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Attorneys for Plaintiffs and Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

JEFFREY MACIAS, an individual, JOVESA NAQARASE, an individual. on behalf of themselves and all others similarly situated, the general public,

Plaintiff,

vs.

HALLMARK AVIATION SERVICES, L.P., a California Limited Partnership, and DOES 1 through 10, inclusive,

Defendants.

CASE NO.: 25STCV12975

DECLARATION OF ROMAN OTKUPMAN IN SUPPORT OF PLAINTIFFS' MOTION FOR APPROVAL OF PAGA SETTLEMENT

Date: November 20, 2026
Time: 1:30 p.m.
Dept.: 10
Judge: Hon. William F. Highberger

I, Roman Otkupman, declare as follows:

1. I am an attorney duly admitted to the practice of law in the State of California. I am a principal of Otkupman Law Firm, A Law Corporation, and counsel for Plaintiffs Jeffrey Macias and Jovesa Naqarase, as well as proposed PAGA Counsel in this action. I have personal knowledge of the facts set forth herein and if called as a witness to testify to them, I could and would do so competently.

2. I make this declaration in support of Plaintiffs' Unopposed Motion for Approval of PAGA Settlement.

Education and Experience

3. I obtained my Bachelor's degree from the University of California at Los Angeles in 2003. I majored in Economics at the Anderson School of Business and obtained a Minor in Slavic Languages.

4. Thereafter, I attended the Thomas Jefferson School of Law, where I focused on studies on Employment law and related litigation. After completing my first year of legal studies, I secured an externship at the Equal Employment Opportunity Commission ("EEOC"), where I worked under the Supervisory Administrative Judge, Larry A. Abrams. While at EEOC, I evaluated the merits of federal employment discrimination claims and recommended dispositions. I further reviewed motions, researched case law, prepared summaries of arguments, and assisted in the preparation of court rulings on summary judgments, motions to compel, and motion to strike decisions. Furthermore, I attended numerous conferences, hearings, and trials pertaining to employee complaints.

5. Thereafter, I volunteered at the Employee Rights Center of San Diego where I informed numerous employees about their options and legal avenues in wage and hour and/or employment discrimination disputes.

6. Otkupman Law Firm, ALC prosecutes wage and hour cases on behalf of the employees whose rights have been violated. Otkupman Law Firm, either on its own or with co-counsel is currently serving as Plaintiff's counsel of record in dozens of wage and hour and employment class action cases pending in both state and federal court.

7. Otkupman Law Firm, ALC has successfully litigated and resolved numerous wage and hour class actions involving failure to pay wages, wage statement violations and derivative Labor Code claims and penalties. See, *Barrios v. Freeway*, Superior Court of California County of Sacramento, Case No. 34-2015-00183162-CU-OE-GDS; *Hernandez v. CoWorx,* Superior Court of California, County of San Joaquin, Case No. 39-2015-0032567-CU-OE-STK; *Sigourney Esh v. Be.Group,* Superior Court of California, County of San Diego, Case No. 37-2014-00006162-CU-OE-NC; *Pakiza A. Ali v. Rainbow USA Inc.*, Superior Court of California, County of San Joaquin, Case No. 39-2015-00320655-CU-OE-STK; *Rosie Orta v. Walgreen Co.*, Superior Court of California, County of Los Angeles, Case No. BC530605; *Jennifer Underwood v. Payroll Direct, Inc*., Superior Court of California, County of Merced, Case No. 15CV-03112; *Jeremiah Putnam v. Sagar Diner, Inc.*, Superior Court of California, County of Merced, Case No. SCV011040; *Amanda Maniord v. Hue & Cry, Inc.*, Superior Court of California, County of Shasta, Case No. 182115; *Andrew Mojica v. Dedicated Fleet Systems Inc., and Osterkamp Transportation Group,* Superior Court of California, County of Los Angeles, Central Civil West, Case No. BC621739; *Holly Pinheiro v. Stanton Optical Florida LLC, Vision Precision Holdings, LLC,* Superior Court of California, County of San Joaquin, Case No. 39-2015-00323663-CU-OE-STK; Jared Sewell v. Gary D Nelson Associates Inc., Superior Court of California, County of Sonoma, Case No. SCV 254929; *David Jimenez v. Modern Interiors*, Superior Court of California, County of Los Angeles, Case No. BC549815; *Patricia Mosley v. Shields for Families*, Superior Court of California, County of Los Angeles, Case No. BC590656; *Teri Parker v. Toms Sierra Co, Inc.*, Superior Court of California, County of Placer, Case No. SCV0036376.

8. Upon becoming a member of the bar, I worked at a boutique employment firm specializing in defense of multi-plaintiff and single plaintiff defense of wage and hour claims as well as other various employment claims. There, I was involved in numerous wage and hour actions as well as employment discrimination lawsuits including but not limited to: violation of Labor Code 226, failure to pay overtime, PAGA claims Labor Code 2699 *et seq.*, sexual harassment, gender discrimination, racial discrimination, intentional infliction of emotional distress, breach of contract, conspiracy, breach of good faith and fair dealing, disability discrimination and failure to

accommodate, as well as Labor Code Section 132 (a) claims under worker's compensation law.

9. I have written numerous articles on various wage and hour and related employment litigation issues, three of which were published in recent years.

10. Based on my own investigation and evaluation, I am of the opinion that the Settlement, its allocation among Aggrieved Employees, and the recovery for each Aggrieved Employee, is fair and reasonable. I believe I have a strong understanding of the trends in both the likelihood of certification of wage and hour and PAGA cases and the value of settlements of cases such as this one.

11. My opinion takes into consideration, the amounts received in other similar representative actions, which I have litigated and/or am familiar with, the risks inherent in litigation of this genre, and the reasonable tailoring of each Aggrieved Employee's claim to the amount received in the settlement. Based on that knowledge, I am of the opinion the settlement is fair, reasonable and adequate and is in the best interests of the Aggrieved Employees.

Background of the Case and Relevant Procedural History

12. On February 24, 2025, my office, on behalf of Plaintiffs Jeffrey Macias and Jovesa Naqarase ("Plaintiffs"), sent PAGA Notices to the Labor Workforce and Development Agency ("LWDA"), with copies to Defendant Hallmark Aviation Services, L.P. ("Defendant"). Plaintiffs' PAGA Letters are attached hereto as **Exhibits 1 and 2**.

13. On May 1, 2025, Plaintiffs initiated the Lawsuit by filing a Complaint in Los Angeles County Superior Court, alleging causes of action for individual wage-and-hour claims, class action claims, and PAGA representative claims premised on their February 24, 2025, PAGA letters. Plaintiffs' Class and Representative Action Complaint alleged violations of failing to provide meal periods (Lab. Code §§ 226.7(b), 512, and 558); failing to provide rest periods (Lab. Code §§ 226.7(b), 512, and 558); failing to pay all wages (Lab. Code §§ 510, 1194, and 1194.2); failing to comply with itemized employee wage statement provisions (Lab. Code §§ 226(a) and 226(e)); failingto timely pay wages due at termination (Lab. Code §§ 201-203); failing to timely wages when due (Lab. Code §§ 204(a)(b), 212(a)(2), and 213); failing to reimburse business expenses (Lab. Code § 2802); failing to pay for all hours worked, including overtime hours (Lab. Code §§ 210 and 218); unfair competition

(Bus. & Prof. Code §§ 17200, et seq.). Plaintiffs' Class and Representative Action Complaint also sought PAGA penalties pursuant to Lab. Code §§ 2699(f) for the above-listed Lab. Code violations.

14. On or about October 22, 2025, the Parties stipulated to arbitrate Plaintiffs' individual claims, dismiss class action claims, and stay representative PAGA claims pending arbitration.

15. Thereafter, the Parties agreed to engage in mediation. Prior to mediation, the Parties exchanged extensive documents and information that allowed both sides to thoroughly evaluate the potential exposure and potential risk, including review of Defendant's policies and procedures related to the claims alleged and time and pay records, among others. Specifically, Plaintiffs obtained, through informal discovery, statistical data including records of Aggrieved Employees, which consisted of wage statements, clock-in and clock-out times, times taken for meal breaks, wages earned during the relevant pay periods, written policies and procedures on meal breaks, rest breaks, and overtime compensation, the number of pay periods in the PAGA Period and the total number of Aggrieved Employees. The Aggrieved Employees were similar or identical in the way in which Defendant utilized its wage and hour policies towards them. During this process, PAGA Counsel analyzed, researched, and investigated the potential issues, including matters related to the calculation of PAGA damages, trial management, and appellate issues and risks.

16. Following discovery and investigation, the Parties participated in a mediation presided over by Allison Eckstrom, Esq. on March 19, 2026, and reached a settlement of the PAGA claim, the terms and conditions of which are memorialized in the Parties' PAGA Settlement Agreement ("Settlement Agreement") attached hereto as **Exhibit 3**.

17. The Parties have conducted a thorough investigation into the facts of the PAGA claim, including exchanging information and documents. Based on the foregoing data and an independent investigation and evaluation, PAGA Counsel is of the opinion that the settlement with Defendant for the consideration and terms set forth in the Settlement Agreement is fair, reasonable, and adequate and is in the best interests of the LWDA and the Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay, uncertainty associated with litigation, various defenses asserted by Defendant, and numerous potential appellate issues.

18. From the beginning, Defendant has contested the merits of this Action, including Plaintiffs' ability to prove a violation in each pay period for each Aggrieved Employee, and, assuming arguendo any violations, updates to policies and procedures which Defendant contends would engender drastic reductions in PAGA penalties under 2024 amendments to PAGA, among other defenses. Defendant further contends that, even assuming there was a finding supporting the imposition of PAGA penalties, the Court would likely exercise its discretion to substantially reduce any such penalties owed based on an alleged good faith attempt to comply with the Labor Code. Notwithstanding its agreement to settle, Defendant believes the practices Plaintiffs are contending are unlawful either do not exist, fully comply with all applicable employment laws, and/or even assuming arguendo that any violations exist, updates to policies and procedures would otherwise drastically reduce any penalties under the 2024 amendments to PAGA legislation.

19. Based on the expected testimony from Plaintiffs and the Aggrieved Employees, a review of Defendant's policies and procedures and other documents relating to the alleged claims, information on the number of Aggrieved Employees and PAGA Pay Periods, the payroll data, the scope of the potential penalties in light of the claims alleged, the Court's statutorily authorized discretion to reduce any penalties assessed, and the negotiations that have taken place, I am convinced that the proposed settlement is in the best interest of Plaintiffs, the Aggrieved Employees affected by the Agreement, and the LWDA. The length and risks of trial and other normal perils of complex litigation that impact the value of the claims were also considered and weighed in reaching the proposed settlement. In addition, I carefully considered the difficulties of complex litigation, and the lengthy process of establishing specific damages and various possible delays and appeals in agreeing to the proposed settlement. I further considered the fact that penalties under the PAGA could be substantially cut at the discretion of the Court even if Plaintiffs were successful on proving those claims and there was risk that a Court could find no willfulness in the failure to pay wages at separation, which would eliminate the value of the waiting time penalty entirely. Overall, I believe it is more beneficial to secure a guaranteed benefit to Plaintiffs, the Aggrieved Employees, and the LWDA now rather than to proceed with litigation and potentially obtain zero funds due to legal or

factual issues.

20. Based on the extensive documentation and data provided by Defendant, and through Plaintiffs' investigation, Plaintiffs believe that the Aggrieved Employees were subject to similar policies and practices that were allegedly violative of California wage and hour laws.

