

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

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

12.16. 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.

12.17. 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.

12.18. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given as of the 3rd business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

To Plaintiff:

Ferraro Vega Employment Lawyers, Inc.

Attn: Nicholas J. Ferraro

3333 Camino del Rio South, Suite 300

San Diego, CA 92108 USA

nick@ferrarovega.com / classactions@ferrarovega.com

www.ferrarovega.com

To Defendant:

Vedder Price (CA), LLP

Attn: Lauren E. Wertheimer

1925 Century Park East, Suite 1900

Los Angeles, California 90067

Telephone: (424) 204-7791

lwtheimer@vedder.com

12.19. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.20. Enforcement. The parties agree to expressly stipulate for the settlement of the case on the terms set forth in this Settlement Agreement, and hereby agree that Court, upon motion of either party, may enter judgment pursuant to the terms of this Settlement or otherwise enforce a breach of this Settlement. The parties expressly request that the Court retain jurisdiction over the Parties to enforce the Settlement until performance in full of the terms of the settlement, pursuant to Code of Civil Procedure sec. 664.6 and its procedures for enforcement.

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Nathan Perez



Date: Mar 3, 2026

Nathan Perez

Defendant Waterco of the Central States, Inc.

Date: _____

Name: _____

Title: _____

Defendant Culligan International Company

Date: _____

Name: _____

Title: _____

SIGNATURES

I have read this Agreement and agree to its terms.

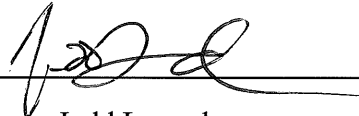
Plaintiff Nathan Perez

Date: _____

Nathan Perez

Defendant Waterco of the Central States, Inc.

Date: March 3, 2026

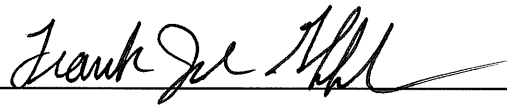


Name: Judd Larned

Title: President, Culligan Dealer North America

Defendant Culligan International Company

Date: March 3, 2026



Name: Frank John Griffith

Title: SVP & General Counsel

Attachment A

Notice of Class and PAGA Action Settlement

NOTICE OF CLASS AND PAGA ACTION SETTLEMENT

Nathan Perez et al. v. Waterco of the Central States, Inc. et al.
Superior Court of the State of California for the County of San Diego
Case No. 25CU026729C

This notice is to the following individuals in connection with a pending class and representative PAGA action settlement:

“Class” or “Class Member(s)” means all individuals currently or formerly employed by Defendants in California as hourly, non-exempt employees during the Class Period.

“PAGA Members” means all individuals currently or formerly employed by Defendants in California as hourly, non-exempt employees during the PAGA Period.

Read this notice carefully. Your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of San Diego (the “Court”) has preliminarily approved this class and representative action lawsuit filed by Nathan Perez (“Class Representative”) against Waterco of the Central States, Inc., Culligan International Company, and Culligan by Waterco dba Culligan (“Defendants”) for alleged wage and hour violations (the “Lawsuit”).

The Lawsuit is based on the following legal causes of action: (1) failure to pay all wages owed, (2) failure to pay all overtime wages, (3) meal period violations, (4) rest period violations, (5) paid sick leave violations, (6) untimely payment of wages, (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse business expenses, (10) unfair competition, and (11) civil penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.). Defendants denies all claims and maintains it has fully complied with the law.

Defendants’ records reflect you worked **[[Individual Workweeks]]** workweeks during the Class Period of March 14, 2021, through the date of Preliminary Approval (March 27, 2026) or the date the total number of workweeks reaches 15,532 workweeks, as provided in Section 7(b) of the settlement agreement. Based on this information, your Individual Class Payment is estimated to be **\$[[Individual Class Payment]]** (less any applicable state and federal withholdings). The actual amount you may receive will likely be different and will depend on multiple factors, such as how many other individuals decide to opt out.

Additionally, Defendants’ records reflect you worked **[Insert Pay Periods]** during the PAGA Period of February 27, 2024, through the last date of the Class Period as provided in Section 7(b) of the settlement agreement. Based on this information, your Individual PAGA Payment is estimated to be **[\$Individual PAGA Payment]**. You may not opt out of the PAGA Settlement.

