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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

DAVID CERDA GALVAN, an individual and on behalf of all others similarly situated,

Plaintiff,

v.

MONSTER ENERGY COMPANY, a Delaware corporation; MONSTER BEVERAGE CORPORATION, a Delaware corporation; PROTECH STAFFING SERVICES, INC., a California stock corporation; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 25STCV04792
*(Related Case No. 25STCV12405)*

*[Assigned for all purposes to the Honorable Elihu M. Berle, Dept. 6]*

**CLASS ACTION**

**JOINT STIPULATION RE: CLASS ACTION AND PAGA REPRESENTATIVE ACTION SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

Complaint Filed: February 20, 2025
Trial Date: None



Doc ID: 4a81c495d824ad96fe1072b28cee349ab887cd11

This Joint Stipulation re: Class Action and PAGA Representative Action Settlement Agreement and Release of Claims ("Settlement" or "Agreement" or "Settlement Agreement") is made by, between and among Plaintiff DAVID CERDA GALVAN ("Plaintiff"), individually and on behalf of the Settlement Class, as defined below, on the one hand; and Defendants MONSTER ENERGY COMPANY ("MEC") and MONSTER BEVERAGE CORPORATION ("MBC") (collectively, "Defendants"), on the other hand, subject to the terms and conditions herein and the Court's approval; in the lawsuits entitled *Galvan v. Monster Energy Company, et al.,* filed in the Los Angeles County Superior Court, Case Nos. 25STCV04792 (the "Class Action") and 25STCV12405 (the "PAGA Action") (collectively, the "Action"). Plaintiff and Defendants shall be, at times, collectively referred to as the "Parties" and individually as a "Party." This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and settle the claims in the Action as set forth herein, based upon and subject to the terms and conditions of this Agreement.

**1. DEFINITIONS**

**A.** "**Action**" means the operative amended Complaint in *Galvan v. Monster Energy Company, et al.,* filed in the Los Angeles County Superior Court, Case No. 25STCV04792 which incorporates Los Angeles County Superior Court Case No. 25STCV12405.

**B.** "**Aggrieved Employees**" or "**PAGA Employees**" means all individuals who performed work in any hourly, non-exempt position for MEC at any time during the PAGA Period in California.

**C.** "**Class Counsel**" means Jasmin K. Gill and Ashlie E. Fox of J. Gill Law Group, P.C. The term "Class Counsel" shall be used synonymously with the term "Plaintiff's Counsel."

**D.** "Class List and Data" means a file containing the following information for each Class Member: (1) name; (2) last known address; (3) last known telephone number; (4) social security number; and (5) payroll records and/or hire dates, re-hire dates (if applicable), and termination dates (if applicable) for each Class Member.

**E.** "**Class Period**" means the period from February 20, 2021, through May 2, 2026.



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**F.** "**Court**" means the Superior Court of the State of California for the County of Los Angeles.

**G.** "**Class Notice**" means and refers to the notice sent to Class Members after preliminary approval of the Settlement in the manner described in Paragraph 9(A) of this Agreement."**Defendant MEC**" shall refer to Monster Energy Company; "**Defendants**" shall refer to Monster Energy Company and Monster Beverage Corporation, collectively.

**H.** "**Defendants' Counsel**" means Shook, Hardy & Bacon, LLP.

**I.** **"Effective Date"** means the first business day after all of the following events have occurred: (a) the Court has given preliminary approval of the settlement; (b) the Court has held a Final Approval Hearing and entered a Final Approval Order and Judgment certifying the Settlement Class and approving the Settlement.

**J.** "**Employer Taxes**" means employer-funded taxes and contributions imposed on the wage portions of the Individual Settlement Payments under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and contributions required of employers, such as for unemployment insurance.

**K.** "**Final Approval**" means the order of the Court granting final approval of this Settlement Agreement that disposes of all issues raised in this Action and entering a Judgment approving this Settlement on substantially the same terms as provided herein or as may be modified by subsequent mutual agreement of the Parties or order of the Court.

**L.** "**Final Approval Date**" means the later of: (1) the date the Court signs an Order granting Final Approval of this Settlement and Judgment; (2) if there is an objector, 60 days from the date the Final Approval and Judgment; or (3) to the extent any appeals have been filed, the date on which they have been resolved or exhausted.

**M.** "**General Release**" means the general release of claims by Plaintiff, which is in addition to his limited release of claims as a Participating Class Member and Aggrieved Employee.


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**N.** "**Gross Settlement Amount**" or "**GSA**" means a non-reversionary fund in the sum of Three Million Five Hundred Thousand Dollars and Zero Cents ($3,500,000.00),[1] subject to the Escalator Clause in Paragraph 17 herein, which shall be paid by Defendant MEC, and from which all payments for the Individual Settlement Payments to Participating Class Members, Individual PAGA Payments to Aggrieved Employees and the Court-approved amounts for attorneys' fees and reimbursement of litigation costs and expenses to Class Counsel, Settlement Administration Costs, Incentive Award to Plaintiff, and the LWDA Payment for resolution of Plaintiff's cause of action for civil penalties under the Labor Code Private Attorneys' General Act, codified at Labor Code Section 2698, *et seq.* ("PAGA"), interest and certain taxes shall be paid. The Gross Settlement Amount expressly excludes Employer Taxes, which shall be paid by Defendant MEC separately and apart from the Gross Settlement Amount. In no event shall Defendants be required to pay any amounts above this Gross Settlement Amount under this Settlement (as the same may be escalated pursuant to Paragraph 17 herein), with the limited exception that, as to the portion of the Settlement Class Payments that are allocated as wages, Defendant MEC shall be separately responsible for paying only its share of any applicable payroll taxes, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross Settlement Amount.

**O.** "**Incentive Award**" means the monetary amount to be paid to Plaintiff of Ten Thousand Dollars and Zero Cents ($10,000.00), which, subject to Court approval, will be paid out of the Gross Settlement Amount.

**P.** **"Individual PAGA Payment"** means a payment to an Aggrieved Employee of his or her share of the PAGA Payment.

**Q.** "**Individual Settlement Payment**" means a payment to a Participating Class Member of his or her net share of the Net Settlement Amount, excluding any Individual PAGA Payment to which he or she may be entitled if he or she is also an Aggrieved Employee.

[1] As the same may be increased in accordance with Paragraph 17.


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**R.** "**Individual Settlement Share**" means the gross amount of the Net Settlement Amount that a Settlement Class Member is projected to receive based on the number of Workweeks that he or she worked as a Settlement Class Member during the Class Period, excluding any Individual PAGA Payment to which he or she may be entitled if he or she is also an Aggrieved Employee.

**S.** "**Judgment**" means the Court's Final Approval Order certifying the Settlement Class and approving the Settlement.