21. After conducting informal discovery and investigation which allowed both sides to evaluate the potential exposure and risk, such as a review of Defendant's employee handbook, policies and procedures related to the claims alleged in Plaintiffs' Complaint, and the time and pay records analyzed by PAGA Counsel, the Parties participated in an all-day mediation session and ultimately reached an agreement as to terms memorialized in the Settlement Agreement.

Risk and Evaluation of Settlement

22. Defendant represents that there are approximately 1,483 Aggrieved Employees who worked a total of approximately 29,000 PAGA Pay Periods. Given the number of employees affected by Defendant's practices, the $285,000.00 settlement confers a substantial benefit on these employees.

23. In accordance with the PAGA, the court in a PAGA action has discretion "to assess a civil penalty" that the Labor Commissioner would have, as well as complete discretion to "award a lesser amount than the maximum civil penalty amount specified [by the PAGA] if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (Labor Code § 2699(e)(1) and (e)(2))).

24. I believe the settlement amounts to an excellent result for the LWDA and the Aggrieved Employees. There is a substantial risk that the Court could reduce civil penalties to an insignificant amount if it is unpersuaded by Plaintiffs' evidence that Defendant intentionally violated the law. These uncertainties increase Plaintiffs' risks of pursuing the PAGA claims and required a significant discount for settlement purposes. Further, I am not aware of any California state courts awarding plaintiffs multiple PAGA penalties for the same violation for the same pay period under different Labor Code provisions and, in my personal experience, PAGA awards are small even for egregious, intentional violations of the Labor Code. In *Ghrdilyan v. RJ Financial, Inc*., LASC, Case

No. BC430633, the employer underpaid commission overtime wages. The plaintiff sought in excess of $9 million in civil penalties under the PAGA. After a bench trial, the Honorable Judge Ronald M. Sohigian awarded approximately $325,000 in civil penalties under the PAGA. In a similar PAGA case before the Los Angeles Superior Court, *Shields v. Security Paving Company, Inc*., LA Superior Court Case No. BC492828, on October 24, 2017, the court awarded the prevailing PAGA plaintiff civil penalties totaling only $50.00. (*See also Avila v. Cold Spring Granite Co.* (E.D. Cal. Jan. 12, 2018) Case No. 1:16-cv-001533-AWI-SKO, 2018 U.S. Dist. LEXIS 6142 *17.) Also, the recent decision by the California Supreme Court, *ZB, N.A. v. Superior Court* (2019) 8 Cal. 5th 175, 194, precludes any recovery of civil penalties in the form of unpaid wages.

25. Likewise, where the employer does not act willfully, and makes good faith attempts to comply with wage and hour laws, a reduction or lesser penalty is warranted because imposing maximum PAGA penalty for each violation could be seen as unjust, arbitrary, and oppressive. (*Carrington v. Starbucks Corp*., *supra*, 30 Cal.App.5th at 528-529.) (affirming trial court's award of only 10% of maximum PAGA penalty for meal break violations). The amount to be paid to the LWDA under this settlement comports with PAGA settlement amounts approved by other courts.

26. Assuming liability was found as set forth above after accounting for the potential risks, the overall PAGA penalties in this case may also be reduced under the discretionary authority provided to the Court pursuant to California Labor Code section 2699(e)(2). I believe it is likely that such discretion would be exercised due to the fact that much of the penalties are based on violations resulting from technical non-compliance with the Labor Code or represent damages far exceeding the substantive loss actually experienced by the violation. Furthermore, Defendant appears to have updated a number of policies and practices covering the wage and hour issues being litigated, which a Court may find shows a good faith attempt to comply with the law, meriting a reduction of civil penalties. The statutorily authorized discretion that Courts have used to reduce penalties ranges substantially. *See, e.g., Thurman v. Bayshore Transit Mgmt., Inc*., 203 Cal.App.4th 1112, 1135 (2012) (30% reduction); *Fleming v. Covidien, Inc.*, 2011 U.S. DIST. LEXIS 154590, *9 (C.D. Cal. 2011) (82% reduction).

27. The Parties settled this matter for $285,000.00. Plaintiffs relied on the following exposure analysis:

Overtime Violations: Plaintiffs maintained that Plaintiffs and the aggrieved employees were not properly compensated for all overtime hours worked such as taking a shuttle from the parking lot to the job site. Based on Plaintiffs' investigation, which included discussing the merits and reviewing the informal data provided by Defendant, Plaintiffs concluded that Plaintiffs and other aggrieved employees did work overtime without adequate compensation during the PAGA Period but this happened very seldom and was not a policy of Defendant. Defendant denied the allegation.

Rest Break Violations: Plaintiffs also alleged that Defendant failed to provide compliant rest periods. Specifically, Plaintiffs alleged that because of the demand of the job, they were not able to take timely and duty-free rest periods. Lab. Code § 226.7(c) provides that "if an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including … an … order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."

Defendant denied liability and asserted that it maintained legally compliant rest period policies and practices throughout the PAGA Period. Defendant has further provided policies which were in place at the time when Plaintiffs and the aggrieved employees were employed by Defendant. The policies were compliant. Further, Defendant was not required to maintain punch data for the rest periods, per California law, which provided a very tough challenge for Plaintiffs to prevail on this claim, especially since Defendant provided legally compliant policies. Yet another challenge with this claim is that the failure to take the rest breaks may require an individualized inquiry. This settlement avoided that risk.

Meal Break Violations: One of Plaintiffs' claims against Defendant was that Defendant failed to provide compliant meal periods and failed to provide meal premiums. Labor Code § 512 requires employers to provide employees with a 30-minute uninterrupted and duty-free meal period

within the first five hours of work. Lab. Code § 226.7(c) provides that "if an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including … an … order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided."

Defendant contended that it fully complied with California meal period laws and maintained compliant policies and practices and that any breaks which were short or missed were the result of employees choosing to do so, rather than forced to do so. Defendant also maintained a legally compliant policy.

Reimbursement for Business Expenses Claim: Plaintiffs alleged that Defendant failed to reimburse its employees for mandatory business expenses. Specifically, Plaintiffs and Aggrieved Employees were required to use their own personal cell phones as a result of and in furtherance of their job duties and were not reimbursed for this expense. Plaintiffs also alleged that they were required to pay a monthly fee for parking, also for which they were not reimbursed. Cal. Labor Code § 2802, provides that "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer…"

Again, Defendant denied any liability for this claim. Defendant argued that it did not require employees to use their own personal cell phones for any business purpose. If they used their personal cell phones, it was their choice and not a requirement. This claim was discounted based on Defendant's defenses.

Derivative Wage Statement and Waiting Time Penalty Claim: Plaintiffs allege that Defendant's alleged violations resulted in derivative violations of Labor Code sections 203 and 226(a). PAGA Counsel considered these penalties and weighed the potential recoveries against probable defenses. Specifically, Defendant could argue that Plaintiffs could not prove the "willful" prong needed to obtain waiting time penalties under Labor Code section 203. Additionally,

Defendant could argue that Plaintiffs could not show that Aggrieved Employees suffered an "injury" because of wage statement violations, as required by Labor Code section 226. Defendant could also argue that meal and rest period violations do not entitle employees like Plaintiffs and the Aggrieved Employees to pursue the derivative waiting time and itemized wage statement penalties. (*See Naranjo v. Spectrum Security Services, Inc.*, Case No, B256232; *Maldonado v. Epsilon Plastics, Inc*. (2018) 22 Cal.App.5th 1308.) These claims represented Plaintiffs' most legally precarious and uncertain claims. See, e.g., *Howard v. CVS Caremark Corp.*, 2014 U.S. Dist. LEXIS 172406 (C.D. Cal. Dec. 9, 2014) (denying class certification for the same penalty claims); *Alonzo v. Maximus, Inc*., 832 F. Supp. 2d 1122, 1134-1137 (C.D. Cal. 2011) (finding insufficient evidence of bad faith or actual injury). Plaintiffs could not give the penalty claims great weight given that they depended on proving the underlying claims, which had their own risks.

PAGA Claim: *Carrington v. Starbucks Corp*. (2018) 30 Cal.App.5th 504, illustrates the risk of PAGA claims. In *Carrington*, while the plaintiff prevailed on his PAGA claim upon trial, the trial court reduced the maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying with the law. *Id.* at 517. Upon review, the Court of Appeal found such reduction to be proper. *Id.* at 539. Again, the *Carrington* decision was after Plaintiff prevailed at trial, and even then, the PAGA penalties were reduced by 90%.

Based on the analysis above, as well as the thorough informed discussions and negotiations that took place between the Parties, I believe that this is a favorable settlement for Plaintiffs and the Aggrieved Employees, providing a remedy consistent with what the employees could expect to receive if they prevailed at trial, but without the lengthy delay and risk of loss that a trial and subsequent appeal would entail. The settlement terms represent a compromise of the Parties' disputes and are fair, adequate and reasonable to the representative group given the risks that both sides faced in the litigation.

28. I uploaded the Settlement Agreement as required to the LWDA website on August 27, 2026. Confirmation of submission to the LWDA is attached hereto as **Exhibit 4**. The LWDA has not objected to the Settlement to date. I also gave notice of the instant Motion and hearing date to the

LWDA on October 23, 2026 via online filing by serving this Motion on the LWDA. Confirmation of serving this Motion on the LWDA is attached hereto as **Exhibit 5**.

29. Defendant denies any and all liability to Plaintiffs and/or the Aggrieved Employees in this Action.

30. The Parties understand, acknowledge, and agree that the settlement constitutes a compromise of Plaintiffs' PAGA Representative Claims, and that it is the desire and intention of the Parties to affect a final and complete resolution of the PAGA claim against Defendant. The Parties further acknowledge that this Agreement is a compromise of disputed claims and that nothing in this Agreement shall be construed as an admission of liability by Defendant.

Risk Assumed by Otkupman Law Firm, A Law Corporation

31. My office invested significant time and resources into the case, with payment deferred to the end of the case, and then, of course, contingent on the outcome. My office's efforts included, without limitation, the following: interviews with Plaintiffs; review of documents produced by the Plaintiffs; preparation of multiple drafts of the PAGA notice letters, drafting the complaint; numerous conferences and correspondence with Defendant's counsel to obtain relevant documents and information; review of extensive documents produced by Defendant, including employment records, and time and payroll records; analyzing and interpreting time records produced by Defendant, and formatting said data in a manner that could be used to support Plaintiffs' legal theories and damage analysis; legal research regarding Defendant's practices; attending mediation; drafting the settlement agreement and revisions to the settlement agreement; preparation and filing of the motion to approve settlement; and uploading all necessary documents to the LWDA website.

32. Because most individuals cannot afford to pay for representation in litigation on an hourly basis, my firm represents virtually all of its employment law clients on a contingency fee basis. Pursuant to this arrangement, we are not compensated for our time and costs, unless we prevail at trial or successfully settle our clients' cases. Because my firm is taking the risk that we will not be reimbursed for our time and costs unless our client settles or wins his or her case, we cannot afford to represent an individual employee on a contingency basis if, at the end of our representation, all we

are to receive is our regular hourly rate for services. It is essential that we recover more than our regular hourly rate when we win if we are to remain in practice so as to be able to continue representing other individuals in employment disputes.

Plaintiff's Counsel's Attorney's Fees and Costs

33. The Parties have agreed that PAGA Counsel will seek no more than $95,000.00 (i.e., one third of the Gross Settlement Amount) in attorneys' fees. This agreement is fully disclosed in the Settlement Agreement. My firm's time records for services performed in this case are attached hereto as **Exhibit 6.**

34. The requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a contingent fee basis, especially in light of the benefits achieved by Plaintiff's counsel for the Aggrieved Employees. My office diligently litigated and investigated the case.

