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 13 CURTIS WHITE on behalf of himself and all similarly aggrieved employees

14 (ADDITIONAL COUNSEL ON FOLLOWING PAGE)

15 **SUPERIOR COURT OF CALIFORNIA**

16 **COUNTY OF SAN JOAQUIN**

17 CURTIS WHITE on behalf of himself and
 18 all similarly aggrieved employees,

19 Plaintiff,

20 v.

21 CORTECH WEST STAFFING, LLC;
 22 THYSSENKRUPP MATERIALS NA, INC.;
 THYSSENKRUPP SUPPLY CHAIN
 23 SERVICES NA INC.; TESLA, INC. dba
 TESLA MOTORS, INC.; and DOES 1
 24 through 50, inclusive,

25 Defendants.
 26

Case No. STK-CV-UOE-2023-0000029

(Assigned to the Hon. Erin Guy Castillo, Dept.
 10B)

**JOINT STIPULATION OF CLASS AND
 REPRESENTATIVE ACTION
 SETTLEMENT**

Action Filed: January 3, 2023

Trial Date: None Set

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26 Attorneys for Defendant TESLA, INC.

1 This Joint Stipulation of Class and Representative Action Settlement (“Settlement
2 Agreement,” “Settlement,” or “Agreement”) is made and entered into by and between Plaintiff
3 Curtis White (“Plaintiff”), as an individual and on behalf of all others similarly situated and all
4 similarly aggrieved employees, and Defendants CorTech West Staffing, LLC, Thyssenkrupp
5 Materials NA, Inc., Thyssenkrupp Supply Chain Services NA, Inc., and Tesla, Inc. (collectively,
6 “Defendants”) (together with Plaintiff, the “Parties”).

7 This Settlement Agreement shall be binding on Plaintiff, Class Members, and PAGA
8 Settlement Employees (as defined herein) and on Defendants, subject to the terms and
9 conditions hereof and the approval of the Court.

10 **A. RECITALS**

11 1. On October 25, 2022, Plaintiff filed a letter with the California Labor and
12 Workforce Development Agency (“LWDA”) alleging claims against Defendants for violations
13 of Labor Code §§ 201, 201.3, 202, 203, 204, 207, 208, 209, 216, 218, 218.5, 218.6, 223, 225.5,
14 226, 226.7, 510, 512, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2699, 2800, and 2802.

15 2. On October 24, 2022, Plaintiff commenced a putative class action against
16 Defendants entitled *Curtis White v. CorTech West Staffing, LLC, et al.*, in the Superior Court of
17 the State of California for the County of San Joaquin, Case No. STK-CV-UOE-2022-0009807
18 (the “Class Action”). The Class Action was subsequently removed to the United States District
19 Court, Eastern District of California, Case No. 2:22-cv-02270-WBS-AC. The Parties thereafter
20 litigated the Class Action in the U.S. District Court. The complaint alleges claims for: (1)
21 violation of Labor Code §§ 226.7 and 1198; and the Wage Order for Failure to Provide Meal
22 Periods or Compensation in Lieu Thereof; (2) violation of Labor Code §§ 226.7 and 1198; and
23 the Wage Order for Failure to Provide Rest Periods or Compensation In Lieu Thereof; (3)
24 violation of Labor Code §§ 1194 and 1198; and the Wage Order for Failure to Pay Hourly and
25 Overtime Wages; (4) violation of Labor Code §§ 226, 1174, 1175; and the Wage Order for
26 Failure to Comply with Itemized Employee Wage Statement Requirements; (5) violation of
27 Labor Code §§ 201, 202, and 203; and the Wage Order for Failure to Pay All Wages Upon
28 Termination; (6) violation of Labor Code § 2802 for Failure to Reimburse Business Expenses;

1 and (7) violation of California Business and Professions Code § 17200, *et seq.*

2 3. Separate from the Class Action, on January 3, 2023, Plaintiff filed a representative
3 action against Defendants entitled *Curtis White v. CorTech West Staffing, LLC, et al.*, in the
4 Superior Court of the State of California for the County of San Joaquin, Case No. STK-CV-
5 UOE-2023-0000029 (the “PAGA Action”) (the “Class Action” and the “PAGA Action”
6 collectively referred to as the “Action”). The complaint in the PAGA Action alleges a single
7 cause of action for violation of Labor Code § 2698, *et seq.*, the Private Attorneys General Act
8 (“PAGA”), predicated on underlying violations of Labor Code §§ 201-203, 226, 226.7, 1174,
9 1175, 1194, 1198, 2802, and 2698, *et seq.*, and the applicable Wage Orders of the Industrial
10 Welfare Commission.