**T.** "**LWDA Payment"** means the payment to the LWDA for its sixty-five percent (65%) share of the total amount allocated toward penalties under the PAGA, which is to be paid from the Gross Settlement Amount. The Parties have agreed that One Hundred Fifty Thousand Dollars and Zero Cents ($150,000.00) shall be allocated toward PAGA penalties, of which Ninety-Seven Thousand Five Hundred Dollars and Zero Cents ($97,500.00) will be paid to the LWDA (*i.e.*, the LWDA Payment) and Fifty-Two Thousand Five Hundred Dollars and Zero Cents ($52,500.00) will be paid to Aggrieved Employees on a *pro rata* basis, based on the Pay Periods worked during the PAGA Period ("PAGA Payment").

**U.** "**Net Settlement Amount**" means the portion of the Gross Settlement Amount that is available for distribution to Participating Class Members after deductions for the Court-approved allocations for Settlement Administration Fees and Costs, Incentive Award to Plaintiff, an award of attorneys' fees, reimbursement of reasonable litigation costs and expenses to Class Counsel (as approved by the Court), and the LWDA Payment and the PAGA Payment.

**V.** "**Non-reversionary Settlement**" means no portion of the Gross Settlement Amount will revert to Defendants. Settlement Class Members who do not timely submit valid requests for exclusion are entitled to a *pro rata* share of 100% of the Net Settlement Amount. Proportional distributions, in the form of Individual Settlement Payments to Settlement Class Members, will be made directly to each Settlement Class Member.

**W.** **"Operative Complaint"** means the operative amended Complaint in *Galvan v. Monster Energy Company, et al.,* filed in the Los Angeles County Superior Court, Case No.



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25STCV04792 which incorporates Los Angeles County Superior Court Case No. 25STCV12405..

**X.** **"PAGA Payment"** is the $52,500.00 payment payable to Aggrieved Employees on a *pro rata* Pay Period basis in addition to the Individual Settlement Share they will receive if they do not opt out of the Settlement.

**Y.** "**PAGA Period**" means the period from beginning on February 20, 2024, through May 2, 2026.

**Z.** "**Participating Class Members**" means all Settlement Class Members who do not submit a timely and valid Request for Exclusion.

**AA.** "**Parties**" shall refer to Plaintiff and Defendants collectively.

**BB.** **"Pay Period**" means the number of pay periods that an Aggrieved Employee worked in an hourly, non-exempt position for MEC during the PAGA Period in California, based on Defendants' business records reflecting hire dates, re-hire dates (as applicable) and termination dates (as applicable). Any pay period during which an Aggrieved Employee worked one day shall be counted as a Pay Period.

**CC.** "**Plaintiff"** shall refer to Plaintiff David Cerda Galvan.

**DD.** "**Preliminary Approval Date**" means the date on which the Court enters an Order granting Preliminary Approval of the Settlement.

**EE.** "**Released Parties**" shall mean Monster Energy Company and Monster Beverage Corporation, including each of their past, present, and future parent companies, subsidiaries, affiliated and related companies, successors, and predecessors, as well as their respective past, present, and future owners, officers, directors, employees, managers, agents, principals, representatives, administrators, accountants, auditors, consultants, fiduciaries, insurers and reinsurers, company-sponsored employee benefit plans, and attorneys, both individually and in their official capacities, as well as all persons acting by, through, under, or in concert with any of these persons or entities, which also includes Protech Staffing Services, Inc.

**FF.** "**Released Class Claims**" means the claims released as set forth in paragraph 7.A below.


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**GG.** "**Released PAGA Claims**" means the claims released as set forth in paragraph 7.B below.

**HH.** "**Response Deadline**" means the deadline for Settlement Class Members to mail any Request for Exclusion, objections, or Workweek disputes to the Settlement Administrator, which is forty-five (45) calendar days from the date that the Class Notice is first mailed in English and Spanish by the Settlement Administrator, unless a Class Member's notice is re-mailed. In such an instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar days from the date of the initial mailing, whichever is later, in which to postmark a Request for Exclusion, Workweek Dispute or objection. The date of the postmark shall be the exclusive means for determining whether a Request for Exclusion, objection, or Workweek Dispute was submitted by the Response Deadline. The Settlement Administrator shall inform the Class Member of the extended deadline with the re-mailed Class Notice.

**II.** "**Request for Exclusion**" means a written request to be excluded from the Settlement Class pursuant to Section 9.C below.

**JJ.** "**Settlement Administration Costs**" means all reasonable costs incurred by the Settlement Administrator in administration of the Settlement, including, but not limited to, translating the Class Notice to Spanish, the distribution of the Class Notice to the Settlement Class in English and Spanish, calculating Individual Settlement Shares and Individual Settlement Payments and associated taxes and withholdings, providing declarations, generating Individual Settlement Payment checks and related tax reporting forms, doing administrative work related to unclaimed checks, transmitting payment to Class Counsel for the Court-approved amounts for attorneys' fees and reimbursement of litigation costs and expenses, to Plaintiff for his Incentive Award, and to the LWDA from the LWDA Payment, providing weekly reports of opt-outs, objections and related information, and any other actions of the Settlement Administrator as set forth in this Agreement, all pursuant to the terms of this Agreement. The Settlement Administration Costs are estimated not to exceed $15,950. If the actual amount of the Settlement Administration Costs is less than $15,950, the difference between $15,950and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement


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Administration Costs exceed $15,950, then such excess will be paid solely from the Gross Settlement Amount and Defendants will not be responsible for paying any additional funds in order to pay these additional costs.

**KK.** "**Settlement Administrator**" means the Third-Party Administrator, Phoenix Settlement Administrators, chosen to be responsible for the administration of the Settlement as described in the Settlement Administration Costs in Section JJ, above.

**LL.** "**Settlement Class**", "**Settlement Class Members**" or **"Class Members**" means all individuals who performed work in any hourly, non-exempt position for MEC in California at any time during the Class Period.

**MM.** "**Workweek**" means a week during which a Settlement Class Member worked in an hourly, non-exempt position for MEC during the Class Period in California, based on Defendants' business records reflecting hire dates, re-hire dates (as applicable) and termination dates (as applicable). Any week during which a Settlement Class Member worked one day shall be counted as a Workweek.

## 2. BACKGROUND

**A.** On February 20, 2025, Plaintiff filed a PAGA Notice with the Labor and Workforce Development Agency ("LWDA") stating an intention to seek civil penalties against Defendants. Thereafter, on April 28, 2025, Plaintiff filed a Representative PAGA Action Complaint against Defendants under the Labor Code Private Attorneys' General Act of 2004 for Civil Penalties under Labor Code sections 210, 226.3, 558, 1174.5, 1197.1, and 2699.

**B.** On February 20, 2025, Plaintiff filed a wage and hour class action in the Superior Court of California, County of Los Angeles, against Defendants for: (1) failure to pay overtime wages, (2) failure to pay minimum wages, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to pay all wages upon termination, (6) failure to provide accurate wage statements, (7) violation of Labor Code § 2802, (8) failure to pay timely pay wages during employment, and (9) unfair competition (the "Class Action"). On May 21, 2025, Plaintiff filed a First Amended Complaint removing defendant Rodney Sacks, and adding defendant Protech Staffing Services, Inc.