35. My firm has worked no less than 87.3 hours on the matter. My firm's fees from the inception to completion of this matter are no less than $80,940.00.

36. Here, my firm was required to expend considerable time and resources to investigate, litigate, and successfully settle these claims for the benefit of the Aggrieved Employees.

37. While I work exclusively on a contingency fee basis, I charge a rate of $950.00 per hour when the award of fees is considered. My charge rate is commensurate with the market rates in Los Angeles for attorneys of comparable experience and skill handling complex litigation, based on my 18 years of experience, qualifications, and expertise. My hourly rates are reasonable in light of my significant experience, expertise, and skill. The attorneys at Otkupman Law Firm, A Law Corporation specialize in employment law and have substantial experience in wage and hour litigation.

38. My firm has incurred out-of-pocket expenses to date amounting to $8,163.83, which is the amount paid attributed to filing, service, mailing, printing, mediation and PAGA fees. These costs were reasonably incurred in prosecuting this action on behalf of the Aggrieved Employees. Attached hereto as **Exhibit 7** is a true and correct copy of my firm's costs incurred to date.

39. I believe that the fee and costs provisions are reasonable. The fee percentage requested is less than the usual customary percentage fee for most employment cases. Moreover, the efforts of PAGA Counsel have resulted in substantial benefits to Plaintiff, the Aggrieved Employees, and the State in the form of a substantial settlement. I am informed and believe that, without the efforts of PAGA Counsel, the Labor Code violations alleged in the Complaint would have gone completely unremedied. The requested fee award, i.e. one-third of Gross Settlement Amount, and cost award provided for in the Settlement Agreement are reasonable given the result achieved.

Administration Costs

40. The Parties obtained a capped bid from CPT Group, Inc. ("CPT Group") for administration costs in the amount of $9,500.00, which was the lowest of four bids the Parties obtained. The bid is attached hereto as **Exhibit 8**. The Notice that will be mailed to Aggrieved Employees with their checks is attached hereto as **Exhibit 9**.

No Conflicts of Interest

41. As a result of my prior experience as PAGA Counsel in other actions, I am fully aware of the responsibilities I owe. Finally, I am not aware of any conflict of interest between myself, on the one hand, and Plaintiffs or any other Aggrieved Employee of the State of California, on the other hand, which would interfere with my duties as PAGA Counsel or impede on my representation of the Aggrieved Employees.

42. For all the reasons provided above, I respectfully request that this Court enter an Order approving the PAGA Settlement.

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

Executed this 23rd day of October 2026 at Westlake Village, California.



Roman Otkupman

EXHIBIT 1

OTKUPMAN LAW FIRM, A LAW CORPORATION
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February 24, 2025

VIA ELECTRONIC FILING
Labor & Workforce Development Agency

VIA CERTIFIED MAIL
Hallmark Aviation Services, L.P.
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Los Angeles, CA 90045
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VIA CERTIFIED MAIL
Agent for Service of Process
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Certified mail # 9589 0710 5270 2373 3686 23

VIA CERTIFIED MAIL
Hallmark Aviation Services L.P
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Certified mail # 9589 0710 5270 2373 3686 16

VIA CERTIFIED MAIL
Hallmark Aviation Services
1 World Way
Los Angeles, CA 90045
Certified mail # 9589 0710 5270 2373 3686 30

Re: ***Jeffrey Macias v. Hallmark Aviation Services, L.P., Hallmark Aviation Services, L.P, Hallmark Aviation Services – Compliance Letter of California Labor Code § 2698 – Private Attorneys General Act***

Dear Sir or Madam:

This office represents Jeffrey Macias ("Plaintiff"), a former California employee of Hallmark Aviation Services, L.P., Hallmark Aviation Services, L.P, Hallmark Aviation Services ("Defendants"). The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq*.

Our client worked for Defendant in Southern California. Herein we set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to our client and other of its California non-exempt employees.

Plaintiff began working for Defendants in or around 2015. While working for Defendant as a Customer Service Agent/ Customer Service Supervisor, Plaintiff was earning ($28.00) dollars per hour.

Plaintiff and Defendant's California employees were routinely unable, and not authorized to take their 10-minute rest periods and were also unable to take an uninterrupted 30-minute meal break for every shift they worked. Specifically, Plaintiff and Defendant's California employees were forced to continue working through their meal and rest breaks in order to assist Defendant's needs. Because of this, Plaintiff and Defendant's California employees were unable to take their required meal and rest breaks. Moreover, Defendants failed to pay premium wages of one hour's pay for each missed meal and rest break to Plaintiff and Defendant's California employees who were denied timely meal and rest breaks, in violation of Labor Code §§ 226.7, 512, and 558, and IWC Order No. 5-2001, Section 12.

Plaintiff and Defendant's California employees were required to work off the clock for Defendant. Plaintiff and Defendant's California employees were asked to perform tasks prior to clocking in, without being compensated for it. It took Plaintiff on the average of 35-60 minutes to complete these tasks. Plaintiff and Defendant's California employees were also required to use their personal cell phone for work-related activities while off the clock, such as texting/calling supervisor/boss, texting/calling co-workers. It took Plaintiff on the average of 1 hour per week to complete these tasks. Defendant did not compensate Plaintiff and Defendant's California employees if these tasks were completed outside of his regular work hours. These excess hours were not recorded on our client's and Defendant's California employees wage statements. Plaintiff and Defendant's California employees should have been compensated for that time, but he was not in violation of Labor Code Sections 510, 1194, and 1194.2. As a result, Plaintiff and Defendant's California employees were not paid for all hours worked including all straight time wages, and overtime wages. These failures to pay wages constitute violations of Labor Code § 510 and 1194.

Plaintiff also claims that Defendant has failed to pay all overtime wages due to non-exempt employees. As a result, employees are not properly compensated for work performance in excess of eight (8) hours in a workday and work performed in excess of forty (40) hours in a workweek at a rate of no less than one and one-half times the regular rate of pay. Employees of Defendant regularly work in excess of eight (8) hours in a day or more than forty (40) hours per week and do

not receive overtime compensation at a rate of one and one half of their regular rate. Plaintiff and Defendant's California employees were forced to work overtime and were not paid for all hours worked including all straight time wages, and overtime wages. These failures to pay all overtime wages constitute violations of Labor Code §§ 510, 1194, 1194.2.

Defendants failed to issue Plaintiff and Defendant's California employees accurately itemized wage statements. As Defendants failed to compensate Plaintiff and Defendants' California employees with all wages due, as detailed above, their wage statements failed to accurately state all gross wages earned, in violation of Labor Code § 226(a)(1), total hours worked, in violation of Labor Code § 226(a)(2), and net wages earned, in violation of Labor Code § 226(a)(5). Plaintiff and the California employees wage statements' failed to accurately state the name and address of the legal entity that is the employer in violation of Labor Code § 226(a)(8), and all applicable hourly rates during the pay period and the corresponding number of hours worked, in violation of Labor Code § 226(a)(9), as a result of Defendants' failure to pay all overtime wages due. These violations also violate Labor Code §§ 226(e) and 226.3 with respect to Plaintiff and Defendants' California employees.

Defendants knowingly and intentionally failed to provide Plaintiff and Defendant's California employees timely, accurate, itemized wage statements in accordance with Labor Code § 226 and keep accurate records as required by §1174(d). The statements provided to Plaintiff and Defendant's California employees, and the records maintained by Defendants, have not accurately reflected actual gross wages earned, including pay for all hours worked, overtime, and meal/rest premiums, and total hour worked.

Our client further alleges that Defendants paid her and Defendant's California employees their final wages beyond the time frames set forth in Labor Code §§ 201 and 202. As they were not paid all wages due and owing throughout the course of their employment as a result of Defendants' failure to pay all premium wages as detailed above, at the time of their separation, they were not paid all final wages due and owing for the entirety of their employment. This violates Labor Code §§ 201-203.

Defendant pays Plaintiff and it's California employees on a bi-weekly basis and has failed to comply with Labor Code § 204(a) which holds that wages earned on a bi-weekly basis must be paid no later than seven calendar days following the close of the payroll period. Due to the violations described above, Plaintiff and Defendant's California employees did not receive all of their wages earned in a timely manner as required by Labor Code § 204(a)(b) and 201.3.

Defendant failed to reimburse Plaintiff and Defendant's California employees for the parking pass they purchased for the benefit of Defendant. Defendant further failed to reimburse its California employees for using their personal cell phones for the benefit of Defendant. Labor Code section 2802 provides that "[a]n employer shall indemnify his or her employee for all necessary

expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." As such, Plaintiff and Defendant's California employees have incurred reasonable and necessary expenses in the course of their job duties, which were not reimbursed by Defendant, in violation of Labor Code § 2802.

Defendant has violated Labor Code § 212(a)(2) because they issued Plaintiff and Defendant's California employees wages with a gift card. Therefore, Plaintiff was not paid all wages due in violation of Labor Code § 212(a)(2). As a result, Defendant is liable for civil penalties pursuant to Labor Code § 212(a)(2). Defendant has violated Labor Code § 213 because it required Plaintiff and Defendant's California employees to receive wages through a gift card. Defendant only paid wages by gift card. As a result, Defendant is liable for civil penalties pursuant to Labor Code § 213.

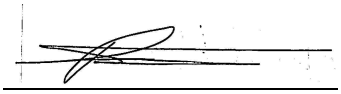
Defendants failed to pay all wages earned to Plaintiff and Defendant's California employees as a result of the unlawful employment policies and practices herein. As a result of these practices, Plaintiff and Defendant's California employees were underpaid for hours worked, including overtime and penalty wages, and this underpayment resulted in a failure to pay all wages owed twice per month. Due to this failure, Defendants are liable under Labor Code § 210 for failure to pay wages as required by law.

We invite Defendants or its attorney(s) to contact our office to discuss this matter, including whether an early resolution of the claims can be reached.

Our office awaits your response.

Very truly yours,

OTKUPMAN LAW FIRM



ROMAN OTKUPMAN

EXHIBIT 2

OTKUPMAN LAW FIRM, A LAW CORPORATION
5743 Corsa Ave, Suite 123
Westlake Village, CA 91362
Tel.: 818-293-5623
Fax: 888-850-1310

February 24, 2025

VIA ELECTRONIC FILING
Labor & Workforce Development Agency

VIA CERTIFIED MAIL
Hallmark Aviation Services, L.P.
5757 W. Century Blvd., Suite 860
Los Angeles, CA 90045
Certified mail # 9589 0710 5270 2373 3685 86

VIA CERTIFIED MAIL
Agent for Service of Process
1505 Corporation
CSC - Lawyers Incorporating Service
2710 Gateway Oaks Dr.
Sacramento, CA 95833
Certified mail # 9589 0710 5270 2373 3685 93

VIA CERTIFIED MAIL
Hallmark Aviation Services, L.P
5757 W. Century Blvd., Suite 860
Los Angeles, CA 90045
Certified mail # 9589 0710 5270 2373 3685 86

VIA CERTIFIED MAIL
Hallmark Aviation Services
780 S. Airport Blvd.
San Francisco, CA 94128
Certified mail # 9589 0710 5270 2373 3686 09

Re: ***Jovesa Naqarase v. Hallmark Aviation Services, L.P., Hallmark Aviation Services, L.P, Hallmark Aviation Services – Compliance Letter of California Labor Code § 2698 – Private Attorneys General Act***

Dear Sir or Madam:

This office represents Jovesa Naqarase ("Plaintiff"), a California employee of Hallmark Aviation Services, L.P., Hallmark Aviation Services, L.P., Hallmark Aviation Services ("Defendants"). The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.*

Our client worked for Defendant in Northern California. Herein we set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to our client and other of its California non-exempt employees.