11 4. On October 5, 2023, the Parties participated in mediation with neutral Michael J.
12 Loeb, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions. After
13 thorough and continued settlement negotiations with the assistance of Mr. Loeb, the Parties
14 accepted a mediator’s proposal to settle Plaintiff’s class and PAGA claims in their entirety.
15 Thereafter, the Parties executed a detailed memorandum of understanding on or about
16 November 29, 2023, which is further memorialized in this Agreement.

17 5. For the purposes of settlement only, the Parties stipulate and agree, subject to the
18 Court’s entry of an order approving the same, that leave be granted to file a First Amended
19 Complaint in San Joaquin County Superior Court. The Parties will submit a stipulation
20 requesting leave to file the First Amended Complaint in San Joaquin County Superior Court,
21 which alleges the underlying claims, causes of action, and factual theories that were pled in both
22 the Class Action and PAGA Action. The Operative Complaint will allege claims for: (1) failure
23 to provide meal periods or compensation in violation of Labor Code §§ 226.7 and 1198; (2)
24 failure to provide rest periods or compensation in violation of Labor Code §§ 226.7 and 1198;
25 (3) failure to pay hourly and overtime wages in violation of Labor Code §§ 1194 and 1198; (4)
26 failure to comply with itemized employee wage statement requirements in violation of Labor
27 Code §§ 226, 1174, and 1174; (5) failure to pay all wages upon termination in violation of Labor
28 Code §§ 201, 202, and 203; (6) failure to reimburse business expenses in violation of Labor

1 Code § 2802; (7) unfair business practices in violation of Business and Professions Code §
2 17200, *et seq.*; and (8) civil penalties under PAGA. In conjunction with the stipulation requesting
3 leave to file a First Amended Complaint, the Parties will file a stipulation to stay the pending
4 class action in the United States District Court, Eastern District of California, pending final
5 approval of this Settlement Agreement in San Joaquin County Superior Court. Within five
6 business days of the Funding of the Gross Settlement Amount, Plaintiff will file a request for
7 dismissal of the District Court class action.

8 6. The settlement discussions were conducted at arm's-length, and the settlement is
9 the result of an informed and detailed analysis of Defendants' potential liability and total
10 exposure in relation to the costs and risks associated with continued litigation.

11 7. Defendants expressly deny any liability or wrongdoing of any kind associated with
12 the claims alleged in the Actions and those released as part of this settlement of the Actions.
13 Defendants further deny all material allegations set forth in the Action and have asserted
14 numerous affirmative defenses. Defendants maintain, among other things, they have complied
15 with federal and California law in all respects. Nothing in this Settlement Agreement shall be
16 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the
17 part of Defendants. Notwithstanding, in the interest of avoiding further litigation, Defendants'
18 desire to fully and finally settle the Action, Released Class Claims, and Released PAGA Claims,
19 as defined below.

20 8. Counsel for Plaintiff have diligently investigated the claims alleged in the Action,
21 including any and all applicable defenses, and the applicable law. The investigation included,
22 *inter alia*, the exchange of information, data, and documents and review of corporate policies
23 and practices. Based on the documents produced, as well as counsel for Plaintiff's own
24 independent investigation and evaluation, counsel believes that the settlement with Defendants
25 for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable,
26 and adequate and is in the best interest of the alleged putative class in light of all known facts
27 and circumstances, including the risk of significant delay and uncertainty associated with
28 litigation and various defenses asserted by Defendants.

1 9. The Parties expressly acknowledge that this Settlement Agreement is entered into
2 solely for the purpose of compromising significantly disputed claims and that nothing herein is
3 an admission of liability or wrongdoing by Defendants. If for any reason the Settlement
4 Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to
5 their original respective positions.

6 **B. DEFINITIONS**

7 The following definitions are applicable to this Settlement Agreement. Definitions
8 contained elsewhere in this Settlement Agreement will also be effective:

9 1. “Class Action” means *Curtis White v. CorTech West Staffing, LLC, et al.*, in the
10 Eastern District of California, Case No. 2:22-cv-02270-WBS-AC.