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**C.** The Parties agreed to attend mediation, and in advance of mediation, Defendants provided Plaintiff with: (1) Plaintiff's personnel file; (2) the number of current and former non-exempt employees of Defendants working in California from 2021 through December 16, 2025; (3) a 20% sample of time records for employees from February 2021 through March 2025; (4) a 20% sample of payroll records for the employees from February 2021 through March 2025; (5) a 2019 employee handbook ("2019 Handbook"), and a 2025 employee handbook ("2025 Handbook").

**D.** On March 2, 2026, the Parties participated in a mediation session before Hon. Carl J. West (Ret.), a well-regarded mediator experienced in mediating complex civil disputes. The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive, arms-length negotiations between the Parties supervised by a highly experienced class action mediator and reached, in principle, on March 2, 2026, and memorialized in a Memorandum of Understanding which was fully executed on June 2, 2026. This Agreement represents a compromise and settlement of highly disputed claims and is intended to settle, compromise and discharge the Released Class Claims and Released PAGA Claims and the Released Parties fully, finally and forever. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement, shall be construed as an admission by Defendants or any of the Released Parties of any wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.

**E.** On April 14, 2026, the Court dismissed Defendant Protech Staffing Services, Inc. from the action without prejudice pursuant to Plaintiff's request and the Parties' agreement.

**F.** As part of the Settlement, the Parties and their respective counsel agree to stipulate to the filing of an amended complaint in the Class Action to effectively consolidate the allegations in the Class Action and PAGA Action within the Class Action for settlement purposes only.

**G.** Class Counsel has conducted significant investigation of the law and facts relating to the claims asserted in the Action, the initial and amended PAGA Notice, and has concluded


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that the Settlement set forth herein is fair, reasonable, adequate, and in the best interests of the Settlement Class, taking into account the sharply contested issues involved, the expense and time necessary to litigate the Action through trial and any appeals, the risks and costs of further litigation of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, the information learned through informal discovery regarding Plaintiff's allegations, and the substantial benefits to be received by the Settlement Class Members.

**H.** Defendants have concluded that, because of the substantial expense of defending against the Action, the length of time necessary to resolve the issues presented herein, and the inconvenience involved, and the concomitant disruption to their business operations, it is in their best interest to accept the terms of this Agreement. Defendants deny any liability or wrongdoing of any kind whatsoever associated with the allegations and claims asserted against them in the Action. Defendants further deny that, for any purpose other than settling this lawsuit, the Action is appropriate for class or representative treatment. With respect to Plaintiff's claims, Defendants contend, among other things, that Plaintiff and the Class Members have been paid proper wages, have been provided compliant meal periods, have been provided compliant rest periods, have been paid timely wages upon separation of employment, and have been provided with accurate itemized wage statements. Defendants contend, among other things, that they have complied at all times with the California Labor Code and the applicable Wage Orders of the Industrial Welfare Commission. Furthermore, with respect to all claims, Defendants contend that they have complied at all times with the California Business and Professions Code. However, Defendants nevertheless desire to settle the Action for the purpose of avoiding the burden, expense and uncertainty of continuing litigation and for the purpose of putting to rest the controversies engendered by the Action.

**I.** This Agreement is intended to and does effectuate the full, final, and complete resolution of all Released Class Claims, as defined below in paragraph 7(A), on behalf of Plaintiff and Participating Class Members, and all Released PAGA Claims, as defined below in paragraph 7(B), of Plaintiff and, to the fullest extent permitted by law, of the State of California and Aggrieved Employees.


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## 3. JURISDICTION

The Court has jurisdiction over the Parties and the subject matter of the Action. The Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted Final Approval of the Settlement and entered Judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment pursuant to California Rule of Court, rule 3.769, subdivision (h) and Code of Civil Procedure section 664.6.

## 4. STIPULATION OF CLASS CERTIFICATION

The Parties stipulate to the certification of the Settlement Class under this Agreement for purposes of settlement only.

## 5. MOTIONS FOR APPROVAL OF SETTLEMENT

After full execution of this Agreement, Plaintiff will move for an order granting Preliminary Approval of the Settlement, approving and directing the mailing of the proposed Class Notice attached hereto as **Exhibit "A"**, conditionally certifying the Settlement Class for settlement purposes only, and approving the deadlines proposed by the Parties for the submission of Requests for Exclusion, Workweek Disputes, and objections. If and when the Court preliminarily approves the Settlement, and after administration of the Class Notice in a manner consistent with the Court's Preliminary Approval Order, Plaintiff will move for an order finally approving the Settlement and seek entry of a Judgment in line with this Settlement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defendants' Counsel will expeditiously work together on behalf of the Parties, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

Defendants shall not oppose Plaintiff's motions for Preliminary Approval and Final Approval of the Settlement so long as the motions and supporting papers are consistent with the terms of the Memorandum of Understanding and this Settlement Agreement. Class Counsel shall provide Defendants' counsel with a copy of the (Proposed) Preliminary Approval Order and


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(Proposed) Final Approval Order prior to filing their preliminary and final approval motions with five (5) days to review and provide comments before they are filed with the Court.

**6. STATEMENT OF NO ADMISSION**

Defendants deny any wrongdoing of any sort and further deny any liability to Plaintiff, the Settlement Class, or Aggrieved Employees with respect to any claims or allegations asserted in the Action. This Agreement shall not be deemed an admission by Defendants of any claims or allegations asserted in the Action. Except as set forth elsewhere herein, in the event that this Agreement is not approved by the Court or any appellate court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies, or defenses in the Action, and Defendants will not be deemed to have waived, limited, or affected in any way any of their objections or defenses in the Action. The Parties shall be restored to their respective positions in the Action prior to the entry of this Settlement.

**7. RELEASE OF CLAIMS**

**A. Released Class Claims by All Participating Class Members.**

Effective only upon the Effective Date, and payment by MEC to the Settlement Administrator of the full Gross Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff and all Participating Class Members, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will fully and finally completely release and discharge Defendants and all Released Parties from any and all claims, causes of action, demands, damages, or liabilities arising at any time during the Class Period that were pled or which could have been pled based on the factual allegations contained in the Operative Complaint, including claims for: (i) failure to pay overtime wages; (ii) failure to pay minimum wages; (iii) failure to provide meal periods; (iv) failure to provide rest periods; (v) waiting time penalties; (vi) wage statement violations; (vii) failure to indemnify; (viii) failure to timely pay wages; (ix) unfair competition (collectively, the "Released Class Claims"). The Released Class


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Claims extend to all theories of relief, whether under California law, federal law, state law or common law (including, without limitation, as alleged violations of the California Labor Code, the IWC Wage Orders, applicable regulations, or California's Business and Professions Code §§ 17200), except for any claim(s) for civil penalties under PAGA. The Released Class Claims include all types of relief available for the Released Class Claims, including without limitation any claims for damages, restitution, losses, penalties, fines, liens, attorneys' fees, costs, expenses, debts, interest, injunctive relief, declaratory relief, or liquidated damages, except for civil penalties under PAGA. This Settlement shall constitute, and may be pleaded as, a complete and total defense to any such Released Class Claims if raised in the future by a Participating Class Member who did not timely submit a valid Request for Exclusion.