Plaintiff began working for Defendants on or about February 18, 2020. While working for Defendant as a Customer Service Agent/ Acting Supervisor/Acting Business Manager, Plaintiff was earning ($24.00) dollars per hour.

Plaintiff and Defendant's California employees were routinely unable, and not authorized to take their 10-minute rest periods and were also unable to take an uninterrupted 30-minute meal break for every shift they worked. Specifically, Plaintiff and Defendant's California employees were forced to continue working through their meal and rest breaks in order to assist Defendant's needs. Because of this, Plaintiff and Defendant's California employees were unable to take their required meal and rest breaks. Moreover, Defendants failed to pay premium wages of one hour's pay for each missed meal and rest break to Plaintiff and Defendant's California employees who were denied timely meal and rest breaks, in violation of Labor Code §§ 226.7, 512, and 558, and IWC Order No. 5-2001, Section 12.

Plaintiff and Defendant's California employees were required to work off the clock for Defendant. Plaintiff and Defendant's California employees were required to work on the weekend such as submitting timesheets. It took Plaintiff on the average of 2-3 hours to complete these tasks. Moreover, Defendants routinely made Plaintiff and its California employees wait in line for the time clocks to become available. The time spent waiting in line took Plaintiff on the average of 5-7 minutes to complete. Plaintiff and Defendant's California employees were asked to perform tasks prior to clocking in, without being compensated for it. It took Plaintiff on the average of 2-3 hours to complete these tasks. Plaintiff and Defendant's California employees were instructed to work approximately 1 hour after they had clocked out to finish their assignments. Plaintiff and Defendant's California employees were also required to use their personal cell phone for work-related activities while off the clock, such as texting/calling supervisor/boss, texting/calling co-workers day to day operations, without being compensated for it. It took Plaintiff on the average of 3 hours per day to complete these tasks. Defendant did not compensate Plaintiff and Defendant's California employees if these tasks were completed outside of his regular work hours. These excess hours were not recorded on our client's and Defendant's California employees wage statements. Plaintiff and Defendant's California employees should have been compensated for that time, but he was not in violation of Labor Code Sections 510, 1194, and 1194.2. As a result, Plaintiff and

Defendant's California employees were not paid for all hours worked including all straight time wages, and overtime wages. These failures to pay wages constitute violations of Labor Code § 510 and 1194.

Plaintiff also claims that Defendant has failed to pay all overtime wages due to non-exempt employees. As a result, employees are not properly compensated for work performance in excess of eight (8) hours in a workday and work performed in excess of forty (40) hours in a workweek at a rate of no less than one and one-half times the regular rate of pay. Employees of Defendant regularly work in excess of eight (8) hours in a day or more than forty (40) hours per week and do not receive overtime compensation at a rate of one and one half of their regular rate. Plaintiff and Defendant's California employees were forced to work overtime and were not paid for all hours worked including all straight time wages, and overtime wages. These failures to pay all overtime wages constitute violations of Labor Code §§ 510, 1194, 1194.2.

Defendants failed to issue Plaintiff and Defendant's California employees accurately itemized wage statements. As Defendants failed to compensate Plaintiff and Defendants' California employees with all wages due, as detailed above, their wage statements failed to accurately state all gross wages earned, in violation of Labor Code § 226(a)(1), total hours worked, in violation of Labor Code § 226(a)(2), and net wages earned, in violation of Labor Code § 226(a)(5). Plaintiff and the California employees wage statements' failed to accurately state the name and address of the legal entity that is the employer in violation of Labor Code § 226(a)(8), and all applicable hourly rates during the pay period and the corresponding number of hours worked, in violation of Labor Code § 226(a)(9), as a result of Defendants' failure to pay all overtime wages due. These violations also violate Labor Code §§ 226(e) and 226.3 with respect to Plaintiff and Defendants' California employees.

Defendants knowingly and intentionally failed to provide Plaintiff and Defendant's California employees timely, accurate, itemized wage statements in accordance with Labor Code § 226 and keep accurate records as required by §1174(d). The statements provided to Plaintiff and Defendant's California employees, and the records maintained by Defendants, have not accurately reflected actual gross wages earned, including pay for all hours worked, overtime, and meal/rest premiums, and total hour worked.

Our client further alleges that Defendants paid her and Defendant's California employees their final wages beyond the time frames set forth in Labor Code §§ 201 and 202. As they were not paid all wages due and owing throughout the course of their employment as a result of Defendants' failure to pay all premium wages as detailed above, at the time of their separation, they were not paid all final wages due and owing for the entirety of their employment. This violates Labor Code §§ 201-203.

Defendant pays Plaintiff and it's California employees on a bi-weekly basis and has failed to comply with Labor Code § 204(a) which holds that wages earned on a bi-weekly basis must be paid no later than seven calendar days following the close of the payroll period. Due to the violations described above, Plaintiff and Defendant's California employees did not receive all of their wages earned in a timely manner as required by Labor Code § 204(a)(b) and 201.3.

Defendant failed to reimburse Plaintiff and Defendant's California employees for the tools and equipment they purchased to use at work such as personal computer, printer, table cover, pens, stationary, ink, and paper. Moreover, Defendant failed to reimburse Plaintiff and Defendant's California employees for their uniform maintenance. Defendant further failed to reimburse its California employees for using their personal cell phones and home internet for the benefit of Defendant. Labor Code section 2802 provides that "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." As such, Plaintiff and Defendant's California employees have incurred reasonable and necessary expenses in the course of their job duties, which were not reimbursed by Defendant, in violation of Labor Code § 2802.

Defendant has violated Labor Code § 212(a)(2) because they issued Plaintiff and Defendant's California employees wages with a gift card. Therefore, Plaintiff was not paid all wages due in violation of Labor Code § 212(a)(2). As a result, Defendant is liable for civil penalties pursuant to Labor Code § 212(a)(2). Defendant has violated Labor Code § 213 because it required Plaintiff and Defendant's California employees to receive wages through a gift card. Defendant only paid wages by gift card. As a result, Defendant is liable for civil penalties pursuant to Labor Code § 213.

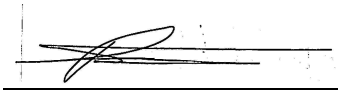
Defendants failed to pay all wages earned to Plaintiff and Defendant's California employees as a result of the unlawful employment policies and practices herein. As a result of these practices, Plaintiff and Defendant's California employees were underpaid for hours worked, including overtime and penalty wages, and this underpayment resulted in a failure to pay all wages owed twice per month. Due to this failure, Defendants are liable under Labor Code § 210 for failure to pay wages as required by law.

We invite Defendants or its attorney(s) to contact our office to discuss this matter, including whether an early resolution of the claims can be reached.

Our office awaits your response.

Very truly yours,

OTKUPMAN LAW FIRM



ROMAN OTKUPMAN

EXHIBIT 3

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Attorney for Plaintiffs and Aggrieved Employees

[Defendant's Counsel Listed Below]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

Jeffrey Macias, an individual, **Jovesa Naqarase,** an individual, on behalf of themselves and all others similarly situated, and on behalf of the general public,

Plaintiffs,

vs.

Hallmark Aviation Services, L.P., a California Limited Partnership; and **Does 1-10**, inclusive;

Defendants.

CASE NO. 25STCV12975

[Assigned for all purposes to the Hon. William F. Highberger, Dept. 10]

PAGA SETTLEMENT AGREEMENT

Case Filed: May 1, 2025
Trial Date: None Set

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Attorneys for Defendant
Hallmark Aviation Services, L.P.

King & Siegel LLP

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PAGA SETTLEMENT AGREEMENT

This Stipulation of Settlement and Release of PAGA Representative Action ("Agreement" or "Settlement Agreement" or "Stipulation") is made and entered into by and between Jeffrey Macias and Jovesa Naqarase (collectively "Plaintiffs"), and Hallmark Aviation Services, L.P. ("Defendant"). Plaintiffs and Defendant collectively shall be referred to as the "Parties".

This Agreement is subject to the approval of the Court pursuant to Cal. Lab. Code § 2699(l)(2) and is made for the purpose of settlement of the lawsuit entitled *Macias, et al. v. Hallmark Aviation Services, L.P.,* Los Angeles Superior Court Case No. 25STCV12975 (the "Lawsuit") on the following terms and conditions:

RECITALS

1. On February 24, 2025, Plaintiffs Jeffrey Macias and Jovesa Naqarase sent PAGA letters to the LWDA regarding alleged violations of the Labor Code. On May 1, 2025, Plaintiffs initiated the Lawsuit by filing a Complaint in Los Angeles County Superior Court, alleging causes of action for individual wage-and-hour claims, class action claims, and PAGA representative claims premised on their February 24, 2025, PAGA letters. Plaintiffs' Class and Representative Action Complaint alleged violations of failing to provide meal periods (Lab. Code §§ 226.7(b), 512, and 558); failing to provide rest periods (Lab. Code §§ 226.7(b), 512, and 558); failing to pay all wages (Lab. Code §§ 510, 1194, and 1194.2); failing to comply with itemized employee wage statement provisions (Lab. Code §§ 226(a) and 226(e)); failing to timely pay wages due at termination (Lab. Code §§ 201-203); failing to timely wages when due (Lab. Code §§ 204(a)(b), 212(a)(2), and 213); failing to reimburse business expenses (Lab. Code § 2802); failing to pay for all hours worked, including overtime hours (Lab. Code §§ 210 and 218); unfair competition (Bus. & Prof. Code §§ 17200, *et seq*.). Plaintiffs' Class and Representative Action Complaint also sought PAGA penalties pursuant to Lab. Code §§ 2699(f) for the above-listed Lab. Code violations.

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2. On or about October 22, 2025, the Parties stipulated to arbitrate Plaintiffs' individual claims, dismiss class action claims, and stay representative PAGA claims pending arbitration.

3. On or about March 6, 2026, Plaintiff Naqarase filed a demand for arbitration with the American Arbitration Association against Defendant asserting the individual wage and hour claims encompassed within the Lawsuit, which was designated as American Arbitration Association Case No. Case 01-26-0001-1347 (the "Naqarase Arbitration"). On or about March 6, 2026, Plaintiff Macias filed a demand for arbitration with the American Arbitration Association against Defendant asserting the individual wage and hour claims encompassed within the Lawsuit, which was designated as American Arbitration Association Case No. Case 01-26-0001-1343 (the "Macias Arbitration").

4. Defendant denies all of the allegations in the Lawsuit, including the putative class claims, the individual claims and the PAGA representative claims encompassed therein, and denies that it or any Released Parties committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind.

5. In the interest of avoiding further litigation, the Parties desire to fully and finally settle all PAGA claims asserted in the LWDA Notice Letters and that were asserted or could have been asserted in the Lawsuit.

6. This Settlement Agreement is subject to the terms and conditions hereof, as well as the Court's approval. The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising disputed claims and that nothing herein is an admission of any liability or wrongdoing by Defendant. If, for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

7. On March 19, 2026, the Parties participated in a mediation with Allison Eckstrom, Esq., a mediator in the field of employment law and wage-and-hour class actions (the "Mediator"). With the assistance of the Mediator, the Parties were able to reach a settlement.

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8. The settlement discussions before, during, and after mediation were conducted at arm's length and the settlement of the Lawsuit is the result of an informed and detailed analysis of the risks associated with continued litigation.