11 2. “Class” or “Class Member(s)” means all current and former non-exempt
12 employees of Defendant thyssenkrupp Supply Chain Services NA, Inc. (“tk Supply”) who
13 worked for tk Supply in California at any time during the Class Period and all non-exempt
14 employees of Defendant CorTech West Staffing, LLC (“CorTech”) assigned to work at Telsa’s
15 Livermore and/or Lathrop, California Production facilities managed by tk Supply at any time
16 during the Class Period.

17 a. tk Supply represented at mediation that there were approximately 1,225
18 Class Members who were employed as W-2 employees by tk Supply in California during the
19 Class Period not covered in a prior class action settlement entitled *Alvin P. Magee, Jr., and Fidel*
20 *Jones v. thyssenkrupp Materials NA, Inc., thyssenkrupp Supply Chain Services, NA, Inc.; and*
21 *DOES 1-100*, Superior Court of the State Of California, County of Alameda, Case No.
22 RG19027231.

23 b. CorTech represented at mediation that there were approximately 78 Class
24 Members who were employed as W-2 employees by CorTech in California at Tesla’s Livermore
25 and/or Lathrop Production facilities managed by tk Supply at any time during the Class Period.

26 3. “Class Counsel” or “Plaintiff’s Counsel” mean B. James Fitzpatrick and Laura L.
27 Franklin of Fitzpatrick and Swanson and Larry W. Lee and Christine S. Lee of Diversity Law
28 Group, P.C.

1 4. “Class Counsel Award” means such award of fees and costs and expenses as the
2 Court may authorize to be paid to Class Counsel for the services they have rendered and will
3 render to Plaintiff and the Class in the Class Action. Defendants agree not to oppose a Class
4 Counsel Award of up to one-third (1/3) of the Gross Settlement Amount, *i.e.*, the sum of Two
5 Hundred Fifty Thousand Dollars (\$250,000.00), and costs in the amount of up to Thirty
6 Thousand Dollars (\$30,000.00), subject to the Court finally approving this Settlement.

7 5. “Class Data” means a complete list of all Class Members that Defendants will
8 diligently and in good faith compile from its records and provide to the Settlement Administrator
9 within fifteen (15) business days after Preliminary Approval. The Class Data will be password
10 protected and formatted in a readable Microsoft Office Excel spreadsheet and will include each
11 Class Member’s (1) full name; (2) last known home address; (3) last known telephone number;
12 (4) Social Security number; (5) total number of workweeks worked during the Class Period and
13 PAGA Period; and (6) any other information required by the Settlement Administrator in order
14 to effectuate the terms of the Settlement. The Class Data provided to the Settlement
15 Administrator will be treated as confidential and will not be disclosed to anyone, except as may
16 be required to applicable tax authorities, pursuant to Defendant’s express written consent, by
17 order of the Court, or to carry out the reasonable steps described in this Settlement to locate
18 missing Class Members.

19 6. “Class Notice” means the Notice of Class Action Settlement.

20 7. “Class Period” means the time period commencing on October 24, 2018, through
21 January 28, 2024.

22 8. “Class Representative” or “Plaintiff” means Curtis White.

23 9. “Court” means the Superior Court of the State of California for the County of San
24 Joaquin.

25 10. “Defendants” means CorTech West Staffing, LLC, thyssenkrupp Materials NA,
26 Inc., thyssenkrupp Supply Chain Services NA Inc., and Tesla, Inc., collectively.

27 11. “Defendants’ Counsel” or “Defense Counsel” means Chad D. Greeson and
28 Nicholas Gioiello of Littler Mendelson, P.C.; Tina M. Jacquez of Soltman, Levitt, Flaherty &

