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and Majestic Terminal Services, Inc. dba PrimeFlight Cargo

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

LAKA MOALA, an individual, on behalf of
herself, the State of California, as a private
attorney general, and on behalf of all others
similarly situated,

Plaintiff,

v.

PRIMEFLIGHT AVIATION SERVICES, INC.,
a Delaware Corporation; MAJESTIC
TERMINAL SERVICES, INC. DBA
PRIMEFLIGHT CARGO, a Washington
Corporation; and DOES 1 TO 50,

Defendants.

Case No.: CIVSB2213837

**Settlement Agreement and Release of Class
Action**

SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION

This Settlement Agreement and Release of Class Action (“Settlement Agreement”) is made and entered into by: **(1)** Plaintiff Laka Moala (“Plaintiff”), individually and in her representative capacity on behalf of the Settlement Class, as defined below, and as a private attorney general on behalf of the State of California; and **(2)** Defendants PrimeFlight Aviation Services, Inc. and Majestic Terminal Services, Inc. dba PrimeFlight Cargo (collectively, “Defendants”). Plaintiff and Defendants may be collectively referred to herein as the “Parties,” or as a “Party,” or by their names.

This Settlement Agreement is subject to the approval of the Court, pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made for the sole purpose of attempting to consummate settlement of the *Laka Moala v. PrimeFlight Aviation Services, Inc., et al.* action on a class-wide basis subject to the following terms and conditions. As detailed below, if the Court does not enter an order granting final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this Settlement Agreement as well as the Memorandum of Understanding underlying this Settlement Agreement are void and of no force or effect whatsoever.

1. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Settlement Agreement are not specifically defined below, but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this definition section.

1.1. ACTION

“Action” shall mean the following civil action: *Laka Moala v. PrimeFlight Aviation Services, Inc., et al.*, case number CIVSB2213837, currently pending before the Superior Court of the State of California for the County of San Bernardino.

1.2. ADMINISTRATIVE EXPENSES

“Administrative Expenses” shall include all costs and expenses associated with and paid to the third-party settlement administrator, which are estimated not to exceed Twenty-Five Thousand Five Hundred Dollars (\$25,500.00).

1 **1.3. APPLICABLE WAGE ORDER**

2 “Applicable Wage Order” shall mean the California Industrial Welfare Commission (“IWC”) Wage Order applicable to the facts of this case, including IWC Wage Order 9-2001 and any others that may be applicable. (Cal. Code of Regs., tit. 8, § 11090.)

5 **1.4. CLAIMS**

6 “Claims” shall mean the claims asserted in the Action as alleged in Plaintiff’s pleadings.

7 **1.5. CLASS ATTORNEY FEES AND EXPENSES**

8 “Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount attributable to attorneys’ fees and litigation expenses. The Parties agree that the fee-portion of the Class Attorney’s Fees and Expenses shall be up to one-third of the Gross Settlement Amount (i.e., \$116,666.67), as approved by the Court, and the award of costs and expenses shall be up to an additional Fifteen Thousand Dollars (\$15,000). If the Escalator Provision described below is triggered so as to increase the Gross Settlement Amount, the Parties agree that the fee portion of the Class Attorney’s Fees and Expenses will increase proportionally such that the total amount of attorneys’ fees remains one-third of the Gross Settlement Amount *after* the upward adjustment required by the Escalator Provision is implemented.

17 **1.6. CLASS COUNSEL**

18 “Class Counsel” shall mean Jonathan Melmed and Meghan Higday of Melmed Law Group P.C.

19 **1.7. CLASS MEMBER**

20 “Class Member” shall mean any person who is a member of the Settlement Class, as defined in Section 1.39 below, or, if such person is incompetent or deceased, the Class Member’s legal guardian, executor, heir, or successor-in-interest.

23 **1.8. CLASS NOTICE**

24 “Class Notice” shall mean the *Notice of Proposed Class Action Settlement*, as set forth in the form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along with the Share Form.

27 **1.9. CLASS PARTICIPANTS**

28 “Class Participants” shall mean all Class Members who do not timely request exclusion from

1 the Class Settlement.

2 **1.10. CLASS PERIOD**

3 “Class Period” shall mean the period from November 24, 2021, through the date of preliminary
4 approval of this settlement.

5 **1.11. CLASS REPRESENTATIVE**

6 “Class Representative” shall mean Plaintiff Laka Moala.

7 **1.12. CLASS SETTLEMENT**

8 “Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is
9 subject to Court approval.

10 **1.13. COMPLAINT**

11 “Complaint” shall mean the operative complaint in the Action up to, and including, the
12 operative complaint at the time of final approval.

13 **1.14. COURT**

14 “Court” shall mean the Superior Court of the State of California for the County of San
15 Bernardino.

16 **1.15. DEFENDANTS**

17 “Defendants” shall mean Defendants PrimeFlight Aviation Services, Inc. and Majestic
18 Terminal Services, Inc. dba PrimeFlight Cargo.

19 **1.16. DEFENSE COUNSEL**

20 “Defense Counsel” shall mean Collin Cook and Aaron Cargain for Fisher & Phillips, LLP.

21 **1.17. EFFECTIVE DATE**

22 “Effective Date” shall be the date when all of the following events have occurred: **(a)** this
23 Settlement Agreement has been executed by all Parties and by Class Counsel and Defense Counsel;
24 **(b)** the Court has given preliminary approval to the Class Settlement; **(c)** notice has been given to the
25 Settlement Class providing them with an opportunity to request exclusion from the Class Settlement;
26 **(d)** the Court has held a Final Approval and Fairness Hearing and entered a final order and judgment
27 certifying the Settlement Class and approving this Settlement Agreement; and **(e)** the later of the
28 following events: **(i)** the expiration of the period for filing any appeal, writ, or other appellate

proceeding opposing the Class Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) the dismissal of any appeal, writ, or other appellate proceeding opposing the Class Settlement with no right to pursue further remedies or relief; or (iii) any appeal, writ, or the issuance of such other final appellate order upholding the Court's final order with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Class Settlement shall not become effective until the Court's order approving the Class Settlement is completely final and there is no further recourse by an appellant or objector who seeks to contest the Class Settlement. If no objections are filed, the Effective Date shall be after steps (a) through (d) are completed (i.e., the date that the court has entered a final order and judgment certifying the Settlement Class and approving this Settlement Agreement).

1.18. EMPLOYEE'S TAXES AND REQUIRED WITHHOLDING

"Employee's Taxes and Required Withholding" shall mean the employee's share of any and all applicable federal, state, or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and/or the State Unemployment Tax Act (SUTA) on the portion of any Class Participant's Individual Class Settlement Amount that constitutes wages. The Employee's Taxes and Required Withholdings will be withheld from and paid out of the Individual Class Settlement Amounts paid from the Net Settlement Amount.

1.19. EMPLOYER'S TAXES

"Employer's Taxes" shall mean and refer to Defendants' share of payroll taxes (e.g., Unemployment Insurance, Employment Training Tax, Social Security, and Medicare taxes) that are owed on the portion of any Class Participant's Individual Class Settlement Amount that constitutes wages. The Employer's Taxes shall be separately paid by Defendants and shall not be paid from the Gross Settlement Amount or Net Settlement Amount.

1.20. FINAL APPROVAL AND FAIRNESS HEARING

"Final Approval and Fairness Hearing" shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

1.21. GROSS SETTLEMENT AMOUNT

"Gross Settlement Amount" is the agreed upon non-reversionary settlement amount totaling

Three Hundred and Fifty Thousand Dollars (\$350,000.00) to be paid by Defendants in full settlement of the Released Claims asserted in this case, inclusive of the Administrative Expenses, the Employee's Taxes and Required Withholdings, the Class Attorney Fees and Expenses, the Incentive Award, and PAGA Payment. Defendants shall separately pay their share of the Employer's Taxes in addition to the Gross Settlement Amount on the portion of each Individual Class Settlement Amount allocated as wages.

1.22. HEARING ON PRELIMINARY APPROVAL

"Hearing on Preliminary Approval" shall mean the hearing held on the motion for preliminary approval of the Class Settlement.

1.23. INCENTIVE AWARD

"Incentive Award" shall mean any additional monetary payment provided to the Class Representative for her efforts and risks on behalf of the Settlement Class in this Action.

1.24. INDIVIDUAL CLASS SETTLEMENT AMOUNT

"Individual Class Settlement Amount" shall mean the amount which is distributed to each Class Participant, less any Employee's Taxes and Required Withholdings. The Individual Class Settlement Amount does not include any portion of the PAGA Payment.

1.25. NET SETTLEMENT AMOUNT

"Net Settlement Amount" shall mean the Gross Settlement Amount minus: Administrative Expenses; Class Attorney Fees and Expenses; 75% of the share of the Gross Settlement Amount allocated toward penalties pursuant to the Labor Code Private Attorney General Act of 2004 ("PAGA"), codified at Labor Code sections 2698 through 2699.6, which are payable to the California Labor and Workforce Development Agency ("LWDA"); and Plaintiff's Incentive Award.

1.26. OPT OUT

"Opt Out" shall refer to the process of submitting a timely and valid request for exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.27. OPT-OUTS

"Opt-Outs" shall mean all persons who timely and validly request exclusion from the Class

Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.28. PAGA PAYMENT

“PAGA Payment” means the penalties pursuant to the PAGA that the Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is Thirty-Five Thousand Dollars (\$35,000.00). The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$26,250.00) to the LWDA and twenty-five percent (25%) (i.e., \$8,750.00) to the PAGA Settlement Class. Class Counsel shall give timely notice of this Settlement Agreement to the LWDA pursuant to Labor Code section 2699, subdivision (l)(2).

1.29. PAGA PERIOD

“PAGA Period” shall mean the period from November 24, 2021, through the date of preliminary approval of this settlement.

1.30. PAGA SETTLEMENT CLASS

“PAGA Settlement Class” shall mean all individuals who are or were employed by Defendants as non-exempt employees in California during the PAGA Period. Defendants represent that, at the time of mediation, the PAGA Settlement Class consisted of approximately 2,264 employees that worked a total of approximately 25,801 pay periods during the PAGA Period. A Form 1099 shall be issued to each member of the PAGA Settlement Class for funds related to the PAGA Settlement, which shall be treated entirely as penalties.

1.31. PARTIES AND PARTY

“Parties” shall mean Plaintiff and Defendants. “Party,” shall refer to one of the Parties.