9. Prior to mediation, Plaintiffs obtained, through formal and informal discovery, a large volume of payroll and timekeeping data as well as information about Defendant's written policies and practices.

10. The Parties acknowledge that a prior representative action, *Mirian Martinez v. Hallmark Aviation Services, L.P.*, Los Angeles County Superior Court Case No. 24STCV13453 ("*Martinez* Action"), asserted overlapping claims under the Private Attorneys General Act ("PAGA") on behalf of the State of California and aggrieved employees of Defendant. In the *Martinez* Action, the plaintiff alleged substantially similar wage-and-hour violations, including alleged failures to provide compliant meal periods and rest periods, failure to pay all wages owed (including minimum and overtime wages), failure to provide accurate itemized wage statements, failure to timely pay wages due upon separation of employment, and failure to reimburse necessary business expenses, among other alleged violations of the California Labor Code.

11. The *Martinez* Action was resolved on a representative basis through a court-approved PAGA settlement providing for a gross settlement amount of $473,000 allocated to civil penalties pursuant to Labor Code § 2699(i), with the PAGA period defined as March 21, 2023 through March 11, 2025, the date the Court entered its Order Granting Approval of PAGA Settlement and Judgment. Accordingly, to the extent the time period covered by the present Settlement overlaps with the PAGA period resolved in the *Martinez* Action, the Parties acknowledge that certain civil penalty claims arising during the overlapping time frame were previously released on a representative basis, and the allocation of penalties reflected in this Settlement takes into account the prior resolution and is intended to avoid any duplication of recovery for the same alleged violations.

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DEFINITIONS

12. The following terms, when used in this Settlement Agreement, shall have the following meanings:

(a) "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with approval of this Settlement.

(b) "Aggrieved Employees" means all persons employed by Defendant as an hourly-paid or non-exempt employee in California at any time during the PAGA Release Period.

(c) "Aggrieved Employee Data" shall mean Aggrieved Employee identifying information in Defendant's possession including Aggrieved Employee's names, last-known mailing addresses, Social Security number, and total number of PAGA Pay Periods worked by each Aggrieved Employee.

(d) "Aggrieved Employee Address Search" means the Administrator's investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.

(e) "Court" means the Superior Court of California, County of Los Angeles.

(f) "Defense Counsel" means José-Manuel A. de Castro, David G. Larmore, and Lori V. Minassian of the law firm De Castro Law Group, P.C. located at 7590 N. Glenoaks Blvd., Suite 201, Los Angeles, California 91504.

(g) "Effective Date" means the date by when all of the following events have occurred: (i) this Settlement Agreement has been executed by Plaintiff and Defendants; and (ii) the Court has entered an order granting approval to the Settlement and final judgment in the Lawsuit.

(h) "Eligible Pay Period" means any pay period worked by an Aggrieved Employee in the PAGA Release Period.

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(i) "Gross Settlement Amount" means Two Hundred and Eighty-Five Thousand Dollars and Zero Cents ($285,000) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 14 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment (otherwise known as Attorney's Fees and Cost), and the Administrator's Expenses Payment.

(j) "LWDA" means the California Labor and Workforce Development Agency.

(k) "PAGA Counsel Fees Payment" and "PAGA Counsel Litigation Expenses Payment" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

(l) "PAGA Release Period" means the period from March 12, 2025 through the date that the above-titled Court enters an Order granting approval of this Settlement, unless modified at the election of Defendant pursuant to section 14 hereof.

(m) "PAGA Released Claims" shall mean all claims for civil penalties under the Private Attorneys General Act that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaint or the PAGA Notice Letters.

(n) "PAGA Settlement" or "Settlement" means the settlement of the Lawsuit as memorialized in this Agreement.

(o) "Plaintiff's Counsel" means Roman Otkupman and Nidah Farishta of Otkupman Law Firm, and Elliot J. Siegel and Melissa R. Rinehart of King & Siegel LLP.

(p) "Released Parties" shall mean Defendant Integrated Demolition and Remediation Incorporated, their former and present officers, directors, employees, shareholders, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates, and agents.

(q) "Settlement Administrator" means CPT Group, Inc.

(r) "Notice" means the Notice of PAGA Payment, substantially in the form attached as **Exhibit A**.

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(s) "Order and Judgment" means the Court order granting approval of the Settlement.

TERMS OF AGREEMENT

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

13. Gross Settlement Amount. In consideration for the covenants, promises, waivers, and releases contained in this Agreement, and subject to Court approval, Defendant shall pay the sum of $285,00.00 in full and final settlement of the PAGA claims that were and reasonably could have been alleged based on the facts asserted in the Lawsuit. The Gross Settlement Amount is non-reversionary. The Gross Settlement Amount shall be tendered, in full, to the Settlement Administrator no later than thirty (30) calendar days after the Effective Date.

14. Attorney's Fees and Costs. Subject to Court approval, Defendant will not oppose Plaintiff's Counsel's request for fees up to one-third (1/3) of the Gross Settlement Amount, and for costs not to exceed $30,000, to be paid out of the Gross Settlement Amount ("Attorney's Fees and Costs"). Should the Court reduce Plaintiff's Counsel's attorney's fees and/or costs, any such reduction shall revert to the Net Settlement Amount distributed to Aggrieved Employees. For the avoidance of doubt, if the Escalator Clause is triggered and the Gross Settlement Amount increases, Class Counsel shall have the right to seek attorney's fees up to one-third of the increased Gross Settlement Amount, paid from the increased Gross Settlement Amount. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

15. Escalator Clause. Defendant has represented that there were approximately 29,000 pay periods worked by Aggrieved Employees during the PAGA Release Period, through the date of the mediation in this matter. Plaintiff has relied upon this material

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representation in entering into this Settlement. Should the number of pay periods worked by Aggrieved Employees during the PAGA Release Period exceed 29,000 by more than 10% (*i.e.* exceed 31,900), then, at Defendant's election, either (a)the Gross Settlement Amount shall increase by 1% for each percentage increase over that 10% threshold (for example, if the number of pay periods is 11% higher than 29,000, the Gross Settlement Amount will be increased by 1%), or (b) the PAGA Release Period shall be modified to end on a date as of which the number of pay periods worked by Aggrieved Employees during the PAGA Release Period does not exceed 30,450. Defendant shall notify Plaintiff of any election to modify the PAGA Release Period pursuant to this Section 14 no later than thirty (30) calendar days before the date of the hearing on a motion for Court approval of this settlement.

16. Plaintiff's Incentive Award. Defendant agrees not to oppose an application or motion for a PAGA Representative Enhancement Payment of $10,000 to Plaintiff Jeffrey Macias and $10,000 to Plaintiff Jovesa Naqarase subject to the Court's approval. The PAGA Representative Enhancement Payments, which will be paid from the Gross Settlement Amount, is in addition to the payment to which Plaintiffs are entitled as Aggrieved Employees. The Settlement Administrator will issue an IRS Form 1099 for the enhancement payment to Plaintiffs, and Plaintiffs shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amount received. Should the Court reduce the PAGA Representative Enhancement Payments, any such reduction shall revert to the Net Settlement Amount distributed to Aggrieved Employees.

17. Settlement Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount, which is capped at no more than $15,000.00. Any unused amounts will revert to the Gross Settlement Amount.

18. Net Settlement Amount. "Net Settlement Amount" shall mean the Gross Settlement Amount *minus* Settlement Administration Costs, Attorney's Fees and Costs, and the PAGA Representative Enhancement Payments. The Net Settlement Amount shall be

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allocated for payment of PAGA civil penalties as follows: (i) 65% of the Net Settlement Amount shall be distributed to the LWDA; and (ii) 35% of the Net Settlement Amount shall be distributed to the Aggrieved Employees, as set forth in the version of Labor Code section 2699(i) effective as of the date of filing of the Lawsuit.

19. Non-Admission of Liability, Wrongdoing, or Standing. This Agreement shall not in any way be construed as an admission by Defendant and/or any of the Released Parties that they acted wrongfully with respect to Plaintiffs or any other allegedly Aggrieved Employee. Defendant specifically disclaim any liability to or wrongful acts against Plaintiffs, on the part of themselves, and/or any respective parents, subsidiaries, affiliates, predecessors, successors, officers, directors, employees, or agents. Defendant deny that there is any factual evidence or legal basis to support any claims or Labor Code violations that Plaintiffs allege on behalf of alleged Aggrieved Employees, or by Plaintiffs on their own behalf.

20. Release by Aggrieved Employees and the LWDA. All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, the Released Parties from all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the PAGA Period and the PAGA Notices.

21. PAGA Settlement Distribution Method. The PAGA Settlement Administrator shall process and distribute the Gross and Net Settlement Amounts in accordance with this Agreement.

a. The Net Settlement Amount shall be available for distribution to the Aggrieved Employees and the LWDA consistent with Labor Code section 2699(i) and shall be allocated as follows: 65% to the LWDA ("LWDA Payment") and 35% to the Aggrieved Employees ("Aggrieved Employees Payment"). Each Aggrieved Employee will receive a pro rata share of the Aggrieved Employees Payment based on their Eligible Pay Periods relative to the total Eligible Pay

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Periods of all Aggrieved Employees ("Individual Aggrieved Employee Payment"). The Settlement Administrator will calculate each Aggrieved Employee's pro rata share of the Aggrieved Employees Payment.

b. After ten (10) calendar days from the entry of a Court's Order and Judgment approving the Settlement, Defendant will send to the Settlement Administrator the Aggrieved Employee Data. This information shall be treated as and remain confidential by the Settlement Administrator and shall be used solely to manage the notice and payment process described herein, shall not be disclosed to Plaintiff's Counsel or to anyone other than the necessary staff of the Settlement Administrator who need access to the Aggrieved Employee Data to effect and perform under this Agreement.

c. Within thirty (30) calendar days after receipt of the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, Plaintiffs' Enhancement Award, PAGA Counsel Fees Payment, and PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

d. The distribution to the Aggrieved Employees will be accompanied by a notice ("PAGA Notice") approved by the Court (in substantially the form attached as **Exhibit A**) along with the Individual Aggrieved Employee Payment to the individuals identified in the Aggrieved Employee Data. For any mailings returned as undeliverable or notifying the Settlement Administrator that the Aggrieved Employee is no longer at the address provided in the Aggrieved Employee Data, the PAGA Settlement Administrator shall perform a skip-trace on that individual using the National Change of Address database and other source(s) as necessary and will have fourteen (14) calendar days to re-mail the Notice and payment to the new address found in the skip-trace.