**B. Released PAGA Claims by All Aggrieved Employees**

Effective only upon the Effective Date, and payment by MEC to the Settlement Administrator of the full Gross Settlement Amount and Employer's Taxes necessary to effectuate the Settlement, each Aggrieved Employees, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, whether they timely submit valid requests for exclusion from the Settlement Class or not, will fully and finally release and discharge Defendants and all Released Parties from any and all claims, causes of action, demands, damages, or liabilities under PAGA arising at any time during the PAGA Period that were pled or which could have been pled based on the factual allegations contained in Plaintiff's PAGA Action Complaint and PAGA Notice(s) (the "Released PAGA Claims"). The Released PAGA Claims include all types of relief available for the Released PAGA Claims, including without limitation any claims for penalties, fines, attorneys' fees, costs, expenses or interest. Plaintiff, the State of California (to the extent permitted by law), and all Aggrieved Employees, whether requesting exclusion from the Settlement or not, will fully release and discharge Defendants and the Released Parties from any and all Released PAGA Claims, including claims for attorneys' fees and costs relating thereto, except as otherwise specified herein and in the Memorandum of Understanding. The Released



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Class Claims and Released PAGA Claims shall be referred to herein collectively as the "Released Claims."

**C. Claims Not Released**

The releases above in paragraph 7(A) and paragraph 7(B) expressly exclude claims not alleged by Plaintiff in the Action. Additionally, specifically excepted from all the Released Claims in this Agreement are claims to enforce the provisions of this Agreement and to enforce any and all claims that may arise under this Agreement.

**D. General Release.**

Effective only upon Effective Date and payment by MEC to the Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, in addition to the Released Claims, the Plaintiff makes the additional following General Release: Plaintiff does hereby, for himself and for his respective spouse(s), domestic partner(s), marital community, child(ren), estate(s), trust(s), attorney(s), heir(s), successor(s), beneficiary(ies), devisee(s), legatee(s), executor(s), administrator(s), trustee(s), conservator(s), guardian(s), assign(s), and representative(s), forever completely release and discharge Defendants and the Released Parties from all charges, complaints, claims, demands, rights, liabilities, obligations, promises, covenants, agreements, contracts, controversies, damages, actions, causes of action, suits, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of every nature and description whatsoever, known or unknown from beginning of time through the execution of this Agreement, asserted or that might have been asserted, suspected or unsuspected, concealed or hidden, whether in tort, contract, or for violation of any state or federal statute, rule, law or regulation arising out of, relating to, or in connection with any act or omission of the Released Parties through the date of full execution of this Agreement arising out of, based upon or in connection with Plaintiff's employment with Defendants or any remuneration for or termination thereof, except for any and all other claims that may not be released as a matter of law through this Agreement and as stated herein. With respect to the General Release provided herein, except as stated below, Plaintiff stipulates and agree that,


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through the Effective Date and payment by MEC to the Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, he shall have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, 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 of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Plaintiff, and Class Counsel expressly acknowledge that this Agreement is intended to include in its effect, without limitation, all claims that Plaintiff knew of, as well as all claims that he does not know or suspect to exist in his favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Agreement, and that this Agreement contemplates the extinguishment of any and all of Plaintiff's Released Claims.

Plaintiff's Limited Release of Claims as a Participating Class Member and Aggrieved Employee as well as Plaintiff's General Release and Civil Code section 1542 waiver do not include and expressly exclude any and all claims that may be brought, have been brought or could have been brought by Plaintiff for benefits related to Plaintiff's health, welfare, or retirement benefits plans, claims and benefits, or rights to seek benefits, for unemployment insurance, disability, social security, and workers compensation, Plaintiff's rights to continue being employed by Defendants, claims and rights that as a matter of law cannot be released or waived by signing this Agreement, and the Parties' rights to enforce this Agreement.



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Plaintiff hereby agrees not to bring or participate in any class or collective action against Defendants or any Released Party that asserts, in whole or in part, any claims that arose before he signed this Agreement, if such claims (if brought by him individually) are released by this Agreement, unless this Agreement is invalidated. Nothing in this Agreement prohibits Plaintiff from reporting possible violations of federal or state law or regulation to the government, including but not limited to the EEOC, Department of Justice, Securities and Exchange Commission, Congress, and any agency inspector general, or filing a charge with or participating in an investigation or proceeding conducted by the EEOC or a comparable state or local agency (collectively, any such activity shall be referred to as a "Government Report"). However, by signing this Agreement, Plaintiff understands and agrees that he is waiving the right to receive any award of monetary or other benefits or any other legal or equitable relief whatsoever, including but not limited to payment for attorneys' fees, costs or disbursements, resulting from any such proceeding by Plaintiff, anyone else on his behalf, or otherwise, arising from claims that arose before he signed this Agreement and that are released by this Agreement, unless this Agreement is invalidated. Plaintiff agrees to waive such personal relief even if it is sought on his behalf by an agency, a governmental authority, or a person claiming to represent him and/or any member of a class.

**E. Release by Defendants**

Defendants shall release the representative Plaintiff from any and all claims associated with his employment with Defendants or related to the filing of the Action.

**8. SETTLEMENT ADMINISTRATOR**

Plaintiff and Defendants, through their respective counsel, have selected Phoenix Settlement Administrators to administer the Settlement, which includes but is not limited to translating the Class Notice to Spanish, distributing and responding to inquiries about the Class Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement Administrator, currently estimated to be $15,950 will be paid from the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is less than $15,950, the difference between $15,950 and the actual Settlement Administration


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Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed $15,950, then such excess will be paid solely from the Gross Settlement Amount and Defendants will not be responsible for paying any additional funds in order to pay these additional costs.

**9. NOTICE, WEEKLY PAY PERIOD DISPUTE, OBJECTION, AND EXCLUSION PROCESS**

**A. Notice to the Settlement Class Members.**

(1) Within twenty-one (21) calendar days after the Preliminary Approval Date, Defendants' Counsel and/or MEC shall provide the Settlement Administrator with the names, most recent known mailing address and telephone number, Social Security Number, payroll records for each Settlement Class Member that worked during the Class Period and each Aggrieved Employee that worked during the PAGA Period, and/or the hire dates, re-hire dates (if applicable) and separation of employment dates (if applicable) for each Settlement Class Member and Aggrieved Employee in a readable Microsoft Office Excel spreadsheet (collectively "Class List and Data"). Defendants have a continuing duty to immediately notify Class Counsel and the Settlement Administrator if they discover that the Class List and Data omitted a Settlement Class Member's identifying information and to provide corrected or updated class data for the Class List and Data as soon as reasonably feasible. Without any extension of the deadline by which Defendants' Counsel must send the Class List and Data to the Settlement Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted class data or identifying information from the Class List and Data. The Settlement Administrator shall perform an address search using the United States Postal Service National Change of Address ("NCOA") database and update the addresses contained on the Class List and Data with the newly found addresses, if any. Within ten (10) calendar days of receiving the Class List and Data from Defendants, the Settlement Administrator shall mail the Class Notice in English and Spanish to the Settlement Class Members via first-class regular U.S. Mail using the most current mailing address information available. The Settlement Administrator shall maintain a list with names



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and all addresses to which notice was given, and digital copies of all the Settlement Administrator's records evidencing the giving of notice to any Settlement Class Member, for at least four (4) years from the Final Approval Date. Such information shall be available to Class Counsel and Defendants' Counsel upon request.

