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11 and on behalf of all others similarly situated.

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **FOR THE COUNTY OF LOS ANGELES**

14 JACOB McKEEHAN, individually and on
15 behalf of all others similarly situated,

16 Plaintiffs,

17 v.

18 JETSUITEX, INC.; and DOES 1 through
19 20, inclusive,

20 Defendants.

Case No. 22STCV24435

Assigned for all purposes to:

Hon. Elihu M. Berle

Dept. 6

21 **SUPPLEMENTAL DECLARATION OF**
22 **JESSICA L. CAMPBELL IN SUPPORT OF**
23 **MOTION FOR PRELIMINARY APPROVAL**
24 **OF CLASS ACTION SETTLEMENT**

1 I, Jessica L. Campbell, hereby declare as follows:

2 1. I am an attorney at law licensed to practice before all of the courts of the State of
3 California. I am a Partner with Aegis Law Firm, PC (“Aegis”), counsel for Plaintiffs Jacob McKeehan
4 and Robert Marslek (“Plaintiffs”) in this matter. I am thoroughly familiar with and have personal
5 knowledge of all of the facts set forth herein.

6 2. I submit this supplemental declaration in support of Plaintiffs’ Motion for Preliminary
7 Approval of Class Action Settlement (the “Motion”). If called as a witness, I could and would
8 competently testify thereto.

9 3. On January 23, 2026, the Court held a hearing on Plaintiff’s Motion and ordered the
10 Parties to revise the Settlement Agreement. Each issue is addressed below.

11 4. A true and correct copy of the Amended Settlement Agreement is attached hereto as
12 **Exhibit 1.**

13 5. A true and correct copy of the Amended Settlement Agreement showing the revisions
14 made in redline is attached hereto as **Exhibit 2.**

15 6. **First**, in the Escalator Clause, the Parties shall remove the option to cut off the class
16 period.

17 7. As to the first point, the following changes were made:

18 a. Exhibit 2 at page 4: Class Period and PAGA Period end on June 30, 2025.

19 b. Exhibit 2 at page 22-23: The Escalator Clause now reads as follows:

20 XIII. RIGHT TO INCREASE GROSS SETTLEMENT AMOUNT BASED ON
21 QUALIFYING WORKWEEKS OF CLASS MEMBERS

22 A. Defendants have estimated that there are approximately 369 nonexempt California
23 employees who worked approximately 21,015 Class Workweeks from May 15, 2020,
24 to November 19, 2024. If the number of actual Class Workweeks exceeds 10% of the
25 estimated Class Workweeks (*i.e.*, if the Class Workweeks exceeded 23,117),
26 Defendants will increase the Gross Settlement Amount proportionately by the
27 Workweeks worked by Class Members above the ten percent threshold (for example,
28 if the number of total Class Workweeks increases by 11%, the Gross Settlement

Amount shall increase by one percent (1%).) Workweeks shall include only those workweeks where a Class Member rendered actual services in California as a nonexempt employee (*i.e.*, excludes any workweeks where a Class Member was on leave or worked in an exempt position or outside of California).

B. Defendants have represented that there are a total of 475 nonexempt California employees who worked a total of 29,728 Class Workweeks between May 15, 2020 and June 30, 2025. Defendants will increase the Gross Settlement Amount pursuant to Section XIII(A) above. Accordingly, the Gross Settlement Amount shall be increased by \$188,445.40, for a total Gross Settlement Amount of \$787,445.40; and the Class Period shall be May 15, 2020 through June 30, 2025. The final increase may vary slightly if there are valid Class Member disputes.

8. **Second**, the Parties shall revise the contingency on dismissal of the McKeehan PAGA case being dismissed with prejudice and Marslek case being dismissed without prejudice. This should be part of final approval order/judgment, so funding can proceed once judgment is entered.

9. As to the second point, the Parties removed the contingency as shown in Exhibit 2, pages 7 and 19. The Parties added a term in Exhibit 2, pages 6-7, requiring dismissal of the other cases within 30 days of preliminary approval, to ensure the dismissals are completed before final approval as follows:

The Parties agree that within thirty (30) days after the date the Preliminary Approval Order is entered by the Court, the Parties shall file (i) a joint stipulation for dismissal of the entire action without prejudice in the McKeehan PAGA Action; (ii) a joint stipulation for dismissal of the entire action without prejudice in the McKeehan Arbitration; and (iii) a joint stipulation for dismissal of the entire action without prejudice in the Marslek Action. The Parties agree to take any other necessary steps to dismiss the McKeehan PAGA Action, McKeehan Arbitration, and the Marslek Action as may be required by the courts and/or arbitrator, with fees and costs to be borne separately by each party. Class Counsel shall not be entitled to recover any additional fees or costs in the McKeehan

PAGA Action, McKeehan Arbitration, and the Marslek Action, including any fees for undertaking the dismissal described in this paragraph.

10. **Third**, the release in paragraph 15(a) was overbroad. Class members should not release claims on behalf of spouses.

11. As to the third point, Exhibit 2 at pages 24 -25 reflect removal of “spouse” in the releases.

12. **Fourth**, in paragraph 15(b)(1) aggrieved employees shall only release PAGA claims. The revisions shall limit the release to only penalties for PAGA violations.

13. As to the fourth point, Exhibit 2 at page 25 now provides that only claims made under PAGA will be released. The PAGA release reads as follows:

Release of PAGA Claims. For the avoidance of doubt, Class Members and PAGA Group Members have no opt out rights as to the PAGA portion of the Settlement. Accordingly, effective on the date when Defendants fully fund the entire Gross Settlement Amount, in consideration of the PAGA Settlement Amount, Plaintiffs, on behalf of Plaintiffs and the State of California, and all PAGA Group Members, waive, fully release and forever discharge the Released Parties from any and all claims under PAGA that were alleged, or reasonably could have been alleged, based on the facts or theories alleged in any of Plaintiffs’ complaints filed in the Actions or letters to the LWDA, and that arose at any time during the PAGA Period, including but not limited to PAGA claims predicated on allegations of for off-the-clock work, unpaid wages, unpaid overtime wages, failure to timely pay all wages earned every pay period, failure to pay all compensation at the regular rate of pay or the correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods (including with respect to the rate at which premiums were paid), untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages owed upon termination, unlawful deductions from wages, failure to pay wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and PAGA claims predicated on violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198,

1 and 2802 and applicable sections of the relevant Order of the Industrial Welfare
2 Commission.

3 14. Attached hereto as **Exhibit 3** is a true and correct copy of confirmation from the LWDA
4 that we submitted the Amended Settlement and this declaration to the LWDA.

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

8 Executed on February 23, 2026 at Irvine, California.

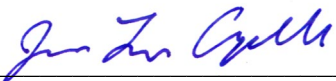
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11 _____
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EXHIBIT 1

CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AND RELEASE AGREEMENT

This Class Action and Private Attorneys General Act Settlement and Release Agreement (“**Agreement**,” “**Settlement Agreement**” or “**Settlement**”) is entered into by Plaintiffs Jacob McKeehan (“McKeehan”) and Robert Marslek (“Marslek”) (collectively, “**Plaintiffs**”), on behalf of themselves, the State of California Labor and Workforce Development Agency (“**LWDA**”), and those Plaintiffs seek to represent, on the one hand, and, on the other hand, Superior Air Charter, LLC, JetSuiteX, Inc., and Delux Public Charter, LLC (collectively, “**Defendants**”). For purposes of this Agreement, Plaintiffs and Defendants are collectively referred to as the “**Parties**.”

By way of this Agreement, the Parties seek to settle all of the individual, class, and California Private Attorneys General Act (“PAGA”) representative claims asserted in the following actions, entitled *McKeehan v. JetSuiteX, Inc.*, Los Angeles County Case No. 22STCV24435 (“*McKeehan* Action”), *McKeehan v. JetSuiteX, Inc.*, Los Angeles County Case No. 22STCV32816 (“*McKeehan* PAGA Action”); *McKeehan v. JetSuiteX, Inc.*, JAMS Case No. 522004095 (“*McKeehan* Arbitration”); and *Marslek v. Superior Air Charter, LLC*, Alameda County Case No. 23CV039463 (“*Marslek* Action”). The *McKeehan* Action, *McKeehan* PAGA Action, *McKeehan* Arbitration, and *Marslek* Action are collectively referred to as the “**Actions**.” The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising disputed legal and factual issues and that nothing in this Settlement Agreement is an admission of liability or wrongdoing by Defendants.

RECITALS

1. The Parties will work together to take mutually agreed-upon action to bring all of the claims being resolved by this Agreement before one court to consider, as applicable, and then preliminarily and finally approve of this Agreement. In the interest of efficiency, the Parties intend and agree to seek court approval of the Settlement of the Actions before one court and agree to take all necessary steps to add all Plaintiffs and their respective class and PAGA claims to the *McKeehan* Action pending in Los Angeles Superior Court. To that end, Plaintiffs will submit an amended PAGA notice to the LWDA and, once the exhaustion period has run, file an amended consolidated complaint in the *McKeehan* Action to add claims for failure to pay overtime wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and to add Delux Public Charter, LLC as a named defendant (the “**Operative Complaint**”), which will serve to consolidate all lawsuits and PAGA Letters filed by Plaintiffs, and to incorporate all Released Class Claims and Released PAGA Claims and all legal theories discussed at mediation into one consolidated operative complaint. Defendants stipulate to filing such amended documents for settlement purposes only. The Parties will stipulate to certification of the class and representative treatment for purposes of settlement only. The Parties agree to stay the Actions during the settlement approval process.

The *McKeehan* Action, PAGA Action, and Arbitration

2. On July 28, 2022, McKeehan filed a complaint in the Los Angeles Superior Court against Defendant JetSuiteX, Inc., bearing Case No. 22STCV24435 and alleging claims for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal

Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Failure to Pay Wages Timely During Employment; (7) Failure to Pay All Wages Due Upon Separation of Employment; and (8) Unfair Business Practices. In the *McKeehan* Action, McKeehan seeks to represent all current and former California non-exempt, hourly paid employees of Defendant JetSuiteX, Inc. during the statutory period.

3. McKeehan separately filed a PAGA Action on October 6, 2022, bearing Case No. 22STCV32816, which asserts a claim for civil penalties under California’s Private Attorneys General Act (“PAGA”) based on the same predicate claims and allegations contained in the *McKeehan* Action as well as allegations of recordkeeping violations.

4. On June 21, 2023, the Court in the *McKeehan* Action granted Defendants’ motion to compel arbitration and dismiss class claims, and ordered McKeehan to arbitrate his individual claims against Defendants. McKeehan subsequently filed a demand for arbitration with JAMS, bearing JAMS Arbitration No. in which he asserted the same individual claims he asserted in the *McKeehan* Action.

The *Marslek* Action

5. On July 26, 2023, Marslek filed a PAGA representative action complaint against Defendant Superior Air Charter, LLC in the Alameda Superior Court, bearing Case No. 23CV039463, in which he alleged claims for PAGA civil penalties for alleged failure to timely pay all wages. On June 7, 2024, Marslek filed an amended complaint in the *Marslek* Action, adding class claims for failure to pay all wages due, failure to provide meal periods, failure to provide rest periods, and violations of California’s unfair competition law. Marslek seeks to represent all current and former California nonexempt employees of Defendant Superior Air Charter, LLC.

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6. **The Parties’ Successful Mediation Efforts.** On November 19, 2024, the Parties to the Actions attended a private mediation with Kevin Barnes, a mediator with extensive experience in wage and hour, class and representative action litigation. Joint mediation was conducted because of the overlap in the claims, parties, counsel, and courts where the Actions are pending. The Parties reached a settlement of the Actions at the full-day mediation and subsequently executed a Memorandum of Understanding which was fully executed on February 27, 2025.

7. **Class Counsel’s Investigation.** Aegis Law Firm and Diversity Law Group, Polaris Law Group, and Hyun Legal (collectively, “Class Counsel”), counsel for McKeehan and Marslek, respectively, and the Class Members, and the PAGA Group Members, conducted a formal and informal investigation into the facts and allegations of the Actions, including an extensive review of produced documents and data. In particular, Class Counsel made informal discovery requests in advance of mediation, and reviewed and analyzed documents produced in response to such requests, including a sampling of time records and payroll data for the Class, and other data reflecting the pay periods and workweeks worked by Class Members during the relevant time period. Class Counsel also investigated the claims against Defendants in the Actions and analyzed all applicable defenses raised by Defendants.

8. **Class Counsel's Evaluation.** Class Counsel believes that the Settlement documented by this Agreement is fair, reasonable, and adequate, and in the best interest of the Class Members and PAGA Group based on all known facts and circumstances, including the risk of significant delay, defenses asserted to the merits of the Actions, defenses asserted to class certification and the PAGA representative actions, as well as defenses to the overall issue of liability and damages, and potential appellate issues.

9. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge any and all claims, rights, demands, charges, complaints, causes of action, obligations or liability of any and every kind that were or could be asserted in the Actions based upon the operative facts alleged or theories asserted in any of Plaintiffs' complaints, amended complaints or in the letter to the Labor and Workforce Development Agency. Additionally, the Parties intend the Settlement of the Actions as described in this Agreement to be contingent upon: (1) the Court's preliminary and final approval of the terms of this Agreement, including entry of a final approval order and the judgment described in Section X; (2) the Court granting the Parties' stipulation permitting the filing of an amended consolidated complaint in the *McKeehan* Action as described in Paragraph 1 above and Section II(A)(1) below; and (3) satisfaction of all conditions described in Section III(A)(1)-(4).

10. **The Parties stipulate to the certification of this Settlement Class solely for purposes of this Agreement.** The Parties stipulate to certify the Class described herein for settlement purposes only. The Parties' stipulation to class certification is contingent upon the preliminary and final approval and certification of the Settlement Class only for purposes of this Agreement. Should this Agreement not become final or not be approved by the Court, for whatever reason, the fact that the Parties were willing to stipulate provisionally to class certification as part of the Agreement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Action. Defendants do not waive, and instead expressly reserve, their rights to challenge the propriety of class certification or representative treatment for any purpose should the Court not approve this Agreement.

11. **The Parties' Agreement to Cooperate and Execute Necessary Documents.** The Parties agree to cooperate and to take all steps reasonably necessary and appropriate to effectuate the terms of this Agreement including to obtain a preliminary approval order and Final Approval Order of this Settlement, to obtain entry of judgment and/or dispose of the Actions and claims of Class Members and aggrieved employees with prejudice, and to have Defendants timely provide the Class Data (defined below) and fund the Gross Settlement Amount.

NOW THEREFORE, in consideration of the recitals listed above and the promises, releases, and warranties set forth below, and with the Parties' intent to be legally bound and to acknowledge the sufficiency of the consideration and undertakings set forth herein, Plaintiffs, individually and on behalf of the Class Members, the PAGA Group, and the State of California LWDA, on the one hand, and Defendants, on the other hand, agree that the Actions shall be and are finally and fully compromised and settled as to the Released Parties, on the terms and conditions set forth herein, subject to Court approval:

AGREEMENT

I. DEFINITIONS

- A. Class Definition and Class Period: **“Class,” “Settlement Class,”** or **“Class Members”** means: all current and former persons employed by Defendants in California as a non-exempt employee at any time between May 15, 2020 through June 30, 2025 (**“Class Period”**). Individuals who meet the foregoing criteria during the Class Period are referred to herein individually as **“Class Member”** or collectively as **“Class Members.”**
- B. **“Class Counsel”** means: Kashif Haque, Samuel Wong, Jessica Campbell, and Kristy Connolly of Aegis Law Firm, Larry Lee of Diversity Law Group, William Marder of Polaris Law Group, and Dennis Hyun of Hyun Legal, APC.
- C. The **“Court”** shall mean, for purposes of this Agreement, the court in which Plaintiffs file their motion(s) for preliminary and final approval of the Settlement, as contemplated herein.
- D. **“Effective Date”**. The **“Effective Date”** of the Settlement shall be the date on which all of the following events described in this paragraph have occurred: (a) the Court has conducted the Final Settlement Approval Hearing and fully and finally approved all material terms of the Settlement Agreement; (b) the Court enters the Final Approval Order granting final approval of this Agreement, enters an appropriate Judgment in the *McKeehan* Action (and an appropriate judgment or dismissal order has been entered in the *McKeehan* PAGA Action, *McKeehan* Arbitration, and *Marslek* Action), and the time period to appeal any such Judgments or orders in all cases have been exhausted without any appeals having been filed; (c) to the extent a timely appeal was filed in any of the Actions, all such appeals have been voluntarily or involuntarily dismissed, or the appropriate appellate court or the appellate courts have entered a final judgment affirming the Final Approval Order and judgment as well as the judgment or dismissal order in the *McKeehan* PAGA Action, *McKeehan* Arbitration, and *Marslek* Action without material modification and the final judgment of such appellate court or courts is no longer subject to any further appellate challenge or procedure.
- E. **“Final Approval Order”** refers to the order by the Court finally approving the Settlement following the Final Settlement Approval Hearing.
- F. PAGA Group and PAGA Period: **“PAGA Group”** or **“PAGA Group Members”** means all current and former persons employed by Defendants in California as a non-exempt employee at any time between July 28, 2021 through June 30, 2025 (**“PAGA Period”**).
- G. **“Settlement Administrator”** refers to ILYM Group, Inc., the third-party administrator, who has been mutually selected by the Parties, subject to Court approval, to perform the notice, settlement administration, and distribution of payment functions further described in this Agreement. The Settlement

Administrator shall establish a Qualified Settlement Fund (QSF) pursuant to U.S. Treasury Regulation Section 468B-1 for purposes of administering the Settlement.