<u>YOUR OPTIONS</u>	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement and release your claims in exchange for compensation.
OPT OUT	You may opt out of the Settlement by submitting a Request for Exclusion form. If you opt out, you may not object to the Settlement, you will not receive an Individual Class Payment, and you shall not be bound by the release provisions in the settlement. You may <u>not</u> opt out of the PAGA Settlement or seek exclusion from the PAGA Settlement and will be bound by the release provisions in the settlement.
OBJECT	You may object to the Settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.

The Court's final approval hearing is scheduled to take place on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** in Dept. 71 of the San Diego Superior Court, located at 330 West Broadway, San Diego, California 92101. You do not have to attend but you do have the right to appear. ***For more information, please carefully read this notice.***

1. WHAT IS THE ACTION ABOUT?

The Class Representative is former employee of Defendants. The Class Representative alleged Defendants violated California labor and employment laws as follows: (1) failure to pay all wages owed, (2) failure to pay all overtime wages, (3) meal period violations, (4) rest period violations, (5) paid sick leave violations, (6) untimely payment of wages, (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse business expenses, (10) unfair competition, and (11) civil penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.). Plaintiff is represented by [Ferraro Vega Employment Lawyers](#) ("Class Counsel.")

Defendants deny violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT ARE THE PROPOSED SETTLEMENT TERMS?

At the Final Approval Hearing, the Class Representative, through Class Counsel, will ask the Court to approve a Gross Settlement Amount of \$490,000 and authorize the following payments from that amount: Service Payment to the Class Representative (\$10,000), Attorneys' Fees in the

amount of \$163,317, representing 33.33% of the Gross Settlement Amount, Litigation Costs (not to exceed \$20,000), the LWDA's 65% portion of the PAGA Payment (\$13,000), and Administration Expenses (not to exceed \$10,000) to be paid to the third-party settlement administrator (estimated at \$7,750).

After the above deductions in amounts approved by the Court, the Administrator will calculate and distribute Individual Class Payments to Participating Class Members based on their Class Workweeks and Individual PAGA Payments based on their PAGA Pay Periods. 30% of each Individual Class Payment shall constitute taxable wages ("Wage Portion") and 70% shall constitute interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. The Individual PAGA Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Class Members and PAGA Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

You will be treated as a Participating Class Member, participating fully in the settlement, unless you submit a signed Request for Exclusion by **[[Response Deadline]]** THE "Response Deadline."

After the Judgment is final and Defendants have fully funded the settlement and separately paid all employer payroll taxes, Participating Class Members and PAGA Members will be legally barred from asserting any of the claims released under the settlement, as follows:

2.1. Class Release

Release by Participating Class Members: All Participating Class Members release Released Parties from any and all claims, damages, and penalties alleged in the Operative Complaint and arising out of the facts in the Operative Complaint during the Class Period, including, without limitation, claims for: (1) failure to pay all wages owed, (2) failure to pay all overtime wages, (3) meal period violations, (4) rest period violations, (5) paid sick leave violations, (6) untimely payment of wages, (7) wage statement violations, (8) waiting time penalties, (9) failure to reimburse business expenses, (10) unfair competition, and (11) civil penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.). Participating Class Members **do not** release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts outside of the Operative Complaint or outside the Class Period.

2.2. PAGA Release

Release by PAGA Members: All PAGA Members and the LWDA release Released Parties from, and are forever barred from pursuing such against Released Parties for, the PAGA claims alleged in and/or arising out of the facts alleged in the Operative Complaint during the PAGA Period, including, without limitation penalties predicated on the underlying alleged violations for: (1) failure to pay all wages owed, (2) failure to pay all overtime wages, (3) meal period violations, (4) rest period violations, (5) paid sick leave violations, (6) untimely payment of wages, (7) wage

statement violations, (8) waiting time penalties, (9) failure to reimburse business expenses, (10) unfair competition, and (11) civil penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.).

3. HOW IS MY INDIVIDUAL CLASS PAYMENT CALCULATED?

The number of Class Workweeks you worked during the Class Period are stated on the first page of this Class Notice. The Administrator will calculate your Individual Class Payment by (1) dividing the Net Settlement Amount by the total number of Class Workweeks worked by all Participating Class Members, and then (2) multiplying the result by the number of Class Workweeks worked by each respective Participating Class Member. In other words, you will receive a proportional recovery based on your length of employment in relation to other Class Members.

4. HOW IS MY INDIVIDUAL PAGA PAYMENT CALCULATED?

The number of Pay Periods you worked during the PAGA Period are stated on the first page of this Class Notice. The Administrator will calculate your Individual PAGA Payment by (1) dividing the Net Settlement Amount by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period, and then (2) multiplying the results by the number of Pay Periods worked by each PAGA Member. In other words, you will receive a proportional recovery based on your length of employment in relation to other PAGA Members.