1 Wattles LLP; and Brian Berry and Andrea Fellion of Morgan, Lewis & Bockius LLP,
2 collectively.

3 12. “Effective Date” means the first business day after all of the following events have
4 occurred: (a) this Agreement has been executed by all Parties and their respective counsel; (b)
5 the Court has given preliminary approval of the Settlement; (c) the Class Notice has been given
6 to the Class Members; (d) the Court has held a final approval hearing and entered a final
7 approval order and judgment certifying the Class and approving the Settlement; and (e) the later
8 of the following events: (i) five (5) calendar days after the period for filing any appeal, writ, or
9 other appellate proceeding opposing Final Approval and judgment has elapsed without any
10 appeal, writ, or other appellate proceeding having been filed, i.e., 65 days from the date the court
11 grants final approval and enters judgment; or (ii) if any appeal, writ, or other appellate
12 proceeding opposing Final Approval has been filed within that timeframe, five (5) business days
13 after any appeal, writ, or other appellate proceedings opposing the Settlement has finally and
14 conclusively dismissed with no right to pursue further remedies or relief. In this regard, it is the
15 intention of the Parties that the Settlement shall not become effective until entry of the San
16 Joaquin Superior Court’s final approval order and judgment, and there is no further recourse by
17 an appellant or objector who seeks to contest the Settlement.

18 13. “Final Approval” means the determination by the Court that the Settlement is fair,
19 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

20 14. “Final Approval Hearing” means the hearing at which the Court will consider and
21 determine whether the Settlement should be granted Final Approval.

22 15. “Gross Settlement Amount” means the amount of Seven Hundred Fifty Thousand
23 Dollars (\$750,000.00) to be paid by Defendants (tk Supply paying \$700,000 and CorTech
24 paying \$50,000) in full resolution of all Released Class Claims, Released PAGA Claims, and
25 the Action. The Gross Settlement Amount includes all Individual Settlement Payments to
26 Participating Class Members, the Service Award to Plaintiff, Settlement Administration Costs to
27 the Settlement Administrator, the PAGA Payment, and Class Counsel Award. In no event shall
28 Defendants be required to pay any amounts above this Gross Settlement Amount, with the

1 limited exception that, as to that portion of the payments to Participating Class Members that
2 constitute wages, Defendants will be separately responsible for their respective share of any
3 employer payroll taxes, including the employer FICA, FUTA, and SDI contributions, which
4 shall not be paid from the Gross Settlement Amount. Defendants also agree that they are bound
5 by the escalation provision Paragraph C.10.

6 16. "Individual PAGA Payment" means the amount payable from the Net PAGA
7 Penalties to each PAGA Settlement Employee.

8 17. "Individual Settlement Payment" means the amount payable from the Net
9 Settlement Amount to each Participating Class Member.

10 18. "Net PAGA Penalties" means twenty-five percent (25%) of the PAGA Payment
11 defined in paragraph 23, below – *i.e.*, the sum of Twenty-Five Thousand Dollars (\$25,000.00) –
12 which shall be distributed to PAGA Settlement Employees.

13 19. "Net Settlement Amount" means the balance of the Gross Settlement Amount
14 remaining after deduction of the approved Service Award to Plaintiff, Settlement Administration
15 Costs, PAGA Payment, and Class Counsel Award. The entire Net Settlement Amount is the
16 maximum amount that will be available for distribution to Participating Class Members.

17 20. "Notice of Objection" means a Class Member's valid and timely written objection
18 to the Settlement, which must be in writing and include: (a) the case name and number of the
19 Class Action; (b) the objector's full name, signature, address, and telephone number, (c) a
20 written statement of all grounds for the objection accompanied by any legal support for such
21 objection, and (d) copies of any papers, briefs, or other documents upon which the objection is
22 based. Any Notice of Objection received shall apply solely to the release of the class claims.
23 There is no right to object to the Released PAGA Claims.

24 21. "PAGA Action" means *Curtis White v. CorTech West Staffing, LLC, et al.*, in the
25 Superior Court of the State of California for the County of San Joaquin, Case No. STK-CV-
26 UOE-2023-0000029.

27 22. "PAGA Settlement Employee(s)" means (1) all current and former non-exempt
28 employees employed as W-2 employees by tk Supply in California at any time during the PAGA

1 Period; and (2) all current and former non-exempt employees employed as W-2 employees by
2 CorTech on assignment at Tesla's Livermore and/or Lathrop, California Production facilities
3 managed by tk Supply at any time during the PAGA Period.

4 a. tk Supply represents that as of the date of mediation there were 1,082 tk
5 Supply employees who are PAGA Settlement Employees.

6 b. CorTech represents that as of the date of mediation there were 32 CorTech
7 employees who are PAGA Settlement Employees.