II. PROVISIONAL APPROVAL OF THIS AGREEMENT

A. Upon execution of this Agreement, the Parties shall take the following actions:

1. To effectuate the terms of the Settlement, Plaintiffs will submit an amended PAGA notice to the LWDA and, once the exhaustion period has run, the Parties will file a stipulation in the *McKeehan* Action requesting the Court to permit Plaintiffs to file a consolidated amended class and representative action complaint, which adds Marslek as a named plaintiff and class and PAGA representative, and adds claims for failure to pay overtime wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and to add Delux Public Charter, LLC as a named defendant (the “Operative Complaint”), and will serve to consolidate all lawsuits and PAGA Letters filed by Plaintiffs, to incorporate all Released Class Claims and Released PAGA Claims and all legal theories discussed at mediation into one consolidated operative complaint. The Parties agree to file stipulations to stay the Actions (other than the *McKeehan* Action for purposes of seeking settlement approval only) during the settlement approval process. In the event the Court does not approve of the Parties’ procedural stipulation(s) as described in this Paragraph, the Parties agree to meet and confer in good faith and take all necessary steps to accomplish the intent of this Paragraph.
2. Class Counsel will prepare a motion requesting that the Court enter a preliminary approval order preliminarily approving the proposed settlement, certifying the Class for settlement purposes only, approving the form of notice and authorizing the mailing of notice to class members, designating Class Counsel (as defined above) as Class Counsel for purposes of settlement approval and Plaintiffs as the Class Representatives, appointing a settlement administrator, and setting a date for the final approval hearing. Class Counsel shall provide counsel for Defendants with a draft of the preliminary approval motion and supporting papers for review and opportunity to provide comments within thirty (30) days after the Settlement Agreement is executed and at least fifteen (15) business days prior to the filing of the motion for preliminary approval. Class Counsel shall not file a motion for preliminary settlement approval without first confirming with counsel for Defendants that Defendants have no objection to any matters stated within the other preliminary approval papers. The Parties shall jointly prepare the proposed Preliminary Approval Order and proposed Class Notice, and Class Counsel shall submit them in the form mutually agreed to by the Parties. The proposed preliminary approval order shall include all of the following:

- a) Preliminarily certifying, for settlement purposes only, a Class comprising the Class Members;
- b) Preliminarily appointing, for settlement purposes only, Class Counsel;
- c) Preliminarily appointing, for settlement purposes only, Plaintiffs, as the class representatives;
- d) Appointing and approving ILYM Group, Inc. as the Settlement Administrator;
- e) Provisionally approving all terms of this Agreement and finding that such terms are sufficient to warrant sending notice of settlement to Class Members;
- f) Approving the form and content of the Notice of Proposed Settlement and Final Settlement Approval Hearing (the “**Class Notice**”);
- g) Authorizing the mailing of the Class Notice to the Class Members; and
- h) Scheduling a hearing, to occur within a reasonable period after the Response Deadline (defined below) has expired, in which the Court will hear Plaintiffs’ motion requesting the Court to fully and finally approve this Agreement and the Settlement herein, and enter judgment (the “**Final Settlement Approval Hearing**”).

Defendants do not intend to oppose Plaintiffs’ Motion for Preliminary Approval provided such motion and supporting papers are consistent with the terms of this Agreement.

- B. **Notice of Settlement to Appropriate Government Officials.** Pursuant to California Labor Code section 2699(l)(2), Class Counsel will provide to the LWDA all required notices and documents to facilitate approval of the settlement in accordance with PAGA, including submitting to the LWDA a copy of the proposed settlement at the same time that it is submitted to the Court, a copy of the Court’s judgment, copies of any other orders that award or deny penalties, and a copy of the Operative Complaint.
- C. The Parties agree that within thirty (30) days after the date the Preliminary Approval Order is entered by the Court, the Parties shall file (i) a joint stipulation for dismissal of the entire action without prejudice in the *McKeehan* PAGA Action; (ii) a joint stipulation for dismissal of the entire action without prejudice in the *McKeehan* Arbitration; and (iii) a joint stipulation for dismissal of the entire action without prejudice in the *Marslek* Action. The Parties agree to take any other necessary steps to dismiss the *McKeehan* PAGA Action, *McKeehan* Arbitration, and the *Marslek* Action as may be required by the courts and/or arbitrator, with fees

and costs to be borne separately by each party. Class Counsel shall not be entitled to recover any additional fees or costs in the *McKeehan* PAGA Action, *McKeehan* Arbitration, and the *Marslek* Action, including any fees for undertaking the dismissal described in this paragraph.

This Agreement is contingent upon entry of the Final Approval Order by the Court that is consistent with the terms and conditions specified in this Agreement. However, the Parties agree and acknowledge that the Court may condition the Final Approval Order on modification of this Agreement, which shall not be the basis for nullifying and voiding the Settlement unless the required modification is material (including but not limited to modifications to the Gross Settlement Amount or release provisions of this Agreement) and the Parties have exhausted all efforts to address the Court's concerns as necessary to obtain final approval. The Court's decision to award less than the amounts requested for the Enhancement Payment, Class Counsel Attorneys' Fees, Class Counsel Litigation Costs and/or Settlement Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph. This Agreement shall become null and void in the event the Court for any reason refuses to enter the orders specified in Section II(A)(2) after all opportunities granted by the Court to the Parties for amendment have been exhausted. In the event the Court for any reason refuses to enter such orders, the Parties agree to cooperate in good faith to resolve any issues addressed by the Court, and exhaust all possible solutions to obtain the Court's approval. If the Parties cannot agree on how to address issues raised by the Court to obtain approval of this Agreement or the relief specified in this Section II, then they will seek the assistance of the mediator for resolution.

The Parties agree that in the event the Court does not grant final approval of the class/PAGA action settlement in the consolidated *McKeehan* Action, the Parties return to status quo as existed in the Actions on November 19, 2024, and the operative complaint in each lawsuit shall be the initial complaints filed in each lawsuit.

III. ALLOCATION OF GROSS SETTLEMENT AMOUNT

- A. The following are material conditions to be satisfied before and as a condition to payment of the Gross Settlement Amount (defined below):
 1. Execution of this Agreement by all signatories.
 2. The Court has conducted a Final Settlement Approval Hearing and fully and finally approved all material terms of this Agreement.
 3. A Final Approval Order and judgment including all of the provisions identified in Section X(A)(3) is entered by the Court and the Effective Date (defined in Section I(D)) has passed.
- B. **Gross Settlement Amount.** "Gross Settlement Amount" means the maximum settlement amount of Five Hundred Ninety-Nine Thousand Dollars (\$599,000.00) (the "Gross Settlement Amount") to be paid by Defendants on the condition that all of the material conditions set forth above in Section III(A) have occurred, in full satisfaction of all claims released under this Agreement, and includes all individual payments to Class Members and PAGA Group Members, Enhancement Payments

to Plaintiffs, payment to the LWDA, Attorneys' Fees and Costs to Class Counsel, and payment of settlement administration fees and costs to the Settlement Administrator. Defendants shall be separately responsible for employer-side payroll taxes (including, without limitation, FUTA, SUTA and the employer portion of FICA, Medicare and any applicable state or local employment taxes) which shall not be paid from the Gross Settlement Amount. The Parties agree that, subject to this paragraph and Section XIII, under no circumstances shall Defendants be obligated to pay any amount over the Gross Settlement Amount under the terms of this Agreement except as provided for in this Agreement. This Settlement shall be a non-reversionary Settlement. None of the Gross Settlement Amount will revert to Defendants.

- C. **PAGA Penalties.** The Parties agree that Defendants will pay a total of Thirty Thousand Dollars (\$30,000.00) to PAGA Group Members and the California Labor and Workforce Development Agency (LWDA) from the Gross Settlement Amount in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law that were alleged or could have been alleged to have been violated based on the facts alleged and theories asserted in the complaints and notices Plaintiffs provided to the LWDA and any complaints and amended complaints filed by Plaintiffs in the Actions ("**PAGA Settlement Amount**"). Pursuant to PAGA, Seventy Five Percent (75%) of the PAGA Settlement Amount will be paid to the LWDA (the "**LWDA Payment**"), and the remaining Twenty-Five Percent (25%) will be paid to all PAGA Group Members ("**PAGA Group Payment**"). The 25% to be paid to PAGA Group Members shall be distributed based on the number of pay periods worked by that PAGA Group Member in a non-exempt California position during the PAGA Period (defined as July 28, 2021 through the date of preliminary approval or June 30, 2025, whichever is earlier) compared to the aggregate number of pay periods in which all PAGA Group Members worked during the PAGA Period in accordance with the methodology set forth in Section VIII(E) herein. The Court's reduction or increase of the PAGA Settlement Amount is not a material term of this Agreement. If the Court approves a lesser amount or a higher amount than that requested by Class Counsel for the PAGA Settlement Amount, the Parties will not object to such determination, the other terms of this Agreement shall apply and the Net Settlement Amount (defined below) to be distributed to the Class Members will be adjusted accordingly.
- D. **Enhancement Payment.** From the Gross Settlement Amount, \$10,000.00 will be allocated to each Plaintiff (for a total of \$20,000.00) for initiating the Actions and providing services in support of the Actions ("**Enhancement Payment**"). The Enhancement Payment is in addition to any Individual Settlement Payment Plaintiffs are entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiffs' request for an Enhancement Payment that does not exceed this amount. If the Court approves an Enhancement Payment less than the amount requested, the Settlement Administrator will retain the remainder in the Net Settlement Amount (defined below). Plaintiffs agree that the Settlement Administrator will not withhold any taxes from the Enhancement Payment, and will

issue a Form 1099 or other appropriate tax form consistent with the classification of the Enhancement Payment. Plaintiffs acknowledge and agree that Defendants and their counsel have made no representations regarding the proper tax treatment of the Enhancement Payment. Plaintiffs agree, covenant, and represent that Plaintiffs shall be solely responsible for paying any taxes and penalties payable on the Enhancement Payment and that Plaintiffs shall defend, indemnify, and hold Defendants and the Released Parties (defined below) harmless from any claims, demands, actions, causes of action, losses, costs, attorneys' fees, penalties, or expenses arising from any classification of the Enhancement Payment as taxable income.

- E. **Attorneys' Fees and Costs.** "Attorneys' Fees and Costs" means the amount allocated to Class Counsel for the work they have performed in furtherance of the Actions and for reimbursement of litigation expenses incurred to prosecute the Action. Subject to Court approval, the following payments are to be made from the Gross Settlement Amount to Class Counsel: (i) attorneys' fees actually awarded by the Court in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e. \$199,666.67) ("**Attorneys' Fees**"); and (ii) Plaintiffs' verified actual litigation costs and expenses actually awarded by the Court up to \$40,000 ("**Litigation Costs**"). Defendants will not oppose requests for these payments provided that they do not exceed these amounts. If the Court approves Attorneys' Fees and/or Litigation Costs less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will issue one or more IRS 1099 Forms in connection with the payment of the Class Counsel Attorneys' Fees and Attorneys' Costs.
- F. **Settlement Administration Costs.** The costs of the Settlement Administrator, including those costs incurred in mailing the Class Notice to the Class Members as required by this Agreement, will be paid from the Gross Settlement Amount up to the amount quoted (and ultimately billed) by the Settlement Administrator and actually awarded by the Court. All disputes relating to the Settlement Administrator's performance of its duties, after good-faith efforts by the Parties to first resolve such disputes, will be referred to the Court, if necessary. To the extent the Settlement Administration Costs are less or the Court approves payment less than the amount billed, the Settlement Administrator will retain the remainder in the Net Settlement Amount for distribution to the Participating Class Members.
- G. **Payments to Participating Class Members.** The "**Net Settlement Amount**" means the portion of the Gross Settlement Amount remaining after subtracting the following payments: Attorneys' Fees and Costs to Class Counsel, the Enhancement Payment to Plaintiffs, payment to the Settlement Administrator for settlement administration fees and costs, and the PAGA Settlement Amount. The Net Settlement Amount will be distributed to "**Participating Class Members**" (i.e., those Class Members who do not submit valid Requests for Exclusion). Class Members who do not opt out will be entitled to their pro rata share of the Net Settlement Amount ("**Individual Settlement Payment**"), calculated in accordance with the formula set forth in Section VIII(D).

IV. SETTLEMENT ADMINISTRATOR

- A. **Appointment of Settlement Administrator.** The Parties request that the Court appoint ILYM Group, Inc. as Settlement Administrator. The Settlement Administrator will be responsible for the administration of the settlement terms set forth herein, and all related matters. Among other responsibilities, the Settlement Administrator will publish notice of the settlement to Class Members through the distribution of written notice to Class Members based on the list provided by Defendants, and issue to Class Members who do not opt-out an IRS Form W-2 and IRS Form 1099 for all amounts paid under this settlement as appropriate, making all deductions and withholdings required under law. The Settlement Administrator will calculate and disburse all payments due under this Settlement Agreement. The Individual PAGA Amount paid to PAGA Group Members will be issued separately from the Individual Payment, if any. The Settlement Administrator will also mail a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim. The Settlement Administrator will also issue a 1099 form to Class Counsel for sums they received under this Agreement as awarded by the Court. In addition, the Settlement Administrator will notify the Parties of timely and untimely Objections and requests for exclusion received; notify the Parties of any disputes by Class Members of the number of Individual Work Weeks and/or persons claiming to be Class Members and resolve any disputes resulting from same; make all other required settlement payments and tax remissions pursuant to the terms of this Agreement and as directed by the Court; and perform such other duties as are described in this Agreement and/or as are customarily performed by settlement administrators. Among its other duties as described in this Agreement, the Settlement Administrator shall provide counsel for the Parties with a weekly report showing the number of opt-outs and Objections received as well as declarations as required by the approval process of this Settlement. The Parties agree to provide any reasonable information requested by the Settlement Administrator needed to effectively administer the settlement.

V. NOTICE OF SETTLEMENT TO CLASS MEMBERS AND PAGA GROUP MEMBERS

- A. **Class Data for Settlement Administrator.** Within **thirty (30) calendar** days after entry of the Court's preliminary approval order that includes all of the provisions identified in Section II(A)(2), Defendants shall provide to the Settlement Administrator the following information for each Class Member and/or PAGA Group Member in a password protected Microsoft Excel format: name, last known address, Social Security number, and the number of Individual Workweeks and/or Individual PAGA Pay Periods attributable to each Class Member/PAGA Group Member ("**Class Data**").
1. Within three (3) business days of receipt of the Class Data by the Settlement Administrator, the Settlement Administrator shall notify Class Counsel that the Class Data has been received and provide to Class Counsel, without revealing any confidential information (such as names, Social Security

Numbers, contact information, or other personally identifiable information), the number of Class Members along with the total Workweeks worked by all Class Members.

- B. **Confidentiality Of Class Member Contact Information And Data.** The contact information is being provided confidentially, and the Settlement Administrator shall treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of contact information of the Class Members. This information is to be used only to carry out the Settlement Administrator's duties as specified in this Agreement. The Settlement Administrator shall return the Class Data to Defendants or confirm its destruction upon completion of the Settlement Administrator's duties.
- C. **Mailing Of Class Notice.** The Settlement Administrator shall mail the Class Notice to Class Members **within fourteen (14) calendar days** of receiving the Class Data from Defendants. The Settlement Administrator shall send the Class Notice via First Class U.S. Mail, using the most current, known mailing address for each Class Member and PAGA Group Member based on information provided by Defendants. Upon receipt of this information from Defendants, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes.
- D. **Re-mailing Of Returned Notices.** Any mailing returned to the Settlement Administrator as undeliverable shall be sent **within three (3) business days** via First Class U.S. Mail to the forwarding address affixed thereto, if applicable. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address again using a robust skip trace database to update and correct any known or identifiable address changes. Following this procedure, the Settlement Administrator shall perform a re-mailing via First Class U.S. Mail **within three (3) business days**. It shall be presumed that those Class Members whose re-mailed Class Notices are not returned to the Settlement Administrator as undeliverable within **thirty (30) calendar days** after re-mailing, actually received the Class Notice to the maximum extent permitted by law. The Settlement Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- E. **Content Of The Notice Of Class Action Settlement.** The Class Notice shall be in a form mutually agreed to by the Parties and shall, among other things, inform Class Members of their right to decline to participate in the class action portion of the settlement established by this Agreement, so long as the Class Member submits to the Settlement Administrator a valid Request for Exclusion on or before the Response Deadline (defined below), accurately describe the scope of the release, provide all deadlines and material terms of the Settlement, Class Counsel's contact information, a URL to a website maintained by the Settlement Administrator that has links to the Class Notice and the most important publicly filed documents in

the case; and for persons who wish to review the Court's docket in this case, the URL for the Court's electronic filing and service website. The Class Notice shall also state that a Class Member's right to opt out applies only to the class action portion of the Settlement and that no opt out right applies to the settlement of PAGA claims in the *McKeehan* Action. It shall be presumed that each and every Class Member whose Class Notice is not returned to the Settlement Administrator as undeliverable **within thirty (30) calendar days** after mailing or re-mailing (as described above in Section V(D)) actually received it to the maximum extent permitted by law.

- F. **Proof Of Mailing.** At least **21 court days** prior to the Final Settlement Approval Hearing, the Settlement Administrator shall provide a finalized and executed declaration of due diligence and proof of mailing with regard to mailing of the Class Notice to Class Counsel and Defendants' Counsel, which Class Counsel shall in turn provide to the Court. **No later than 5 court days** before the final executed declaration is due to be filed by Class Counsel, the Settlement Administrator shall provide to Class Counsel and Defendants' Counsel a final draft of the declaration for review.
- G. Counsel for the Parties shall not attempt in any way to initiate contact or initiate communications with any Class Member other than through the Class Notice, to discuss the Settlement, except as provided in this Agreement and to the extent any Class Member identified by the Settlement Administrator as to whom the Class Notice is believed by the Settlement Administrator to have been undeliverable, in which case counsel for Defendants may make reasonable attempts to secure accurate contact information for such Class Member. Notwithstanding the foregoing: (i) Class Counsel may respond to questions about the Settlement by Class Members who contact Class Counsel; (ii) counsel for the Parties may respond to questions by the Settlement Administrator about specific claims or questions of Class Members; and (iii) Defendants may communicate with employees and the Class Members to discuss or describe the Settlement as set forth in this Agreement provided that such communications shall not interfere with or discourage participation in the Settlement.

VI. THE OPT-OUT PROCEDURE

- A. **Class Members' Consideration Period.** The Class Notice shall state that Class Members who wish to exclude themselves from, or "opt out" of, the class action portion of the Settlement must submit a signed, written Request for Exclusion to the Settlement Administrator ("**Request for Exclusion**"). The deadline to submit a Request for Exclusion is **60 calendar days** from the original date that the Class Notice was mailed (the "**Response Deadline**") (plus an additional 14 days for Class Members whose Class Notice is re-mailed). To be valid, a Request for Exclusion must be timely sent either by fax or by mail and be postmarked to the Settlement Administrator at the address listed in the Class Notice on or before the Response Deadline. The date of the postmark on the return mailing envelope or fax stamp on the Request for Exclusion shall be the exclusive means used to determine whether

a Request for Exclusion has been timely submitted. No later than five (5) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a complete list of all members of the Class who have timely submitted requests for exclusion.