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e. The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. Aggrieved Employees shall have one-hundred and eighty (180) calendar days to cash their Individual Aggrieved Employee Payment checks under this Agreement. Any checks not deposited or cashed within the one-hundred and eighty (180) days will be voided and will not be reissued. Any funds from voided checks to Aggrieved Employees will be sent by the Settlement Administrator to the State of California Unclaimed Property Fund through the State Controller's Office in the name of the Aggrieved Employee within thirty (30) calendar days after the check-cashing deadline prescribed herein.

f. Because the Individual Aggrieved Employee Payments are in compromise and settlement of claims for civil penalties, the entirety of these payments will be treated as non-wage income that is not subject to any withholdings or deductions. The PAGA Representative Enhancement Payment to Plaintiff is not wages, will not be subject to deductions or withholdings, and will be reported as 1099 income. The Settlement Administrator shall be responsible, to the extent necessary based on the amount of a payment, for all tax reporting and documentation related to the Aggrieved Employee Payments, as well as all other payments made under the Agreement. Plaintiffs and Plaintiffs' Counsel each agree to hold Defendant and the Released Parties harmless from and against any damage or penalty incurred upon Defendants as a consequence of any tax being due and unpaid on any portions of the Gross Settlement Amount. Plaintiffs, Plaintiffs' Counsel, Defendant, and Defendant's Counsel shall not bear any responsibility for errors or omissions in the calculation or distribution of the settlement payments or development of the list of recipients

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of settlement payments or any increase in the fees of the Settlement Administrator that may result from such errors or omissions. Defendant nor their counsel shall have any liability for any tax implications related to the receipt of settlement funds herein, including by the settlement administrator. Any and all such liability and/or obligations shall be borne solely by the recipients of any funds to be paid by Defendant herein, except that in no case shall any PAGA Member be required to pay, reimburse, or indemnify Defendant for any amounts characterized or recharacterized as employer-side tax liabilities. The Parties acknowledge neither Defendant" Counsel nor Plaintiffs' Counsel have provided any tax-related advice whatsoever.

g. The Individual Aggrieved Employee Payment will be accompanied by a Notice informing Aggrieved Employee why they are receiving payment substantially in the form of **Exhibit A**.

h. Upon completion of administration of the Settlement, the Settlement Administrator will provide written certification of such completion to the Court and counsel for the Parties that shall be filed with the Court five (5) court days before the non-appearance compliance hearing to be set by the Court.

22. Plaintiffs' Release and Obligations.

a. Upon full funding of the Gross Settlement Amount, in exchange for the Individual Settlement Payment referenced above, and in addition to Plaintiffs' Release of the PAGA Released Claims, each Plaintiff (Jeffrey Macias and Jovesa Naqarase) releases, and forever discharges the Released Parties from any and all claims of every kind, which Plaintiffs may have that exist against the Released Parties including, but not limited to: (a) any and all claims under Title VII of the Civil Rights Act of 1964, as amended ("Title VII"), the Americans with Disabilities Act ("ADA"), the Employee Retirement Income Security Act, as amended ("ERISA"), the Family and Medical Leave Act ("FMLA"), the Fair Labor Standards Act ("FLSA"), the Equal Pay Act, the Civil

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Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act ("FCRA"), the Worker Adjustment and Retraining Notification Act ("WARN Act"), the National Labor Relations act ("NLRA"), the Uniform Services Employment and Reemployment Rights Act ("USERRA"), the Genetic Information Nondiscrimination Act ("GINA"), the Immigration Reform and Control Act ("IRCA"), the Fair Employment and Housing Act ("FEHA"), the California Constitution, the California Family Rights Act ("CFRA"), the California Labor Code and applicable Wage Order(s), the Unfair Competition Law, all as amended by their respective implementing regulations, and any other federal, state or local law, statutory, regulatory, or otherwise, that may be legally waived and released; however the identification of specific statutes or law shall not limit the scope of this general release in any manner; and (b) any and all claims for backpay, regular pay, minimum wages, premium pay, overtime pay, other wages, expenses, penalties, failure to provide meal and/or rest periods, failure to reimburse business expenses, compensatory damages, special damages, interest, commissions, bonuses, sick leave, holiday pay, vacation pay, restitution, tort claims, contract claims, equitable claims, hostile work environment claims, workplace harassment claims, wrongful termination claims, discrimination claims, public policy claims, retaliation claims, whistleblower retaliation claims, failure to provide reasonable accommodation claims, failure to engage in the interactive process claims, failure to prevent discrimination claims, failure to prevent retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and/or attorneys' fees and costs either individually or as part of a class action, collective action, and/or representative action (collectively, "Plaintiffs' Individual Released Claims").

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b. Upon Court approval of this Settlement and entry of final judgement in the Lawsuit pursuant thereto, Plaintiffs shall promptly request and take all steps necessary to secure dismissal of the Naqarase Arbitration and the Macias Arbitration.

23. Plaintiffs hereby acknowledge that they may hereafter discover facts different from, or in addition to, those which they now claims or believe to be true with respect to the Released Lawsuits. Plaintiffs hereby acknowledge that they are knowingly and voluntarily waiving said rights under Section 1542 of the California Civil Code to the full extent that they may lawfully waive all such rights and benefits pertaining to the subject matter of this Agreement, and that the consequences of such waiver have been explained by their counsel and/or advisors. Plaintiffs hereby acknowledge that they are familiar with California Civil Code section 1542, which provides:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Notwithstanding the provisions set forth herein, and for the purpose of implementing a full and complete release, Plaintiffs expressly acknowledges] that this Agreement is intended to include and does include its effect without limitation all claims which Plaintiffs do not know or suspect to exist in their favor against the Released Parties, and that this Agreement contemplates extinguishment of any such claim or claims.

24. Impact of Non-Approval by the Court. Should the Court deny approval of this Agreement, the Parties shall work jointly to make reasonable efforts to attempt to address the Court's concerns in order to obtain the Court's approval, except that Defendant will not be required under any circumstances to increase the Gross Settlement Amount. If the Parties cannot obtain Court approval, the Parties shall be restored to their respective litigation positions before they entered into this Agreement.

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25. Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of California. Pursuant to California Code of Civil Procedure section 664.6, the Superior Court of Los Angeles County shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith. If either Party believes that a dispute exists arising out of or relating to this Agreement, it shall notify the other Party in writing. The Parties shall thereafter meet and confer in good faith for at least thirty (30) calendar days in an effort to resolve the dispute before initiating any proceedings. Each Party shall bear its own attorney's fees and costs in such proceedings. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

26. Judgment in this Lawsuit. Within thirty (30) calendar days after the Parties execute this Agreement, Plaintiffs' Counsel shall prepare, file, and serve a motion for approval of this Agreement pursuant to California Labor Code § 2699(l)(2), advocating that the terms of the Settlement are fair, adequate, and reasonable, and Defendant shall not oppose such a motion provided that it is consistent with the terms of this Agreement. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Lawsuit, and the Settlement 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 this Agreement or by law.

27. No Admission of Wrongdoing. Except for the purposes of effectuating and enforcing the terms of this Agreement which include barring claims that are released pursuant to this Agreement, neither this Agreement nor any of its terms nor the settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant and/or any of the Released Parties, including but not limited to, evidence of any violation of the Labor Code, presumption, concession, indication, or admission by any of the Released Parties of any liability, fault,

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wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against Defendants and/or any of the Released Parties in any other civil, criminal, or administrative action or proceeding.

28. Knowing and Voluntary Agreement. Each Party has carefully read, knows, and understands the full contents of this Agreement and is voluntarily entering into this Agreement after having received independent legal advice from his or its attorneys with respect to the advisability of making the settlement provided for herein and the advisability of executing this Agreement.

29. Joint Drafting. Each of the Parties has participated in the drafting of all provisions of this Agreement, has had an adequate opportunity to read, review, and consider the effect of the language of this Agreement, and has agreed to its terms. This Agreement will no be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

30. Counterparts. This Agreement may be signed in counterparts. Fax, scan, and/or electronic copies of signatures shall be deemed effective as originals.

31. Entire Agreement. This Agreement and the Individual Settlement Agreement set forth the entire agreement between the Parties hereto and fully supersedes any and all prior and/or supplemental understandings, whether written or oral, between the Parties concerning the subject matter of this Agreement. Any modification to this Agreement must be in writing and signed by Plaintiff and Plaintiff's Counsel and Defendants and Defendants' counsel.

32. Waiver of right to appeal. In the event that the Court reduces or does not approve the requested PAGA Representative Enhancement Payment, Plaintiff shall not terminate this Settlement or appeal any judgment or order on that basis; and/or (ii) in the event that the Court reduces or does not approve Plaintiff's Counsel's requested fee award and costs, Plaintiff and Plaintiff's counsel shall not terminate this Settlement and shall not appeal any judgment or order on that basis. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel waive all rights

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to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

33. Cooperation. All Parties will cooperate in good faith and apply their best efforts to implement this Settlement by, among other things, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement, submitting supplemental evidence and/or supplemental points and authorities if requested by the Court, or making changes to the Settlement if requested by the Court that do not materially affect the essential settlement terms.

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

35. 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.

36. Integration. 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.

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

38. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.

39. 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.

40. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

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Doc ID: 090739fefa0a88462d15f043a97df8fecbe392c6

To Plaintiffs:

Elliot J. Siegel
elliot@kingsiegel.com
Melissa R. Rinehart
melissa@kingsiegel.com
KING & SIEGEL LLP
724 S. Spring Street, Suite 201
Los Angeles, California 90014
Tel: (213) 465-4802
fax: (213) 465-4803

Roman Otkupman
Roman@OLFLA.com
Nidah Farishta
Nidah@OLFLA.com
OTKUPMAN LAW FIRM, A LAW CORPORATION
5743 Corsa Ave., Suite 123,
Westlake Village, CA 91362
Telephone: (818) 293-5623
Facsimile: (888) 850-1310

To Defendant:

José-Manuel A. de Castro
jmdecastro@decastrolawgroup.com
Telephone: (310) 270-9877
David G. Larmore
dlarmore@decastrolawgroup.com
Telephone: (310) 270-9826
Lori V. Minassian
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DE CASTRO LAW GROUP, P.C.
7590 N. Glenoaks Blvd., Suite 201
Los Angeles, California 91504

King & Siegel LLP

Doc ID: 090739fefa0a88462d15f043a97df8fecbe392c6

IN WITNESS WHEREOF, the Parties knowingly and voluntarily executed this Joint Stipulation of Settlement of PAGA Representative Action as of the date set forth below.

DATED: 07 / 13 / 2026

By: _____
JEFFERY MACIAS
Individually and on behalf of the Aggrieved Employees and State of California

DATED: _____

By: _____
JOVESA NAQARASE
Individually and on behalf of the Aggrieved Employees and State of California

DATED: 7/17/2026

By: _____
Title: _____
On behalf of Defendant HALLMARK AVIATION SERVICES, L.P.

King & Siegel LLP

Doc ID: 090739fefa0a88462d15f043a97df8fecbe392c6

IN WITNESS WHEREOF, the Parties knowingly and voluntarily executed this Joint Stipulation of Settlement of PAGA Representative Action as of the date set forth below.

DATED: _____

By: _____
JEFFERY MACIAS
Individually and on behalf of the Aggrieved Employees and State of California

DATED: 07 / 13 / 2026

By: _____
JOVESA NAQARASE
Individually and on behalf of the Aggrieved Employees and State of California

DATED: 7/17/2026

By: _____
Title: President
On behalf of Defendant HALLMARK AVIATION SERVICES, L.P.

King & Siegel LLP

Doc ID: 2608689b6769da4b26eab8ddf938c51618f36b2d

EXHIBIT 4

Outlook

Thank you for your Other Response or Document Submission

From DIR PAGA Unit <no-reply@formassembly.com>
Date Thu 2026-08-27 13:07
To Bella Viramontes <bella@olfla.com>

08/27/2026 01:06:43 PM

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

Item submitted: Other Response or Document Submission
If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Outlook

Thank you for your Other Response or Document Submission

From DIR PAGA Unit <no-reply@formassembly.com>
Date Fri 2026-10-23 15:18
To Bella Viramontes <bella@olfla.com>

10/23/2026 03:17:46 PM

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

Item submitted: Other Response or Document Submission
If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT 5

Roman Otkupman, CSBN 249423
Roman@OLFLA.com
Nidah Farishta, CSBN 312360
Nidah@OLFLA.com
OTKUPMAN LAW FIRM, A LAW CORPORATION
5743 Corsa Ave., Suite 123
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Telephone: (818) 293-5623
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Elliot J. Siegel (Bar No. 286798)
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Melissa R. Rinehart (Bar No. 331315)
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KING & SIEGEL LLP
724 S. Spring Street, Suite 201
Los Angeles, California 90014
Tel: (213) 465-4802
fax: (213) 465-4803

Attorneys for Plaintiffs and Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

JEFFREY MACIAS, an individual, JOVESA NAQARASE, an individual. on behalf of themselves and all others similarly situated, the general public,

Plaintiffs,

vs.