1.32. PLAINTIFF

“Plaintiff” shall mean Plaintiff Laka Moala.

1.33. PRELIMINARY APPROVAL DATE

“Preliminary Approval Date” shall mean the date upon which the Court enters an order preliminarily approving this Settlement Agreement.

1.34. RELEASED CLAIMS

“Released Claims” shall mean all claims arising out of the claims and allegations made in the

operative complaint or that reasonably could have been alleged based on the factual allegations contained in the operative complaint or the original and amended LWDA letters, including but not limited to all of the following claims for relief and causes of action: **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the Applicable Wage Order; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the Applicable Wage Order; **(3)** failure to pay all accrued vacation time in violation of Labor Code section 201, 202, and 227.3; **(4)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Order; **(5)** failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, and the Applicable Wage Order; **(6)** failure to maintain accurate employment records in violation of Labor Code section 1174; **(7)** failure to pay timely wages during employment in violation of Labor Code sections 204, 210; **(8)** failure to pay all wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; **(9)** failure to indemnify and reimburse for all business expenses in violation of Labor Code sections 2802 and 2804; **(10)** failure to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3; **(11)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§ 17200 *et seq.*); **(12)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698–2699.6); and **(13)** all claims for liquidated damages, penalties, interest, fees and costs based on the foregoing.

It is the intent of the Parties that the judgment entered by the Court upon Final Approval of the Settlement shall have res judicata and/or collateral estoppel effect and be final and binding upon Plaintiff and all Participating Class Members regarding all of the Released Claims. This Settlement Agreement will not release any person, party, or entity from claims, if any, by Class Members for workers' compensation, unemployment, or disability benefits of any nature. Nor does it release any claims, actions, or causes of action which may be possessed by Class Members under state or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code, § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, *et seq.*); the Americans with

Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing regulations and interpretive guidelines.

1.35. RELEASED PARTIES

“Released Parties” shall mean Defendants and all of Defendants’ parents, subsidiaries, affiliates, insurers, related entities and divisions, and their respective: (i) predecessors, successors, and assigns, and (ii) current and former agents, heirs, executors, administrators, principals, officers, directors, shareholders, founders, members, assignees, insurers, attorneys, and all others claiming through or by any of them.

1.36. RELEASING PARTIES

“Releasing Parties” shall mean every Class Participant and all persons purporting to act on their behalf or purporting to assert a claim under or through them, including, but not limited to, their dependents, heirs, assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

1.37. RESPONSE DEADLINE

“Response Deadline” shall mean the date thirty (30) days following the date on which the Settlement Administrator first mails Class Notice to the Class Members and the last day on which Class Members may submit a request for exclusion and/or objection to Class Settlement.

1.38. SETTLEMENT ADMINISTRATOR

“Settlement Administrator” shall mean ILYM Group, Inc. which the Parties have agreed will be responsible for administration of the Class Settlement and related matters.

1.39. SETTLEMENT CLASS

“Settlement Class” shall mean all individuals who are or were employed by Defendants as non-exempt employees in California during the Class Period. Defendants represent that the Settlement Class consists of approximately 2,264 Class Members that worked a total of approximately 50,516 workweeks during the Class Period.

1.40. SHARE FORM

“Share Form” shall mean the *Class Action Settlement Share Form*, as set forth in the form of

Exhibit 2 attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along with the Class Notice.

2. FACTUAL AND PROCEDURAL BACKGROUND

2.1. PLAINTIFF'S CLAIMS

Plaintiff, individually and in her representative capacity on behalf of the Settlement Class, has alleged the following violations: **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the Applicable Wage Order; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the Applicable Wage Order; **(3)** failure to pay all accrued vacation time in violation of Labor Code section 201, 202, and 227.3; **(4)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Order; **(5)** failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, and the Applicable Wage Order; **(6)** failure to maintain accurate employment records in violation of Labor Code section 1174; **(7)** failure to pay timely wages during employment in violation of Labor Code sections 204, 210; **(8)** failure to pay all wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; **(9)** failure to reimburse business expenses in violation of Labor Code sections 2802 and 2804; **(10)** failure to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3; **(11)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210).

On November 1, 2022, Plaintiff filed a Private Attorney's General Act Notice with the LWDA and after the 65-day waiting period ends, Plaintiff will amend her Complaint and file a First Amended Complaint on January 6, 2022, alleging a twelfth **(12)** cause of action for statutory penalties based on the foregoing pursuant to the PAGA (Lab. Code, §§ 2698–2699.6).

2.2. DISCOVERY, INVESTIGATION, RESEARCH, AND MEDIATION

Class Counsel has conducted significant informal discovery during the prosecution of the Action. This discovery, investigation, and prosecution has included, among other things, **(a)** over a dozen telephonic conferences with Plaintiff; **(b)** inspection and analysis of hundreds of pages of

documents and other information produced by Plaintiff and Defendants; (c) analysis of employment data from a sample of Class Members; (d) an analysis of the legal positions taken by Defendants; (d) investigation into the viability of class treatment of the claims asserted in the Action; (e) analysis of potential class-wide damages, including information sufficient to understand Defendants' potential defenses to Plaintiff's claims; (f) research of the applicable law with respect to the claims asserted in the Complaint and the potential defenses thereto; and (g) assembling and analyzing of data for calculating damages.

Class Counsel and the Class Representative have vigorously prosecuted this case, and Defendants has vigorously contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative merits of the claims of the Class Representative and of the defenses to them. After such discovery, investigation, and prosecution, the Parties attended a full-day mediation with an experienced employment law mediator, which culminated in a settlement in principle, the terms of which are elaborated in this Settlement Agreement.

2.3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF CLASS SETTLEMENT

The document and data exchange in this matter, as well as discussions between counsel, have been adequate to give the Class Representative and Class Counsel a sound understanding of the merits of their positions and to evaluate the value of the claims of the Settlement Class. The informal discovery conducted in this Action and the information exchanged by the Parties through pre-mediation discussions are sufficient to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and equitable basis.

The Class Representative and Class Counsel believe that the claims, causes of action, allegations, and contentions asserted in the Action have merit. However, the Class Representative and Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendants through trial and through appeals. Class Counsel has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex actions such as this, as well as the difficulties and delays inherent in such litigation, and the potential difficulty of obtaining certification of the Settlement Class as well as trying the claims of the class.

1 Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims
2 alleged in the Action.

3 The Class Representative and Class Counsel believe that the settlement set forth in this
4 Settlement Agreement confers substantial benefits upon Plaintiff and the Settlement Class and that an
5 independent review of this Settlement Agreement by the Court in the approval process will confirm
6 this conclusion. Based on their own independent investigation and evaluation, Class Counsel has
7 determined that the settlement set forth in this Settlement Agreement is in the best interests of Plaintiff
8 and the Class Members.

9 **2.4. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

10 Defendants have denied and continue to deny all allegations, claims, and contentions alleged
11 by Plaintiff in the Action. Defendants have expressly denied and continue to deny all charges of
12 wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions
13 alleged in the Action. Defendants contend that they complied with California and federal wage and
14 hour laws and have dealt legally and fairly with Plaintiff and the Class Members.

15 Defendants further deny that, for any purpose other than settling this Action, these claims are
16 appropriate for class or representative treatment. Nonetheless, Defendants have concluded that further
17 proceedings in the Action would be protracted and expensive and that it is desirable that the Action be
18 fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement
19 Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendants'
20 respective businesses without further expensive litigation and the distraction and diversion of their
21 personnel with respect to matters at issue in the Action. Defendants have also taken into account the
22 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.
23 Defendants have, therefore, determined that it is desirable and beneficial to them that the Action be
24 settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

25 **2.5. INTENT OF THE CLASS SETTLEMENT**

26 The Class Settlement set forth herein intends to achieve the following: **(1)** entry of an order
27 approving the Class Settlement; **(2)** entry of judgment of the Action; **(3)** discharge of the Released
28 Parties from liability for any and all of the Released Claims; and **(4)** discharge of the Released Parties

1 from liability for any and all claims arising out of the Action.

2 **3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS**

3 For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the
4 Parties agree to conditional class certification of the Settlement Class. Defense Counsel believes this
5 conditional certification is appropriate because the Released Claims are being compromised without
6 need to establish the elements of those claims on which liability turns. The certification of the
7 Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by
8 Defendants, including without limitation, that certification of a class for trial purposes is or would be
9 warranted, appropriate or proper; or that Plaintiff could establish any of the requisite elements for class
10 treatment of any of the claims in the Action.

11 If the Settlement Agreement is not finally approved by the Court, the Effective Date is not
12 achieved, or the Class Settlement is rejected, terminated, or otherwise rendered null and void as set
13 forth herein, then certification of the Settlement Class shall be automatically vacated, shall be void *ab*
14 *initio*, of no force or effect, and shall not constitute evidence or a binding determination that the
15 requirements for certification of a class for trial purposes in this Action or in any other action which
16 have been, are or can be, satisfied. Further, if the Agreement does not reach the Effective Date, Plaintiff
17 agrees that Plaintiff will not argue, claim, reference, or otherwise raise any preliminary approval of the
18 Settlement Class in connection with any later proceeding before the Court.

19 **4. APPOINTMENT OF CLASS COUNSEL**

20 For purposes of this Settlement Agreement and subject to the Court's approval, the Parties agree
21 to the appointment of Class Counsel as counsel for the Settlement Class and the effectuation of the
22 Class Settlement pursuant to this Settlement Agreement.

23 **5. CONSIDERATION**

24 **5.1. SETTLEMENT AMOUNT**

25 The Parties agree to settle this Action for the Gross Settlement Amount of Three Hundred and
26 Fifty Thousand Dollars (\$350,000.00). There shall be no reversion to Defendants. Defendants shall pay
27 the Gross Settlement Amount in full. The Gross Settlement Amount and other actions and forbearances
28 taken by Defendants shall constitute adequate consideration for the Class Settlement and will be made

1 in full and final settlement of: the Released Claims, the Class Attorney Fees and Expenses,
2 Administrative Expenses, the Incentive Award, the PAGA Payment (and any payments to individual
3 PAGA Class Members resulting from the PAGA Payment), and any other obligation of Defendants
4 under this Settlement Agreement (other than the Employer's Taxes on the portion of the Net Settlement
5 Amount allocated to the payment of wages).