- B. **No right to opt out from PAGA settlement.** The Class Notice shall state that a Class Member's right to opt out applies only to the class action portion of the Settlement and that no opt out right applies to the settlement of PAGA claims in the Action. Accordingly, each PAGA Group Member, regardless of whether they timely submit a Request for Exclusion, shall receive a portion of the PAGA Settlement Amount consistent with the calculation set forth in Section VIII(E) herein.
- C. **Opt-Out Procedures.** A Class Member who wishes to opt out of the class portion of the Settlement shall send a Request for Exclusion to the Settlement Administrator, which is a letter setting forth their name, the last four digits of the Social Security number of the Class Member requesting exclusion, the name of the Action, and a statement that they request exclusion from the class and do not wish to participate in the settlement. To be valid, the Request for Exclusion must: (i) reasonably communicate the Class Member's election to be excluded from the class portion of the Settlement and contain sufficient Class Member identifying information; (ii) be signed by the Class Member; and (iii) be postmarked or fax stamped by the Response Deadline and submitted to the Settlement Administrator at the specified address or fax number. All Class Members who do not timely submit a valid Request for Exclusion shall be bound by the terms and conditions of this Agreement including the release of claims described herein, and shall also be bound by any Court orders related to this Agreement or the Action.
- D. **Effect of Opt-Out.** Class Members who successfully submit a Request for Exclusion ("**Non-Participating Class Member**") will not be entitled to a settlement payment for the class portion of this Settlement, and will not be bound by the class action release of this Agreement. To the maximum extent permitted by law, any Class Member who opts out of the Settlement may not object to the Settlement. If a Class Member submits both a Request for Exclusion and an Objection, the Class Member's Request for Exclusion will be deemed to invalidate the Objection. Class Members who submit valid and timely requests to opt out of the Settlement shall not receive a payment for settlement of Class claims pursuant to the Settlement, nor shall such Class Members be bound by the terms of the Settlement of their individual claims against Defendants pursuant to this Settlement. However, Class Members who submit a valid Request for Exclusion will nevertheless be bound by the settlement and release of PAGA claims in the Settlement to the extent they are a member of the PAGA Group and will receive a payment for their individual share of the PAGA Group Payment in settlement of PAGA claims pursuant to the terms of this Agreement. Class Members who receive a Class Notice (or to whom the Class Notice is sent and not returned to the Settlement Administrator as undeliverable) but do not submit a valid and timely Request for Exclusion on or before the Response Deadline shall be deemed

Participating Class Members and shall be bound by all terms of the Settlement and any Final judgment entered in the Action if the Settlement is approved by the Court.

- E. The Settlement Administrator shall review each Request for Exclusion upon receipt for timeliness, completeness, and validity. If a submitted Request for Exclusion is defective or incomplete, the Settlement Administrator will promptly notify the Class Member of the defect or deficiency and permit the Class Member fourteen **(14) days** from the date of the mailing of the deficient form or the Response Deadline to cure the defect (the “**Cure Deadline**”), whichever is later. Notwithstanding the foregoing, any Request for Exclusion that is cured will not be considered effective unless: (i) the original Request for Exclusion was postmarked or delivered by the Response Deadline; and (ii) the cured Request for Exclusion was postmarked or delivered by the Cure Deadline. Class Members shall only be permitted one opportunity to cure a defective Request for Exclusion.
- F. Unless otherwise permitted by this Agreement, only the Settlement Administrator has the right to contact Class Members who submit a Request for Exclusion. The Settlement Administrator shall not interfere with any Class Member’s right to submit a Request for Exclusion and shall communicate with a Class Member solely for purposes of determining the validity, completeness, and any defect in a submitted Request for Exclusion. The Settlement Administrator shall not have the authority to extend the Response Deadline or Cure Deadline except as directed by the Court or otherwise agreed to by the Parties in writing. The Settlement Administrator shall provide weekly updates concerning the status to both Class Counsel and counsel for Defendants, which will not in any way hamper or impede the right of Class Members to submit Requests for Exclusion.
- G. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to opt out of the Settlement or to appeal from the Final Approval Order.

VII. OBJECTING TO THE SETTLEMENT

- A. **Objection Rights.** Class Members who wish to object to the Settlement may do so in writing by submitting a written objection (“**Objection**”) to the Settlement Administrator within the Response Deadline. Class Members may also appear at the Final Approval Hearing and present their objection orally, regardless of whether the Class Member submitted an Objection to the Settlement Administrator. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether an Objection is timely submitted. The Settlement Administrator shall provide all such Objections to Class Counsel and Defendants’ counsel promptly upon receipt. The Court retains final authority with respect to the consideration and admissibility of any Class Member’s Objections. Plaintiff and Defendants may respond in writing to any written Objections by **no later than seven (7) calendar days** before the Final Settlement Approval Hearing (or some other number of days as the Court shall specify) unless the Objection is received at

a later time. Plaintiff and Defendants may respond to Objections orally at the Final Settlement Approval Hearing.

- B. **Objection Procedures.** The Objection must: (a) contain the case name of the *McKeehan* Action; (b) contain the Class Member's full name and signature, and the last four (4) digits of their Social Security number; (c) contain a written statement of the grounds for the objection and supporting documents, if any; and (d) be sent by mail to the Settlement Administrator, postmarked on or before the Response Deadline. These instructions, as well as information regarding how to appear will be communicated in the Class Notice.
- C. Class Members who object to the Settlement may still participate in the Settlement. A Class Member who objects, but does not submit a Request for Exclusion, will remain a Participating Class Member. Accordingly, if the Court approves the Settlement, such Class Members will be bound by the terms of the Settlement in the same way as the Class Members who did not object. Only those Class Members who opt-out will not be bound by the class action portion of this Agreement.
- D. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel's Attorneys' Fees and Costs and/or the Enhancement Payment to Plaintiff.
- E. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- F. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written Objections to the Settlement or to appeal from the Court's Final Approval Order and judgment thereon.
- G. **Objecting Class Members Not Entitled to Attorneys' Fees.** The Parties expressly agree that objecting Class Members are not entitled to recover any attorneys' fees or costs from Class Counsel's fee award. This Agreement specifically bars recovery of Attorneys' Fees and Costs for objectors even if the objection has added genuine value to the Settlement. Furthermore, nothing in this Agreement, express or implied, creates any obligation on the part of Defendants to pay any attorneys' fees or costs to an objector, even if such fees and costs are ordered to be paid by the Court.
- H. **Waiver of Objection Rights.** To the fullest extent permitted by law, Class Members who fail to submit Objections in the manner specified in the Class Notice and/or fail to appear in Court to present verbal objections at the Final Approval Hearing shall be deemed to have waived any Objections and shall be foreclosed from making any Objection, whether by appeal or otherwise, to this Agreement. To the maximum extent permitted by law, the Parties agree that only the Parties and/or Class Members who make a valid and timely Objection maintain the right to appeal. If the objecting Class Member does not formally intervene in the Action

or move to set aside the judgment and/or the Court rejects the Class Member's Objection, the Class Member will still be bound by the terms of this Agreement.

- I. **Binding Effect of Settlement.** Although some Class Members might not receive the Class Notice or timely submit a Request for Exclusion, as provided under this Agreement, due to inability to locate their current address following the procedures set forth in this Agreement, such individuals shall nonetheless be bound by all of the terms of this Agreement and the Final Approval Order and judgment to the maximum extent permitted by law.

VIII. CALCULATION OF SETTLEMENT PAYMENTS TO CLASS MEMBERS AND PAGA GROUP

- A. Upon receipt of the Class Data, and prior to the mailing of the Class Notice, the Settlement Administrator shall review the information submitted by Defendants to confirm the number of Workweeks of each Class Member during the Class Period ("**Individual Workweeks**") for purposes of performing the calculations of Individual Settlement Payments (defined below). For purposes of this Agreement, a "**Workweek**" shall be defined as a 7-day week, beginning on Saturday and ending on Friday, during which a Class Member received compensation for regular hours worked as a non-exempt employee for at least one day in the Workweek for work actually performed in California during the Class Period, but shall not include any workweeks for which a Class Member was on a paid or unpaid leave of absence.
- B. The Settlement Administrator shall thereafter provide to Defendants' counsel and Class Counsel the total number of Class Members and Workweeks in the Class Data.
- C. **No Claims Process.** This Settlement does not require Class Members to submit a claim form to participate in the Settlement.
- D. **Individual Settlement Calculations and Payments.** No claims process shall be required of Plaintiffs or Class Members in order to participate in the Settlement. Calculations of Individual Settlement Payments will be made as follows and shall be included in the Class Notice to each Class Member and based on the assumption that no Class Member opts out:
 1. The Settlement Administrator will calculate the total number of each Class Member's Individual Workweeks, and the total number of Workweeks for all Class Members ("**Class Workweeks**"). To determine each Class Member's Individual Settlement Payment, the Settlement Administrator will use the following formula: Net Settlement Amount divided by Class Workweeks ("**Workweek Payment Rate**") multiplied by the individual Class Member's Individual Workweeks. All Participating Class Members will receive a minimum of a single payment of the Workweek Payment Rate regardless of whether the Class Member actually worked during the Class Period.

The Individual Settlement Payments will be reduced by any required deductions for each Class Member as set forth herein, including required withholdings or deductions.

- E. **Calculation of PAGA Group Members' Individual Share of PAGA Group Payment.** Each PAGA Group Member's individual share of the PAGA Group Payment shall be calculated on a pro rata basis, based on the following formula: The Settlement Administrator will calculate the total number of each PAGA Group Member's Pay Periods during the PAGA Period ("**Individual PAGA Pay Periods**"), and the total number of Pay Periods for all PAGA Group Members in the PAGA Period ("**PAGA Group Pay Periods**"). To determine each PAGA Group Member's Individual PAGA Payment, the Settlement Administrator will use the following formula: (a) dividing the amount of the PAGA Group Payment (\$7,500.00) by the total number of PAGA Group Pay Periods, and (b) multiplying the result by each PAGA Group Member's Individual PAGA Pay Periods.

The individual shares of the PAGA Group Payment constitute penalties from which no deductions or withholdings will be taken. For purposes of this Agreement, a "**Pay Period**" shall be defined as any pay period during the PAGA Period in which a PAGA Group Member received compensation for regular hours worked as a non-exempt employee for work actually performed in California for at least one day in the pay period but shall not include any full pay periods for which a PAGA Group Member was on a paid or unpaid leave of absence. All PAGA Group Members will receive at least a minimum Individual PAGA Amount equivalent to the figure paid to those PAGA Group Members who had one Individual PAGA Pay Period.

F. **Procedures for Class Members to Dispute Workweek Calculations:**

Defendants' records shall be determinative with respect to the number of Individual Workweeks for the Class Member and shall be presumptively valid, subject to this Section VIII(F). If a Class Member disagrees with the number of Individual Workweeks or Individual PAGA Pay Periods listed in his/her/their Class Notice, the Class Member may challenge the number of Individual Workweeks and/or PAGA Pay Periods by communicating with the Settlement Administrator via fax or mail by no later than the Response Deadline. The Class Member must provide the Settlement Administrator with a written statement explaining the basis for such challenge and supporting documentation, if any. In the absence of any contrary evidence, the Settlement Administrator is entitled to presume that the Individual Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Settlement Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Settlement Administrator shall promptly provide copies of all challenges to calculation of Individual Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Settlement Administrator's determination of the challenges.

IX. TAX ALLOCATION

- A. The Individual Settlement Payments to Class Members shall consist of the following: (i) 20% wages and (ii) 80% interest and penalties. Defendants will be

responsible for the employer's share of payroll taxes on W-2 income, separate and apart from the Gross Settlement Amount.

- B. Because 20% of the gross amount of the Individual Settlement Payments to Class Members constitutes compensation for past services rendered, it shall be considered wages. Accordingly, the Settlement Administrator shall: (i) withhold from the applicable portion of the Individual Settlement Payment the Class Member's share of all appropriate payroll taxes, including federal and state income taxes; (ii) issue to each Class Member and appropriate taxing authorities a Form W-2 statement or its equivalent with respect to the appropriate portion of the Individual Settlement Payment; (iii) issue a Form-1099 to each Class Member and appropriate taxing authorities with respect to the portions of the Individual Settlement Payment representing penalties and interest and, to the extent a Class Member is also a PAGA Group Member, the individual share of the PAGA Payment; and (iv) notify Defendants of their share of any payroll taxes attributable to the employer for the 20% of the gross amount allocated to wages, which amount will be paid separately from the Gross Settlement Amount.
- C. **Allocation of Individual Settlement Payment Not Material.** The Court's approval of the allocation of the Individual Settlement Payment for Form 1099 income and Form W-2 income is not a material term of this Agreement. If the Court does not approve or approves a different allocation of the Individual Settlement Payments, the Agreement shall remain intact and all other terms of this Agreement shall apply.
- D. Neither Defendants nor their counsel, nor Class Counsel make any representation, and have made no representations as to the tax treatment or legal effect of the payments called for in this Settlement Agreement, and Plaintiffs and Class Members are not relying on any statement, representation, or calculation by Defendants or their counsel, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs and Class Members understand and agree that Plaintiffs and Class Members will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiffs and any Class Member who receive any payment under this Agreement should consult with their tax advisors concerning the tax consequences of the Individual Settlement Payments they receive under the Settlement.

X. FINAL SETTLEMENT APPROVAL HEARING

- A. Class Counsel shall be responsible for ensuring that at least the following documents are filed with the Court in advance of the Final Settlement Approval Hearing so that the Court will have a sufficient basis upon which to evaluate and approve the Settlement:
 - 1. A final declaration by the Settlement Administrator listing the following information: (i) attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, the mailing

and re-mailing of the Class Notice (as applicable), the Class Notices returned as undelivered and attempts to locate Class Members; (ii) the total number of Requests for Exclusion the Settlement Administrator received (both valid and invalid) and a list of the names (with no other identifying information) of all persons who submitted timely and valid Requests for Exclusion; (iii) the number of Objections received and attaching copies of the Objections received so the Court can evaluate the merits of the Objections; and (iv) any other information required by the Court.

2. A duly noticed motion for final approval, accompanying memorandum of points and authorities prepared by Class Counsel, and such other pleadings, evidence or other documents as may be necessary for the Court to determine that the Settlement documented by this Agreement is fair, adequate and reasonable.
3. A Proposed Final Approval Order and judgment for the Court's signature, approving the material terms of the Settlement documented by this Agreement. The Final Approval Order will include the full text of the class and PAGA releases. The Parties shall jointly prepare the proposed final approval order and judgment to be submitted in the form mutually agreed to by the Parties.
4. The Parties will cooperate to finalize the motion for final settlement approval and supporting papers to be prepared by Class Counsel. Class Counsel shall also provide a draft of the motion for final settlement approval and supporting papers, and an opportunity to provide comments thereto, to Defendants' counsel at least ten (10) business days prior to the filing deadline for the motion. Class Counsel shall not file a motion for final settlement approval without first confirming with counsel for Defendants that Defendants have no objection to any matters stated within the final approval papers.
5. The motion for final settlement approval will include Class Counsel's applications for Attorneys' Fees and Costs and the Enhancement Payment. However, the Court's decision to award less than the amounts requested for Class Counsel's Attorneys' Fees and Costs and/or the Enhancement Payment to Plaintiffs does not constitute a material modification to the Agreement and will not terminate this Agreement.
6. Pursuant to Labor Code § 2699(1)(3), Class Counsel will provide to the LWDA a copy of the Court's Final Approval Order and Judgment within ten (10) days after entry of the Final Approval Order and Judgment.

XI. PAYMENT TO CLASS MEMBERS AND PAGA GROUP MEMBERS

- A. No later than **thirty (30) calendar days** after the Effective Date (defined in Section I(D)), Defendants shall ensure a wire transfer to a bank account designated by the

Settlement Administrator is effectuated for the Gross Settlement Amount plus the separate portion of the employer-side payroll taxes. No later than **forty-five (45) calendar days** after the Effective Date, the Settlement Administrator shall issue payments to Class Members and/or PAGA Group Members pursuant to the terms of this Agreement from the above-mentioned designated bank account and issue all necessary and proper tax forms.

- B. The Settlement Administrator shall mail the Individual Settlement Payments and Individual PAGA Payments by First Class U.S. Mail to each Class Member's and/or PAGA Group Member's last known address, postage prepaid. Checks shall be valid for **180 calendar days** from the date of mailing (the "**Check Cashing Deadline**"), and the face of each check shall prominently state the Check Cashing Deadline, when the check will be voided. Class Members who do not cash their settlement checks within 180 calendar days after mailing by the Settlement Administrator shall still be bound by the Settlement and the release of claims provided therein. It shall be presumed that each Class Member received his, her, or their Individual Settlement Payment (and PAGA Group Member payment, if applicable) on the date the payment was deposited in the United States mail, unless the payment is returned to the Settlement Administrator within the Check Cashing Deadline. Any check returned by the post office with a forwarding address will be re-mailed within **five (5) calendar days** by the Settlement Administrator to that forwarding address via First Class U.S. Mail. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address using all reasonably available sources, methods, and means, including, but not limited to, the "National Change of Address Database", skip traces, and direct contact by the Settlement Administrator with Participating Class Members, and it shall then perform a re-mailing within **7 calendar days** of receiving a returned check. The Settlement Administrator need not take further steps to deliver checks to Participating Class Members whose re-mailed checks are returned as undelivered. The Settlement Administrator shall promptly send a replacement check to any Participating Class Member whose original check was lost or misplaced, requested by the Participating Class Member prior to the void date.
- C. In accordance with California Code of Civil Procedure Section 384, any checks returned to the Settlement Administrator by the post office as undeliverable after the Settlement Administrator takes steps set forth above, and all funds from checks that are not cashed by the Check Cashing Deadline, shall be distributed as follows:
 1. The amount of any Individual Settlement Payments and Individual PAGA Payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the initial mailing of the checks for Individual Settlement Payments and/or Individual PAGA Payments will be paid to the California State Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash his or her check, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). The Participating Class Member and/or PAGA Group Member will nonetheless remain bound by the

Settlement. The Parties agree that this disposition results in no “unpaid residue” within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Class Members, whether or not they all cash their Individual Payments.

2. The Settlement Administrator shall notify the Parties’ counsel of the total amount that was actually paid to the Class Members and the amount of funds that are unclaimed.
3. At a date set by the Court for a final accounting in accordance with California Code of Civil Procedure Section 384(b), the Parties shall advise the Court of the total amount that was actually paid to Class Members under this Agreement and the amount of funds that are unclaimed by Class Members and transmitted to the California State Controller’s Unclaimed Property Fund.