HALLMARK AVIATION SERVICES, L.P., a California Limited Partnership, and DOES 1 through 10, inclusive,

Defendants.

Case No. 25STCV12975

NOTICE OF HEARING ON PLAINTIFFS' MOTION FOR APPROVAL OF PAGA SETTLEMENT

Date: November 20, 2026
Time: 1:30 p.m.
Dept.: 10
Judge: Hon. William F. Highberger

PLEASE TAKE NOTICE that Plaintiffs' Motion for Approval of PAGA Settlement will be heard on November 20, 2026 at 1:30 p.m. in Department 10 of the Los Angeles County Superior Court Spring Street Courthouse.

DATED: October 23, 2026

OTKUPMAN LAW FIRM,
A Law Corporation

By: 

Roman Otkupman
Nidah Farishta
Attorneys for Plaintiffs and Aggrieved Employees

Outlook

Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>
Date Fri 2026-10-23 14:25
To Bella Viramontes <bella@olfla.com>

10/23/2026 02:25:09 PM

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

Item submitted: Proposed Settlement

On 10/23/2026 02:25:09 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1082073-25

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

Outlook

Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>
Date Fri 2026-10-23 14:29
To Bella Viramontes <bella@olfla.com>

10/23/2026 02:29:35 PM

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

Item submitted: Proposed Settlement

On 10/23/2026 02:29:35 PM your Proposed Settlement was successfully processed for case number LWDA-CM-1082061-25

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

EXHIBIT 6

Summary Report

Time - Jeffrey Macias and Jovesa Naqarase

Print - Close Window

Year	Month	Project	Rate	Hours	Amount
2025	Jan	Roman Otkupman	$950.00	5.50	$5,225.00
Total for January 2025				5.50	$5,225.00
2025	Feb	Roman Otkupman	$950.00	10.30	$9,785.00
Total for February 2025				10.30	$9,785.00
2025	Mar	Nidah Farishta	$600.00	1.40	$840.00
Total for March 2025				1.40	$840.00
2025	Apr	Nidah Farishta	$600.00	2.20	$1,320.00
2025	Apr	Roman Otkupman	$950.00	5.30	$5,035.00
Total for April 2025				7.50	$6,355.00
2025	May	Nidah Farishta	$600.00	0.60	$360.00
2025	May	Roman Otkupman	$950.00	3.20	$3,040.00
Total for May 2025				3.80	$3,400.00
2025	Jun	Nidah Farishta	$600.00	0.40	$240.00
2025	Jun	Roman Otkupman	$950.00	0.80	$760.00
Total for June 2025				1.20	$1,000.00
2025	Jul	Nidah Farishta	$600.00	0.30	$180.00
Total for July 2025				0.30	$180.00
2025	Aug	Nidah Farishta	$600.00	0.20	$120.00
Total for August 2025				0.20	$120.00
2025	Oct	Nidah Farishta	$600.00	0.20	$120.00
2025	Oct	Roman Otkupman	$950.00	0.30	$285.00
Total for October 2025				0.50	$405.00
2025	Dec	Roman Otkupman	$950.00	0.20	$190.00
Total for December 2025				0.20	$190.00
Grand Total for 2025				30.90	$27,500.00
2026	Jan	Nidah Farishta	$600.00	0.20	$120.00
Total for January 2026				0.20	$120.00
2026	Mar	Roman Otkupman	$950.00	27.60	$26,220.00
Total for March 2026				27.60	$26,220.00
2026	Jun	Nidah Farishta	$600.00	0.20	$120.00
Total for June 2026				0.20	$120.00

2026	Oct	Roman Otkupman	$950.00	28.40	$26,980.00
Total for October 2026				28.40	$26,980.00
Grand Total for 2026				56.40	$53,440.00
Grand	Total	Nidah Farishta	$600.00	5.70	$3,420.00
Grand	Total	Roman Otkupman	$950.00	81.60	$77,520.00
Grand Total for All				87.30	$80,940.00

EXHIBIT 7

Jeffrey Macias v. Hallmark Aviation

Counsel's Costs

EXPENSE CATEGORY	**EXPENSE**
Filing Fee	$1,495.30
Service	$138.54
EFiling Fees	$86.34
AAA Payment	$718.20
Mediation	$5,475
LWDA	$150
Mailing	$97.60
Printing	$2.85
Total Expenses	**$8,163.83**

EXHIBIT 8

CASE NAME: MACIAS v HALLMARK AVIATION

Requesting Attorney: Bella Viramontes
Plaintiff or Defense: Plaintiff
Firm Name: Otkupman Law Firm
Telephone: (818) 293-5623
Email: bella@olfla.com

Date: September 24, 2026
Prepared By: Sondra Monroe
50 Corporate Park, Irvine CA 92606
Sondra@CPTGroup.com
Direct Number: (704) 576-7604
Main Number: (800) 542-0900

PROJECT ASSUMPTIONS & ADMINISTRATIVE COSTS

Number of Aggrieved Employees: 1,500
Language Translation Services: No
Settlement Website: No
Payment Option: Check
Undeliverable Check Rate: 10%

Check Reminder Postcard: No
Unclaimed Funds: SCO
Postage Total: $1,335.64
Grand Total: $16,631.39
CPT'S DISCOUNTED FEE: $9,500.00

The services and numbers reflected herein are estimates based on the information provided by counsel at the time of this Bid. If the actual services and numbers are different, our cost estimate will change accordingly. Client expressly acknowledges and agrees that estimated fees and costs may fluctuate and agrees to pay for any such increases to such estimates as if set forth herein.

The attached Terms and Conditions are included as part of and incorporated by reference to our cost proposal. By accepting our cost proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

After receiving the data, CPT will scrub all records to eliminate duplicates and anomalies; this process is designed to achieve a higher success percentage in delivering the distribution proceeds. Each aggrieved employee will receive a unique mailing ID that will be utilized for all administrative purposes. CPT will perform an address update via NCOA and, if necessary, conduct an additional skip trace in order to ensure that mail is delivered to the most current address possible.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	$95.00	7	$665.00
Project Manager: Format Documents	$95.00	1	$95.00
Programming: Data Base Setup	$150.00	7	$1,050.00
National Change of Address Search (NCOA)	$135.00	1	$135.00
XML Lex ID Skip Trace	$0.85	150	$127.50
		Sub Total:	**$2,072.50**

AGGRIEVED EMPLOYEE SUPPORT

CPT will establish a toll-free telephone number equipped with interactive voice response (IVR) capabilities and live customer support representatives. Live support will be available during regular business hours, Monday to Friday, 9:00 AM to 5:30 PM, Pacific Time (PT). The dedicated case phone number shall be operational for a maximum of 120 days following the disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	$150.00	2	$300.00
Live Call Center Support Reps.	$3.00	300	$900.00
		Sub Total:	**$1,200.00**

SSN VERIFICATION

Authenticate Social Security Number for validity using IRS verification processes and/or IRS backup withholding processes.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	$150.00	1	$150.00
Department Manager: Analysis & Reporting	$95.00	3	$285.00
IRS SSN Verification	$0.10	1,500	$150.00
		Sub Total:	**$585.00**

DISTRIBUTION SERVICES

CPT will establish a 26 CFR § 1.468B-1 compliant Qualified Settlement Fund (QSF). Upon approval, CPT will perform the required payment calculations, and once approved by the parties, CPT will print a one-page notice and issue a (MICR) check to all eligible employees. CPT will also issue an IRS Form 1099 when applicable. CPT utilizes the bank's Payee Positive Pay to prevent check fraud and performs monthly account reconciliations for the QSF bank account. Undeliverable checks are skip-traced to obtain a current address and are remailed accordingly. Requests for check reissues will be processed throughout the check-cashing period. CPT's administration of the QSF will continue for a maximum duration of one year following the initial distribution of funds.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	$150.00	3	$450.00
Project Supervisor: Review of Distribution	$150.00	3	$450.00
Project Manager: Correspondence w/Parties	$95.00	2	$190.00
Programming: Setup & Printing of Checks	$150.00	4	$600.00
Obtain EIN, Setup QSF/Bank Account	$150.00	3	$450.00
Print & Mail Notice, Checks & 1099	$2.75	1,500	$4,125.00
First-Class Postage (up to 1 oz.)*	$0.78	1,500	$1,170.00
Project Supervisor: Account Reconciliation	$150.00	6	$900.00
Update Undeliverable Checks Database	$0.50	150	$75.00
Clerical Staff	$60.00	1	$60.00
Skip Trace for Best Address	$1.00	150	$150.00
Remail Undeliverable Checks	$3.00	137	$411.00
First-Class Postage (up to 1 oz.)	$0.78	137	$106.86
Re-Issue Checks as Required	$5.00	60	$300.00
First-Class Postage (up to 1 oz.)	$0.78	60	$46.80
		Sub Total:	**$9,484.66**

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

TAX REPORTING & SETTLEMENT CONCLUSION

CPT prepares annual tax reporting on behalf of the QSF and Federal taxes in accordance with current regulations. All parties will be furnished with weekly and final reports. A declaration attesting to due process will be provided to all parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	$150.00	1	$150.00
Programming: Weekly & Final Reports	$150.00	2	$300.00
Project Supervisor: Final Declaration	$150.00	2	$300.00
Project Manager: Account Files Sent to Atty	$95.00	2	$190.00
Annual Tax Reporting to IRS*	$1,000.00	1	$1,000.00
QSF Annual Tax Reporting	$500.00	1	$500.00
		Sub Total:	**$2,440.00**

*CPT will file Federal taxes in accordance with current regulations.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UPEnterprise Reporting Services	$0.15	315	$47.25
Project Manager: Reporting & Remittance	$95.00	2	$190.00
Project Supervisor: Review of Report	$150.00	1	$150.00
Certified Mail Report to SCO	$11.98	1	$11.98
Add'l Account Recons	$150.00	3	$450.00
		Sub Total:	**$849.23**

Total Administration Costs:	**$16,631.39**
Courtesy Discount:	***-$7,131.39***
CPT'S DISCOUNTED FLAT FEE:	**$9,500.00**

TERMS AND CONDITIONS

These Terms and Conditions ("**Terms and Conditions**") are made a part of, and incorporated by reference into, any Bid presented by CPT Group, Inc. ("**CPT**") to Client. Each of Client and CPT is a "**Party**" to this Agreement, and collectively, the "**Parties**".