6 After the Court issues an order preliminarily approving this Class Settlement, the Settlement
7 Administrator will distribute the Class Notice to the Class Members, which shall describe the terms of
8 the Class Settlement and procedures to Opt Out, object, or participate in the Class Settlement as well
9 as the Share Form, which shall identify the Class Member, the number of workweeks worked by each
10 Class Member ("Workweeks"), as well as the estimated amount of the Individual Class Settlement
11 Amount the Class Member can expect to receive once the Class Settlement becomes effective on the
12 Effective Date.

13 As set forth in the Notice of Proposed Class Action Settlement, which will be provided to the
14 Class Members and is attached to this Settlement Agreement as Exhibit "1," Class Members shall be
15 given the opportunity to challenge their Workweeks information.

16 **5.2. INCENTIVE AWARD FOR PLAINTIFF**

17 Plaintiff may petition the Court to approve an Incentive Award in an amount up to Seven
18 Thousand Five Hundred Dollars (\$7,500.00) for Laka Moala to acknowledge her efforts on behalf of
19 the Settlement Class in this Action, including assisting in the investigation and consulting with Class
20 Counsel and providing crucial documents to Class Counsel. Defendants shall not oppose any request
21 by Plaintiff for an Incentive Award in such an amount. Any Incentive Award approved by the Court
22 shall be paid to Plaintiff from the Gross Settlement Amount and shall be in addition to any distribution
23 to which she may otherwise be entitled as a Class Participant.

24 Any Incentive Award approved by the Court shall not be considered wages, and the Settlement
25 Administrator shall issue to Plaintiff an IRS Form 1099 reflecting such payment. Plaintiff shall be
26 responsible for the payment of all taxes with respect to any Incentive Award approved by the Court
27 and shall hold Defendants harmless from all liability with regard thereto.
28

1 **5.3. PAYMENT TO CLASS PARTICIPANTS**

2 Each Class Participant shall be eligible to receive payment of the Individual Class Settlement
3 Amount, which is a share of the Net Settlement Amount based on the pro rata number of weeks worked
4 by the Class Members during the Class Period as a proportion of all weeks worked by all Class
5 Members. Class Members' Workweeks shall be calculated to the nearest hundredth of a full workweek.
6 Each Class Participant, including Plaintiff, shall be responsible for the payment of the Employee's
7 Taxes and Required Withholding with respect to his or her Individual Class Settlement Amount and
8 shall hold Defendants harmless from any and all liability with regard thereto.

9 **5.4. PAYMENT TO PAGA SETTLEMENT CLASS**

10 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
11 Payment, calculated to the nearest hundredth of a full pay period. The PAGA Payment shall consist of
12 the penalties pursuant to the PAGA that the Parties have agreed is a reasonable sum to be paid in
13 settlement of the PAGA claims included in the Action, which is Thirty-Five Thousand Dollars
14 (\$35,000.00). The PAGA Payment must be approved by the Court pursuant to Labor Code section
15 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$26,250.00) to the LWDA
16 and twenty-five percent (25%) (i.e., \$8,750.00) to the PAGA Settlement Class.

17 The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed
18 to the PAGA Settlement Class based on the pro rata number of pay periods worked by each particular
19 PAGA Settlement Class member during the PAGA Period as a proportion of all pay periods worked
20 by all members of the PAGA Settlement Class.

21 **5.5. TAX TREATMENT AND PAYMENT**

22 For the purpose of calculating Employee's Taxes and Required Withholding for the Individual
23 Class Settlement Amounts for Class Participants (including any payments to the Class Representative
24 but exclusive of her Incentive Award), the Parties agree that 20% of each Individual Class Settlement
25 Amount shall constitute payment in the form of wages (and each Class Participant will be issued an
26 IRS Form W-2 for such payment to him or her), and 80% of each Individual Class Settlement Amount
27 shall constitute penalties and interest (and each Class Participant will be issued an IRS Form 1099 for
28 such payment to him or her). Prior to final distribution, the Settlement Administrator shall calculate the

1 total Employee's Taxes and Required Withholding due as a result of the wage portion of Class
2 Participants' anticipated Individual Class Settlement Amounts and such actual amount will be deducted
3 from the Net Settlement Amount. Additionally, prior to the funding of the Gross Settlement Amount
4 and final distribution, the Settlement Administrator shall calculate the total Employer's Taxes due on
5 the wage portion of the Class Participants' Individual Class Settlement Amounts and issue instructions
6 to Defendants to separately fund these tax obligations/withholdings. The Parties understand that
7 Plaintiff and the Class Participants who receive any payment pursuant to this Settlement Agreement
8 shall be solely responsible for all other individual tax obligations.

9 With respect to the PAGA Payment and any payments made to individual members of the
10 PAGA Settlement Class, all such payments shall be treated as payments owing for penalties and interest
11 thereon and shall not be considered wages. The Settlement Administrator shall issue to members of the
12 PAGA Settlement Class an IRS Form 1099 reflecting such payment. Members of the PAGA Settlement
13 Class shall be solely responsible for the payment of all taxes with respect to any PAGA payments made
14 to them.

15 **5.6. NO EFFECT ON EMPLOYEE BENEFIT PLANS**

16 Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any
17 previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus
18 program sponsored by Defendants. Such amounts will not form the basis for additional contributions
19 to, benefits under, or any other monetary entitlement under Defendants' sponsored benefit plans,
20 policies, or bonus programs. The payments made under the terms of this Settlement Agreement shall
21 not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any
22 other form of compensation for the purposes of any of Defendants' benefit plan, policy, or bonus
23 program. Defendants retain the right to modify the language of their benefits plans, policies, and bonus
24 programs to reflect this intent and to make clear that any amounts paid pursuant to this Settlement
25 Agreement are not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring
26 term as defined by applicable plans, policies, and bonus programs for purpose of eligibility, vesting,
27 benefit accrual, or any other purpose, and that additional contributions or benefits are not required by
28 this Settlement Agreement. Defendants do not consider the Class Settlement payments "compensation"

1 for purposes of determining eligibility for, or benefit accrual within, any benefit plans, policies, or
2 bonus programs, or any other plan sponsored by Defendants.

3 **5.7. CLASS ATTORNEY FEES AND EXPENSES**

4 As part of the motion for final approval of the Class Settlement, Class Counsel may apply for
5 an award of Class Attorney Fees and Expenses with the fee portion not to exceed one-third of the Gross
6 Settlement Amount (i.e., \$116,666.67) and the award of costs and expenses up to an additional Fifteen
7 Thousand Dollars (\$15,000.00). Defendants agree to not object to any such fee, cost, or expense
8 application in those amounts.

9 As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the
10 manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the Court shall
11 be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount and shall
12 not constitute payment to any Class Members. If Class Counsel voluntarily reduces the request for
13 Class Attorney Fees and Expenses or the Court's award of Class Attorney Fees and Expenses is less
14 than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class
15 Attorney Fees and Expenses awarded.

16 The Class Attorney Fees and Expenses approved by the Court shall reflect: **(a)** all work
17 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
18 represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be
19 performed and costs to be incurred in connection with approval by the Court of the Class Settlement;
20 **(c)** all work to be performed and costs and expenses, if any, incurred in connection with administering
21 the Class Settlement through the Effective Date and dismissal of the Action with prejudice; and **(d)** may
22 be based on the "catalyst theory" and/or the "common fund doctrine."

23 **6. SETTLEMENT ADMINISTRATION**

24 **6.1. COSTS AND EXPENSES**

25 All costs and expenses due to the Settlement Administrator in connection with its administration
26 of the Class Settlement, including, but not limited to, providing the Class Notice, locating Class
27 Members, processing Opt Out requests and objections, distributing the portion of the PAGA Payment
28 payable to the LWDA, distributing the portion of the PAGA Payment payable to the members of the

PAGA Settlement Class, and calculating, administering and distributing Individual Class Settlement Amounts to the Class Participants and related tax forms, shall be paid from the Gross Settlement Amount, and is not expected to exceed Twenty-Five Thousand Five Hundred Dollars (\$25,500.00).

6.2. PAYMENT BY DEFENDANTS

Defendants shall deposit the Gross Settlement Amount in a lump sum payment plus the employer-side payroll taxes to the Settlement Administrator within thirty (30) days of the Effective Date. In no event shall Defendants be obligated to pay or deposit with the Settlement Administrator more than Three Hundred and Fifty Thousand Dollars (\$350,000.00), plus the Employer's Taxes, except where the Escalator Provision is triggered.

7. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS

7.1. THE SETTLEMENT ADMINISTRATOR

The Settlement Administrator will be responsible for: mailing the Class Notice and Share Form (**Exhibit 1** and **Exhibit 2**, respectively) to Class Members; posting notice of entry of final order and judgment certifying the Class Settlement and approving this Settlement Agreement; handling inquiries from Class Members concerning the Class Notice; determining Individual Class Settlement Amounts; determining individual payments to members of the PAGA Settlement Class; maintaining the settlement funds in an appropriate interest-bearing account; preparing, administering, and distributing Individual Class Settlement Amounts to Class Participants; preparing, administering, and distributing individual payments to members of the PAGA Settlement Class; distributing the portion of the PAGA Payment payable to the LWDA; issuing a final report and performing such other duties as the Parties may direct. Additionally, the Settlement Administrator will handle all tax document preparation and reporting, including state and federal tax forms, if any.

On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and Defense Counsel with summary information updating them as to the number of validated and timely objections and Opt Out requests. The Settlement Administrator will serve on Class Counsel and Defense Counsel via e-mail date-stamped copies of the original Opt Out requests and objections no later than seven (7) days after their receipt. The Settlement Administrator will provide Class Counsel with proof of mailing of the Class Notice, without listing individual Class Member names which the

1 Settlement Administrator will file with the Court at the time Class Counsel files its motion in support
2 of the Court's Final Approval and Fairness Hearing.

3 No later than thirty (30) days prior to the Final Approval and Fairness Hearing, the Settlement
4 Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary
5 information regarding: **(a)** the total amount of final Individual Class Settlement Amounts of each Class
6 Participant, without any identifying personal information; **(b)** the number of Class Participants to
7 receive such payments, and **(c)** the final number of Opt-Outs and objections.

8 Administrative Expenses are not anticipated to exceed Twenty-Five Thousand Five Hundred
9 Dollars (\$25,500.00). Prior to the calculation and distribution of the Individual Class Settlement
10 Amounts, the Settlement Administrator shall calculate the total Administrative Expenses through the
11 conclusion of their services and such actual amount will be deducted from the Gross Settlement
12 Amount prior to the final calculation of the Individual Class Settlement Amounts.