(2) The Settlement Administrator will mail each Class Member a Class Notice setting forth the material terms of the proposed Settlement along with instructions about how to object or request exclusion from the proposed class action Settlement.

(3) For each Class Member, the Settlement Administrator will include on the Class Notice pre-printed information, based on Defendants' records, setting forth:

(a) the Settlement Class Member's estimated Workweeks during the Class Period and Individual Settlement Share and estimated Pay Periods during the PAGA Period and Individual PAGA Payment, and the basis for each;

(b) the information required by California Rule of Court, rule 3.766, subdivision (d);

(c) the material terms of the Settlement;

(d) the proposed Settlement Administration Costs;

(e) the definition of the Settlement Class;

(f) a statement that the Court has preliminarily approved the Settlement;

(g) how the Settlement Class Member can obtain additional information, including contact information for Class Counsel;

(h) information regarding opt-out and objection procedures;

(i) the date and location of the Final Approval Hearing; and

(j) that the Settlement Class Member must notify the Settlement Administrator no later than the Response Deadline if the Settlement Class Member disputes the accuracy of the number of Workweeks as set forth on his or her Class Notice ("Workweek



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Dispute"). If a Settlement Class Member fails to timely dispute the number of Workweeks attributed to him or her in conformity with the instructions in the Class Notice, then he or she shall be deemed to have waived any objection to its accuracy and any claim to any additional settlement payment based on different data.

(4) Class Members cannot exclude themselves from the Released PAGA Claims. Class Members submitting a Request for Exclusion will nevertheless receive their pro-rata share of the PAGA Settlement Payment. If the Court approves the compromise of the PAGA Claim, all Class Members are bound by the Court's resolution of the PAGA Claim. Plaintiff shall serve a notice of settlement on the LWDA at or before the time Plaintiff files the motion for Preliminary Approval.

(5) If a Class Notice from the initial notice mailing is returned as undeliverable, the Settlement Administrator will attempt to obtain a current address for the Settlement Class Member to whom the returned Class Notice had been mailed by: (1) contacting the Settlement Class Member by phone, if possible, and (2) undertaking skip tracing within five (5) calendar days of receipt of the returned Class Notice. If the Settlement Administrator is successful in obtaining a new address, it will re-mail the Class Notice to the Settlement Class Member within three (3) business days of obtaining the new address. Further, any Class Notices that are returned to the Settlement Administrator with a forwarding address before the Response Deadline shall be promptly re-mailed to the forwarding address affixed thereto within three (3) business days of receipt by the Settlement Administrator.

(6) No later than seven (7) calendar days from the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the completion of the notice process, including the number of attempts to obtain valid mailing addresses for and re-sending of any returned Class Notices, as well as the identities, number of, and copies of all Requests for Exclusion and objections/comments received by the Settlement Administrator.



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**B. Objections.**

Only Participating Class Members may object or comment regarding the Settlement. In order for any Participating Class Member to object to this Settlement in writing, or any term of it, he or she must do so by mailing a written objection to the Settlement Administrator at the address or phone number provided on the Class Notice no later than the Response Deadline (or the extended Response Deadline if the Class Notice is re-mailed). The Settlement Administrator shall email a copy of the objection forthwith to Class Counsel and Defendants' counsel and attach each objection, if any, to the declaration that Class Counsel files with the Court in support of the Motion for Final Approval. The objection should set forth in writing: (1) the objector's name; (2) the objector's address; (3) the last four digits of the objector's Social Security Number; (4) the objector's signature; (5) a statement of whether the objector plans to appear at the Final Approval hearing; and (6) the reason(s) for the objection, along with whatever legal authority, if any, the objector asserts in support of the objection. If a Participating Class Member objects to the Settlement, the Participating Class Member will remain a member of the Settlement Class and if the Court approves this Agreement, the Participating Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Participating Class Member who does not object. The date of mailing of the Class Notice to the objecting Participating Class Member shall be conclusively determined according to the records of the Settlement Administrator. Participating Class Members need not object in writing to be heard at the Final Approval hearing; they may object or comment in person at the hearing at their own expense. Class Counsel and Defendants' Counsel may respond to any objection lodged with the Court up to five (5) court days before the Final Approval hearing.

**C. Requesting Exclusion.**

Any Settlement Class Member other than Plaintiff may request exclusion from (*i.e.*, "opt out" of) the Class Action Settlement by mailing a written request to be excluded from the Settlement (Request for Exclusion) to the Settlement Administrator, postmarked on or before the Response Deadline (or the extended Response Deadline if the Class Notice is re-mailed). To be valid, a Request for Exclusion must include: (1) the Class Member's name, address, and


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telephone number; (2) the last four digits of the Class Member's Social Security Number; (3) the Class Member's signature; and (4) the following statement or something to its effect: "Please exclude me from the Settlement Class in the *Galvan v. Monster Energy Company, et al.* matter" or any statement standing for the proposition that the Class Member does not wish to participate in the Settlement. The Settlement Administrator shall provide copies of all Requests for Exclusion to Class Counsel and Defendants' Counsel within three (3) days of receipt, and shall report the Requests for Exclusions that it receives, to the Court, in its declaration of due diligence to be provided in advance of the Final Approval hearing. Any Settlement Class Member who timely requests exclusion using this procedure will not be entitled to receive any payment from the Settlement with respect to the Released Class Claims, will not be bound by the Settlement Agreement or have any right to object to, appeal, or comment on the Settlement, and will not be bound by this Agreement, or the Judgment, with respect to any Released Class Claims. Any Settlement Class Member who does not request exclusion from the Settlement by submitting a timely and valid Request for Exclusion will be bound by all terms of the Settlement, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if Final Approval of the Settlement is granted. A Settlement Class Member cannot submit both a Request for Exclusion and an objection. If a Settlement Class Member submits an objection and a Request for Exclusion, the Request for Exclusion will control and the objection will be void. Settlement Class Members who worked during the PAGA Period that submit a valid Request for Exclusion will still be deemed Aggrieved Employees, will still receive their Individual PAGA Payment, and will be bound by the release encompassed in the PAGA Released Claims. Aggrieved Employees may not opt out or otherwise request exclusion from the settlement of PAGA Claims.