1. Definitions.
   a) "**Affiliate**" means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
   b) "**Agreement**" means these Terms and Conditions and the Bid.
   c) "**Applicable Laws**" means all applicable local, state and federal laws, ordinances, rules and regulations.
   d) "**Approved Bank**" means any financial institution that is insured by the Federal Deposit Insurance Corporation.
   e) "**Bid**" means a proposal, statement of work, order form, and/or schedule for Services (including any and all addendums, exhibits, or amendments thereto) provided by CPT to Client.
   f) "**Case**" means the case referred to in the attached Bid and/or the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the caption of the applicable Court Order.
   g) "**Class**" means Members and putative Members collectively.
   h) "**Client**" means the party or parties engaging CPT for Services as set forth in the Bid, namely Plaintiff Counsel and/or Defense Counsel.
   i) "**Confidential Information**" means any non-public information of CPT or Client disclosed by either Party to the other Party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other Party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing Party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
   j) "**Court Order**" means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more Parties To The Case to carry out a legal obligation pursuant to the Case.
   k) "**Defendant**" means the named Party and/or Parties in the Case against whom action is brought.
   l) "**Defense Counsel**" means the attorney(s) of record for the Defendant(s) in the Case.
   m) "**Intellectual Property Right**" means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
   n) "**Member**" means an individual who is eligible under the Case or Class to receive a communication about their pending legal rights under the matter and/or designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons or other parties in the representative action so designated or addressed therein.
   o) "**Member Content**" means all Member written document communications relating to the Case, including claim forms, opt-out forms, and/or objections, which may contain Member Data.
   p) "**Member Data**" means proprietary or personal data regarding Members under this Agreement.
   q) "**Parties To The Case**" shall mean collectively Defendant(s) and Plaintiff(s) as defined in the Settlement Agreement or Court Order.
   r) "**Plaintiff**" means the named party and/or parties in the Case who are bringing the action.
   s) "**Plaintiff Counsel**" means the attorney(s) of record for Plaintiff(s) in the Case, and/or upon certification by the Court the attorney(s) of record designated to represent the Class.
   t) "**Products**" means any and all CPT Services and work product resulting from Services.
   u) "**Qualified Settlement Fund**" or "**QSF**" means a bank account established pursuant to U.S. Department of Treasury Regulations §1468B-1.
   v) "**Service**" means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Members; (ii) setting up a QSF with an Approved Bank; (iii) management of disbursement of funds from the QSF to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
   w) "**Settlement Agreement**" means the contract between Parties To The Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Members.
   x) "**Settlement Amount**" means the total dollar amount agreed to between Parties To The Case to resolve the Case to mutual satisfaction.
   y) "**Software**" means any and all of CPT's software applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
   z) "**Transmission Methods**" means the secure authorized manner to send Member Data and/or Wire Information as specified on a schedule or exhibit hereto.
   aa) "**Term**" means the period commencing on the date set forth on the Bid and continuing until the date of final judgment (if a settlement) or upon completion of all Services as set forth in the Bid.
   bb) "**Wire Information**" means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access and use Member Data for the purposes permitted under this Agreement and shall only transmit Member Data and/or Wire Information to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Member Data provided under this Agreement. Client further warrants that any Member Data, Wire Information, or other content, data, materials, or information it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disenabling codes which could adversely affect Member Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. CPT Obligations. CPT will (i) maintain appropriate safeguards designed to protect Member Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Member Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Parties To The Case, Members, Plaintiff Counsel or Defense Counsel as applicable.
4. Security. Client and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any Member Data in its possession or control under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such Member Data; (c) protect against unauthorized access to or use of such Member Data that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such Member Data in connection with its disposal.
   a) Incident Notification. In the event a Party discovers that Member Data relating to the Case is the subject of (i) any unauthorized acquisition, loss, access or use and/or (ii) an actual or suspected breach concerning such Party's systems (items (i) and/or (ii) a "**Security Incident**"), or a Party has a reasonable belief that a Security Incident has occurred or is at risk of occurring, such Party will promptly but no later than forty-eight (48) hours of its discovery of such circumstances, inform the other Parties in the event of such Security Incident, and shall utilize best efforts to assist the other Parties to mitigate the effects of such Security Incident.
   b) Response Procedures. In the event of a Security Incident, the breached party shall (i) cooperate with any reasonable investigation concerning the Security Incident by the other Parties, regulators and/or law enforcement; and (ii) cooperate with the other Parties to comply with Applicable Laws concerning such Security Incident, including any notification to affected individuals.

The Parties acknowledge that the breached party in any Security Incident shall be the Party responsible for any and all remedies and costs under Applicable Laws concerning such Security Incident, unless such breach occurred due to another Party's actions hereunder, in which instance such party shall be comparatively responsible for all remedies and costs. In no event will any Party serve notice or otherwise publicize a Security Incident without the prior written consent of the other Parties. The Parties shall reasonably cooperate and coordinate with each other to respond to the Security Incident, including with regard to the content of notification to affected individuals.

5. Qualified Settlement Fund Account. When the Case has a Settlement Amount, CPT shall be authorized to establish one or more QSF bank accounts at an Approved Bank if and as applicable to the Services as set forth in the Bid. The amounts held at the Approved Bank under this Agreement are at the sole risk of Defendant. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.

6. Fees and Payment. Pricing for Services is as stated on the Bid, and Client agrees to pay CPT in the amounts set forth on the Bid. Client will be invoiced per the schedule set forth in the Bid, and payment of fees will be due within 30 days after the date of the invoice, except where the Bid or terms of the Settlement Agreement or Court Order expressly prescribes other payment dates. All fees set forth in a Bid are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% per month (or the highest rate allowable by law, whichever is lower) on the outstanding balance from the date due until the date of actual payment, which such late charge(s) may be charged against the QSF account if incurred in connection with Services provided pursuant to administration of a settlement. In addition, Services are subject to suspension for failure to timely remit payment. If travel is required to affect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation. In connection with CPT's administration of a QSF, unless otherwise stated in the Settlement Agreement or Court Order concerning disbursement of unclaimed funds in the QSF account, CPT reserves the right, after one (1) year of issuance of disbursements to Members, to classify any remaining balance in such QSF account as additional administrative fees payable to CPT until such time as the QSF account balance becomes zero ($0.00), and thereafter close such account. Client is aware that CPT may receive certain financial benefits from financial institutions, including discounts on certain banking services, for services that ensure eligibility for FDIC deposit insurance, or in connection with the establishment of QSF accounts. At any given time, CPT may maintain multiple QSF account balances at an institution, which may result in benefits that would not normally be available to a customer who maintains an individual QSF account. Such benefits may be used to (a) eliminate or reduce certain bank service fees that would normally be charged to the QSF account until its closure, (b) reduce CPT's administration fees and/or (c) may be retained by CPT as additional compensation.

7. Term and Termination.
   a) Term. The Term is set forth in the Bid. The Agreement may be renewed by mutual written agreement of the parties.
   b) Termination for Cause. Either Party may immediately terminate this Agreement if the other Party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching Party's receipt of written notice describing the breach in reasonable detail.
   c) Bankruptcy Events. A Party may immediately terminate this Agreement if the other Party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
   d) Effect of Termination. Immediately following termination of this Agreement, upon written request, Member Data may be retrieved via the secure FTP site in the same format in which the Member Data was originally inputted into the Software, at no additional charge. Alternatively, Member Data can be returned in a mutually agreed format at a scope and price to be agreed upon. CPT will maintain a copy of Member Data and Member Content for no more than four (4) years following the date of the final check cashing deadline for Members under the Settlement Agreement, after which time any Member Data and Member Content not retrieved will be destroyed.
   e) Final Payment. If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.

8. Confidentiality. Each Party agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such Party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such Party uses to protect its own confidential information; provided, however, that such Party shall use at least reasonable care. These obligations shall survive termination of this Agreement.
   a) Compelled Disclosure. If receiving Party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such Party shall (i) promptly notify the other Party, (ii) reasonably cooperate with the other Party in such Party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each Party is advised by its counsel in writing is legally required to be disclosed.
   b) Remedies. If either Party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other Party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as money damages.

9. Intellectual Property. CPT retains all rights, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. CPT does not claim any ownership rights to Member Data.

10. Indemnification. Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, "**Covered CPT Parties**") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "**Damages**") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Member Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.

11. Warranties. Each Party represents and warrants to the other Party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such Party; (iii) the Agreement is a legally valid and binding obligation of such Party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE

12. Liability.
   a) Liability Cap. EXCEPT FOR A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL FEES PAID OR PAYABLE BY CLIENT AND/OR THE PARTIES TO THE CASE TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.

b) Exclusion of Consequential Damages. NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

13. Communications. CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

14. Miscellaneous Provisions.

a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.

b) Force Majeure. Neither Party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such Party's reasonable control, provided that the delayed Party: (i) gives the other Party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.

c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.

d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the Parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.

e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by the Parties.

f) Assignment. Neither Party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other Party's prior written consent; provided, however, either Party, without the consent of the other Party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such Party, where the responsibilities or obligations of the other Party are not increased by such assignment and the rights and remedies available to the other Party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.

g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.

h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical data ("**Statistical Data**") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.

i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such Applicable Laws, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.

j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.

k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other Party as set forth on the Bid or at such other address as may hereafter be furnished in writing by either Party hereto to the other Party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery, the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.

l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each Party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither Party may make any statement that would contradict anything in this section.

m) Subcontractors. CPT may use subcontractors to perform Client-specific Services; provided, however, that CPT shall be responsible for its subcontractors' performance of Services under this Agreement.

n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.

o) Waiver. No failure or delay on the part of either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.

p) Acceptance. If, when requested in writing by Client, CPT then provides any Service to Client, whether or not such Services were specified in the original Bid, these Terms and Conditions shall apply to the provision of such Services and be deemed accepted and approved by Client concerning such Services.

q) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.

EXHIBIT 9

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>
<<ADDRESS 1>>
<<ADDRESS 2>>

Re: PAGA Settlement Payment from *Jeffrey Macias, et al. v. Hallmark Aviation Services, L.P.*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

The enclosed check is your share of a court-approved representative action settlement between Plaintiffs Jeffrey Macias and Jovesa Naqarase ("Plaintiffs"), on behalf of the State of California, and Defendant Hallmark Aviation Services, L.P. ("Hallmark Aviation") in the case of *Macias, et al. v. Hallmark Aviation Services, L.P.* (Los Angeles County Superior Court, Case No. 25STCV12975 (the "Action"). The claims asserted in the Action were claims pursuant to the California Private Attorneys General Act of 2004, California Labor Code §§ 2698, *et seq*. ("PAGA").

The PAGA claims were brought on behalf of the State of California and all of Hallmark Aviation's California-based non-exempt employees who worked at any time from March 12, 2025 through April 30, 2026 ("Aggrieved Employees"). The Action alleged Hallmark Aviation owed PAGA civil penalties for failure to provide: meal breaks and rest breaks, or compensation in lieu of those breaks; all minimum and overtime wages; accurate employee wage statements; timely payment of all wages due during employment, timely payment of all wages due at separation of employment; and reimbursement for business expenses Hallmark Aviation denies it violated the California Labor Code or any other laws.

The Parties agreed to settle this matter, and the Court approved the amount of the civil penalties. A majority of the civil penalty settlement amount (65%) is required to go to the State of California's Labor and Workforce Development Agency ("LWDA"), while a smaller portion (35%) is allocated to Aggrieved Employees based on the number of pay periods each worked from March 12, 2025 through April 30, 2026.

The settlement is not an admission of wrongdoing by Hallmark Aviation or an indication that any law was violated. The Court did rule on the merits of the claim, and by approving the settlement, the Court is not suggesting which side would win or lose if this case went to trial.

The enclosed check is your share of the settlement, based on the number of pay periods you worked in the relevant time period. This amount represents penalties and will be reported on an IRS Form 1099. Your check is valid for 180 days from the date of mailing. After that date, you cannot cash the check and it will be void. Funds attributable to the uncashed checks will be sent to California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

This settlement releases all claims for PAGA civil penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the PAGA Notices filed with the LWDA in support of the Action. You cannot exclude yourself from this settlement.

If you have any questions or would like more information about the settlement or this lawsuit, you may contact the Settlement Administrator, CPT Group, Inc., at [Address], [Telephone Number]

Sincerely,

[Administrator]