8 23. "PAGA Payment" means the portion of the Gross Settlement Amount that the
9 Parties have agreed will be allocated to resolve all claims, penalties, and remedies under
10 California Labor Code § 2698, *et seq.*, the Private Attorneys General Act. The amount of the
11 PAGA Payment is subject to Court approval pursuant to California Labor Code § 2699(l). The
12 Parties have agreed that One Hundred Thousand Dollars (\$100,000.00) of the Gross Settlement
13 Amount shall be allocated to the resolution of the PAGA Settlement Employees' claims arising
14 under PAGA. Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Payment, *i.e.*, the
15 sum of Seventy-Five Thousand Dollars (\$75,000.00), shall be paid to the California Labor and
16 Workforce Development Agency ("LWDA"). The remaining twenty-five percent (25%) of the
17 PAGA Payment, *i.e.*, the sum of Twenty-Five Thousand Dollars (\$25,000.00) ("Net PAGA
18 Penalties"), shall be distributed to the PAGA Settlement Employees.

19 24. "PAGA Period" means the time period commencing on October 25, 2021, through
20 January 28, 2024.

21 25. "Parties" means Plaintiff and Defendants, collectively, and "Party" means either
22 Plaintiff or Defendants.

23 26. "Preliminary Approval" means entry of the Court order granting preliminary
24 approval of the Settlement Agreement.

25 27. "Released Claims" means the Released Class Claims and Released PAGA Claims,
26 collectively. The Released Claims expressly exclude claims brought in the individual action of
27 *Curtis White v. CorTech West Staffing, LLC, et al.*, in the Superior Court of the State of California
28 for the County of San Joaquin, Case No. STK-CV-UWT-2022-0001969.

1 28. “Released Class Claims” means all claims that were alleged, or reasonably could
2 have been alleged, based on the facts that were alleged in the letter submitted by Plaintiff to the
3 Labor and Workforce Development Agency (“LWDA Letter”) or in any complaint on file in
4 these Actions in any jurisdiction, including claims for:

- 5 a. unpaid minimum, overtime or double time wages, and unpaid wages
6 based on the regular rate of pay (Cal. Lab. Code §§ 204, 510, 515, 551,
7 552, 558, 1194, 1194.2, 1197, 1197.1, 1198, and 1199 and applicable
8 Wage Order); non-compliant meal periods or unpaid meal premiums
9 (Cal. Lab. Code §§ 210, 512, 226.7, and 1198, and applicable Wage
10 Order); non-compliant rest breaks or unpaid rest break premiums (Cal.
11 Lab. Code §§ 210, 226.7 and 1198, and applicable Wage Order); non-
12 compliant wage statements (Cal. Lab. Code §§ 226, 226.3, 1174, and
13 1175, and applicable Wage Order); untimely wage payment during
14 employment or upon termination (Cal. Lab. Code §§ 201, 202, 203, and
15 204, and applicable Wage Order); failure to reimburse business expenses,
16 including, but not limited to mandatory safety uniforms, gear required to
17 perform job duties, cell phones, and personal vehicles or mileage
18 reimbursement (Cal. Lab. Code § 2802); unfair competition or unlawful
19 business practices (Bus. & Prof. Code § 17200 et seq. and Common
20 Law); claims for civil penalties pursuant to California’s Private Attorneys
21 General Act of 2004 (“PAGA”, Lab. Code § 2698 et seq.) alleged, or
22 which reasonably could have been alleged, based on the facts alleged in
23 the operative complaints and any PAGA letter sent to the LWDA by
24 Plaintiff in or prior to the Class Actions; claims for interest or penalties
25 including but not limited to waiting time penalties at Lab. Code §§ 201-
26 203, 204, 207, 208, 209, 216, 218, 218.5, 218.6, 223, 225.5, 226, 226.7,
27 510, 512, 558, 1174, 1175, 1194, 1194.1, 1197, 1197.1, 1198, 1199, 2699,
28 2800, 2802, 2698 et seq., and the applicable IWC Wage Orders, or

1 premiums in connection with any of the preceding claims, as well as any
 2 claims under the California Labor Code, California Industrial Welfare
 3 Commission's Wage Orders, or the California Code of Regulations,
 4 which were alleged or which could have been alleged under the same or
 5 similar facts alleged in the complaints in these Actions or letters
 6 submitted to the LWDA;

7 b. Any claims for injunctive relief, declaratory relief, restitution, fraudulent
 8 business practices or punitive damages alleged or which could have been
 9 alleged under the facts pleaded in the complaints; and