- D. **No Impact On Contributions To Employee Benefit Plans.** None of the payments made pursuant to this Agreement shall be considered to alter the terms or to grant any rights to additional payments under any employee benefit plans. None of the payments made pursuant to this Agreement shall be considered for purposes of determining eligibility for, vesting or participation in, or contributions to any benefit plan, including, without limitation, all plans subject to the Employee Retirement and Income Security Act of 1974 (“ERISA”). Any distribution of payments to Plaintiffs or Class Members shall not be considered as a payment of wages or compensation under the terms of any applicable benefit plan and shall not affect participation in, eligibility for, vesting in, the amount of any past or future contribution to, or level of benefits under any applicable benefit plan. Any amounts paid will not impact or modify any previously credited hours of service or compensation taken into account under any bonus or incentive plan, benefit plan sponsored or contributed to by Defendants or any jointly-trusted benefit plan, or for purposes of calculating the regular rate of pay. For purposes of this Agreement, “benefit plan” means each and every “employee benefit plan,” as defined in 29 U.S.C. § 1002(3), and, even if not thereby included, any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy.

XII. PAYMENT OF ATTORNEYS’ FEES AND COSTS TO CLASS COUNSEL; SETTLEMENT ADMINISTRATION EXPENSES; ENHANCEMENT PAYMENT

- A. No later than **forty-five (45) calendar days** after the Effective Date, the Settlement Administrator shall transfer the following amounts, as awarded by the Court:
1. To Class Counsel, the amounts ordered by the Court for all attorneys’ fees and costs incurred in prosecuting the Action;

2. To the Settlement Administrator, the amounts ordered by the Court for all its expenses;
3. To Plaintiffs, the amount ordered by the Court for the Enhancement Payment; and
4. To the LWDA, the LWDA Payment.

XIII. RIGHT TO INCREASE GROSS SETTLEMENT AMOUNT BASED ON QUALIFYING WORKWEEKS OF CLASS MEMBERS.

- A. Defendants have estimated that there are approximately 369 nonexempt California employees who worked approximately 21,015 Class Workweeks from May 15, 2020, to November 19, 2024. If the number of actual Class Workweeks exceeds 10% of the estimated Class Workweeks (*i.e.*, if the Class Workweeks exceeded 23,117), Defendants will increase the Gross Settlement Amount proportionately by the Workweeks worked by Class Members above the ten percent threshold (for example, if the number of total Class Workweeks increases by 11%, the Gross Settlement Amount shall increase by one percent (1%).) Workweeks shall include only those workweeks where a Class Member rendered actual services in California as a nonexempt employee (*i.e.*, excludes any workweeks where a Class Member was on leave or worked in an exempt position or outside of California).
- B. Defendants have represented that there are a total of 475 nonexempt California employees who worked a total of 29,728 Class Workweeks between May 15, 2020 and June 30, 2025. Defendants will increase the Gross Settlement Amount pursuant to Section XIII(A) above. Accordingly, the Gross Settlement Amount shall be increased by \$188,445.40, for a total Gross Settlement Amount of \$787,445.40; and the Class Period shall be May 15, 2020 through June 30, 2025. The final increase may vary slightly if there are valid Class Member disputes.

XIV. INVALIDATION OF AGREEMENT FOR FAILURE TO SATISFY CONDITIONS

- A. In the event the Court fails to enter final judgment approving the Settlement consistent with the terms set forth in this Agreement after the Parties have exhausted all reasonable efforts to amend the Agreement to address the Court's concerns, or such final judgment is vacated or reversed, the Actions shall proceed as if no settlement had been attempted and revert back to their prior procedural posture. In such event, nothing in this Agreement shall be used, construed or admissible as evidence by or against any Party as a determination, admission, or concession of any issue of law or fact in the Actions, or in any other proceeding for any purpose; and the Parties do not waive, and instead expressly reserve, their respective rights to prosecute and defend the Actions as if this Agreement never existed. Further, in such event, the Parties shall each pay half of the costs of administration that have been incurred by the Settlement Administrator.
- B. **Defendants' Right to Withdraw.** If, prior to the Final Settlement Approval Hearing, the number of persons who submit valid and timely Requests for

Exclusion exceeds five percent (5%) of the total number of Class Members, then Defendants shall have the sole and absolute discretion to withdraw from this Agreement. If Defendants elect to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement. If Defendants elect to withdraw, Defendants will remain responsible for paying all Settlement Administrator's expenses incurred to that point.

- C. If this Agreement is terminated for failure to satisfy any of the material terms or conditions, Defendants shall not be obligated to create or maintain any type of settlement fund and shall not be obligated to make any settlement payment to any Class Member, PAGA Group Member, LWDA, Class Counsel, or to Plaintiffs.

XV. RELEASES, REPRESENTATIONS AND WARRANTIES

A. Class Member Release

1. Release of Claims by McKeehan, Marslek, and Class Members. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, in consideration of the monetary sum provided by Defendants, Plaintiffs and each of the Participating Class Members, on behalf of themselves, their heirs, executors, administrators, attorneys, agents, and assigns, shall waive, fully release and forever discharge the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of any kind arising from the alleged violation of any provision of common law, California law and/or federal law which was alleged or could have been alleged based on the facts or theories alleged in any of Plaintiffs' complaints filed in the Actions or letters to the LWDA, and that arose at any time during the Class Period (the "**Settled Claims**"), including but not limited to claims for off-the-clock work, unpaid wages, unpaid overtime wages, failure to timely pay all wages earned every pay period, failure to pay all compensation at the regular rate of pay or the correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods (including with respect to the rate at which premiums were paid), untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages owed upon termination, unfair competition (Bus. & Prof. Code § 17200), unlawful deductions from wages, failure to pay wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and claims under Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 and applicable sections of the relevant Order of the Industrial Welfare Commission. Plaintiffs and Participating Class Members shall be permanently barred and enjoined from the institution or prosecution of any and all Settled Claims against the Released Parties, except as to such rights or claims as may be created by the Settlement. "**Released Parties**" means Superior Air Charter, LLC, JetSuiteX, Inc.,

Delux Public Charter, LLC, and each of their former and present employees, directors, partners, shareholders, officers, owners, attorneys, agents, insurers, brands, dba's, concepts, predecessors, successors, assigns, parents, subsidiaries, affiliates, administrators, legal representatives, estates, powers-of-attorney, and any individual or entity which could be jointly liable with Defendants and all persons or entities acting by, through, under, or in concert with any of them.

- a) This Settlement and the judgment entered thereon shall have res judicata effect precluding Plaintiffs and the Participating Class Members from initiating any other proceedings regarding claims released pursuant to this Agreement.

B. PAGA Release of Claims

1. Release of PAGA Claims. For the avoidance of doubt, Class Members and PAGA Group Members have no opt out rights as to the PAGA portion of the Settlement. Accordingly, effective on the date when Defendants fully fund the entire Gross Settlement Amount, in consideration of the PAGA Settlement Amount, Plaintiffs, on behalf of Plaintiffs and the State of California, and all PAGA Group Members, waive, fully release and forever discharge the Released Parties from any and all claims under PAGA that were alleged, or reasonably could have been alleged, based on the facts or theories alleged in any of Plaintiffs' complaints filed in the Actions or letters to the LWDA, and that arose at any time during the PAGA Period, including but not limited to PAGA claims predicated on allegations of off-the-clock work, unpaid wages, unpaid overtime wages, failure to timely pay all wages earned every pay period, failure to pay all compensation at the regular rate of pay or the correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods (including with respect to the rate at which premiums were paid), untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages owed upon termination, unlawful deductions from wages, failure to pay wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and PAGA claims predicated on violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 and applicable sections of the relevant Order of the Industrial Welfare Commission.

C. General Release by McKeehan and Marslek; Representations and Warranties

1. General Release by McKeehan and Marslek. In addition to the Class Member Release of Claims and PAGA Group Member release of claims described in this Agreement, effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll

taxes owed on the Wage Portion of the Individual Class Payments, McKeehan and Marslek, on behalf of themselves, their heirs, executors, administrators, attorneys, agents, and assigns, each fully release and forever discharge the Released Parties from any and all claims, known or unknown, which Plaintiffs now have or may have against any of the Released Parties, including but not limited to claims arising out of or relating to Plaintiffs' employment with Defendants, including the end of the employment relationship, and any act, omission, or transaction of or by Defendants or any of the Released Parties occurring on or before the Effective Date. This release is intended to be interpreted broadly and is intended to include, without limitation, all common law claims (including but not limited to: breach of contract, breach of fiduciary duty, breach of the covenant of good faith and fair dealing, wrongful discharge in violation of public policy, infliction of emotional distress, negligence, invasion of privacy, interference with contractual relationship, defamation and fraud), as well as any statutory claims arising under federal, state or local law. ("Plaintiffs' General Release"). Plaintiffs acknowledge that Plaintiffs may discover facts and/or law different from and/or in addition to the facts and/or law that Plaintiffs now know or believe to be true, but agree, nonetheless, that Plaintiffs' General Release shall be and remain effective in all respects notwithstanding the existence of such different and/or additional facts and/or law or Plaintiffs' discovery of them. The Parties also note that Plaintiff Marslek has also separately executed a release of claims that includes claims he brought in a separate arbitration alleging the following claims: (1) Violation of Labor Code Section 1102.5; (2) Violation of Labor Code Section 6310; and (3) Wrongful Termination in Violation of Public Policy (the "Wrongful Termination Arbitration"). Furthermore, Plaintiffs' General Release does not extend to any claims or actions to enforce the Settlement, to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, or to any claims that are not releasable as a matter of law or public policy. Nothing herein is intended to preserve any claims that are released pursuant to Section XV(A)-(B).

a) Section 1542 Waiver. For purposes of Plaintiffs' General Release only, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of California Civil Code section 1542, which reads: **"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."**

2. Representations and Warranties. Plaintiffs hereby represent, covenant, and warrant that Plaintiffs have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber, to any person or entity, any portion of any liability, claim, demand, action, cause of action,

or rights herein released and discharged. Plaintiffs further agree that Plaintiffs shall not in any way hereafter commence, join, aid, or assist others in pursuing any claim, charge or action against any of the Released Parties for any acts or omissions released under this Agreement.

D. No Misrepresentation

The Parties understand that the facts with respect to which this Agreement is entered into may be materially different from those the Parties now believe to be true. The Parties accept and assume this risk, and agree that this Agreement, including specifically the releases contained herein, shall remain in full force and effect, and legally binding, notwithstanding the discovery or existence of any additional or different facts, or any claims with respect to those facts.

XVI. CONFIDENTIALITY

The Parties and their counsel shall keep confidential all settlement communications regarding the negotiation and drafting of this Agreement. Neither the Parties nor their counsel will issue any press release or other public representation regarding the settlement, other than as necessary to obtain court approval and effectuate the terms of the settlement. Provided, however, that the Court may be notified, if necessary prior to the filing of the motion for preliminary approval, that the Parties have settled the case subject to court approval while not mentioning the terms of the Settlement. The Parties and their counsel further agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about the Actions. Class Counsel will not communicate with other attorneys about this settlement, nor utilize it in any way in their marketing or advertising materials or website. Nothing in this paragraph shall restrict the Parties from making any disclosures necessary to seek Court approval or to communicate with the Class Members consistent with the terms of this Agreement.

XVII. MISCELLANEOUS PROVISIONS

A. Acknowledgment that the Settlement is Fair and Reasonable

The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Actions, which was reached after non-collusive, arm's-length negotiations and mediation and in the context of adversarial litigation, considering all relevant factors, present and potential, including the risk of continued litigation. The Parties agree, covenant, and represent that this Agreement shall constitute a compromise of, and full accord and satisfaction of, disputed claims.

B. No Admission of Liability

The Parties agree, covenant, and represent that neither this Agreement nor any actions undertaken by Defendants in satisfaction of this Agreement shall constitute, or be construed as, an admission of any liability or wrongdoing by Defendants at any time, or as an admission by Defendants that class certification, or litigation on a representative basis is proper in the Actions. By entering into this agreement, Defendants do not admit liability in the Actions. Defendants expressly deny that they have violated any law, breached any agreement or obligation to Plaintiffs or the Class Members, or engaged in any wrongdoing with respect to Plaintiffs or the Class Members or the PAGA Group Members.

C. Representation by Counsel

The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs warrant and represent that Plaintiffs are fully authorized to enter into this Agreement and the terms and conditions thereof, that there are no liens on the Agreement, and that after entry by the Court of the orders specified in this Agreement, the Settlement Administrator may distribute funds to Class Members, PAGA Group Members, Class Counsel, the LWDA, and Plaintiffs as provided by this Agreement.

D. Deadlines Set by this Agreement and Extensions of Time

If any deadline set by this Agreement falls on a Saturday, Sunday, or Court holiday, the deadline shall be deemed to fall on the next day that is not a Saturday, Sunday, or Court holiday. Further, the Parties may, by mutual agreement, agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, subject to Court approval when required.

E. Notice

All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally, by first class mail, or email to the undersigned persons at their respective addresses as set forth below:

Counsel for Plaintiffs and the Class Members:

Jessica Campbell
AEGIS LAW FIRM
9811 Irvine Center Drive, Suite 100
Irvine, CA 92618
Tel: (949) 379-6250
Fax: (949) 379-6251
jcampbell@aegislawfirm.com
Attorneys for Plaintiff Jacob McKeehan
and the Class

Larry Lee
DIVERSITY LAW GROUP
515 South Figueroa Street, Suite 1250
Los Angeles, California 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554
Attorneys for Plaintiff Robert Marslek and
the Class

Counsel for Defendants:

Koree Wooley
JONES DAY
4655 Executive Drive, 15th floor
San Diego, California 92121
Telephone (858) 314-1200
kwooley@jonesday.com
Attorneys for Defendants Superior Air Charter, LLC,

JetSuiteX, Inc., and Delux Public Charter, LLC

F. Memorandum of Understanding Superseded by this Agreement

Upon the date that this Agreement becomes fully executed by all Parties, this Agreement shall supersede the Memorandum of Understanding between the Parties that was fully executed on February 27, 2025.

G. Incorporation by Reference

The terms of this Agreement include the Recitals, which are incorporated by this reference as though fully set forth herein.

H. Captions

The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

I. Mutual Preparation

This Agreement has been jointly prepared by the Parties and their counsel. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, the Parties expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement, and agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

J. Waiver of Right to Appeal

As part of this Settlement, Plaintiffs waive their rights to file an appeal and/or a writ or any challenge whatsoever to the terms of the impending stipulated judgments contemplated in the Actions so long as they are consistent with the terms and conditions of this Agreement.

K. Entire Agreement

This Agreement comprises the Parties' entire agreement. There are no other agreements, written or oral, express or implied, between the Parties with respect to the subject matter hereof except this Agreement. The Parties acknowledge that no representations, statements or promises made by any other party, or by their respective agents or attorneys, have been relied upon in entering into this Agreement. The Parties explicitly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

L. Amendment or Modification

This Agreement may be modified or amended only if such modification or amendment is agreed to in writing and signed by a duly authorized representative of the Parties hereto, which writing shall expressly state the intent of the Parties to modify this Agreement.

M. Severability

The Parties to this Agreement agree, covenant, and represent that each and every provision of this Agreement shall be deemed to be contractual, and that they shall not be treated as mere recitals at any time or for any purpose. Therefore, the Parties further agree, covenant, and represent that each provision of this Agreement shall be considered severable, except for the release provisions of Section XV of this Agreement. If the Court finds the release provisions of this Agreement to be unenforceable or invalid after the Parties' efforts to resolve any issues addressed by the Court as specified in Section XVII(P), then this Agreement shall become null and void and Defendants shall have no obligation to make any payments pursuant to this Agreement. If the Court finds any provision other than the release provisions of Section XV, or part thereof, to be invalid or unenforceable for any reason, that provision, or part thereof, shall remain in full force and effect to the extent allowed by law, and all of the remaining provisions of this Agreement shall remain in full force and effect.

N. Waiver

No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

O. Execution and Counterparts

This Agreement, and any other documents required or contemplated to be executed to consummate this Agreement, may be executed in one or more counterparts, each of which shall be deemed an original of this Agreement. All counterparts of any such document together shall constitute one and the same instrument. Any party may sign and deliver this Agreement by signing on the designated signature block and transmitting that signature page via facsimile or as an attachment to an e-mail to counsel for the other party. Any signature made and transmitted by facsimile, email, DocuSign, or as an attachment to an e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party who transmits the signature page.

P. Binding on Successors and Assigns

This Agreement shall be binding upon, and shall inure to the benefit of the Parties, including Participating Class Members and PAGA Group Members, as well as their respective heirs, , children, assigns, executors, administrators, successors, beneficiaries, subsidiaries, conservators, representatives, attorneys, estates, divisions and affiliated corporations and partnerships, past and present, and trustees, directors, officers, shareholders, partners, agents and employees, past and present, of the Parties.

Q. California Law Governs

All terms of this Agreement will be governed by and interpreted according to the laws of the State of California.

R. Cooperation in Administration

The Parties agree to fully cooperate with one another to accomplish the terms of this Agreement, including but not limited to, execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order, suggestion, or recommendation of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. The Parties' efforts to continue to cooperate and make all best efforts to obtain approval of this Agreement shall only cease after the Parties have exhausted all opportunities to amend or modify this Agreement, including seeking the assistance of the mediator, and the filing of any motions to obtain approval of this Agreement.

S. All Terms Subject to Final Court Approval

All amounts and procedures described in this Agreement herein will be subject to final Court approval.

T. Disputes

If the Parties have a dispute with regard to the language of this Agreement, they agree to first attempt to resolve the dispute informally through good-faith negotiations, but if those efforts are unsuccessful, the Court retains full jurisdiction to interpret, construe, and enforce the terms of this Agreement.

U. Judgment and Continued Jurisdiction

The Court shall retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the implementation of this Agreement as well as any and all matters arising out of, or related to, the implementation of this Agreement and Settlement including post-judgment matters as may be appropriate under court rules or as set forth in this Agreement. In the event that an action is brought to enforce any of the terms of this Agreement, the prevailing party shall be entitled to its/his reasonable attorneys' fees and costs.

V. Interim Stay of Proceedings.

The Parties agree to refrain from further litigation, except such proceedings as necessary to seek and obtain preliminary and final settlement approval. If this Agreement is not finally approved, the Parties agree that they will revert to their positions in the Actions prior to the time they entered into this Agreement, and no agreements set forth in this Agreement or any documents generated or orders issued related to this Agreement will be admissible in any future proceeding, in the Actions or in any other action.

THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED

THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

PLAINTIFFS

Dated: 2/21/2026 | 2:23 PM PST

Signed by:
Jacob McKeehan
F2381B0150C044E...
Jacob McKeehan

Dated: _____

Robert Marslek

DEFENDANTS

Dated: _____

Name:
Title:
On behalf of Delux Public Charter, LLC

Dated: _____

Name:
Title:
On behalf of Superior Air Charter, LLC.

Dated: _____

Name:
Title:
On behalf of JetSuiteX, Inc.

Approved as to form and agrees to be bound by the confidentiality provisions in the Agreement:

AEGIS LAW FIRM

Dated: _____

Z
Jessica Campbell
Attorneys for Plaintiff Jacob McKeehan and the
Class

THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

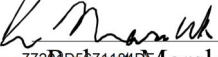
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

PLAINTIFFS

Dated: _____

Jacob McKeehan

Dated: 2/21/2026 _____

Signed by:


772025761840
Robert Marslek

DEFENDANTS

Dated: _____

Name:
Title:
On behalf of Delux Public Charter, LLC

Dated: _____

Name:
Title:
On behalf of Superior Air Charter, LLC.

Dated: _____

Name:
Title:
On behalf of JetSuiteX, Inc.

Approved as to form and agrees to be bound by the confidentiality provisions in the Agreement:

AEGIS LAW FIRM

Dated: _____

Jessica Campbell
Attorneys for Plaintiff Jacob McKeehan and the Class

THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

PLAINTIFFS

Dated: _____

Jacob McKeehan

Dated: _____

Robert Marslek

DEFENDANTS

Dated: 2/19/24

Kerrie Forbes
Name: Kerrie Forbes
Title: CLO
On behalf of Delux Public Charter, LLC

Dated: 2/19/24

Kerrie Forbes
Name: Kerrie Forbes
Title: CLO
On behalf of Superior Air Charter, LLC.

Dated: 2/19/24

Kerrie Forbes
Name: Kerrie Forbes
Title: CLO
On behalf of JetSuiteX, Inc.

Approved as to form and agrees to be bound by the confidentiality provisions in the Agreement:

AEGIS LAW FIRM

Dated: February 23, 2026

Jessica Campbell
Jessica Campbell
Attorneys for Plaintiff Jacob McKeehan and the Class

DIVERSITY LAW GROUP

Dated: February 23, 2026



Larry Lee
Attorneys for Plaintiff Robert Marslek and the Class

JONES DAY

Dated: _____

Koree Wooley
Attorneys for Defendants

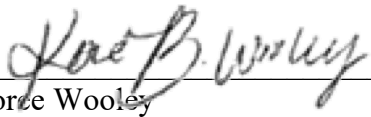
DIVERSITY LAW GROUP

Dated: _____

Larry Lee
Attorneys for Plaintiff Robert Marslek and the Class

JONES DAY

Dated: February 20, 2026 _____



Korte Wooley
Attorneys for Defendants

EXHIBIT 2

CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AND RELEASE AGREEMENT

This Class Action and Private Attorneys General Act Settlement and Release Agreement (“**Agreement**,” “**Settlement Agreement**” or “**Settlement**”) is entered into by Plaintiffs Jacob McKeehan (“McKeehan”) and Robert Marslek (“Marslek”) (collectively, “**Plaintiffs**”), on behalf of themselves, the State of California Labor and Workforce Development Agency (“**LWDA**”), and those Plaintiffs seek to represent, on the one hand, and, on the other hand, Superior Air Charter, LLC, JetSuiteX, Inc., and Delux Public Charter, LLC (collectively, “**Defendants**”). For purposes of this Agreement, Plaintiffs and Defendants are collectively referred to as the “**Parties**.”

By way of this Agreement, the Parties seek to settle all of the individual, class, and California Private Attorneys General Act (“PAGA”) representative claims asserted in the following actions, entitled *McKeehan v. JetSuiteX, Inc.*, Los Angeles County Case No. 22STCV24435 (“*McKeehan* Action”), *McKeehan v. JetSuiteX, Inc.*, Los Angeles County Case No. 22STCV32816 (“*McKeehan* PAGA Action”); *McKeehan v. JetSuiteX, Inc.*, JAMS Case No. 522004095 (“*McKeehan* Arbitration”); and *Marslek v. Superior Air Charter, LLC*, Alameda County Case No. 23CV039463 (“*Marslek* Action”). The *McKeehan* Action, *McKeehan* PAGA Action, *McKeehan* Arbitration, and *Marslek* Action are collectively referred to as the “**Actions**.” The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising disputed legal and factual issues and that nothing in this Settlement Agreement is an admission of liability or wrongdoing by Defendants.

RECITALS

1. The Parties will work together to take mutually agreed-upon action to bring all of the claims being resolved by this Agreement before one court to consider, as applicable, and then preliminarily and finally approve of this Agreement. In the interest of efficiency, the Parties intend and agree to seek court approval of the Settlement of the Actions before one court and agree to take all necessary steps to add all Plaintiffs and their respective class and PAGA claims to the *McKeehan* Action pending in Los Angeles Superior Court. To that end, Plaintiffs will submit an amended PAGA notice to the LWDA and, once the exhaustion period has run, file an amended consolidated complaint in the *McKeehan* Action to add claims for failure to pay overtime wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and to add Delux Public Charter, LLC as a named defendant (the “**Operative Complaint**”), which will serve to consolidate all lawsuits and PAGA Letters filed by Plaintiffs, and to incorporate all Released Class Claims and Released PAGA Claims and all legal theories discussed at mediation into one consolidated operative complaint. Defendants stipulate to filing such amended documents for settlement purposes only. The Parties will stipulate to certification of the class and representative treatment for purposes of settlement only. The Parties agree to stay the Actions during the settlement approval process.

The *McKeehan* Action, PAGA Action, and Arbitration

2. On July 28, 2022, McKeehan filed a complaint in the Los Angeles Superior Court against Defendant JetSuiteX, Inc., bearing Case No. 22STCV24435 and alleging claims for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Compensation; (3) Failure to Provide Meal

Periods; (4) Failure to Authorize and Permit Rest Breaks; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Failure to Pay Wages Timely During Employment; (7) Failure to Pay All Wages Due Upon Separation of Employment; and (8) Unfair Business Practices. In the *McKeehan* Action, McKeehan seeks to represent all current and former California non-exempt, hourly paid employees of Defendant JetSuiteX, Inc. during the statutory period.

3. McKeehan separately filed a PAGA Action on October 6, 2022, bearing Case No. 22STCV32816, which asserts a claim for civil penalties under California’s Private Attorneys General Act (“PAGA”) based on the same predicate claims and allegations contained in the *McKeehan* Action as well as allegations of recordkeeping violations.

4. On June 21, 2023, the Court in the *McKeehan* Action granted Defendants’ motion to compel arbitration and dismiss class claims, and ordered McKeehan to arbitrate his individual claims against Defendants. McKeehan subsequently filed a demand for arbitration with JAMS, bearing JAMS Arbitration No. in which he asserted the same individual claims he asserted in the *McKeehan* Action.

The *Marslek* Action

5. On July 26, 2023, Marslek filed a PAGA representative action complaint against Defendant Superior Air Charter, LLC in the Alameda Superior Court, bearing Case No. 23CV039463, in which he alleged claims for PAGA civil penalties for alleged failure to timely pay all wages. On June 7, 2024, Marslek filed an amended complaint in the *Marslek* Action, adding class claims for failure to pay all wages due, failure to provide meal periods, failure to provide rest periods, and violations of California’s unfair competition law. Marslek seeks to represent all current and former California nonexempt employees of Defendant Superior Air Charter, LLC.

+++

6. **The Parties’ Successful Mediation Efforts.** On November 19, 2024, the Parties to the Actions attended a private mediation with Kevin Barnes, a mediator with extensive experience in wage and hour, class and representative action litigation. Joint mediation was conducted because of the overlap in the claims, parties, counsel, and courts where the Actions are pending. The Parties reached a settlement of the Actions at the full-day mediation and subsequently executed a Memorandum of Understanding which was fully executed on February 27, 2025.

7. **Class Counsel’s Investigation.** Aegis Law Firm and Diversity Law Group, Polaris Law Group, and Hyun Legal (collectively, “Class Counsel”), counsel for McKeehan and Marslek, respectively, and the Class Members, and the PAGA Group Members, conducted a formal and informal investigation into the facts and allegations of the Actions, including an extensive review of produced documents and data. In particular, Class Counsel made informal discovery requests in advance of mediation, and reviewed and analyzed documents produced in response to such requests, including a sampling of time records and payroll data for the Class, and other data reflecting the pay periods and workweeks worked by Class Members during the relevant time period. Class Counsel also investigated the claims against Defendants in the Actions and analyzed all applicable defenses raised by Defendants.

8. **Class Counsel's Evaluation.** Class Counsel believes that the Settlement documented by this Agreement is fair, reasonable, and adequate, and in the best interest of the Class Members and PAGA Group based on all known facts and circumstances, including the risk of significant delay, defenses asserted to the merits of the Actions, defenses asserted to class certification and the PAGA representative actions, as well as defenses to the overall issue of liability and damages, and potential appellate issues.

9. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge any and all claims, rights, demands, charges, complaints, causes of action, obligations or liability of any and every kind that were or could be asserted in the Actions based upon the operative facts alleged or theories asserted in any of Plaintiffs' complaints, amended complaints or in the letter to the Labor and Workforce Development Agency. Additionally, the Parties intend the Settlement of the Actions as described in this Agreement to be contingent upon: (1) the Court's preliminary and final approval of the terms of this Agreement, including entry of a final approval order and the judgment described in Section X; (2) the Court granting the Parties' stipulation permitting the filing of an amended consolidated complaint in the *McKeehan* Action as described in Paragraph 1 above and Section II(A)(1) below; and (3) satisfaction of all conditions described in Section III(A)(1)-(4).

10. **The Parties stipulate to the certification of this Settlement Class solely for purposes of this Agreement.** The Parties stipulate to certify the Class described herein for settlement purposes only. The Parties' stipulation to class certification is contingent upon the preliminary and final approval and certification of the Settlement Class only for purposes of this Agreement. Should this Agreement not become final or not be approved by the Court, for whatever reason, the fact that the Parties were willing to stipulate provisionally to class certification as part of the Agreement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Action. Defendants do not waive, and instead expressly reserve, their rights to challenge the propriety of class certification or representative treatment for any purpose should the Court not approve this Agreement.

11. **The Parties' Agreement to Cooperate and Execute Necessary Documents.** The Parties agree to cooperate and to take all steps reasonably necessary and appropriate to effectuate the terms of this Agreement including to obtain a preliminary approval order and Final Approval Order of this Settlement, to obtain entry of judgment and/or dispose of the Actions and claims of Class Members and aggrieved employees with prejudice, and to have Defendants timely provide the Class Data (defined below) and fund the Gross Settlement Amount.

NOW THEREFORE, in consideration of the recitals listed above and the promises, releases, and warranties set forth below, and with the Parties' intent to be legally bound and to acknowledge the sufficiency of the consideration and undertakings set forth herein, Plaintiffs, individually and on behalf of the Class Members, the PAGA Group, and the State of California LWDA, on the one hand, and Defendants, on the other hand, agree that the Actions shall be and are finally and fully compromised and settled as to the Released Parties, on the terms and conditions set forth herein, subject to Court approval:

AGREEMENT

I. DEFINITIONS

- A. Class Definition and Class Period: “**Class**,” “**Settlement Class**,” or “**Class Members**” means: all current and former persons employed by Defendants in California as a non-exempt employee at any time between May 15, 2020 through ~~the date of preliminary approval or~~ June 30, 2025, ~~whichever is earlier~~ (“**Class Period**”). Individuals who meet the foregoing criteria during the Class Period are referred to herein individually as “**Class Member**” or collectively as “**Class Members**.”
- B. “**Class Counsel**” means: Kashif Haque, Samuel Wong, Jessica Campbell, and Kristy Connolly of Aegis Law Firm, Larry Lee of Diversity Law Group, William Marder of Polaris Law Group, and Dennis Hyun of Hyun Legal, APC.
- C. The “**Court**” shall mean, for purposes of this Agreement, the court in which Plaintiffs file their motion(s) for preliminary and final approval of the Settlement, as contemplated herein.
- D. “**Effective Date**”. The “**Effective Date**” of the Settlement shall be the date on which all of the following events described in this paragraph have occurred: (a) the Court has conducted the Final Settlement Approval Hearing and fully and finally approved all material terms of the Settlement Agreement; (b) the Court enters the Final Approval Order granting final approval of this Agreement, enters an appropriate Judgment in the *McKeehan* Action (and an appropriate judgment or dismissal order has been entered in the *McKeehan* PAGA Action, *McKeehan* Arbitration, and *Marslek* Action), and the time period to appeal any such Judgments or orders in all cases have been exhausted without any appeals having been filed; (c) to the extent a timely appeal was filed in any of the Actions, all such appeals have been voluntarily or involuntarily dismissed, or the appropriate appellate court or the appellate courts have entered a final judgment affirming the Final Approval Order and judgment as well as the judgment or dismissal order in the *McKeehan* PAGA Action, *McKeehan* Arbitration, and *Marslek* Action without material modification and the final judgment of such appellate court or courts is no longer subject to any further appellate challenge or procedure.
- E. “**Final Approval Order**” refers to the order by the Court finally approving the Settlement following the Final Settlement Approval Hearing.
- F. PAGA Group and PAGA Period: “**PAGA Group**” or “**PAGA Group Members**” means all current and former persons employed by Defendants in California as a non-exempt employee at any time between July 28, 2021 through ~~the date of preliminary approval or~~ June 30, 2025, ~~whichever is earlier~~ (“**PAGA Period**”).
- G. “**Settlement Administrator**” refers to ILYM Group, Inc., the third-party administrator, who has been mutually selected by the Parties, subject to Court approval, to perform the notice, settlement administration, and distribution of

payment functions further described in this Agreement. The Settlement Administrator shall establish a Qualified Settlement Fund (QSF) pursuant to U.S. Treasury Regulation Section 468B-1 for purposes of administering the Settlement.

II. PROVISIONAL APPROVAL OF THIS AGREEMENT

A. Upon execution of this Agreement, the Parties shall take the following actions:

1. To effectuate the terms of the Settlement, Plaintiffs will submit an amended PAGA notice to the LWDA and, once the exhaustion period has run, the Parties will file a stipulation in the *McKeehan* Action requesting the Court to permit Plaintiffs to file a consolidated amended class and representative action complaint, which adds Marslek as a named plaintiff and class and PAGA representative, and adds claims for failure to pay overtime wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and to add Delux Public Charter, LLC as a named defendant (the “Operative Complaint”), and will serve to consolidate all lawsuits and PAGA Letters filed by Plaintiffs, to incorporate all Released Class Claims and Released PAGA Claims and all legal theories discussed at mediation into one consolidated operative complaint. The Parties agree to file stipulations to stay the Actions (other than the *McKeehan* Action for purposes of seeking settlement approval only) during the settlement approval process. In the event the Court does not approve of the Parties’ procedural stipulation(s) as described in this Paragraph, the Parties agree to meet and confer in good faith and take all necessary steps to accomplish the intent of this Paragraph.
2. Class Counsel will prepare a motion requesting that the Court enter a preliminary approval order preliminarily approving the proposed settlement, certifying the Class for settlement purposes only, approving the form of notice and authorizing the mailing of notice to class members, designating Class Counsel (as defined above) as Class Counsel for purposes of settlement approval and Plaintiffs as the Class Representatives, appointing a settlement administrator, and setting a date for the final approval hearing. Class Counsel shall provide counsel for Defendants with a draft of the preliminary approval motion and supporting papers for review and opportunity to provide comments within thirty (30) days after the Settlement Agreement is executed and at least fifteen (15) business days prior to the filing of the motion for preliminary approval. Class Counsel shall not file a motion for preliminary settlement approval without first confirming with counsel for Defendants that Defendants have no objection to any matters stated within the other preliminary approval papers. The Parties shall jointly prepare the proposed Preliminary Approval Order and proposed Class Notice, and Class Counsel shall submit them in the form mutually agreed to by the Parties. The proposed preliminary approval order shall include all of the following:

- a) Preliminarily certifying, for settlement purposes only, a Class comprising the Class Members;
- b) Preliminarily appointing, for settlement purposes only, Class Counsel;
- c) Preliminarily appointing, for settlement purposes only, Plaintiffs, as the class representatives;
- d) Appointing and approving ILYM Group, Inc. as the Settlement Administrator;
- e) Provisionally approving all terms of this Agreement and finding that such terms are sufficient to warrant sending notice of settlement to Class Members;
- f) Approving the form and content of the Notice of Proposed Settlement and Final Settlement Approval Hearing (the “**Class Notice**”);
- g) Authorizing the mailing of the Class Notice to the Class Members; and
- h) Scheduling a hearing, to occur within a reasonable period after the Response Deadline (defined below) has expired, in which the Court will hear Plaintiffs’ motion requesting the Court to fully and finally approve this Agreement and the Settlement herein, and enter judgment (the “**Final Settlement Approval Hearing**”).

Defendants do not intend to oppose Plaintiffs’ Motion for Preliminary Approval provided such motion and supporting papers are consistent with the terms of this Agreement.

B. **Notice of Settlement to Appropriate Government Officials.** Pursuant to California Labor Code section 2699(l)(2), Class Counsel will provide to the LWDA all required notices and documents to facilitate approval of the settlement in accordance with PAGA, including submitting to the LWDA a copy of the proposed settlement at the same time that it is submitted to the Court, a copy of the Court’s judgment, copies of any other orders that award or deny penalties, and a copy of the Operative Complaint.

B-C. The Parties agree that within thirty (30) days after the date the Preliminary Approval Order is entered by the Court, the Parties shall file (i) a joint stipulation for dismissal of the entire action without prejudice in the *McKeehan* PAGA Action; (ii) a joint stipulation for dismissal of the entire action without prejudice in the *McKeehan* Arbitration; and (iii) a joint stipulation for dismissal of the entire action without prejudice in the *Marslek* Action. The Parties agree to take any other necessary steps to dismiss the *McKeehan* PAGA Action, *McKeehan* Arbitration, and the *Marslek* Action as may be required by the courts and/or arbitrator, with fees

and costs to be borne separately by each party. Class Counsel shall not be entitled to recover any additional fees or costs in the *McKeehan* PAGA Action, *McKeehan* Arbitration, and the *Marslek* Action, including any fees for undertaking the dismissal described in this paragraph.