**D. Disputes Regarding Settlement Class Members' Workweek Data and/or Aggrieved Employees' Pay Period Data.**

Class Members and Aggrieved Employees will have an opportunity to dispute the information provided in their Class Notice. To the extent Class Members dispute the number of Workweeks or Aggrieved Employees dispute the number of Pay Periods to which they have been



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credited, those employees may produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. However, if a Class Member or Aggrieved Employee produces evidence to the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class Member or Aggrieved Employee and will make the final decision as to the number of Workweeks or Pay Periods that should be applied. All such disputes are to be resolved not later than ten (10) calendar days after the Response Deadline. Information or documents submitted after the expiration of the Response Deadline will not be considered by the Settlement Administrator, unless otherwise agreed to by the Parties. In the event that the Settlement Administrator increases the number of Workweeks and/or PAGA Pay Periods for any Class Member, then the Settlement Administrator will recalculate each Settlement Class Member's share of the Net Settlement Amount; accordingly, in no event will Defendants be required to increase the Gross Settlement Amount, except should the same be escalated pursuant to Paragraph 17 herein.

**E. Extension of Response Deadline for Remailing.**

If a Class Member's Notice is re-mailed, the Class Member shall have fifteen (15) days from the re-mailing, or forty-five (45) days from the date of the initial mailing, whichever is later, in which to postmark a Request for Exclusion, written objection or to dispute their attributed Workweek count in the Class Period and/or Pay Period count in the PAGA Period.

**F. Cooperation.**

If the Settlement Administrator, Defendants, Defendants' Counsel, or Class Counsel are contacted by or otherwise discover any persons who believe they should have been included in the Class List and should have received a Class Notice, the Parties will expeditiously meet and confer, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Settlement Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fifteen (15) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.


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**10. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA PAYMENTS TO PLAINTIFF, PARTICIPATING CLASS MEMBERS, AND AGGRIEVED EMPLOYEES**

Individual Settlement Payments will be calculated and distributed to Participating Class Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class Members' respective number of Workweeks worked for Defendants during the Class Period. Individual PAGA Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees from the PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number of Pay Periods worked for Defendants during the PAGA Period. Specific calculations of the Individual Settlement Shares to Participating Class Members and Individual PAGA Payments to Aggrieved Employees will be made as follows:

**A.** The Settlement Administrator will determine the total number of Workweeks worked by each Participating Class Member during the Class Period ("Class Member's Workweeks"), as well as the aggregate number of Workweeks worked by all Settlement Class Members during the Class Period ("Class Workweeks"). Additionally, the Settlement Administrator will determine the total number of Pay Periods worked by each Aggrieved Employee during the PAGA Period ("Aggrieved Employee's Pay Periods"), as well as the aggregate number of Pay Periods worked by all Aggrieved Employees during the PAGA Period ("PAGA Pay Periods").B

**B.** To determine each Participating Class Member's Individual Settlement Share, the Settlement Administrator will use the following formula: Individual Settlement Share = (Participating Class Member's Workweeks ÷ Class Workweeks) × Net Settlement Amount.

**C.** The net amount of the Participating Class Member's Individual Settlement Share is to be paid out to Participating Class Members by way of check and is referred to as "Individual Settlement Payment(s)".

**D.** To determine each Aggrieved Employee's Individual PAGA Payment, the Settlement Administrator will use the following formula: Aggrieved Employee's Individual



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PAGA Payment = ([Aggrieved Employee's Pay Periods ÷ PAGA Pay Periods] x $52,5000.00) (the "PAGA Payment").

**E.** Individual Settlement Payments and Individual PAGA Payments shall be paid to Participating Class Members and/or Aggrieved Employees by way of check. When a Participating Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the Individual Settlement Payment and the Individual PAGA Payment.

**F.** Defendants will not use the Individual Settlement Payments and Individual PAGA Payments for determination of eligibility for, or calculation of, any employee benefits (*e.g.,* vacations, holiday pay, retirement plans, etc.) of the Participating Class Members, and Defendants will not modify the Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendants and/or any of the Released Parties, unless otherwise required by law.

## 11. DISTRIBUTION OF PAYMENTS

### A. Distribution of Individual Settlement Payments.

Participating Class Members will receive an Individual Settlement Payment. All Aggrieved Employees, regardless of whether they submit a valid Request for Exclusion or not, will receive their Individual PAGA Payment. Individual Settlement Payment checks and Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance. Within seven (7) calendar days after expiration of the 180-day period, checks for such payments shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted to the State Controller Unclaimed Property Division in the name of the Participating Class Member or Aggrieved Employee to whom the check had been issued, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384, subdivision (b), as amended. If the Court requires the Parties to select



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a *cy pres* recipient pursuant to California Code of Civil Procedure section 384, the Parties shall select a mutually agreeable entity in which neither the Parties nor their counsel has an affiliation or relationship creating the appearance of. The Settlement Administrator shall then prepare a report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and the report shall be presented to the Court by Class Counsel along with a proposed amended judgment that is consistent with the provisions of Code of Civil Procedure section 384. The Parties, Class Counsel and Defendants' Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

**B. Funding of Settlement.**

Within fifteen (15) business days after the Final Approval Date, MEC shall deposit the Gross Settlement Amount in the amount of Three Million Five Hundred Thousand Dollars ($3,500,000) (or the escalated GSA should the same be escalated pursuant to Paragraph 17) along with the related employer's share of taxes to the Settlement Administrator (*i.e.*, Employer's Taxes) pursuant to Internal Revenue Code section 1.468B-1 for deposit in an interest-bearing qualified settlement account ("QSA") with an FDIC insured banking institution, for distribution in accordance with this Agreement and the Court's orders and subject to the conditions described herein.

Individual Settlement Payments and Individual PAGA Payments shall be paid exclusively from the QSA, pursuant to the settlement formula set forth herein. Payments from the QSA shall be made for (1) the Incentive Award to Plaintiff as specified in this Agreement and approved by the Court; (2) the attorneys' fees and costs awarded to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement Administration Costs, as specified in this Agreement and approved by the Court; (4) the LWDA Payment, as specified in this Agreement; and (5) the PAGA Payment. The balance and any accrued interest thereon remaining shall constitute the Net Settlement Amount from which Individual Settlement Payments shall be made to Participating Class Members, less applicable taxes and withholdings. All interest accrued shall be for the benefit of Participating Class Members and distributed on a


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*pro rata* basis.

**C. Time for Distribution.**

No more than seven (7) calendar days after payment of the full Gross Settlement Amount by Defendants (as the same may be increased to in accordance with Paragraph 17), as well as Employer Taxes, the Settlement Administrator shall distribute all payments due under the Settlement, including the Individual Settlement Payments to Participating Class Members and Individual PAGA Payments to Aggrieved Employees, as well as the Court-approved payments for the Incentive Award to Plaintiff, attorneys' fees and litigation costs and expenses to Class Counsel, administration costs to the Settlement Administrator, and the LWDA Payment to the LWDA.