10 c. Any and all other claims under California common law, the California
 11 Labor Code including the California Private Attorneys General Act
 12 ("PAGA"), the Fair Labor Standards Act ("FLSA"), California Industrial
 13 Welfare Commission Wage Orders, and the California Business and
 14 Professions Code alleged in or that could have been alleged under the
 15 same facts pleaded in the Operative Complaint. In addition, to the extent
 16 required by law, the cashing of the settlement check by the Settlement
 17 Class Member shall be deemed to be an opt-in for purposes of releasing
 18 the Released Parties from any claims predicated under the FLSA that
 19 could have been alleged under the same or similar facts, allegations
 20 and/or claims pleaded in the Class Lawsuit. The Settlement
 21 Administrator shall include a legend on the settlement check stating: "By
 22 cashing this check, I am opting into the settlement in *Curtis White v.*
 23 *CorTech West Staffing, LLC; thyssenkrupp Materials NA, Inc.;*
 24 *thyssenkrupp Supply Chain Services NA, Inc.; and Tesla, Inc.,* Cal. E.D.,
 25 Civ. Case No. 2-22-CV-02270-WBS-AC under the Fair Labor Standards
 26 Act, 29 U.S.C. § 216(b), and releasing the Released Claims described in
 27 the Settlement Agreement.

28 29. "Released PAGA Claims" means all the claims for civil penalties, attorneys' fees,

1 or costs pursuant to the PAGA for any violations that were alleged, or reasonably could have
2 been alleged, based upon the facts that were alleged in the letter submitted by Plaintiff to the
3 Labor Workforce Development Agency (“LWDA Letter”) or in any complaint filed in these
4 Actions in any jurisdiction.

5 30. “Released Parties” means Defendants CorTech West Staffing, LLC; thyssenkrupp
6 Materials NA, Inc.; thyssenkrupp Supply Chain Services NA, Inc.; and Tesla, Inc., and any of
7 their past, present, and future direct or indirect parents, subsidiaries, predecessors, successors,
8 and affiliates, as well as each of their past, present, and future officers, directors, employees,
9 partners, members, owners, shareholders, agents, attorneys, insurers, reinsurers, and any
10 individual or entity which could be jointly liable with Defendants.

11 31. “Request for Exclusion” means a timely letter submitted by a Class Member
12 indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a)
13 clearly state that the Class Member does not wish to be included in the Settlement; (b) set forth
14 the name, address, telephone number, and last four digits of the Social Security Number of the
15 Class Member requesting exclusion; (c) be signed by the Class Member; (d) be returned by mail
16 to the Settlement Administrator at the specified address indicated in the Class Notice; and (e) be
17 postmarked on or before the Response Deadline.

18 32. “Response Deadline” means sixty (60) days after the Settlement Administrator
19 initially mails the Class Notice to Class Members, and the last date on which Class Members
20 may submit Requests for Exclusion or Notices of Objections to the Settlement.

21 33. “Service Award” means the amount that the Court authorizes to be paid to
22 Plaintiff, in addition to his Individual Settlement Payment and Individual PAGA Payment, in
23 recognition of his efforts and risks in assisting with the prosecution of the Action. Subject to the
24 Court granting final approval, the Parties agree that Plaintiff shall be paid up to Five Thousand
25 Dollars (\$5,000.00) from the Gross Settlement Amount.

26 34. “Settlement Administration Costs” means the fees and expenses reasonably
27 incurred by the Settlement Administrator as a result of the procedures and processes expressly
28 required by this Agreement, which are estimated at Fifteen Thousand Dollars (\$15,000.00). Any

1 portion of the Settlement Administration Costs not used or approved by the Court shall be added
2 to the Net Settlement Amount.

3 35. "Settlement Administrator" means Phoenix Settlement Administrators, or any
4 other third-party class action settlement administrator agreed to by the Parties and approved by
5 the Court for purposes of administering this Settlement.

6 36. "Participating Class Members" means all Class Members who do not submit a
7 valid and timely Request for Exclusion.

8 37. "Settlement Payment Check" means the payment of the Individual Settlement
9 Payment to Participating Class Members and Individual PAGA Payment to PAGA Settlement
10 Employees.