This Agreement is contingent upon entry of the Final Approval Order by the Court that is consistent with the terms and conditions specified in this Agreement. However, the Parties agree and acknowledge that the Court may condition the Final Approval Order on modification of this Agreement, which shall not be the basis for nullifying and voiding the Settlement unless the required modification is material (including but not limited to modifications to the Gross Settlement Amount or release provisions of this Agreement) and the Parties have exhausted all efforts to address the Court's concerns as necessary to obtain final approval. The Court's decision to award less than the amounts requested for the Enhancement Payment, Class Counsel Attorneys' Fees, Class Counsel Litigation Costs and/or Settlement Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph. This Agreement shall become null and void in the event the Court for any reason refuses to enter the orders specified in Section II(A)(2) after all opportunities granted by the Court to the Parties for amendment have been exhausted. In the event the Court for any reason refuses to enter such orders, the Parties agree to cooperate in good faith to resolve any issues addressed by the Court, and exhaust all possible solutions to obtain the Court's approval. If the Parties cannot agree on how to address issues raised by the Court to obtain approval of this Agreement or the relief specified in this Section II, then they will seek the assistance of the mediator for resolution.

The Parties agree that in the event the Court does not grant final approval of the class/PAGA action settlement in the consolidated *McKeehan* Action, the Parties return to status quo as existed in the Actions on November 19, 2024, and the operative complaint in each lawsuit shall be the initial complaints filed in each lawsuit.

III. ALLOCATION OF GROSS SETTLEMENT AMOUNT

- A. The following are material conditions to be satisfied before and as a condition to payment of the Gross Settlement Amount (defined below):
1. Execution of this Agreement by all signatories.
 2. The Court has conducted a Final Settlement Approval Hearing and fully and finally approved all material terms of this Agreement.
 - ~~3. A Final Approval Order and judgment including all of the provisions identified in Section X(A)(3) is entered by the Court and the Effective Date (defined in Section I(D)) has passed.~~
 - ~~4.3. The *McKeehan* PAGA Action has been dismissed with prejudice, the *McKeehan* Arbitration has been dismissed with prejudice, and the *Marslek* Action has been dismissed without prejudice as described in Section X.~~
- B. **Gross Settlement Amount.** "Gross Settlement Amount" means the maximum settlement amount of Five Hundred Ninety-Nine Thousand Dollars (\$599,000.00)

(the “**Gross Settlement Amount**”) to be paid by Defendants on the condition that all of the material conditions set forth above in Section III(A) have occurred, in full satisfaction of all claims released under this Agreement, and includes all individual payments to Class Members and PAGA Group Members, Enhancement Payments to Plaintiffs, payment to the LWDA, Attorneys’ Fees and Costs to Class Counsel, and payment of settlement administration fees and costs to the Settlement Administrator. Defendants shall be separately responsible for employer-side payroll taxes (including, without limitation, FUTA, SUTA and the employer portion of FICA, Medicare and any applicable state or local employment taxes) which shall not be paid from the Gross Settlement Amount. The Parties agree that, subject to this paragraph and Section XIII, under no circumstances shall Defendants be obligated to pay any amount over the Gross Settlement Amount under the terms of this Agreement except as provided for in this Agreement. This Settlement shall be a non-reversionary Settlement. None of the Gross Settlement Amount will revert to Defendants.

- C. **PAGA Penalties.** The Parties agree that Defendants will pay a total of Thirty Thousand Dollars (\$30,000.00) to PAGA Group Members and the California Labor and Workforce Development Agency (LWDA) from the Gross Settlement Amount in full satisfaction of all claims for PAGA civil penalties under the California Labor Code, Wage Orders, regulations, and/or other provisions of law that were alleged or could have been alleged to have been violated based on the facts alleged and theories asserted in the complaints and notices Plaintiffs provided to the LWDA and any complaints and amended complaints filed by Plaintiffs in the Actions (“**PAGA Settlement Amount**”). Pursuant to PAGA, Seventy Five Percent (75%) of the PAGA Settlement Amount will be paid to the LWDA (the “**LWDA Payment**”), and the remaining Twenty-Five Percent (25%) will be paid to all PAGA Group Members (“**PAGA Group Payment**”). The 25% to be paid to PAGA Group Members shall be distributed based on the number of pay periods worked by that PAGA Group Member in a non-exempt California position during the PAGA Period (defined as July 28, 2021 through the date of preliminary approval or June 30, 2025, whichever is earlier) compared to the aggregate number of pay periods in which all PAGA Group Members worked during the PAGA Period in accordance with the methodology set forth in Section VIII(E) herein. The Court’s reduction or increase of the PAGA Settlement Amount is not a material term of this Agreement. If the Court approves a lesser amount or a higher amount than that requested by Class Counsel for the PAGA Settlement Amount, the Parties will not object to such determination, the other terms of this Agreement shall apply and the Net Settlement Amount (defined below) to be distributed to the Class Members will be adjusted accordingly.
- D. **Enhancement Payment.** From the Gross Settlement Amount, \$10,000.00 will be allocated to each Plaintiff (for a total of \$20,000.00) for initiating the Actions and providing services in support of the Actions (“**Enhancement Payment**”). The Enhancement Payment is in addition to any Individual Settlement Payment Plaintiffs are entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiffs’ request for an Enhancement Payment that does not exceed

this amount. If the Court approves an Enhancement Payment less than the amount requested, the Settlement Administrator will retain the remainder in the Net Settlement Amount (defined below). Plaintiffs agree that the Settlement Administrator will not withhold any taxes from the Enhancement Payment, and will issue a Form 1099 or other appropriate tax form consistent with the classification of the Enhancement Payment. Plaintiffs acknowledge and agree that Defendants and their counsel have made no representations regarding the proper tax treatment of the Enhancement Payment. Plaintiffs agree, covenant, and represent that Plaintiffs shall be solely responsible for paying any taxes and penalties payable on the Enhancement Payment and that Plaintiffs shall defend, indemnify, and hold Defendants and the Released Parties (defined below) harmless from any claims, demands, actions, causes of action, losses, costs, attorneys' fees, penalties, or expenses arising from any classification of the Enhancement Payment as taxable income.

- E. **Attorneys' Fees and Costs.** "Attorneys' Fees and Costs" means the amount allocated to Class Counsel for the work they have performed in furtherance of the Actions and for reimbursement of litigation expenses incurred to prosecute the Action. Subject to Court approval, the following payments are to be made from the Gross Settlement Amount to Class Counsel: (i) attorneys' fees actually awarded by the Court in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e. \$199,666.67) ("**Attorneys' Fees**"); and (ii) Plaintiffs' verified actual litigation costs and expenses actually awarded by the Court up to \$40,000 ("**Litigation Costs**"). Defendants will not oppose requests for these payments provided that they do not exceed these amounts. If the Court approves Attorneys' Fees and/or Litigation Costs less than the amounts requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Settlement Administrator will issue one or more IRS 1099 Forms in connection with the payment of the Class Counsel Attorneys' Fees and Attorneys' Costs.
- F. **Settlement Administration Costs.** The costs of the Settlement Administrator, including those costs incurred in mailing the Class Notice to the Class Members as required by this Agreement, will be paid from the Gross Settlement Amount up to the amount quoted (and ultimately billed) by the Settlement Administrator and actually awarded by the Court. All disputes relating to the Settlement Administrator's performance of its duties, after good-faith efforts by the Parties to first resolve such disputes, will be referred to the Court, if necessary. To the extent the Settlement Administration Costs are less or the Court approves payment less than the amount billed, the Settlement Administrator will retain the remainder in the Net Settlement Amount for distribution to the Participating Class Members.
- G. **Payments to Participating Class Members.** The "**Net Settlement Amount**" means the portion of the Gross Settlement Amount remaining after subtracting the following payments: Attorneys' Fees and Costs to Class Counsel, the Enhancement Payment to Plaintiffs, payment to the Settlement Administrator for settlement administration fees and costs, and the PAGA Settlement Amount. The Net Settlement Amount will be distributed to "**Participating Class Members**" (i.e.,

those Class Members who do not submit valid Requests for Exclusion). Class Members who do not opt out will be entitled to their pro rata share of the Net Settlement Amount (“**Individual Settlement Payment**”), calculated in accordance with the formula set forth in Section VIII(D).

IV. SETTLEMENT ADMINISTRATOR

- A. **Appointment of Settlement Administrator.** The Parties request that the Court appoint ILYM Group, Inc. as Settlement Administrator. The Settlement Administrator will be responsible for the administration of the settlement terms set forth herein, and all related matters. Among other responsibilities, the Settlement Administrator will publish notice of the settlement to Class Members through the distribution of written notice to Class Members based on the list provided by Defendants, and issue to Class Members who do not opt-out an IRS Form W-2 and IRS Form 1099 for all amounts paid under this settlement as appropriate, making all deductions and withholdings required under law. The Settlement Administrator will calculate and disburse all payments due under this Settlement Agreement. The Individual PAGA Amount paid to PAGA Group Members will be issued separately from the Individual Payment, if any. The Settlement Administrator will also mail a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim. The Settlement Administrator will also issue a 1099 form to Class Counsel for sums they received under this Agreement as awarded by the Court. In addition, the Settlement Administrator will notify the Parties of timely and untimely Objections and requests for exclusion received; notify the Parties of any disputes by Class Members of the number of Individual Work Weeks and/or persons claiming to be Class Members and resolve any disputes resulting from same; make all other required settlement payments and tax remissions pursuant to the terms of this Agreement and as directed by the Court; and perform such other duties as are described in this Agreement and/or as are customarily performed by settlement administrators. Among its other duties as described in this Agreement, the Settlement Administrator shall provide counsel for the Parties with a weekly report showing the number of opt-outs and Objections received as well as declarations as required by the approval process of this Settlement. The Parties agree to provide any reasonable information requested by the Settlement Administrator needed to effectively administer the settlement.

V. NOTICE OF SETTLEMENT TO CLASS MEMBERS AND PAGA GROUP MEMBERS

- A. **Class Data for Settlement Administrator.** Within **thirty (30) calendar** days after entry of the Court’s preliminary approval order that includes all of the provisions identified in Section II(A)(2), Defendants shall provide to the Settlement Administrator the following information for each Class Member and/or PAGA Group Member in a password protected Microsoft Excel format: name, last known address, Social Security number, and the number of Individual Workweeks and/or Individual PAGA Pay Periods attributable to each Class Member/PAGA Group Member (“**Class Data**”).

1. Within three (3) business days of receipt of the Class Data by the Settlement Administrator, the Settlement Administrator shall notify Class Counsel that the Class Data has been received and provide to Class Counsel, without revealing any confidential information (such as names, Social Security Numbers, contact information, or other personally identifiable information), the number of Class Members along with the total Workweeks worked by all Class Members.
- B. **Confidentiality Of Class Member Contact Information And Data.** The contact information is being provided confidentially, and the Settlement Administrator shall treat the information as private and confidential and take all necessary precautions to maintain the confidentiality of contact information of the Class Members. This information is to be used only to carry out the Settlement Administrator's duties as specified in this Agreement. The Settlement Administrator shall return the Class Data to Defendants or confirm its destruction upon completion of the Settlement Administrator's duties.
- C. **Mailing Of Class Notice.** The Settlement Administrator shall mail the Class Notice to Class Members **within fourteen (14) calendar days** of receiving the Class Data from Defendants. The Settlement Administrator shall send the Class Notice via First Class U.S. Mail, using the most current, known mailing address for each Class Member and PAGA Group Member based on information provided by Defendants. Upon receipt of this information from Defendants, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes.
- D. **Re-mailing Of Returned Notices.** Any mailing returned to the Settlement Administrator as undeliverable shall be sent **within three (3) business days** via First Class U.S. Mail to the forwarding address affixed thereto, if applicable. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address again using a robust skip trace database to update and correct any known or identifiable address changes. Following this procedure, the Settlement Administrator shall perform a re-mailing via First Class U.S. Mail **within three (3) business days**. It shall be presumed that those Class Members whose re-mailed Class Notices are not returned to the Settlement Administrator as undeliverable within **thirty (30) calendar days** after re-mailing, actually received the Class Notice to the maximum extent permitted by law. The Settlement Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- E. **Content Of The Notice Of Class Action Settlement.** The Class Notice shall be in a form mutually agreed to by the Parties and shall, among other things, inform Class Members of their right to decline to participate in the class action portion of the settlement established by this Agreement, so long as the Class Member submits to the Settlement Administrator a valid Request for Exclusion on or before the

Response Deadline (defined below), accurately describe the scope of the release, provide all deadlines and material terms of the Settlement, Class Counsel's contact information, a URL to a website maintained by the Settlement Administrator that has links to the Class Notice and the most important publicly filed documents in the case; and for persons who wish to review the Court's docket in this case, the URL for the Court's electronic filing and service website. The Class Notice shall also state that a Class Member's right to opt out applies only to the class action portion of the Settlement and that no opt out right applies to the settlement of PAGA claims in the *McKeehan* Action. It shall be presumed that each and every Class Member whose Class Notice is not returned to the Settlement Administrator as undeliverable **within thirty (30) calendar days** after mailing or re-mailing (as described above in Section V(D)) actually received it to the maximum extent permitted by law.

- F. **Proof Of Mailing.** At least **21 court days** prior to the Final Settlement Approval Hearing, the Settlement Administrator shall provide a finalized and executed declaration of due diligence and proof of mailing with regard to mailing of the Class Notice to Class Counsel and Defendants' Counsel, which Class Counsel shall in turn provide to the Court. **No later than 5 court days** before the final executed declaration is due to be filed by Class Counsel, the Settlement Administrator shall provide to Class Counsel and Defendants' Counsel a final draft of the declaration for review.
- G. Counsel for the Parties shall not attempt in any way to initiate contact or initiate communications with any Class Member other than through the Class Notice, to discuss the Settlement, except as provided in this Agreement and to the extent any Class Member identified by the Settlement Administrator as to whom the Class Notice is believed by the Settlement Administrator to have been undeliverable, in which case counsel for Defendants may make reasonable attempts to secure accurate contact information for such Class Member. Notwithstanding the foregoing: (i) Class Counsel may respond to questions about the Settlement by Class Members who contact Class Counsel; (ii) counsel for the Parties may respond to questions by the Settlement Administrator about specific claims or questions of Class Members; and (iii) Defendants may communicate with employees and the Class Members to discuss or describe the Settlement as set forth in this Agreement provided that such communications shall not interfere with or discourage participation in the Settlement.

VI. THE OPT-OUT PROCEDURE

- A. **Class Members' Consideration Period.** The Class Notice shall state that Class Members who wish to exclude themselves from, or "opt out" of, the class action portion of the Settlement must submit a signed, written Request for Exclusion to the Settlement Administrator ("**Request for Exclusion**"). The deadline to submit a Request for Exclusion is **60 calendar days** from the original date that the Class Notice was mailed (the "**Response Deadline**") (plus an additional 14 days for Class Members whose Class Notice is re-mailed). To be valid, a Request for Exclusion

must be timely sent either by fax or by mail and be postmarked to the Settlement Administrator at the address listed in the Class Notice on or before the Response Deadline. The date of the postmark on the return mailing envelope or fax stamp on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. No later than five (5) calendar days after the Response Deadline, the Settlement Administrator shall provide counsel for the Parties with a complete list of all members of the Class who have timely submitted requests for exclusion.

- B. **No right to opt out from PAGA settlement.** The Class Notice shall state that a Class Member's right to opt out applies only to the class action portion of the Settlement and that no opt out right applies to the settlement of PAGA claims in the Action. Accordingly, each PAGA Group Member, regardless of whether they timely submit a Request for Exclusion, shall receive a portion of the PAGA Settlement Amount consistent with the calculation set forth in Section VIII(E) herein.
- C. **Opt-Out Procedures.** A Class Member who wishes to opt out of the class portion of the Settlement shall send a Request for Exclusion to the Settlement Administrator, which is a letter setting forth their name, the last four digits of the Social Security number of the Class Member requesting exclusion, the name of the Action, and a statement that they request exclusion from the class and do not wish to participate in the settlement. To be valid, the Request for Exclusion must: (i) reasonably communicate the Class Member's election to be excluded from the class portion of the Settlement and contain sufficient Class Member identifying information; (ii) be signed by the Class Member; and (iii) be postmarked or fax stamped by the Response Deadline and submitted to the Settlement Administrator at the specified address or fax number. All Class Members who do not timely submit a valid Request for Exclusion shall be bound by the terms and conditions of this Agreement including the release of claims described herein, and shall also be bound by any Court orders related to this Agreement or the Action.
- D. **Effect of Opt-Out.** Class Members who successfully submit a Request for Exclusion ("**Non-Participating Class Member**") will not be entitled to a settlement payment for the class portion of this Settlement, and will not be bound by the class action release of this Agreement. To the maximum extent permitted by law, any Class Member who opts out of the Settlement may not object to the Settlement. If a Class Member submits both a Request for Exclusion and an Objection, the Class Member's Request for Exclusion will be deemed to invalidate the Objection. Class Members who submit valid and timely requests to opt out of the Settlement shall not receive a payment for settlement of Class claims pursuant to the Settlement, nor shall such Class Members be bound by the terms of the Settlement of their individual claims against Defendants pursuant to this Settlement. However, Class Members who submit a valid Request for Exclusion will nevertheless be bound by the settlement and release of PAGA claims in the Settlement to the extent they are a member of the PAGA Group and will receive a payment for their individual share of the PAGA Group Payment in settlement of

PAGA claims pursuant to the terms of this Agreement. Class Members who receive a Class Notice (or to whom the Class Notice is sent and not returned to the Settlement Administrator as undeliverable) but do not submit a valid and timely Request for Exclusion on or before the Response Deadline shall be deemed Participating Class Members and shall be bound by all terms of the Settlement and any Final judgment entered in the Action if the Settlement is approved by the Court.