**12. ATTORNEYS' FEES AND LITIGATION COSTS**

Class Counsel shall apply for, and Defendants shall not oppose, an award of attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount, which shall amount to One Million Two Hundred Twenty-Five Thousand Dollars and Zero Cents **(**$1,225,000.00), unless that amount is escalated pursuant to Paragraph 17. Class Counsel shall further apply for, and Defendants shall not oppose, an application or motion by Class Counsel for reimbursement of actual reasonable costs associated with Class Counsel's prosecution of this matter as set forth by declaration testimony in an amount up to Thirty-Five Thousand Dollars and Zero Cents ($35,000.00). Awards of attorneys' fees and costs shall be paid out of the Gross Settlement Amount, for all past and future attorneys' fees and costs necessary to prosecute, settle, and obtain Final Approval of the settlement in the Action. The "future" aspect of the amounts stated herein includes, without limitation, all time and expenses expended by Class Counsel (including any appeals therein), except for any matters that arise from Defendants' failure to materially comply with the terms of this Agreement. There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendants for such work unless, in the event of a material breach of this Agreement by Defendants, Plaintiff is required to move the Court for enforcement of this Agreement. Should the Court approve


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attorneys' fees and/or litigation costs and expenses in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

**13. INCENTIVE AWARD TO PLAINTIFF**

Plaintiff shall seek, and Defendants shall not oppose, a service award for Plaintiff in an amount not to exceed Ten Thousand Dollars and Zero Cents ($10,000.00) for his participation in and assistance with the Action ("Incentive Award"). The amount of the Incentive Award will be set by the Court and the Incentive Award to Plaintiff shall be paid from the Gross Settlement Amount and shall be reported on an IRS Form 1099 to be issued by the Settlement Administrator. Plaintiff shall not request exclusion from or object to the Settlement. Plaintiff will be solely and legally responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the Incentive Award. Plaintiff will indemnify and hold Defendants harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Incentive Award. This section shall also not in any way affect Plaintiff's rights to continue being employed by Defendants. In exchange for this Incentive Award, Plaintiff agrees not to publicize the settlement beyond what is required or expressly approved by the Court, agrees to respond to any inquiry regarding the Settlement only by stating that a class action settlement was reached and Class Counsel should be contacted with any questions. In the event that the Court reduces or does not approve the requested Incentive Award to Plaintiff, he shall not have the right to revoke the Settlement Agreement, and any portion of the Incentive Award not approved by the Court will become part of the Net Settlement Amount.

**14. TAXATION AND ALLOCATION**

**A.** Each Participating Class Member's Individual Settlement Share shall be allocated as follows: 20% as wages (to be reported on an IRS Form W2); and 80% to interest and penalties (to be reported on an IRS Form 1099). The Individual PAGA Payments to the Aggrieved Employees shall be allocated entirely as penalties (to be reported on an IRS Form 1099). The Parties agree that the employee's share of taxes and withholdings with respect to the wage-portion of the Participating Class Member's Individual Settlement Share will be withheld from the Participating Class Member's Individual Settlement Share in order to yield


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the Individual Settlement Payment. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made pursuant to applicable state and/or local withholding codes or regulations.

**B.** Forms W-2 and/or Forms 1099 will be distributed by the Settlement Administrator at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, is changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendants into compliance with any such changes.

**C.** All Employer Taxes shall be paid by Defendants separate and apart from the Gross Settlement Amount. Defendants shall remain liable to pay the employer's share of payroll taxes as described above.

D. Neither Counsel for Plaintiff nor Defendants intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise:

> CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS



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AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

**15. PRIVATE ATTORNEYS' GENERAL ACT ALLOCATION**

The Parties agree to allocate One Hundred Fifty Thousand Dollars and Zero Cents ($150,000.00) of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, sixty-five percent (65%) of the amount allocated toward PAGA ($97,500.00) will be paid to the LWDA (*i.e.*, the LWDA Payment), and thirty-five percent (35%) of the amount allocated toward PAGA ($52,500.00) shall be deemed the "PAGA Payment" and distributed to Aggrieved Employees on a *pro rata* basis based upon their respective number of Pay Periods worked for Defendants during the PAGA Period (*i.e.*, the Individual PAGA Payments).

**16. COURT APPROVAL**

This Agreement is contingent upon an order by the Court granting Final Approval of the Settlement, and that the LWDA does not intervene and/or object to the Settlement. Plaintiff is



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responsible for providing notice of the Settlement and the Preliminary Approval hearing to the LWDA as required by PAGA. In the event it becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties shall be restored to their respective positions in the Action prior to entry of this Settlement. If this Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the Court reserves any authority to issue any appropriate orders when denying approval; and/or (b) there are any terms and conditions in this Settlement Agreement specifically stated to survive the Settlement Agreement being voided or not approved, and which control in such an event.

**17. INCREASE IN WORKWEEKS/ESCALATOR CLAUSE**

Defendants represent that there are no more than 76,000 Workweeks worked by Class Members during the Class Period. In the event the number of Workweeks worked increases by more than 10%, or 7,600 Workweeks worked (*i.e.,* collectively more than 83,600 workweeks), then the GSA shall be increased proportionally by the Workweeks worked in the Class Period in excess of 83,600 Workweeks multiplied by the Workweek Value. The Parties agree that the Workweek Value amounts to and the settlement amounts to $46.05 per Workweek. Thus, for example, should there be 90,000 Workweeks worked by Class Members in the Class Period, then the GSA shall be increased by $294,720. ((90,000 Workweeks – 83,600 Workweeks) x $46.05 per Workweek).

**18. VOIDING OF SETTLEMENT AND RETURN OF GROSS SETTLEMENT AMOUNT AND EMPLOYERS' TAXES**

At Defendants' sole discretion, they shall have the right, but not the obligation, to withdraw from or rescind the Settlement if: (a) 10% or more of all Settlement Class Members, not including the opt outs of any Settlement Class Members who already have pending claims and/or lawsuits against Defendants and choose opt out of this Settlement, submit valid and timely Requests for Exclusion, provided that Defendants' exercise this right of rescission, in writing, to Class Counsel within 15 calendar days after the time period for Settlement Class Members to opt-out has closed and the Settlement Administrator notifies the Parties of the total



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number of opt-outs; (b) the Court makes an order inconsistent with a material term of the Settlement Agreement; or (c) if the LWDA or other state or governmental agency intervenes in the Settlement Agreement. If Defendants exercise this right, Defendants will still have to pay the Settlement Administration Costs incurred as of the date of rescission. The Parties further agree that they will meet and confer in person or by video-conference prior to any voiding of the Settlement should Defendants wish to exercise this right. Defendants shall schedule the agreed-upon meet and confer with Class Counsel not later than five (5) days after the Settlement Administrator notifies the Parties of the number of valid opt outs it has received. After meeting and conferring, Defendants shall notify Class Counsel and the Court within five (5) days of the meet and confer if they intend to void the Settlement. The Parties and their counsel agree that they will not take any action inconsistent with this Settlement, including, without limitation, soliciting or encouraging Class Members to opt out of the Settlement.