13 **7.2. NOTICE TO CLASS MEMBERS**

14 Notice shall be provided to Class Members in the following manner: within fourteen (14) days
15 after the Preliminary Approval Date, Defendants shall provide the Settlement Administrator with an
16 updated list of Class Members and members of the PAGA Settlement Class containing names, social
17 security numbers, dates of employment, last-known addresses, and phone numbers (the "Database").
18 The Database shall be marked "Confidential – Settlement Administrator's Eyes Only." Class Counsel
19 shall not receive a copy of this list.

20 Within twenty-eight (28) days following the Preliminary Approval Date, the Settlement
21 Administrator shall determine the number of workweeks worked by each Class Member, populate the
22 data for each Class Member accordingly, and send each Class Member the Class Notice via first-class,
23 United States mail. The Class Notice shall also contain an easily-understood statement alerting the
24 Class Members that, unless they elect to Opt Out of the Class Settlement, the Class Member is releasing
25 and waiving all Released Claims against the Released Parties.

26 The Class Notice will inform Class Members of their estimated share of the settlement and the
27 number of workweeks they worked during the Class Period. Class Members may dispute their
28 workweeks if they believe they worked more weeks in the Class Period than Defendants' records show

1 by submitting information to the Settlement Administrator no later than thirty (30) days after being
2 mailed the Class Notice and Share Form by the Settlement Administrator, which is the defined
3 Response Deadline. The Settlement Administrator will jointly work with Plaintiff and Defendants to
4 resolve the dispute in good faith. If Plaintiff and Defendants cannot agree over the workweeks to be
5 credited, the Settlement Administrator shall make the final decision based on the information presented
6 by the Class Members and Defendants.

7 **7.3. OPT OUT PROCEDURE**

8 Class Members who do not timely Opt Out of the Class Settlement will be deemed to participate
9 in the Class Settlement and shall become Class Participants without having to submit a claim form or
10 take any other action. To Opt Out of the Class Settlement, the Class Member must return a signed and
11 completed copy of the *Request for Exclusion Form* attached hereto as **Exhibit 3** to the Settlement
12 Administrator by the Response Deadline.

13 Any Opt Out request that is not postmarked by the Response Deadline will be invalid. If prior
14 to the Response Deadline any Class Notice mailed to a Class Member is returned as having been
15 undelivered by the United States Postal Service, the Settlement Administrator shall perform a skip trace
16 search and seek an address correction for such Class Members, and a second Class Notice will be sent
17 to any new or different address obtained.

18 It will be presumed that, if an envelope containing the Class Notice has not been returned within
19 thirty (30) days of the mailing, the Class Member received the Class Notice. At least twenty-one (21)
20 days prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class
21 Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard
22 to the mailing of the Class Notice and its attempts to locate Class Members. The declaration shall
23 specify the number of Class Members to whom the Class Notice was sent and the number of Class
24 Members to whom the Class Notice was not delivered, as well as information relating to the number
25 of Opt-Outs and objectors. Class Counsel shall file this declaration with the Court.

26 If the Settlement Administrator determines that an Opt Out request returned by a Class Member
27 before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency
28 letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an

1 Opt Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt
2 Out request were deficient. If the Class Member fails to cure the deficiency, the Opt Out request shall
3 be disregarded and the claim will be paid, and the Class Member will become bound by the judgment.

4 Class Participants will be bound by the Release of Released Claims set forth in the definition
5 of “Released Claims” provided in this Settlement Agreement.

6 A request to Opt Out of the Class Settlement shall *not* serve to exclude the Class Member from
7 participation in the PAGA Settlement Class. Opt-Outs shall still be entitled to their share of the PAGA
8 Payment. Class Members who are also members of the PAGA Settlement Class shall have no right or
9 ability to opt out of the portion of this Settlement Agreement releasing PAGA claims.

10 **7.4. OBJECTION PROCEDURE**

11 The Class Notice shall inform the Class Members of their right to object to the Class Settlement
12 if they do not Opt Out. Any Class Participants who wish to object to the Class Settlement may submit
13 a written objection to the Settlement Administrator no later than the Response Deadline. Only Class
14 Participants may object to the Settlement. The objection should include the case name and number and
15 must set forth, in clear and concise terms, a statement of the reasons why the objector believes that the
16 Court should find that the proposed Class Settlement is not in the best interest of the Settlement Class
17 and the reasons why the Class Settlement should not be approved, including the legal and factual
18 arguments supporting the objection. If an objector also wishes to appear at the Final Approval and
19 Fairness Hearing, in person or through an attorney, they may do so. The Settlement Administrator will
20 promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defense
21 Counsel. Class Members wishing to make an objection may appear at the Final Approval and Fairness
22 Hearing, either in person or through a lawyer retained at their own expense.

23 **7.5. NOTICE OF FINAL JUDGMENT**

24 Within seven (7) days after the Court has held a Final and Fairness Approval Hearing and
25 entered a final order certifying the Class for settlement purposes only and approving the Class
26 Settlement, the Settlement Administrator will give notice of judgment to Class Members pursuant to
27 rule 3.771(b) of the California Rules of Court, by posting a copy of said order and final judgment on
28 its website at a web address to be included in the Class Notice.

1 **8. CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

2 **8.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT**

3 The claims of all Class Members are settled for the Gross Settlement Amount of Three Hundred
4 and Fifty Thousand Dollars (\$350,000.00), which will be allocated as follows:

- 5 1. The Administrative Expenses, estimated not to exceed Twenty-Five Thousand Five
6 Hundred Dollars (\$25,500.00);
- 7 2. Class Counsel's attorney fees not to exceed One Hundred and Sixteen Thousand Six
8 Hundred and Sixty-Six Dollars and Sixty Seven Cents (\$116,666.67);
- 9 3. Class Counsel's litigation costs and expenses not to exceed Fifteen Thousand Dollars
10 (\$15,000.00);
- 11 4. The Incentive Award, not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00);
12 and
- 13 5. PAGA Payment to LWDA of Twenty-Six Thousand Two Hundred and Fifty Dollars
14 (\$26,250.00).

15 For purposes of calculating the estimated Individual Class Settlement Amounts, the Settlement
16 Administrator shall calculate the estimated Net Settlement Amount based on the estimated values
17 provided above prior to sending Notice to the Class Members. Prior to final distribution, the Settlement
18 Administrator shall recalculate the final Net Settlement Amount based on the actual values of the
19 amounts in each category.

20 **8.2. CALCULATION OF THE INDIVIDUAL CLASS SETTLEMENT AMOUNTS**
21 **FOR CLASS PARTICIPANTS**

22 Individual Class Settlement Amounts to be paid to Class Participants shall be paid from the Net
23 Settlement Amount. The portion of the Net Settlement Amount shall be distributed pro rata based on
24 the proportional number of weeks, as rounded, worked by each Class Member during the Class Period.

25 Defendants will provide the Settlement Administrator with any information reasonably
26 necessary to perform the calculation of number of workweeks for each Class Member, and any other
27 reasonably required information the Settlement Administrator requests to perform the calculations
28 required under this Settlement Agreement. Defendants shall have no responsibility for deciding the

1 validity of the Individual Class Settlement Amounts or any other payments made pursuant to this
2 Settlement Agreement, shall have no involvement in or responsibility for the determination or payment
3 of Employee's Taxes and Required Withholding, and shall have no liability for any errors made with
4 respect to such Employee's Taxes and Required Withholding. Although the Settlement Administrator
5 will calculate and pay the standard Employee's Taxes and Required Withholding on the portion of the
6 Individual Class Settlement Amounts constituting wages on their behalf, Plaintiff and Class
7 Participants represent and understand that they shall be solely responsible for any and all tax obligation
8 associated with their respective Individual Class Settlement Amounts and Incentive Awards.

9 **8.3. CALCULATION OF THE PAYMENTS FOR INDIVIDUAL MEMBERS OF**
10 **THE PAGA SETTLEMENT CLASS**

11 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
12 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
13 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
14 is Thirty-Five Thousand Dollars (\$35,000.00).

15 The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and
16 is to be distributed as follows: seventy-five percent (75%) (i.e., \$26,250.00) to the LWDA and twenty-
17 five percent (25%) (i.e., \$8,750.00) to the PAGA Settlement Class.

18 The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed
19 to the PAGA Settlement Class based on the pro rata number of pay periods worked by each particular
20 PAGA Settlement Class member during the PAGA Period as a proportion of all pay periods worked
21 by all PAGA Settlement Class members during the PAGA Period. Each member of the PAGA
22 Settlement Class, including Plaintiff, shall be responsible for the payment of the Employee's Taxes and
23 Required Withholding with respect to their share of the PAGA Payment and shall hold Defendants
24 harmless from any and all liability with regard thereto.

25 Defendants will provide the Settlement Administrator with any information reasonably
26 necessary to perform the calculation of number of pay periods worked for each PAGA Settlement Class
27 member, and any other reasonably required information the Settlement Administrator requests to
28 perform the calculations required under this Settlement Agreement. Defendants shall have no

1 responsibility for deciding the validity of the individual payment amounts allocated to each member of
2 the PAGA Settlement Class or any other payments made pursuant to this Settlement Agreement, shall
3 have no involvement in or responsibility for the determination or payment of Employee's Taxes and
4 Required Withholding, and shall have no liability for any errors made with respect to such Employee's
5 Taxes and Required Withholding.

6 The members of the PAGA Settlement Class shall be solely responsible for any and all tax
7 obligation associated with their respective shares of the PAGA Payment.

8 **8.4. TIME FOR PAYMENT OF ATTORNEY FEES AND EXPENSES**

9 The Settlement Administrator shall distribute to Class Counsel any attorneys' fees and expenses
10 approved by the Court no later than thirty-seven (37) days after the Effective Date.

11 **8.5. TIME FOR PAYMENT OF INCENTIVE AWARD**

12 The Settlement Administrator shall distribute to Plaintiff the Incentive Award approved by the
13 Court no later than forty-five (45) days after the Effective Date.

14 **8.6. TIME FOR PAYMENT OF PAGA PAYMENT TO THE LWDA**

15 The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment
16 due to it and approved by the Court no later than forty-five (45) days after the Effective Date.