11 **C. ADMINISTRATION OF SETTLEMENT**

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

18 2. Non-Reversionary Settlement. This is a "non-reversionary" settlement. Under no
19 circumstances will any portion of the Gross Settlement Amount revert to Defendants. Class
20 Members will not have to make a claim in order to receive an Individual Settlement Payment or
21 Individual PAGA Payment. Distributions, in the form of Individual Settlement Payments and
22 Individual PAGA Payments, will be made directly to each Participating Class Member and
23 PAGA Settlement Employee.

24 3. Funding of the Gross Settlement Amount. Within fourteen (14) calendar days of
25 the Effective Date, thyssenkrupp Materials NA, Inc. and thyssenkrupp Supply Chain Services
26 NA Inc. shall make a one-time deposit of Seven Hundred Thousand Dollars (\$700,000.00) into
27 a Qualified Settlement Fund to be established by the Settlement Administrator. In addition,
28 within fourteen (14) calendar days of the Effective Date, CorTech West Staffing, LLC shall make

1 a one-time deposit of Fifty Thousand Dollars (\$50,000.00) into the same Qualified Settlement
2 Fund to be established by the Settlement Administrator. thyssenkrupp Materials NA, Inc.,
3 thyssenkrupp Supply Chain Services NA Inc., and CorTech West Staffing, LLC shall also
4 separately pay their respective share of employer payroll taxes as calculated and directed by the
5 Settlement Administrator.

6 4. Class Counsel Award. Defendants agree not to oppose or impede any application
7 or motion by Class Counsel for attorneys' fees of up to one-third (1/3) of the Gross Settlement
8 Amount, *i.e.*, the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00), and costs in the
9 amount of up to Thirty Thousand Dollars (\$30,000.00), which shall be paid from the Gross
10 Settlement Amount. It is understood by Class Counsel that the Court has final discretion in any
11 fee award. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel
12 reflecting the awarded attorneys' fees, costs, and expenses. Any portion of the Class Counsel
13 Award not awarded to Class Counsel shall be added to the Net Settlement Amount and shall be
14 distributed to Participating Class Members as provided in this Agreement. Notwithstanding any
15 other provision of this Agreement, if the Court should fail to award attorneys' fees to Class
16 Counsel in the full amount provided for in this Agreement, no order of the Court or modification
17 of any order of the Court concerning the amount of any attorneys' fees to be paid by Defendants
18 to Class Counsel pursuant to this settlement shall constitute grounds for cancellation or
19 termination of the Agreement or grounds for limiting any other provision of the Judgment. It is
20 agreed that no order of the Court, including any order concerning attorneys' fees, may alter or
21 otherwise increase the Gross Settlement Amount.

22 5. Class Representative Service Award. Defendants agree not to oppose or impede
23 any application or motion by Plaintiff for a Service Award of up to Five Thousand Dollars
24 (\$5,000.00) to Plaintiff. The Service Award shall be paid from the Gross Settlement Amount and
25 shall be paid in addition to Plaintiff's Individual Settlement Payment as a Participating Class
26 Member and Individual PAGA Payment as a PAGA Settlement Employee. It is understood by
27 Class Counsel and Plaintiff that the Court has final discretion in any Service Award. The
28 Settlement Administrator shall issue an IRS Form 1099 to Plaintiff reflecting the Service Award.

1 Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on his Service
2 Award and shall hold harmless Defendants from any claim or liability for taxes, penalties, or
3 interest arising as a result of the Service Award. Any portion of the Service Award not awarded
4 to Plaintiff shall be added to the Net Settlement Amount and shall be distributed to Participating
5 Class Members as provided in this Agreement.

6 6. Settlement Administration Costs. The Settlement Administrator shall be paid for
7 the reasonable costs of administration of the Settlement from the Gross Settlement Amount,
8 currently estimated at Fifteen Thousand Dollars (\$15,000.00). These costs, which shall be paid
9 from the Gross Settlement Amount, shall include, *inter alia*, the required tax reporting on the
10 Individual Settlement Payments and Individual PAGA Payments, the issuance of W-2 and 1099
11 IRS Forms, establishing a Qualified Settlement Fund, administering and distributing the Gross
12 Settlement Amount, PAGA Payment, Service Award, and Class Counsel Award, and providing
13 necessary reports and declarations. Any portion of the Settlement Administration Costs not
14 allowed shall be added to the Net Settlement Amount and shall be distributed to Participating
15 Class Members as provided in this Agreement.