**19. NOTICE OF JUDGMENT**

In addition to any duties set out herein, the Settlement Administrator shall provide notice of the Final Judgment entered in the Action by posting the same on its website for at least four (4) years after the Judgment becomes final.

**20. MISCELLANEOUS PROVISIONS**

**A. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.**

This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendants reserve the right to contest certification of any class for any reasons, and Defendants reserve all available defenses to the claims in the Action, and Plaintiffs reserve the



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right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement, and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

**B. Attorney Authorization.**

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

**C. 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.

**D. No Tax Advice.**

Neither Plaintiff, Class Counsel, Defendants, nor Defendants' Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

**E. Modification of Agreement.**

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

**F. Agreement Binding on Successors.**

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

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**G. Applicable Law.**

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

**H. Cooperation in Drafting.**

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

**I. Confidentiality and Publicity**

Neither Plaintiff nor Class Counsel shall issue any press release or announcement of any kind related in any way to the Settlement. Plaintiff and Class Counsel agree that, prior to filing the motion for Preliminary Approval of the Settlement, they will keep the terms of this Settlement confidential and shall not issue any press release of any kind, or publicize the Settlement, unless so ordered by the Court. From and after the filing of the motion for Preliminary Approval of the Settlement, Plaintiff and Class Counsel may: (1) as required by law; or (2) as required under the terms of the Settlement; or (3) as required under counsel's duties and responsibilities as Class Counsel and/or under the course of his duties as a class and PAGA representative in the Lawsuit, comment regarding the specific terms of the Settlement. In all other cases, Plaintiff and Class Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic (including the Internet and social media), to say the Lawsuit has been resolved. Nothing in this Section is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel, including but not limited to, communicating with the Settlement Class Members and Aggrieved Employees regarding the Settlement. In addition, nothing in this Section is intended to interfere with Plaintiff's duties as a class and PAGA representative regarding the Settlement and shall respond to any inquiry regarding the settlement only by stating that a class action settlement was reached and Class Counsel should be contacted with any questions. Notwithstanding any other provision of this Agreement, the Parties agree that that Plaintiff


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may still provide a client testimonial to Class Counsel, which may be used for marketing and/or advertising purposes, regarding his experience with Class Counsel, the results of any resolution, and how that resolution impacted Plaintiff's life, without naming, mentioning, referencing, or otherwise inferring the identity of Defendants and/or Defendants' counsel.

**J. 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.

**K. Stay of Litigation.**

The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that in the event that the Court does not grant Final Approval of the Settlement, this Agreement shall constitute a stipulation pursuant to C.C.P. section 583.330 extending the date to bring a case to trial under C.C.P. section 583.310 for the entire period of the settlement process.

**L. Interpretation of the Agreement.**

This Agreement and the Memorandum of Understanding constitute the entire agreement between Plaintiff and Defendants with respect to settlement of the Class Action, PAGA Action, and PAGA Notices. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the laws of the State of California, both in its procedural and substantive aspects, without regard to its conflict of law provisions. Any claim arising out of or relating to the Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California for the County of Los Angeles, and Plaintiff and Defendants hereby consent to the personal jurisdiction of the Court in the Action over it solely in connection therewith. Plaintiff, on Plaintiff's own behalf and on behalf of the Settlement Class, and Defendants participated in the negotiation and drafting of this Agreement and had available to


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them the advice and assistance of independent counsel. As such, neither Plaintiff nor Defendants may claim that any ambiguity in this Agreement should be construed against the other. The Agreement may be modified only by a writing signed by the Parties or their successors in interest and approved by the Court.

**M. Further Cooperation.**

Plaintiff, Defendants, and their respective counsel shall proceed diligently to prepare and execute all documents, to seek the necessary approvals from the Court, and to do all things reasonably necessary to consummate the Settlement as expeditiously as possible. The Parties agree that they will not take any action inconsistent with this Agreement, including, without limitation, encouraging Class Members to opt out of the Settlement. In the event the Court finds that any Party has taken actions inconsistent with the Settlement, including, without limitation, encouraging Class Members to opt out of the Settlement, the Court may take any corrective actions, including enjoining any Party from communicating regarding the Settlement on an *ex parte* basis, issuing (a) corrective notice(s), awarding monetary, issue, evidentiary and/or terminating sanctions against that Party, and/or enforcing this Agreement despite the presence of opt-outs and/or objections.

**N. Counterparts.**

The Agreement may be executed in one or more actual or non-original counterparts, all of which will be considered one and the same instrument and all of which will be considered duplicate originals.

**P. Authority.**

Each individual signing below warrants that he or she has the authority to execute this Agreement on behalf of the Party for whom or which that individual signs.

**Q. No Third-Party Beneficiaries.**

Plaintiff, Participating Class Members, Aggrieved Employees, Class Counsel, and Defendants are direct beneficiaries of this Agreement, but there are no third-party beneficiaries.

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**R. Deadlines Falling on Weekends or Holidays.**

To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or legal holiday, that deadline shall be continued until the following business day.

**S. Severability.**

In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

**T. Jurisdiction of the Court**

Pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

**IT IS SO AGREED:**

Dated: 09 / 02 / 2026, 2026

DAVID CERDA GALVAN, Plaintiff and Class Representative

**IT IS SO AGREED:**

Dated: _____, 2026

Defendant MONSTER ENERGY COMPANY, a Delaware corporation
By:
Its:



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**IT IS SO AGREED:**

Dated: _____, 2026

Defendant MONSTER BEVERAGE CORPORATION, a Delaware corporation
By:
Its:

**AGREED AS TO FORM ONLY:**

Dated: _____, 2026

Jasmin K. Gill
Ashlie E. Fox
J. Gill Law Group, P.C.
Counsel for Plaintiff DAVID CERDA GALVAN, an individual and on behalf of all others similarly situated,

Dated: _____, 2026

Marc P. Miles
Laura M. Booth
SHOOK, HARDY & BACON, LLP
Counsel for Defendants Monster Energy Company and Monster Beverage Corporation



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**R. Deadlines Falling on Weekends or Holidays.**

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**IT IS SO AGREED:**

Dated: _____, 2026

DAVID CERDA GALVAN, Plaintiff and Class Representative

**IT IS SO AGREED:**

Dated: September 1, 2026

Defendant MONSTER ENERGY COMPANY, a Delaware corporation
By: Paul J. Dechary
Its: EVP & General Counsel

**IT IS SO AGREED:**

Dated: September 1, 2026

Defendant MONSTER BEVERAGE CORPORATION, a Delaware corporation
By: Paul J. Dechary
Its: EVP & General Counsel

**AGREED AS TO FORM ONLY:**

Dated: 10/1, 2026

Jasmin K. Gill
Ashlie E. Fox
J. Gill Law Group, P.C.
Counsel for Plaintiff DAVID CERDA GALVAN, an individual and on behalf of all others similarly situated,

Dated: 9/1, 2026

Marc P. Miles
Laura M. Booth
SHOOK, HARDY & BACON, LLP
Counsel for Defendants Monster Energy Company and Monster Beverage Corporation