- E. The Settlement Administrator shall review each Request for Exclusion upon receipt for timeliness, completeness, and validity. If a submitted Request for Exclusion is defective or incomplete, the Settlement Administrator will promptly notify the Class Member of the defect or deficiency and permit the Class Member fourteen **(14) days** from the date of the mailing of the deficient form or the Response Deadline to cure the defect (the “**Cure Deadline**”), whichever is later. Notwithstanding the foregoing, any Request for Exclusion that is cured will not be considered effective unless: (i) the original Request for Exclusion was postmarked or delivered by the Response Deadline; and (ii) the cured Request for Exclusion was postmarked or delivered by the Cure Deadline. Class Members shall only be permitted one opportunity to cure a defective Request for Exclusion.
- F. Unless otherwise permitted by this Agreement, only the Settlement Administrator has the right to contact Class Members who submit a Request for Exclusion. The Settlement Administrator shall not interfere with any Class Member’s right to submit a Request for Exclusion and shall communicate with a Class Member solely for purposes of determining the validity, completeness, and any defect in a submitted Request for Exclusion. The Settlement Administrator shall not have the authority to extend the Response Deadline or Cure Deadline except as directed by the Court or otherwise agreed to by the Parties in writing. The Settlement Administrator shall provide weekly updates concerning the status to both Class Counsel and counsel for Defendants, which will not in any way hamper or impede the right of Class Members to submit Requests for Exclusion.
- G. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to opt out of the Settlement or to appeal from the Final Approval Order.

VII. OBJECTING TO THE SETTLEMENT

- A. **Objection Rights.** Class Members who wish to object to the Settlement may do so in writing by submitting a written objection (“**Objection**”) to the Settlement Administrator within the Response Deadline. Class Members may also appear at the Final Approval Hearing and present their objection orally, regardless of whether the Class Member submitted an Objection to the Settlement Administrator. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether an Objection is timely submitted. The Settlement Administrator shall provide all such Objections to Class Counsel and Defendants’ counsel promptly upon receipt. The Court retains final authority with respect to the consideration and admissibility of any Class Member’s Objections. Plaintiff and

Defendants may respond in writing to any written Objections by **no later than seven (7) calendar days** before the Final Settlement Approval Hearing (or some other number of days as the Court shall specify) unless the Objection is received at a later time. Plaintiff and Defendants may respond to Objections orally at the Final Settlement Approval Hearing.

- B. **Objection Procedures.** The Objection must: (a) contain the case name of the *McKeehan* Action; (b) contain the Class Member's full name and signature, and the last four (4) digits of their Social Security number; (c) contain a written statement of the grounds for the objection and supporting documents, if any; and (d) be sent by mail to the Settlement Administrator, postmarked on or before the Response Deadline. These instructions, as well as information regarding how to appear will be communicated in the Class Notice.
- C. Class Members who object to the Settlement may still participate in the Settlement. A Class Member who objects, but does not submit a Request for Exclusion, will remain a Participating Class Member. Accordingly, if the Court approves the Settlement, such Class Members will be bound by the terms of the Settlement in the same way as the Class Members who did not object. Only those Class Members who opt-out will not be bound by the class action portion of this Agreement.
- D. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel's Attorneys' Fees and Costs and/or the Enhancement Payment to Plaintiff.
- E. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- F. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written Objections to the Settlement or to appeal from the Court's Final Approval Order and judgment thereon.
- G. **Objecting Class Members Not Entitled to Attorneys' Fees.** The Parties expressly agree that objecting Class Members are not entitled to recover any attorneys' fees or costs from Class Counsel's fee award. This Agreement specifically bars recovery of Attorneys' Fees and Costs for objectors even if the objection has added genuine value to the Settlement. Furthermore, nothing in this Agreement, express or implied, creates any obligation on the part of Defendants to pay any attorneys' fees or costs to an objector, even if such fees and costs are ordered to be paid by the Court.
- H. **Waiver of Objection Rights.** To the fullest extent permitted by law, Class Members who fail to submit Objections in the manner specified in the Class Notice and/or fail to appear in Court to present verbal objections at the Final Approval Hearing shall be deemed to have waived any Objections and shall be foreclosed from making any Objection, whether by appeal or otherwise, to this Agreement.

To the maximum extent permitted by law, the Parties agree that only the Parties and/or Class Members who make a valid and timely Objection maintain the right to appeal. If the objecting Class Member does not formally intervene in the Action or move to set aside the judgment and/or the Court rejects the Class Member's Objection, the Class Member will still be bound by the terms of this Agreement.

- I. **Binding Effect of Settlement.** Although some Class Members might not receive the Class Notice or timely submit a Request for Exclusion, as provided under this Agreement, due to inability to locate their current address following the procedures set forth in this Agreement, such individuals shall nonetheless be bound by all of the terms of this Agreement and the Final Approval Order and judgment to the maximum extent permitted by law.

VIII. CALCULATION OF SETTLEMENT PAYMENTS TO CLASS MEMBERS AND PAGA GROUP

- A. Upon receipt of the Class Data, and prior to the mailing of the Class Notice, the Settlement Administrator shall review the information submitted by Defendants to confirm the number of Workweeks of each Class Member during the Class Period ("**Individual Workweeks**") for purposes of performing the calculations of Individual Settlement Payments (defined below). For purposes of this Agreement, a "**Workweek**" shall be defined as a 7-day week, beginning on Saturday and ending on Friday, during which a Class Member received compensation for regular hours worked as a non-exempt employee for at least one day in the Workweek for work actually performed in California during the Class Period, but shall not include any workweeks for which a Class Member was on a paid or unpaid leave of absence.
- B. The Settlement Administrator shall thereafter provide to Defendants' counsel and Class Counsel the total number of Class Members and Workweeks in the Class Data.
- C. **No Claims Process.** This Settlement does not require Class Members to submit a claim form to participate in the Settlement.
- D. **Individual Settlement Calculations and Payments.** No claims process shall be required of Plaintiffs or Class Members in order to participate in the Settlement. Calculations of Individual Settlement Payments will be made as follows and shall be included in the Class Notice to each Class Member and based on the assumption that no Class Member opts out:
 1. The Settlement Administrator will calculate the total number of each Class Member's Individual Workweeks, and the total number of Workweeks for all Class Members ("**Class Workweeks**"). To determine each Class Member's Individual Settlement Payment, the Settlement Administrator will use the following formula: Net Settlement Amount divided by Class Workweeks ("**Workweek Payment Rate**") multiplied by the individual Class Member's Individual Workweeks. All Participating Class Members

will receive a minimum of a single payment of the Workweek Payment Rate regardless of whether the Class Member actually worked during the Class Period.

The Individual Settlement Payments will be reduced by any required deductions for each Class Member as set forth herein, including required withholdings or deductions.

- E. **Calculation of PAGA Group Members' Individual Share of PAGA Group Payment.** Each PAGA Group Member's individual share of the PAGA Group Payment shall be calculated on a pro rata basis, based on the following formula: The Settlement Administrator will calculate the total number of each PAGA Group Member's Pay Periods during the PAGA Period ("**Individual PAGA Pay Periods**"), and the total number of Pay Periods for all PAGA Group Members in the PAGA Period ("**PAGA Group Pay Periods**"). To determine each PAGA Group Member's Individual PAGA Payment, the Settlement Administrator will use the following formula: (a) dividing the amount of the PAGA Group Payment (\$7,500.00) by the total number of PAGA Group Pay Periods, and (b) multiplying the result by each PAGA Group Member's Individual PAGA Pay Periods.

The individual shares of the PAGA Group Payment constitute penalties from which no deductions or withholdings will be taken. For purposes of this Agreement, a "**Pay Period**" shall be defined as any pay period during the PAGA Period in which a PAGA Group Member received compensation for regular hours worked as a non-exempt employee for work actually performed in California for at least one day in the pay period but shall not include any full pay periods for which a PAGA Group Member was on a paid or unpaid leave of absence. All PAGA Group Members will receive at least a minimum Individual PAGA Amount equivalent to the figure paid to those PAGA Group Members who had one Individual PAGA Pay Period.

F. **Procedures for Class Members to Dispute Workweek Calculations:**

Defendants' records shall be determinative with respect to the number of Individual Workweeks for the Class Member and shall be presumptively valid, subject to this Section VIII(F). If a Class Member disagrees with the number of Individual Workweeks or Individual PAGA Pay Periods listed in his/her/their Class Notice, the Class Member may challenge the number of Individual Workweeks and/or PAGA Pay Periods by communicating with the Settlement Administrator via fax or mail by no later than the Response Deadline. The Class Member must provide the Settlement Administrator with a written statement explaining the basis for such challenge and supporting documentation, if any. In the absence of any contrary evidence, the Settlement Administrator is entitled to presume that the Individual Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Settlement Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Settlement Administrator shall promptly provide copies of all challenges to calculation of Individual Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Settlement Administrator's determination of the challenges.

IX. TAX ALLOCATION

- A. The Individual Settlement Payments to Class Members shall consist of the following: (i) 20% wages and (ii) 80% interest and penalties. Defendants will be responsible for the employer's share of payroll taxes on W-2 income, separate and apart from the Gross Settlement Amount.
- B. Because 20% of the gross amount of the Individual Settlement Payments to Class Members constitutes compensation for past services rendered, it shall be considered wages. Accordingly, the Settlement Administrator shall: (i) withhold from the applicable portion of the Individual Settlement Payment the Class Member's share of all appropriate payroll taxes, including federal and state income taxes; (ii) issue to each Class Member and appropriate taxing authorities a Form W-2 statement or its equivalent with respect to the appropriate portion of the Individual Settlement Payment; (iii) issue a Form-1099 to each Class Member and appropriate taxing authorities with respect to the portions of the Individual Settlement Payment representing penalties and interest and, to the extent a Class Member is also a PAGA Group Member, the individual share of the PAGA Payment; and (iv) notify Defendants of their share of any payroll taxes attributable to the employer for the 20% of the gross amount allocated to wages, which amount will be paid separately from the Gross Settlement Amount.
- C. **Allocation of Individual Settlement Payment Not Material.** The Court's approval of the allocation of the Individual Settlement Payment for Form 1099 income and Form W-2 income is not a material term of this Agreement. If the Court does not approve or approves a different allocation of the Individual Settlement Payments, the Agreement shall remain intact and all other terms of this Agreement shall apply.
- D. Neither Defendants nor their counsel, nor Class Counsel make any representation, and have made no representations as to the tax treatment or legal effect of the payments called for in this Settlement Agreement, and Plaintiffs and Class Members are not relying on any statement, representation, or calculation by Defendants or their counsel, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs and Class Members understand and agree that Plaintiffs and Class Members will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiffs and any Class Member who receive any payment under this Agreement should consult with their tax advisors concerning the tax consequences of the Individual Settlement Payments they receive under the Settlement.

X. FINAL SETTLEMENT APPROVAL HEARING

- A. Class Counsel shall be responsible for ensuring that at least the following documents are filed with the Court in advance of the Final Settlement Approval Hearing so that the Court will have a sufficient basis upon which to evaluate and approve the Settlement:

1. A final declaration by the Settlement Administrator listing the following information: (i) attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, the mailing and re-mailing of the Class Notice (as applicable), the Class Notices returned as undelivered and attempts to locate Class Members; (ii) the total number of Requests for Exclusion the Settlement Administrator received (both valid and invalid) and a list of the names (with no other identifying information) of all persons who submitted timely and valid Requests for Exclusion; (iii) the number of Objections received and attaching copies of the Objections received so the Court can evaluate the merits of the Objections; and (iv) any other information required by the Court.
2. A duly noticed motion for final approval, accompanying memorandum of points and authorities prepared by Class Counsel, and such other pleadings, evidence or other documents as may be necessary for the Court to determine that the Settlement documented by this Agreement is fair, adequate and reasonable.
3. A Proposed Final Approval Order and judgment for the Court's signature, approving the material terms of the Settlement documented by this Agreement. The Final Approval Order will include the full text of the class and PAGA releases. The Parties shall jointly prepare the proposed final approval order and judgment to be submitted in the form mutually agreed to by the Parties.
4. The Parties will cooperate to finalize the motion for final settlement approval and supporting papers to be prepared by Class Counsel. Class Counsel shall also provide a draft of the motion for final settlement approval and supporting papers, and an opportunity to provide comments thereto, to Defendants' counsel at least ten (10) business days prior to the filing deadline for the motion. Class Counsel shall not file a motion for final settlement approval without first confirming with counsel for Defendants that Defendants have no objection to any matters stated within the final approval papers.
5. The motion for final settlement approval will include Class Counsel's applications for Attorneys' Fees and Costs and the Enhancement Payment. However, the Court's decision to award less than the amounts requested for Class Counsel's Attorneys' Fees and Costs and/or the Enhancement Payment to Plaintiffs does not constitute a material modification to the Agreement and will not terminate this Agreement.
6. ~~The Parties agree that within five business days after the date the Final Approval Order and Judgment is entered by the Court, the Parties shall file (i) a joint stipulation for dismissal of the entire action with prejudice in the McKeehan PAGA Action; (ii) a joint stipulation for dismissal of the entire action with prejudice in the McKeehan Arbitration; and (iii) a joint~~

~~stipulation for dismissal of the entire action without prejudice in the Marslek Action. The Parties agree to take any other necessary steps to dismiss the McKeehan PAGA Action, McKeehan Arbitration, and the Marslek Action as may be required by the courts and/or arbitrator, with fees and costs to be borne separately by each party. Class Counsel shall not be entitled to recover any additional fees or costs in the McKeehan PAGA Action, McKeehan Arbitration, and the Marslek Action, including any fees for undertaking the dismissal described in this paragraph.~~

7.6. Pursuant to Labor Code § 2699(1)(3), Class Counsel will provide to the LWDA a copy of the Court's Final Approval Order and Judgment within ten (10) days after entry of the Final Approval Order and Judgment.

XI. PAYMENT TO CLASS MEMBERS AND PAGA GROUP MEMBERS

- A. No later than **thirty (30) calendar days** after the Effective Date (defined in Section I(D)), Defendants shall ensure a wire transfer to a bank account designated by the Settlement Administrator is effectuated for the Gross Settlement Amount plus the separate portion of the employer-side payroll taxes. No later than **forty-five (45) calendar days** after the Effective Date, the Settlement Administrator shall issue payments to Class Members and/or PAGA Group Members pursuant to the terms of this Agreement from the above-mentioned designated bank account and issue all necessary and proper tax forms.
- B. The Settlement Administrator shall mail the Individual Settlement Payments and Individual PAGA Payments by First Class U.S. Mail to each Class Member's and/or PAGA Group Member's last known address, postage prepaid. Checks shall be valid for **180 calendar days** from the date of mailing (the "**Check Cashing Deadline**"), and the face of each check shall prominently state the Check Cashing Deadline, when the check will be voided. Class Members who do not cash their settlement checks within 180 calendar days after mailing by the Settlement Administrator shall still be bound by the Settlement and the release of claims provided therein. It shall be presumed that each Class Member received his, her, or their Individual Settlement Payment (and PAGA Group Member payment, if applicable) on the date the payment was deposited in the United States mail, unless the payment is returned to the Settlement Administrator within the Check Cashing Deadline. Any check returned by the post office with a forwarding address will be re-mailed within **five (5) calendar days** by the Settlement Administrator to that forwarding address via First Class U.S. Mail. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address using all reasonably available sources, methods, and means, including, but not limited to, the "National Change of Address Database", skip traces, and direct contact by the Settlement Administrator with Participating Class Members, and it shall then perform a re-mailing within **7 calendar days** of receiving a returned check. The Settlement Administrator need not take further steps to deliver checks to Participating Class Members whose re-mailed checks are returned as undelivered. The Settlement Administrator shall promptly send a replacement check to any

Participating Class Member whose original check was lost or misplaced, requested by the Participating Class Member prior to the void date.

- C. In accordance with California Code of Civil Procedure Section 384, any checks returned to the Settlement Administrator by the post office as undeliverable after the Settlement Administrator takes steps set forth above, and all funds from checks that are not cashed by the Check Cashing Deadline, shall be distributed as follows:
1. The amount of any Individual Settlement Payments and Individual PAGA Payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the initial mailing of the checks for Individual Settlement Payments and/or Individual PAGA Payments will be paid to the California State Controller's Unclaimed Property Fund in the name of and for the benefit of the individual who did not cash his or her check, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). The Participating Class Member and/or PAGA Group Member will nonetheless remain bound by the Settlement. The Parties agree that this disposition results in no "unpaid residue" within the meaning of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount will be paid out to Class Members, whether or not they all cash their Individual Payments.
 2. The Settlement Administrator shall notify the Parties' counsel of the total amount that was actually paid to the Class Members and the amount of funds that are unclaimed.
 3. At a date set by the Court for a final accounting in accordance with California Code of Civil Procedure Section 384(b), the Parties shall advise the Court of the total amount that was actually paid to Class Members under this Agreement and the amount of funds that are unclaimed by Class Members and transmitted to the California State Controller's Unclaimed Property Fund.
- D. **No Impact On Contributions To Employee Benefit Plans.** None of the payments made pursuant to this Agreement shall be considered to alter the terms or to grant any rights to additional payments under any employee benefit plans. None of the payments made pursuant to this Agreement shall be considered for purposes of determining eligibility for, vesting or participation in, or contributions to any benefit plan, including, without limitation, all plans subject to the Employee Retirement and Income Security Act of 1974 ("ERISA"). Any distribution of payments to Plaintiffs or Class Members shall not be considered as a payment of wages or compensation under the terms of any applicable benefit plan and shall not affect participation in, eligibility for, vesting in, the amount of any past or future contribution to, or level of benefits under any applicable benefit plan. Any amounts paid will not impact or modify any previously credited hours of service or compensation taken into account under any bonus or incentive plan, benefit plan sponsored or contributed to by Defendants or any jointly-trusted benefit plan, or

for purposes of calculating the regular rate of pay. For purposes of this Agreement, “benefit plan” means each and every “employee benefit plan,” as defined in 29 U.S.C. § 1002(3), and, even if not thereby included, any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy.

XII. PAYMENT OF ATTORNEYS’ FEES AND COSTS TO CLASS COUNSEL; SETTLEMENT ADMINISTRATION EXPENSES; ENHANCEMENT PAYMENT

- A. No later than **forty-five (45) calendar days** after the Effective Date, the Settlement Administrator shall transfer the following amounts, as awarded by the Court:
1. To Class Counsel, the amounts ordered by the Court for all attorneys’ fees and costs incurred in prosecuting the Action;
 2. To the Settlement Administrator, the amounts ordered by the Court for all its expenses;
 3. To Plaintiffs, the amount ordered by the Court for the Enhancement Payment; and
 4. To the LWDA, the LWDA Payment.

XIII. RIGHT TO INCREASE GROSS SETTLEMENT AMOUNT ~~OR CHANGE END DATE OF RELEASE PERIOD~~ BASED ON QUALIFYING WORKWEEKS OF CLASS MEMBERS.