17 **8.7. TIME FOR PAYMENT OF TAXES AND REQUIRED WITHHOLDING AND** 18 **INDIVIDUAL CLASS SETTLEMENT AMOUNTS**

19 The Settlement Administrator shall make every effort to pay the Employee's Taxes and
20 Required Withholding associated with each Class Participant's Individual Class Settlement Amount
21 and mail the Individual Class Settlement Amount to each Class Participant, by first-class United States
22 mail, to the last-known address no later than forty-five (45) days after the Effective Date. If the
23 Settlement Administrator is not able to do so within the time period set forth above, it shall so inform
24 Class Counsel and Defense Counsel and provide an approximate date by which the Employee's Taxes
25 and Required Withholding shall be paid and the Individual Class Settlement Amounts will be mailed.
26 Under no circumstances shall the Settlement Administrator distribute checks to Class Participants until
27 all Individual Class Settlement Amounts have been considered, calculated, and accounted for, and all
28 of the remaining monetary obligations have been calculated and accounted for.

Within two hundred and ten (210) days of mailing the Individual Class Settlement Amounts to Class Participants, the Settlement Administrator shall file with the Court and provide to Class Counsel a declaration of payment. If any Class Participant is deceased, payment shall be made payable to the estate of that Class Member and delivered to the executor or administrator of that estate, unless the Settlement Administrator has received an affidavit or declaration pursuant to California Probate Code section 13101, in which case payment shall be made to the affiant(s) or declarant(s).

8.8. NON-CASHED SETTLEMENT CHECKS

Any funds associated with checks that have not been cashed within one hundred eighty (180) days, will become void on the one hundred eight-first (181st) day after mailing (the "Void Date"). The Parties agree that any unclaimed funds resulting from any uncashed check will be distributed: (1) 50% to the Harriett Buhai Center for Family Law, a non-profit 501(C)(3) and (2) 50% to the Jenesse Center, Inc., a non-profit 501(C)(3). Harriett Buhai Center for Family Law is a nonprofit law firm whose purpose is to assist low-income residents of Los Angeles County free of charge to resolve critical family law problems that, without help from a knowledgeable lawyer, would devastate their long-term social, economic, and health outcomes. The Jenesse Center, Inc. is a domestic violence prevention and intervention organization that transitions families from crisis to self-sufficiency, and transforms the lives of its clients and the community at large by offering education, referrals and resources that go beyond shelter.

In the event the Court determines that either the Harriett Buhai Center for Family Law or the Jenesse Center, Inc. is not in conformity with California Code of Civil Procedure as a *cy pres* recipient, the Parties agree that another *cy pres* will be agreed upon by the parties and approved by the Court pursuant to Code of Civil Procedure Section 384. For the purposes of determining whether Defendants have met their financial obligation to pay the Individual Settlement Payment, Defendants will be deemed to have fulfilled their obligation upon the Settlement Administrator's mailing of the check to the Class Member, regardless of whether such Class Member subsequently negotiates the check.

8.9. DISPUTES REGARDING CLASS MEMBER WORKWEEKS DATA OR PAYMENT OF INDIVIDUAL SETTLEMENT SHARES

Class Member Workweeks and the corresponding Individual Class Settlement Amount shall be

1 calculated using the employment and payroll records of Defendants, which presumptively shall be
 2 deemed to be full, complete, and accurate for purposes of this Settlement Agreement. To overcome
 3 that presumption, any Class Member objecting to the accuracy of the number of Workweeks or amount
 4 of the Individual Class Settlement Amount must submit documentary evidence, such as pay stubs or
 5 other written employment records, to the Settlement Administrator.

6 Each Class Member may dispute the number of Workweeks or their estimated Individual Class
 7 Settlement Amount contained on their Class Notice (“Workweeks Dispute”). Any such Workweeks
 8 Dispute must be mailed or faxed to the Settlement Administrator by the Class Member, postmarked or
 9 fax-stamped on or before the Response Deadline. The Settlement Administrator shall immediately
 10 provide copies of all disputes to counsel for Defendants, shall inform Class Counsel of the dispute
 11 without disclosing the identity of the Class Member making the dispute, and shall immediately attempt
 12 to resolve all such disputes directly with relevant Class Members with the assistance of Defendants,
 13 Defense Counsel, and Class Counsel. If the dispute cannot be resolved, it shall be submitted to the
 14 Settlement Administrator for its final, non-appealable decision. The Settlement Administrator shall use
 15 its best efforts to resolve all such disputes prior to the Effective Date. If, however, a dispute arises or
 16 is not resolved until after the Settlement Amount has been distributed, the initial calculation shall stand
 17 (as Defendants shall be under no obligation to pay any amounts in excess of the Gross Settlement
 18 Amount under this Settlement Agreement).

19 **9. NULLIFICATION OF THIS SETTLEMENT AGREEMENT**

20 **9.1. NON-APPROVAL OF THIS SETTLEMENT AGREEMENT**

21 The Class Settlement and conditional class certification shall be considered null and void, and
 22 neither the Class Settlement, conditional class certification, nor any of the related negotiations or
 23 proceedings, shall be of any force or effect, and all Parties to the Class Settlement shall stand in the
 24 same position, without prejudice, as if the Class Settlement had been neither entered into nor filed with
 25 the Court, if any of the following occur: **(a)** the Court should for any reason fail to approve this
 26 Settlement Agreement in the form agreed to by the Parties; **(b)** the Court should for any reason fail to
 27 enter a judgment with prejudice of the Action, or **(c)** the approval of the Class Settlement and judgment
 28 is reversed, modified, or declared or rendered void. Notwithstanding the foregoing, the Parties may

1 attempt in good faith to cure any perceived defects in this Settlement Agreement to facilitate approval.

2 **9.2. ESCALATOR PROVISION**

3 If the number of workweeks is greater than 15% above that represented by Defendants, then
4 the GSA shall be increased proportionately for each additional week worked. Alternatively, at
5 Defendants' sole election, the Class Period shall be re-defined to end on the date that the workweeks
6 reach 115% of the 50,616 workweeks (i.e., 58,093 workweeks).

7 **9.3. INVALIDATION**

8 Invalidation of any material portion of this Settlement Agreement shall invalidate the Class
9 Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions
10 of the Class Settlement are to remain in full force and effect.

11 **9.4. STAY ON APPEAL**

12 If a timely appeal from the approval of the Class Settlement and judgment is filed, the judgment
13 shall be stayed, and Defendants shall not be obligated to fund the Gross Settlement Amount or take any
14 other actions required by this Settlement Agreement until all appeal rights have been exhausted by
15 operation of law.

16 **10. MOTIONS FOR COURT APPROVAL**

17 **10.1. PRELIMINARY APPROVAL**

18 As soon as practicable after execution of this Settlement Agreement, Class Counsel will submit
19 this Settlement Agreement to the Court along with a Motion for Preliminary Approval of the Class
20 Settlement. Each Party shall cooperate to present the Class Settlement to the Court for preliminary
21 approval in a timely fashion.

22 **10.2. FINAL APPROVAL**

23 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval
24 and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order certifying the
25 Settlement Class for settlement purposes only and approving the Class Settlement as being fair,
26 reasonable, and adequate to the Class Participants within the meaning of California Rules of Court,
27 Rule 3.769, subdivisions (c), (d) and (e), and for the entry of a final judgment of the Action consistent
28 with the terms of the Class Settlement and rule 3.769, subdivision (h), of the California Rules of Court.

Class Counsel and Defense Counsel shall submit to the Court such pleadings and/or evidence as may be required for the Court's determination.

11. RELEASES AND WAIVERS

11.1. RELEASE OF CLASS AND PAGA CLAIMS BY THE SETTLEMENT CLASS

Upon the Effective Date, the Releasing Parties shall be deemed to each release the Released Parties, and each of them, of and from any and all Released Claims arising during the Class Period. It is the desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise, and discharge the Released Claims. Each of the Releasing Parties, including each Class Participant, will be bound by the release of Released Claims as a result of the Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.

Class Participants will be deemed to have acknowledged and agreed that their claims for wages and/or penalties in the Action are disputed, and that their Individual Class Settlement Amount constitutes payment of all sums allegedly due to them. Class Participants will be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Individual Class Settlement Amount. That section provides in pertinent part as follows:

“An employer shall not require the execution of a release of a claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”

11.2. RELEASE OF CLAIMS BY PLAINTIFF

Plaintiff, on behalf of herself and her dependents, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity, shall and does hereby forever release, discharge and agree to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including attorney fees and costs), known or unknown, at law or in equity, which she may now have or may have after the signing of this Settlement Agreement, arising out of or in any way connected with her employment with Defendants including, the Released

1 Claims, claims that were asserted or could have been asserted in the Complaint, and any and all
 2 transactions, occurrences, or matters between the Parties occurring prior to the date this Settlement
 3 Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include,
 4 but not be limited to, any and all claims under: **(a)** the Americans with Disabilities Act; **(b)** Title VII
 5 of the Civil Rights Act of 1964; **(c)** the Civil Rights Act of 1991; **(d)** 42 U.S.C. § 1981; **(e)** the Age
 6 Discrimination in Employment Act; **(f)** the Fair Labor Standards Act; **(g)** the Equal Pay Act; **(h)** the
 7 Employee Retirement Income Security Act, as amended; **(i)** the Consolidated Omnibus Budget
 8 Reconciliation Act; **(j)** the Rehabilitation Act of 1973; **(k)** the Family and Medical Leave Act; **(l)** the
 9 Civil Rights Act of 1966; **(m)** the California Fair Employment and Housing Act; **(n)** the California
 10 Constitution; **(o)** the California Labor Code; **(p)** the California Government Code; **(q)** the California
 11 Civil Code; and **(r)** any and all other federal, state, and local statutes, ordinances, regulations, rules,
 12 and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory
 13 grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of
 14 contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of
 15 emotional distress, negligent infliction of emotional distress, or damages under any other federal, state,
 16 or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter
 17 how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses,
 18 compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain
 19 and suffering, and attorney fees and costs, and Plaintiff hereby forever releases, discharges and agrees
 20 to hold harmless Defendants and the Released Parties from any and all claims for attorney fees and
 21 costs arising out of the matters released in this Settlement Agreement.

22 Plaintiff specifically acknowledges that she is aware of and familiar with the provisions of
 23 California Civil Code section 1542, which provides as follows:

24 “A general release does not extend to claims that the creditor or releasing party does not
 25 know or suspect to exist in his or her favor at the time of executing the release and that,
 26 if known by him or her, would have materially affected his or her settlement with the
 27 debtor or released party.”