5. HOW CAN I CORRECT THE NUMBER OF CLASS WORKWEEKS AND/OR PAGA PAY PERIODS?

You have until the Response Deadline to correct or challenge the number of Class Workweeks and PAGA Pay Periods. You can submit your challenge by signing and sending a letter to the Administrator via mail or email to the Administrator at the following address:

Administrator:

CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Fax: (949) 419-3446
(833) 816-0845
<https://www.cptgroup.com/case-inquiry>

The Administrator will accept Defendants' calculation of Class Workweeks and PAGA Pay Periods 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.

6. HOW WILL I GET PAID?

The Administrator will send, by U.S. mail, a single check to every Participating Class Member and PAGA Member following the Effective Date of this Settlement. Your check will be sent to the same address as this notice. If you change your address, notify the Administrator as soon as possible.

7. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Complete the attached Request for Exclusion form and mail or email it to the Administrator before the Response Deadline. If you opt-out, you will not receive an Individual Class Payment and you will not be bound by the Class Release. If you opt out of the Class Settlement by submitting a timely Request for Exclusion and are a PAGA Member, you will still receive your Individual PAGA Payment and be bound by the PAGA Release.

8. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement by submitting a written objection to the Administrator before the Response Deadline. To object, please provide a written statement to the Administrator advising what you object to, why you object, and any facts that support your objection. Please sign the objection and identify the Action and include your name, current address, telephone number, and your approximate dates of employment.

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. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. Accordingly, if you plan to attend this hearing in person, you should check with Class Counsel first to confirm the date and time of the hearing.

Defendants encourage all employees to participate in the Settlement and to not exclude yourself (“opt-out”). Defendants have agreed to pay the full settlement amount even if employees do opt-out, so your settlement share will just be distributed to the other employees if you opt-out and no amount of your settlement will revert back to Defendants.

9. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but are not required to, attend the Final Approval Hearing on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** in Dept. 71 of the San Diego County Superior Court, located at 330 West Broadway, San Diego, California 92101. 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 the LWDA, Class Counsel, the Class Representative(s), and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision.

It is possible the Court will reschedule the Final Approval Hearing. Please review the Court's online docket or contact the Administrator or Class Counsel to verify the date and time of the Final Approval Hearing if you believe it may have been continued or otherwise changed.

10. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendants 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 the following website [\[\[website\]\]](#). You can also telephone or send an email to Class Counsel at the address below:

Class Counsel

Nicholas J. Ferraro (State Bar No. 306528)

Lauren N. Vega (State Bar No. 306525)

Ferraro Vega Employment Lawyers, Inc.

3333 Camino del Rio South, Suite 300

San Diego, California 92108

(619) 693-7727 telephone

classactions@ferrarovega.com

ferrarovega.com

11. WHAT IF I LOSE MY SETTLEMENT CHECK OR FAIL TO CASH IT?

If you lose or misplace your settlement check, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void or you have otherwise failed to cash it, it will be provided to the State of California's Unclaimed Property Division in your name. For more information, please review how to process a claim for your funds with the State of California, https://www.sco.ca.gov/upd_form_claim.html.

**DO NOT CONTACT THE COURT OR THE COURT CLERK TO OBTAIN
INFORMATION ABOUT THE SETTLEMENT**

Attachment B

Request for Exclusion Form

Request for Exclusion Form

Nathan Perez et al. v. Waterco of the Central States, Inc. et al.
Superior Court of the State of California for the County of San Diego
Case No. 25CU026729C

By signing and returning this form, I confirm that I do not want to be included in the Settlement or receive a settlement check in the class action lawsuit referenced above.

I understand that by opting out, I am giving up my right to receive any payments in this Settlement. To “opt out,” this form must be postmarked no later than **[[Response Deadline]]** and mailed via U.S. Mail to the following address:

CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Fax: (949) 419-3446
(833) 816-0845

<https://www.cptgroup.com/case-inquiry>

I confirm I have reviewed the Notice of Class Action Settlement. I have decided to be excluded from the class and **not** participate in the proposed settlement or receive an individual settlement check I am otherwise entitled to receive.

Dated: _____

(Signature)

(Last Four Digits of SSN)

(Type or print name and former name(s))

(Telephone Number)

(Address)