~~A. —~~ Defendants have estimated that there are approximately 369 nonexempt California employees who worked approximately 21,015 Class Workweeks from May 15, 2020, to November 19, 2024. If ~~it is later determined that~~ the number of actual Class Workweeks exceeds 10% of the estimated Class Workweeks (*i.e.*, if the Class Workweeks exceeded 23,117) ~~as of the date of the hearing on the motion for preliminary settlement approval or June 30, 2025, whichever is earlier~~, Defendants ~~have the option of either of the following Section XIII(A)(a) or (b): will~~

- A. increasinge the Gross Settlement Amount proportionately by the Workweeks worked by Class Members above the ten percent threshold (for example, if the number of total Class Workweeks increases by 11%, the Gross Settlement Amount shall increase by one percent (1%).) Workweeks shall include only those workweeks where a Class Member rendered actual services in California as a nonexempt employee (*i.e.*, excludes any workweeks where a Class Member was on leave or worked in an exempt position or outside of California), ~~OR,~~

~~b. Alternatively, Defendants may elect to change the end date of the Class Period to be the date at which the number of Workweeks worked by the Class reaches 23,117.~~

~~Defendants must make an election between options (a) and (b) above prior to the mailing of the Class Notices such that the Class Notice contains a definitive class period and Gross Settlement Amount.~~

~~— The Parties agree that, except as set forth in this Section XIII and the employer share of payroll taxes, under no circumstances shall Defendants be obligated to pay any amount that exceeds five hundred ninety nine thousand dollars (\$599,000).~~

- B. Defendants have represented that there are a total of 475 nonexempt California employees who worked a total of 29,728 Class Workweeks between May 15, 2020 and June 30, 2025. Defendants will increase the Gross Settlement Amount pursuant to Section XIII(A) above. Accordingly, the Gross Settlement Amount shall be increased by \$188,445.40, for a total Gross Settlement Amount of \$787,445.40; and the Class Period shall be May 15, 2020 through June 30, 2025. The final increase may vary slightly if there are valid Class Member disputes.

XIV. INVALIDATION OF AGREEMENT FOR FAILURE TO SATISFY CONDITIONS

- A. In the event the Court fails to enter final judgment approving the Settlement consistent with the terms set forth in this Agreement after the Parties have exhausted all reasonable efforts to amend the Agreement to address the Court's concerns, or such final judgment is vacated or reversed, the Actions shall proceed as if no settlement had been attempted and revert back to their prior procedural posture. In such event, nothing in this Agreement shall be used, construed or admissible as evidence by or against any Party as a determination, admission, or concession of any issue of law or fact in the Actions, or in any other proceeding for any purpose; and the Parties do not waive, and instead expressly reserve, their respective rights to prosecute and defend the Actions as if this Agreement never existed. Further, in such event, the Parties shall each pay half of the costs of administration that have been incurred by the Settlement Administrator.
- B. **Defendants' Right to Withdraw.** If, prior to the Final Settlement Approval Hearing, the number of persons who submit valid and timely Requests for Exclusion exceeds five percent (5%) of the total number of Class Members, then Defendants shall have the sole and absolute discretion to withdraw from this Agreement. If Defendants elect to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement. If Defendants elect to withdraw, Defendants will remain responsible for paying all Settlement Administrator's expenses incurred to that point.
- C. If this Agreement is terminated for failure to satisfy any of the material terms or conditions, Defendants shall not be obligated to create or maintain any type of settlement fund and shall not be obligated to make any settlement payment to any Class Member, PAGA Group Member, LWDA, Class Counsel, or to Plaintiffs.

XV. RELEASES, REPRESENTATIONS AND WARRANTIES

A. Class Member Release

1. Release of Claims by McKeehan, Marslek, and Class Members. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, in consideration of the monetary sum provided by Defendants, Plaintiffs and each of the Participating Class Members, on behalf of themselves, their heirs, ~~spouses~~, executors, administrators, attorneys, agents, and assigns, shall waive, fully release and forever discharge the Released Parties from any and all claims, rights, demands, liabilities, and causes of action of any kind arising from the alleged violation of any provision of common law, California law and/or federal law which was alleged or could have been alleged based on the facts or theories alleged in any of Plaintiffs' complaints filed in the Actions or letters to the LWDA, and that arose at any time during the Class Period (the "**Settled Claims**"), including but not limited to claims for off-the-clock work, unpaid wages, unpaid overtime wages, failure to timely pay all wages earned every pay period, failure to pay all compensation at the regular rate of pay or the correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods (including with respect to the rate at which premiums were paid), untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages owed upon termination, unfair competition (Bus. & Prof. Code § 17200), unlawful deductions from wages, failure to pay wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and claims under Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 510, 512, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 and applicable sections of the relevant Order of the Industrial Welfare Commission. Plaintiffs and Participating Class Members shall be permanently barred and enjoined from the institution or prosecution of any and all Settled Claims against the Released Parties, except as to such rights or claims as may be created by the Settlement. "**Released Parties**" means Superior Air Charter, LLC, JetSuiteX, Inc., Delux Public Charter, LLC, and each of their former and present employees, directors, partners, shareholders, officers, owners, attorneys, agents, insurers, brands, dba's, concepts, predecessors, successors, assigns, parents, subsidiaries, affiliates, administrators, legal representatives, estates, powers-of-attorney, and any individual or entity which could be jointly liable with Defendants and all persons or entities acting by, through, under, or in concert with any of them.
 - a) This Settlement and the judgment entered thereon shall have res judicata effect precluding Plaintiffs and the Participating Class Members from initiating any other proceedings regarding claims released pursuant to this Agreement.

B. PAGA Release of Claims

1. Release of PAGA Claims. For the avoidance of doubt, Class Members and PAGA Group Members have no opt out rights as to the PAGA portion of the Settlement. Accordingly, effective on the date when Defendants fully fund the entire Gross Settlement Amount, in consideration of the PAGA Settlement Amount, Plaintiffs, on behalf of Plaintiffs and the State of California, and all PAGA Group Members, waive, fully release and forever discharge the Released Parties from any and all claims under PAGA that were alleged, or reasonably could have been alleged, based on the facts or theories alleged in any of Plaintiffs' complaints filed in the Actions or letters to the LWDA, and that arose at any time during the PAGA Period, including but not limited to PAGA claims predicated on allegations of ~~for~~ off-the-clock work, unpaid wages, unpaid overtime wages, failure to timely pay all wages earned every pay period, failure to pay all compensation at the regular rate of pay or the correct regular rate of pay, failure to provide meal periods or rest periods, unpaid premium wages for meal periods or rest periods (including with respect to the rate at which premiums were paid), untimely payment of wages, inaccurate wage statements, recordkeeping violations, failure to timely pay all wages owed upon termination, unlawful deductions from wages, failure to pay wages due to an invalid alternative workweek schedule, failure to reimburse business expenses, and PAGA claims predicated on violations of ~~under~~ Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 2802 and applicable sections of the relevant Order of the Industrial Welfare Commission.

C. General Release by McKeehan and Marslek; Representations and Warranties

1. General Release by McKeehan and Marslek. In addition to the Class Member Release of Claims and PAGA Group Member release of claims described in this Agreement, effective on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, McKeehan and Marslek, on behalf of themselves, their heirs, ~~spouses~~, executors, administrators, attorneys, agents, and assigns, each fully release and forever discharge the Released Parties from any and all claims, known or unknown, which Plaintiffs now have or may have against any of the Released Parties, including but not limited to claims arising out of or relating to Plaintiffs' employment with Defendants, including the end of the employment relationship, and any act, omission, or transaction of or by Defendants or any of the Released Parties occurring on or before the Effective Date. This release is intended to be interpreted broadly and is intended to include, without limitation, all common law claims (including but not limited to: breach of contract, breach of fiduciary duty, breach of the covenant of good faith and fair dealing, wrongful discharge in violation of

public policy, infliction of emotional distress, negligence, invasion of privacy, interference with contractual relationship, defamation and fraud), as well as any statutory claims arising under federal, state or local law. ("Plaintiffs' General Release"). Plaintiffs acknowledge that Plaintiffs may discover facts and/or law different from and/or in addition to the facts and/or law that Plaintiffs now know or believe to be true, but agree, nonetheless, that Plaintiffs' General Release shall be and remain effective in all respects notwithstanding the existence of such different and/or additional facts and/or law or Plaintiffs' discovery of them. The Parties also note that Plaintiff Marslek has also separately executed a release of claims that includes claims he brought in a separate arbitration alleging the following claims: (1) Violation of Labor Code Section 1102.5; (2) Violation of Labor Code Section 6310; and (3) Wrongful Termination in Violation of Public Policy (the "Wrongful Termination Arbitration"). Furthermore, Plaintiffs' General Release does not extend to any claims or actions to enforce the Settlement, to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, or to any claims that are not releasable as a matter of law or public policy. Nothing herein is intended to preserve any claims that are released pursuant to Section XV(A)-(B).

a) Section 1542 Waiver. For purposes of Plaintiffs' General Release only, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of California Civil Code section 1542, which reads: "**A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.**"

2. Representations and Warranties. Plaintiffs hereby represent, covenant, and warrant that Plaintiffs have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber, to any person or entity, any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged. Plaintiffs further agree that Plaintiffs shall not in any way hereafter commence, join, aid, or assist others in pursuing any claim, charge or action against any of the Released Parties for any acts or omissions released under this Agreement.

D. No Misrepresentation

The Parties understand that the facts with respect to which this Agreement is entered into may be materially different from those the Parties now believe to be true. The Parties accept and assume this risk, and agree that this Agreement, including specifically the releases contained herein, shall remain in full force and effect, and legally binding, notwithstanding the discovery or existence of any additional or different facts, or any claims with respect to those facts.

XVI. CONFIDENTIALITY

The Parties and their counsel shall keep confidential all settlement communications regarding the negotiation and drafting of this Agreement. Neither the Parties nor their counsel will issue any press release or other public representation regarding the settlement, other than as necessary to obtain court approval and effectuate the terms of the settlement. Provided, however, that the Court may be notified, if necessary prior to the filing of the motion for preliminary approval, that the Parties have settled the case subject to court approval while not mentioning the terms of the Settlement. The Parties and their counsel further agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about the Actions. Class Counsel will not communicate with other attorneys about this settlement, nor utilize it in any way in their marketing or advertising materials or website. Nothing in this paragraph shall restrict the Parties from making any disclosures necessary to seek Court approval or to communicate with the Class Members consistent with the terms of this Agreement.

XVII. MISCELLANEOUS PROVISIONS

A. Acknowledgment that the Settlement is Fair and Reasonable

The Parties believe this Agreement is a fair, adequate, and reasonable settlement of the Actions, which was reached after non-collusive, arm's-length negotiations and mediation and in the context of adversarial litigation, considering all relevant factors, present and potential, including the risk of continued litigation. The Parties agree, covenant, and represent that this Agreement shall constitute a compromise of, and full accord and satisfaction of, disputed claims.

B. No Admission of Liability

The Parties agree, covenant, and represent that neither this Agreement nor any actions undertaken by Defendants in satisfaction of this Agreement shall constitute, or be construed as, an admission of any liability or wrongdoing by Defendants at any time, or as an admission by Defendants that class certification, or litigation on a representative basis is proper in the Actions. By entering into this agreement, Defendants do not admit liability in the Actions. Defendants expressly deny that they have violated any law, breached any agreement or obligation to Plaintiffs or the Class Members, or engaged in any wrongdoing with respect to Plaintiffs or the Class Members or the PAGA Group Members.

C. Representation by Counsel

The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, Plaintiffs warrant and represent that Plaintiffs are fully authorized to enter into this Agreement and the terms and conditions thereof, that there are no liens on the Agreement, and that after entry by the Court of the orders specified in this Agreement, the Settlement Administrator may distribute funds to Class Members, PAGA Group Members, Class Counsel, the LWDA, and Plaintiffs as provided by this Agreement.

D. Deadlines Set by this Agreement and Extensions of Time

If any deadline set by this Agreement falls on a Saturday, Sunday, or Court holiday, the deadline shall be deemed to fall on the next day that is not a Saturday, Sunday, or Court holiday. Further, the Parties may, by mutual agreement, agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, subject to Court approval when required.

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E. Notice

All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally, by first class mail, or email to the undersigned persons at their respective addresses as set forth below:

Counsel for Plaintiffs and the Class Members:

~~Kristy R. Connolly~~ [Jessica Campbell](#)
AEGIS LAW FIRM
9811 Irvine Center Drive, Suite 100
Irvine, CA 92618
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Counsel for Defendants:

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San Diego, California 92121
Telephone (858) 314-1200
kwooley@jonesday.com

Attorneys for Defendants Superior Air Charter, LLC,
JetSuiteX, Inc., and Delux Public Charter, LLC

F. Memorandum of Understanding Superseded by this Agreement

Upon the date that this Agreement becomes fully executed by all Parties, this Agreement shall supersede the Memorandum of Understanding between the Parties that was fully executed on February 27, 2025.

G. Incorporation by Reference

The terms of this Agreement include the Recitals, which are incorporated by this reference as though fully set forth herein.

H. Captions

The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

I. Mutual Preparation

This Agreement has been jointly prepared by the Parties and their counsel. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, the Parties expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement, and agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

J. Waiver of Right to Appeal

As part of this Settlement, Plaintiffs waive their rights to file an appeal and/or a writ or any challenge whatsoever to the terms of the impending stipulated judgments contemplated in the Actions so long as they are consistent with the terms and conditions of this Agreement.

K. Entire Agreement

This Agreement comprises the Parties' entire agreement. There are no other agreements, written or oral, express or implied, between the Parties with respect to the subject matter hereof except this Agreement. The Parties acknowledge that no representations, statements or promises made by any other party, or by their respective agents or attorneys, have been relied upon in entering into this Agreement. The Parties explicitly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

L. Amendment or Modification

This Agreement may be modified or amended only if such modification or amendment is agreed to in writing and signed by a duly authorized representative of the Parties hereto, which writing shall expressly state the intent of the Parties to modify this Agreement.

M. Severability

The Parties to this Agreement agree, covenant, and represent that each and every provision of this Agreement shall be deemed to be contractual, and that they shall not be treated as mere recitals at any time or for any purpose. Therefore, the Parties further agree, covenant, and represent that each provision of this Agreement shall be considered severable, except for the release provisions of Section XV of this Agreement. If the Court finds the release provisions of this Agreement to be unenforceable or invalid after the Parties' efforts to resolve any issues addressed by the Court as specified in Section XVII(P), then this Agreement shall become null and void and Defendants shall have no obligation to make any payments pursuant to this Agreement. If the Court finds any provision other than the release provisions of Section XV, or part thereof, to be invalid or unenforceable for any reason, that provision, or part thereof, shall remain in full force and effect to the extent allowed by law, and all of the remaining provisions of this Agreement shall remain in full force and effect.

N. Waiver

No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

O. Execution and Counterparts

This Agreement, and any other documents required or contemplated to be executed to consummate this Agreement, may be executed in one or more counterparts, each of which shall be deemed an original of this Agreement. All counterparts of any such document together shall constitute one and the same instrument. Any party may sign and deliver this Agreement by signing on the designated signature block and transmitting that signature page via facsimile or as an attachment to an e-mail to counsel for the other party. Any signature made and transmitted by facsimile, email, DocuSign, or as an attachment to an e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party who transmits the signature page.

P. Binding on Successors and Assigns

This Agreement shall be binding upon, and shall inure to the benefit of the Parties, including Participating Class Members and PAGA Group Members, as well as their respective heirs, ~~spouses~~, children, assigns, executors, administrators, successors, beneficiaries, subsidiaries, conservators, representatives, attorneys, estates, divisions and affiliated corporations and partnerships, past and present, and trustees, directors, officers, shareholders, partners, agents and employees, past and present, of the Parties.

Q. California Law Governs

All terms of this Agreement will be governed by and interpreted according to the laws of the State of California.

R. Cooperation in Administration

The Parties agree to fully cooperate with one another to accomplish the terms of this Agreement, including but not limited to, execution of such documents and taking such other action as reasonably may be necessary to implement the terms of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order, suggestion, or recommendation of the Court, or otherwise, to effectuate this Agreement and the terms set forth herein. The Parties' efforts to continue to cooperate and make all best efforts to obtain approval of this Agreement shall only cease after the Parties have exhausted all opportunities to amend or modify this Agreement, including seeking the assistance of the mediator, and the filing of any motions to obtain approval of this Agreement.

S. All Terms Subject to Final Court Approval

All amounts and procedures described in this Agreement herein will be subject to final Court approval.

T. Disputes

If the Parties have a dispute with regard to the language of this Agreement, they agree to first attempt to resolve the dispute informally through good-faith negotiations, but if those efforts are unsuccessful, the Court retains full jurisdiction to interpret, construe, and enforce the terms of this Agreement.

U. Judgment and Continued Jurisdiction

The Court shall retain jurisdiction pursuant to Code of Civil Procedure Section 664.6 over the implementation of this Agreement as well as any and all matters arising out of, or related to, the implementation of this Agreement and Settlement including post-judgment matters as may be appropriate under court rules or as set forth in this Agreement. In the event that an action is brought to enforce any of the terms of this Agreement, the prevailing party shall be entitled to its/his reasonable attorneys' fees and costs.

V. Interim Stay of Proceedings.

The Parties agree to refrain from further litigation, except such proceedings as necessary to seek and obtain preliminary and final settlement approval. If this Agreement is not finally approved, the Parties agree that they will revert to their positions in the Actions prior to the time they entered into this Agreement, and no agreements set forth in this Agreement or any documents generated or orders issued related to this Agreement will be admissible in any future proceeding, in the Actions or in any other action.

THE UNDERSIGNED ACKNOWLEDGE THAT EACH HAS READ THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO THE PROVISIONS CONTAINED

THEREIN, AND HEREBY EXECUTES IT VOLUNTARILY WITH FULL KNOWLEDGE OF ITS CONSEQUENCES.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates indicated below.

PLAINTIFFS

Dated: _____

Jacob McKeehan

Dated: _____

Robert Marslek

DEFENDANTS

Dated: _____

Name:
Title:
On behalf of Delux Public Charter, LLC

Dated: _____

Name:
Title:
On behalf of Superior Air Charter, LLC.

Dated: _____

Name:
Title:
On behalf of JetSuiteX, Inc.

Approved as to form and agrees to be bound by the confidentiality provisions in the Agreement:

AEGIS LAW FIRM

Dated: _____

Kristy R. Connolly
Attorneys for Plaintiff Jacob McKeehan and the Class

DIVERSITY LAW GROUP

Dated: _____

Larry Lee
Attorneys for Plaintiff Robert Marslek and the Class

JONES DAY

Dated: _____

Koree Wooley
Attorneys for Defendants

EXHIBIT 3