28 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and

1 relinquishes all rights and benefits she may have under section 1542 as well as any other statutes or
 2 common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or
 3 different from those which she now knows or believes to be true with respect to the subject matter of
 4 all the claims referenced herein, but agrees that, upon the Effective Date, Plaintiff shall and hereby
 5 does fully, finally, and forever settle and release any and all claims against the Released Parties, known
 6 or unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have
 7 been asserted upon any theory of law or equity without regard to the subsequent discovery of existence
 8 of such different or additional facts.

9 **11.3. CIRCULAR 230 DISCLAIMER**

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

26 **12. DUTIES OF THE PARTIES**

27 **12.1. MUTUAL FULL COOPERATION**

28 The Parties agree to cooperate fully with one another to accomplish and implement the terms

1 of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such
2 other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms
3 of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated
4 by this Settlement Agreement and any other efforts that may become necessary by court order or
5 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
6 after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendants and
7 Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final approval of
8 this Settlement Agreement.

9 **12.2. DUTY TO SUPPORT AND DEFEND THE CLASS SETTLEMENT**

10 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and to
11 support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any
12 legal challenge, whether by appeal or collateral attack.

13 **12.3. DUTIES PRIOR TO COURT APPROVAL**

14 Class Counsel shall promptly submit this Settlement Agreement to the Court for preliminary
15 approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly
16 upon execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
17 preliminary order scheduling a hearing on the question of whether the proposed Class Settlement
18 should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form
19 and content the proposed Class Notice and Share Form attached hereto as **Exhibit 1** and **Exhibit 2**,
20 respectively, and directing the mailing of the Class Notice to Class Members. While Defendants can
21 reserve their right to object to facts or assertions made in the moving papers, Defense Counsel shall
22 file a notice of non-opposition to the granting of the motion for preliminary approval or join in the
23 motion.

24 **13. MISCELLANEOUS PROVISIONS**

25 **13.1. VOIDING THIS SETTLEMENT AGREEMENT**

26 Pending Court approval and other than as provided herein, if any of the conditions set forth in
27 this Settlement Agreement are not met and satisfied, this Settlement Agreement may, at the option of
28 either Plaintiff or Defendants, be ineffective, void, and of no further force and effect, and may not be

1 used or be admissible in any subsequent proceeding, either in this Court or in any other court or forum.
2 If either Party decides to void the Settlement Agreement, then the Settlement Agreement and
3 conditional class certification shall be considered void, and neither the Settlement Agreement,
4 conditional class certification, nor any of the related negotiations or proceedings, shall be of any force
5 or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement
6 Agreement had been neither entered into nor filed with the Court. Should any Party choose to void the
7 Class Settlement under this subsection, such Party shall be responsible for all Settlement Administrator
8 fees and costs actually incurred. If a Party elects to void this Settlement Agreement, the voiding Party
9 shall be responsible for any and all reasonable costs incurred by the Settlement Administrator incurred
10 as of the date the Settlement Agreement is voided.

11 **13.2. OPT-OUT CONTINGENCY.**

12 If more than 5% of the Class Members make valid requests to opt out of the Class Action
13 portion of the settlement, Defendants may, in their sole discretion, choose to reject or accept, and be
14 bound by, this Settlement Agreement.

15 **13.3. DIFFERENT FACTS**

16 The Parties acknowledge that, except for matters expressly represented herein, the facts in
17 relation to the dispute and all claims released by the terms of this Settlement Agreement may turn out
18 to be different from the facts now known by each Party and/or its counsel, or believed by such Party or
19 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
20 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
21 and binding despite such difference.

22 **13.4. NO PRIOR ASSIGNMENTS**

23 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
24 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
25 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
26 except as set forth herein.

27 **13.5. NON-ADMISSION**

28 Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by

any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing toward each other or any other person. Each of the Parties has entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies. Nothing herein shall constitute any admission by Defendants of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by Defendants regarding the merits of the Claims in this Action, including but not limited to claims for unpaid wages or violations under California or federal law. Nothing herein shall constitute an admission by Defendants that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, Defendants have denied and continue to deny each and every material factual allegation and all Claims. To this end, the Class Settlement of the Action, the negotiation and execution of this Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement Agreement or the Class Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendants or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the part of Defendants in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal.

13.6. NON-EVIDENTIARY USE

Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation or drafting of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any individual who requested to be excluded from the Settlement Class), Defendants, or its, her, his, or their respective counsel, in the Action, except as is reasonably necessary to effectuate the Settlement Agreement's purpose and terms. This Settlement Agreement may, however, be used by Defendants and the Released Parties to prove or defend against any claim released herein by any Class Member in any judicial, quasi-judicial, administrative, or governmental proceeding.

13.7. CONFIDENTIALITY

The Parties agree that this Settlement Agreement shall be confidential (except for purposes of

1 enforcement). The Parties agree that no Party will issue any press release or other public or non-public
2 representation regarding the Settlement other than as necessary to obtain Court approval and effectuate
3 the terms of the Settlement. Plaintiff and her counsel further agree that they have not and will not
4 publish any information related to the Settlement. In response to any inquiries Plaintiff will state that
5 “the case was resolved confidentially.” Plaintiff’s counsel shall not report the Settlement in any
6 medium or in any publication, shall not post or report anything regarding the claims of Plaintiff, the
7 Class Members, or Aggrieved Employees, as defined. Plaintiff’s counsel shall not publish any
8 information related to this Settlement on their website, and shall not contact any reporters or media
9 regarding the Settlement. However, Plaintiff’s attorneys are authorized to make a limited disclosure to
10 the Court and the State Labor and Workforce Development Agency for the purposes of obtaining
11 approval of the settlement. This disclosure is limited to court filings and neither Plaintiff nor her counsel
12 nor their representatives are permitted to disseminate or publish, distribute or discuss the information
13 provided to the Court in those filings outside the filings themselves and any hearing held on those
14 filings, unless ordered otherwise by the Court. Such confidentiality provisions shall remain in force
15 following Preliminary Approval as well, with the following exceptions: (a) the Class Administrator
16 may take steps reasonably necessary to perform Class Administration Duties; (b) Class Counsel and
17 Plaintiff may take reasonably necessary steps to perform their duties as such; and (c) Class Counsel
18 may list or disclose this Action and Settlement as among their handled cases in court filings or motions
19 only, but may not disclose the terms of the Settlement on any firm publication or other public media.

20 **13.8. NON-RETALIATION**

21 Defendants understand and acknowledge that they have a legal obligation to not retaliate against
22 any Class Member who elects to participate in the Class Settlement or elects to Opt Out of the Class
23 Settlement. Defendants will refer any inquiries regarding this Class Settlement to the Settlement
24 Administrator or Class Counsel and will not discourage Class Members who are employees, directly
25 or indirectly, from making claims, opting out, or objecting to the Class Settlement. None of the Parties,
26 or their respective attorneys or agents, shall solicit or encourage any Class Members, directly or
27 indirectly, to Opt Out of the Class Settlement.
28

13.9. CONSTRUCTION

The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement Agreement is not to be construed in favor of or against any Party by reason of the extent to which any Party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the next business day.

13.10. GOVERNING LAW

This Settlement Agreement is intended to and shall be governed by the laws of the State of California, without regard to conflict of law principles, in all respects, including execution, interpretation, performance, and enforcement.

13.11. NOTICES

Except for Class Member notices required to be made by the Settlement Administrator, all notices or other communications required or permitted under this Settlement Agreement shall be in writing and shall be sufficiently given if delivered in person to the Party or their counsel by U.S. certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the Party appearing in this Settlement Agreement.

13.12. CAPTIONS AND INTERPRETATIONS

Section titles or captions contained herein are inserted as a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision thereof.

13.13. MODIFICATION

This Settlement Agreement may not be changed, altered, or modified, except in writing signed by the Parties or the Parties' counsel on their behalf. If preliminary or final approval of this Settlement Agreement has been granted by the Court, then any such amendments or modifications to this Settlement Agreement shall be approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.

1 **13.14. INTEGRATION CLAUSE**

2 This Settlement Agreement contains the entire agreement between the Parties relating to the
3 Class Settlement of the Action and the transactions contemplated thereby, and all prior or
4 contemporaneous agreements, understandings, representations, and statements, whether oral or written,
5 and whether by a Party or such Party's legal counsel, are hereby superseded. No rights under this
6 Settlement Agreement may be waived except in writing as provided above.

7 **13.15. SUCCESSORS AND ASSIGNS**

8 This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class
9 Members (excluding only persons who timely Opt Out) and their respective present and former heirs,
10 trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees,
11 insurers, attorneys, accountants, auditors, advisors, consultants, pension plans, welfare benefit plans,
12 fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors,
13 successors, and assigns.

14 **13.16. CORPORATE SIGNATORIES**

15 Any person executing this Settlement Agreement or any such related document on behalf of a
16 corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all
17 Parties hereto, that such person has been duly authorized by such corporation or partnership to execute
18 this Settlement Agreement or any such related document.

19 **13.17. EXECUTION IN COUNTERPARTS**

20 This Settlement Agreement shall become effective upon its execution by all of the undersigned.
21 The Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall
22 have the same force and effect as if all Settling Parties had signed the same instrument.

23 **13.18. ATTORNEYS' FEES, COSTS, AND EXPENSES**

24 Except as otherwise specifically provided for herein, each Party shall bear her or its own
25 attorney fees, costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action
26 and shall not seek reimbursement thereof from any other Party to this Settlement Agreement.

27 **13.19. ACTION TO ENFORCE AGREEMENT**

28 In any suit or court action to enforce the terms of this Agreement, the prevailing Party shall be

entitled to recover her or its attorney fees and costs.

14. **EXECUTION**

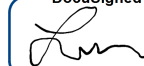
The Parties and their counsel have executed this Settlement Agreement on the date below their signatures or the signature of their representatives. The date of this Settlement Agreement shall be the date of the latest signature.

APPROVAL AND EXECUTION BY PARTIES

CLASS REPRESENTATIVE:

Dated: 1/30/2023 _____

DocuSigned by:



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Laka Moala

Plaintiff and Class Representative

DEFENDANTS:

Dated: _____

PrimeFlight Aviation Services, Inc.

By: _____

Title: _____

Dated: _____

Majestic Terminal Services, Inc. dba PrimeFlight Cargo

By: _____

Title: _____

APPROVED AS TO FORM BY COUNSEL

CLASS COUNSEL:

entitled to recover her or its attorney fees and costs.

14. EXECUTION

The Parties and their counsel have executed this Settlement Agreement on the date below their signatures or the signature of their representatives. The date of this Settlement Agreement shall be the date of the latest signature.

APPROVAL AND EXECUTION BY PARTIES

CLASS REPRESENTATIVE:

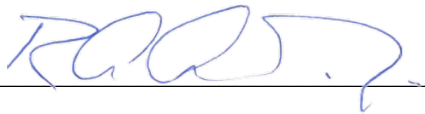
Dated: _____

Laka Moala
Plaintiff and Class Representative

DEFENDANTS:

Dated: January 26, 2023 _____

PrimeFlight Aviation Services, Inc.

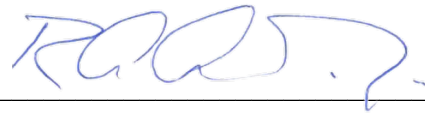


By: Allen Ashcraft, EVP _____

Title: EVP/Sec/GC _____

Dated: January 26, 2023 _____

Majestic Terminal Services, Inc. dba PrimeFlight
Cargo



By: Allen Ashcraft _____

Title: EVP/Sec/GC _____

APPROVED AS TO FORM BY COUNSEL

CLASS COUNSEL:

Dated: January 26, 2023

Melmed Law Group P.C.


Jonathan Melmed
Meghan Higday
Attorneys for Plaintiff

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EXHIBIT 1

Notice of Proposed Class Action Settlement

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Laka Moala v. PrimeFlight Aviation Services, Inc. et al.

San Bernardino County Superior Court, Case No. CIVSB2213837

This is a Court-Authorized Notice. It is not a solicitation.

You may be eligible to receive a settlement payment. Please read this Notice carefully.

A proposed class action settlement agreement (the “Settlement”) has been reached between: **(1)** Plaintiff Laka Moala (“Plaintiff”), individually and in her representative capacity on behalf of a group of prospective class members defined below, and as a private attorney general on behalf of the State of California; and **(2)** Defendants PrimeFlight Aviation Services, Inc. and Majestic Terminal Services, Inc. dba PrimeFlight Cargo (collectively, “Defendants”).

The Settlement resolves disputed claims against Defendants arising out of their compensation practices during the period from November 24, 2021, through the date of preliminary approval of this settlement (the “Class Period”). The Settlement, if finally approved by the Court, shall apply to all individuals who are or were employed by Defendants as non-exempt employees in California during the Class Period (“Class Members”).

The Court has granted preliminary approval of the Settlement and ordered this notice to be sent to you because you may be entitled to money and because the Settlement affects your legal rights. **NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT.** If you are a Class Member and received this notice, you are automatically included and do not need to take any further action to receive a payment. If you accept your settlement amount, you will release the claims described below.

1. DESCRIPTION OF THE LAWSUIT

Plaintiff, individually and in her representative capacity on behalf of the Class Members, and as a private attorney general on behalf of the State of California, is pursuing a lawsuit against Defendants in the Superior Court of the State of California for the County of San Bernardino in the matter of ***Laka Moala v. PrimeFlight Aviation Services, Inc., et al.***, case number **CIVSB2213837** (the “Action”).

The Action alleges Defendants: 1) failed to pay wages for all hours worked; 2) failed to pay all minimum wages; 3) failed to pay all overtime wages; 4) failed to pay accrued unused vacation wages; 5) failed to provide rest periods and pay missed rest period premiums; 6) failed to provide meal periods and pay missed meal period premiums; 7) failed to maintain accurate employment records; 8) failed to pay wages timely during employment; 9) failed to pay all wages earned and unpaid at separation; 10) failed to indemnify all necessary business expenditures; 11) failed to furnish accurate itemized wage statements; 12) violated California’s Unfair Competition law; and 13) is exposed to Labor Code Private Attorneys General Act (“PAGA”) penalties based on the foregoing.

Defendants deny all liability, deny all allegations in the Action, and have raised various defenses to the claims. Defendants assert that they fully complied with all applicable wage and hour laws, and contend that civil penalties under PAGA are not warranted. Defendants also deny that the Action is suitable for class certification. Defendants have entered into the Settlement solely for purposes of resolving this dispute to avoid costly, disruptive, and time-consuming litigation and do not admit to any wrongdoing or liability.

The Court has not ruled on the merits in the Action. By preliminarily approving the Settlement and issuing this notice, the Court is *not* suggesting which side would win or lose the case if the Action went to trial or whether the claims are suitable for class certification. To avoid the additional expense, inconvenience, and risk of continued litigation, however, Plaintiff and Defendants (collectively the “Parties”) have concluded that it is in

their respective best interests and the interests of the Class Members to settle the Action. The Settlement was reached after: 1) Defendants provided extensive information and documents to Plaintiff's counsel ("Class Counsel"); 2) Class Counsel closely evaluated the information and documents provided by Defendants; and 3) lengthy arms-length non-collusive negotiations between the Parties, including mediation with an experienced and well-respected mediator in California. In these negotiations, both sides recognized the substantial risk of the Court deciding against them at trial and determined that the Settlement was a fair, reasonable, and adequate way to resolve the disputed claims.

Under the Settlement, the following settlement class will be certified under California law: *all individuals who are or were employed by Defendants as non-exempt employees in California during the Class Period*. The "Class Period" is the period from November 24, 2021 through the date of preliminary approval of this Settlement. The Settlement has a gross settlement amount of \$350,000.00, a share of which is to be distributed to the Class Members based on the pro rata number of weeks worked by Class Members during the Class Period, as a proportion of all weeks worked by Class Members. In exchange for their share of the Settlement, all participating Class Members will be deemed to have released Defendants from liability on the terms described in this notice.

On [date of preliminary approval], the Court preliminarily approved the Settlement and conditionally certified the settlement class. This notice is being sent to you because Defendants' records indicate that you worked for Defendants during the Class Period and you meet the definition to be treated as a Class Member.

2. CURRENT EMPLOYEES: THIS SETTLEMENT WILL NOT AFFECT YOUR EMPLOYMENT.

California law strictly prohibits retaliation. Further, Defendants are prohibited by law from taking any adverse action against or otherwise targeting, retaliating, or discriminating against any Class Member because of the Class Member's participation or decision not to participate in the Settlement.

3. TERMS OF THE SETTLEMENT

Defendants have agreed to pay \$350,000.00 (the "Gross Settlement Amount") to resolve the claims in the Action. The Parties agreed to the following payments from the Gross Settlement Amount:

Settlement Administration Costs. ILYM Group, Inc. has been approved as "Settlement Administrator." Settlement Administration Costs will be up to \$25,500.00, and will be paid from the Gross Settlement Amount.

Attorneys' Fees and Expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will also be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of one-third of the Gross Settlement Amount (i.e., \$116,666.67) as reasonable compensation for the work Class Counsel performed and will continue to perform in the Action. Class Counsel also will ask for reimbursement of up to \$15,000.00 for the costs Class Counsel incurred in connection with the Action.

Service Payment to Class Representative. Class Counsel will ask the Court to provide a service payment to Plaintiff of \$7,500.00 to compensate her for her efforts on behalf of the Class Members in the Action, including assisting in the investigation and consulting with Class Counsel and providing crucial documents to Class Counsel. Plaintiff may additionally receive a share of the Settlement as a Class Member. The Service Payment to Plaintiff shall be paid from the Gross Settlement Amount.

PAGA Payment. The Parties have agreed on a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$35,000.00. The PAGA Payment is to be approved by the Court and is to

be distributed as follows: seventy-five percent (75%) (i.e., \$26,250.00) to the LWDA and twenty-five percent (25%) (i.e., \$8,750.00) to the individuals who come within the definition of an “aggrieved employee” for the purposes of the Settlement (i.e., all individuals who are or were employed by Defendants as non-exempt employees in California during the PAGA Period). The “PAGA Period” is defined for these purposes to mean the period from November 24, 2021 through the date of preliminary approval of this settlement. The PAGA Payment shall also be paid from the Gross Settlement Amount, though aggrieved employees shall receive a portion of the \$8,750, which will be distributed pro rata to the aggrieved employees based on the proportional number of pay periods worked by each aggrieved employee during the PAGA Period.

After deducting the amounts above from the Gross Settlement Amount, the balance of the settlement amount, defined as the “Net Settlement Amount” will be distributed to the Class Members.

4. DISTRIBUTION OF THE SETTLEMENT TO THE CLASS MEMBERS

Each eligible Class Member who does not request exclusion from the Settlement is deemed a “Class Participant” and will receive a share from the Net Settlement Amount which will be distributed pro rata based on the proportional number of weeks worked by each Class Member during the Class Period (the “Individual Settlement Amount”). If any Class Member requests exclusion from the Settlement, his or her share will be distributed to the remaining Class Participants.

Twenty percent (20%) of each Individual Settlement Amount will constitute payment in the form of wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him or her), and Eighty percent (80%) of each Individual Settlement Amount will constitute penalties and interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or her).

Defendants, or their proxies, including the Settlement Administrator, shall take all usual and customary deductions from the Individual Settlement Amount payments distributed as wages, including, but not limited to, state and federal tax withholding, disability premiums, and unemployment insurance premiums. There will be no deduction taken from the interest or penalty distribution but it will be reported on IRS Form 1099 as income. Class Participants are responsible for the proper income tax treatment of their Individual Settlement Amount. The Settlement Administrator, Defendants and their counsel, and Class Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

The workweeks you worked for Defendants during the Class Period will be calculated based on Defendants’ records. If you feel that you were not credited with the correct number of workweeks worked during the Class Period, you may submit evidence to the Settlement Administrator on or before **[Response Deadline]** with documentation to establish the number of workweeks you claim to have actually worked during the Class Period. **Documentation sent to the Settlement Administrator will not be returned or preserved, so do not send originals.** The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and the Settlement Administrator will make the final decision as to how many weeks are credited and report the outcome to the Class Participant. If you are unsatisfied, you may submit an objection. Settlement checks will be mailed to all Class Participants after the Court grants final approval of the Settlement and judgment is entered.

5. THE RELEASE OF CLAIMS

If the Court approves the Settlement, the Court will enter judgment and the Settlement will bind all Class Participants. The Class Participants will then be barred from bringing any “Released Claims” against the “Released Parties” as those terms are defined below.

“Released Parties” are defined as Defendants PrimeFlight Aviation Services, Inc. and Majestic Terminal Services, Inc. dba PrimeFlight Cargo and all of Defendants’ parents, subsidiaries, affiliates, insurers, related entities and divisions, and their respective: (i) predecessors, successors, and assigns, and (ii) current and former agents, heirs, executors, administrators, principals, officers, directors, shareholders, employees, founders, members, assigns, insurers, attorneys, and all others claiming through or by any of them.

The “Released Claims” include any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney’s fees, damages, action or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, that are alleged, related to, or that reasonably could have arisen out of the same facts alleged in the Action and Plaintiff’s notice to the California Labor & Workforce Development Agency, including: **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the Applicable Wage Order; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the Applicable Wage Order; **(3)** failure to pay all accrued unused vacation time in violation of Labor Code section 201, 202, and 227.3; **(4)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Order; **(5)** failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, and the Applicable Wage Order; **(6)** failure to maintain accurate employment records in violation of Labor Code section 1174; **(7)** failure to pay timely wages during employment in violation of Labor Code sections 204, 210; **(8)** failure to pay all wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; **(9)** failure to reimburse business expenses in violation of Labor Code sections 2802 and 2804; **(10)** failure to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3; **(11)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); **(12)** penalties pursuant to the Labor Code Private Attorneys General Act of 2004 (“PAGA”) for violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2804 and other provisions of the Labor Code; and **(13)** all claims for liquidated damages, penalties, interest, fees, or costs based on the foregoing.

The Settlement does *not* release Defendants or any person, party, or entity from claims, if any, by Class Members for workers’ compensation, unemployment, or disability benefits of any nature. Nor does it release any claims, actions, or causes of action which may be possessed by Class Members under state or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code, § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, et seq.); the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing regulations and interpretive guidelines.

Class Members who do not request exclusion from the Settlement will be deemed to have acknowledged and agreed that their claims for wages and penalties in the Action are disputed, and that the settlement payment constitutes payment of all sums allegedly due to them.

6. YOUR OPTIONS

6.1. DO NOTHING AND RECEIVE YOUR PORTION OF THE SETTLEMENT

If you do nothing, you will be automatically included as a Class Participant in the Settlement and will receive a settlement payment. You do *not* have to take any further action to receive your settlement payment. It is, however, the responsibility of all Class Members to ensure that the Settlement Administrator has your current address on file, or you may not receive important information or a settlement payment. The estimated amount of your settlement payment if you do nothing is included on the attached *Class Action Settlement Share Form*.

6.2. REQUEST EXCLUSION FROM THE CLASS AND THE SETTLEMENT

If you do **not** wish to take part in the class action portion of the Settlement (the “Class Settlement”), you may exclude yourself (i.e., opt out of the Class Settlement) by sending the Settlement Administrator a signed and completed copy of the *Request for Exclusion Form* attached hereto no later than **[Response Deadline]**.

Send the request for exclusion directly to the Settlement Administrator at the following address **by no later than [Response Deadline]**: ILYM Group, Inc., 14751 Plaza Drive, Suite J, Tustin, California 92780.

Any person who submits a timely request for exclusion from the Class Settlement shall upon receipt by the Settlement Administrator no longer be a Class Member, shall be barred from participating in the Class Settlement, and shall receive no benefits from the class action portion of the Settlement. If you want confirmation of receipt of your request for exclusion, please send it by United States certified mail, return receipt requested, or contact the Settlement Administrator.

Importantly, Class Members who timely and validly request exclusion from the Class Settlement will *not* be excluded from their share of the PAGA Payment. Requesting Class Settlement exclusion applies solely to the class action portion of the Settlement and not entitlement to the PAGA Payment. If you request exclusion from the Class Settlement you will still be entitled to your share, if any, of the PAGA Payment.

6.3. OBJECT TO THE SETTLEMENT

You have the right to object to the terms of the Settlement if you do not request exclusion. If, however, the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may file with the Settlement Administrator and the Court a written objection stating your name, address, telephone number, dates of employment with Defendants, the case name and number, each specific reason in support of your objection, and any legal support for each objection. Objections in writing must be mailed to the Settlement Administrator—**ILYM Group, Inc., 14751 Plaza Drive, Suite J, Tustin, California 92780**—by no later than **[Response Deadline]** to be considered. **Objections that do not include all required information, or that are not timely submitted, might not be considered by the court.**

If you choose to object to the Settlement, you may also appear to speak at the final approval and fairness hearing scheduled for **[Final Approval Hearing Date]**, at **[Final Approval Hearing Time]** in Department **[Court Department]** of the Superior Court of the State of California for the County of San Bernardino, located at **[Court Location]**. You have the right to appear either in person or through your own attorney at this hearing.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided above shall have waived any objection to the Settlement, whether by appeal or otherwise.

7. HOW TO UPDATE OR CHANGE YOUR ADDRESS

If you move after receiving this notice or if it was misaddressed, please contact the Settlement Administrator, **ILYM Group, Inc., at (888) 250-6810 or by email at claims@ilymgroupclassaction.com**, as soon as possible. **This is important to ensure that future notices and/or the settlement payment reach you.**

8. NOTICE OF FINAL JUDGMENT IF THE SETTLEMENT IS APPROVED

Within seven (7) calendar days after the Court has held a final and fairness approval hearing and entered a final order approving the Settlement, if it chooses to do so, the Settlement Administrator will post a copy of that order and final judgment on its website at the following website address: [Case-Specific Settlement URL (to be added by Settlement Administrator)]

9. IF THE SETTLEMENT IS NOT APPROVED

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the Settlement may be voided, in which case no money will be paid, and the case will return to litigation. If that happens, there is no assurance: **(1)** that the class will be certified by the Court; **(2)** that any decision at trial would be in favor of Class Members; **(3)** that a trial decision, if any, would be as favorable to the Class Members as the Settlement; or **(4)** that any favorable trial decision would be upheld if an appeal was filed.

10. QUESTIONS OR COMMENTS

PLEASE DO NOT CALL OR CONTACT THE COURT. If you have questions about the settlement, contact the Settlement Administrator at: **(888) 250-6810** or by e-mail at **claims@ilymgroupclassaction.com**. You may also contact Class Counsel at the addresses or phone numbers listed below.

Lawyers Representing Plaintiff and the Class Members**MELMED LAW GROUP P.C.**

Jonathan Melmed

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Los Angeles, California 90067

Phone: (310) 824-3828

Fax: (310) 862-6851

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EXHIBIT 2

Class Action Settlement Share Form

CLASS ACTION SETTLEMENT SHARE FORM

Laka Moala v. PrimeFlight Aviation Services, Inc., et al.

Case Number CIVSB2213837

Superior Court of the State of California for the County of San Bernardino

The proposed class action settlement agreement (the “Settlement”) described in the accompanying *Notice of Proposed Class Action Settlement* resolves disputed claims against Defendants PrimeFlight Aviation Services, Inc. and Majestic Terminal Services, Inc. dba PrimeFlight Cargo (collectively, “Defendants”) arising out of their compensation practices during the period from November 24, 2021 through the date of preliminary approval of this settlement (the “Class Period”) as applied to all individuals who are or were employed by Defendants as non-exempt employees in California during the Class Period (“Class Members”).

You are receiving this form because you are believed to be a Class Member. **According to Defendants’ records, you worked [REDACTED] workweeks for Defendants during the Class Period. Accordingly, your share of the Settlement is currently estimated to be \$ [REDACTED]**, which is an estimate of your allocated portion the Net Settlement Amount, as that term is defined in the accompanying *Notice of Proposed Class Action Settlement*. Your estimated share of the Settlement may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement, as well as any funds which you may be entitled to as an “aggrieved employee” based on the proportional number of pay periods you worked during the “PAGA Period,” defined as the period from November 24, 2021 through the date of preliminary approval of the settlement.

You do not need to do anything to receive money under the Settlement.

If you believe the information provided above as to the number of your workweeks is incorrect and wish to dispute it, please contact the Settlement Administrator no later than **[Response Deadline]** at:

ILYM Group, Inc.
claims@ilymgroupclassaction.com
(888) 250-6810
14751 Plaza Drive, Suite J
Tustin, California 92780

If you dispute the information stated above, the information Defendants provided to the Settlement Administrator will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation, must be postmarked no later than **[Response Deadline]**.

Do not send originals; documentation sent to the claims administrator will not be returned or preserved.

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EXHIBIT 3

Request for Exclusion Form

REQUEST FOR EXCLUSION FORM

Laka Moala v. PrimeFlight Aviation Services, Inc., et al.

Case Number CIVSB2213837

Superior Court of the State of California for the County of San Bernardino

If you want to be included in this class action settlement and receive a settlement payment, do not fill out this form.

If you do not want to be included in this class action settlement, and do not want to receive a settlement payment, you must complete, date and sign this form and mail it back to the address below, postmarked no later than [**Response Deadline**]:

Laka Moala v. PrimeFlight Aviation Services, Inc., et al.

ILYM Group, Inc.

14751 Plaza Drive, Suite J

Tustin, California 92780

If you submit this request for exclusion form, you will ***not*** receive an individual settlement payment under the class action portion of the Settlement, and you will not be bound by the release set forth in the Settlement if the Court grants final approval of the Settlement. You will be excluded from the class action portion of the Settlement and will not be a Class Member in this case.

If you are entitled to receive a share of the PAGA Payment, you will receive your portion of the PAGA Payment even if you elect to exclude yourself from the class action portion of the Settlement. The employees who are entitled to receive a share of the PAGA Payment are those who meet the following definition: all individuals who are or were employed by Defendants as non-exempt employees in California during the PAGA Period. The “PAGA Period” is defined for these purposes to mean the period from November 24, 2021 through the date of preliminary approval of this settlement.

By completing, signing, and returning this form, you are confirming your agreement with the following statement:

I have received notice of the proposed settlement in this class action lawsuit, and I wish to be excluded from the settlement in the class action lawsuit. I understand by requesting exclusion from the settlement I will not receive any money from the settlement of the lawsuit, but I will retain whatever individual rights I may have, if any, to pursue a claim against the defendants with respect to the claims raised in the above-referenced lawsuit. I understand and acknowledge that I have no ability to opt out of the portion of the

settlement related to the PAGA Payment, as more fully defined in Section 3 – Terms of the Settlement – of the Notice of Proposed Class Action Settlement.

Your Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number, Including Area Code: _____

Last four digits of Social Security Number: XXX-XX-_____

Date: _____

Signature: _____