16 7. PAGA Payment. Subject to Court approval, the Parties agree that the amount of
17 One Hundred Thousand Dollars (\$100,000.00) of the Gross Settlement Amount shall be
18 designated for satisfaction of claims for civil penalties under the PAGA. The Settlement
19 Administration shall pay seventy-five percent (75%) of the PAGA Payment, *i.e.*, the sum of
20 Seventy-Five Thousand Dollars (\$75,000.00), to the LWDA. The remaining twenty-five percent
21 (25%), *i.e.*, the sum of Twenty-Five Thousand Dollars (\$25,000.00) ("Net PAGA Penalties"),
22 shall be distributed to PAGA Settlement Employees as per this Agreement.

23 8. Net PAGA Penalties. The Net PAGA Penalties shall be used to satisfy Individual
24 PAGA Payments to PAGA Settlement Employees in accordance with the terms of this
25 Agreement. The Settlement Administrator will allocate the Individual PAGA Payments by first
26 dividing the Net PAGA Penalties by the total number of workweeks worked by PAGA
27 Settlement Employees during the PAGA Period. That value will then be multiplied by the
28 number of workweeks worked by each respective PAGA Settlement Members in a non-exempt

1 position during the PAGA Period. PAGA Settlement Employees are entitled to 100% of the Net
2 PAGA Penalties. Defendants maintain no reversionary right to any portion of the Net PAGA
3 Penalties.

4 9. Net Settlement Amount. The Net Settlement Amount shall be used to satisfy
5 Individual Settlement Payments to Participating Class Members in accordance with the terms
6 of this Agreement. The Settlement Administrator will allocate the Individual Settlement
7 Payments by dividing the Net Settlement Amount by the total number of workweeks worked by
8 Class Members in a non-exempt position during the Class Period. The result will then be
9 multiplied by the number of workweeks each Participating Class Member worked in a non-
10 exempt position during the Class Period to calculate the amount owed to that individual. The
11 payments to Participating Class Members will be reduced by any required legal deductions for
12 each Participating Class Member. Participating Class Members are entitled to 100% of the Net
13 Settlement Amount. Defendants maintain no reversionary right to any portion of the Net
14 Settlement Amount. If there are any timely submitted Requests for Exclusion, the Settlement
15 Administrator shall proportionately increase the Individual Settlement Payments for each
16 Participating Class Member so that the amount actually distributed to Participating Class
17 Members equals 100% of the Net Settlement Amount.

18 10. Calculation of Gross Settlement Amount & Escalation Clause. The Gross
19 Settlement Amount was calculated with, and is premised on, Defendants' representation that
20 Class Members worked approximately 96,384 workweeks during the Class Period. If the actual
21 number of workweeks worked by the Class Members exceeds 96,384 by more than ten percent
22 (10%) (*i.e.*, if the workweeks exceed 106,022), Defendants shall have the option to either: (1)
23 cut off the end date of the Class Period so that the total number of workweeks reaches 106,022,
24 or (2) increase the Gross Settlement Amount on a proportional basis equal to the percentage
25 increase in number of workweeks worked by the Class Members above the 10% (*e.g.*, if there
26 was an 11% increase in the number of workweeks during the Class Period, Defendants may
27 agree to increase the Gross Settlement Amount by 1%).

28 11. No Credit Toward Benefit Plans. The Individual Settlement Payments made to

1 Participating Class Members, the Individual PAGA Payments made to PAGA Settlement
2 Employees, and the Service Award made to Plaintiff, as well as any other payments made
3 pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any
4 benefit plans to which any Participating Class Members or PAGA Settlement Employees may
5 be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock
6 purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plans. Rather,
7 it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts
8 to which any Participating Class Member or PAGA Settlement Employee may be entitled under
9 any benefit plans.

10 12. Settlement Administration Process. The Parties agree to cooperate in the
11 administration of the Settlement and to make all reasonable efforts to control and minimize the
12 costs and expenses incurred in the administration of the Settlement. The Settlement
13 Administrator shall provide the following services:

- 14 a. Establish and maintain a Qualified Settlement Fund account;
- 15 b. Calculate the amount of the Settlement each Class Member and PAGA
16 Settlement Employee is eligible to receive;
- 17 c. Verify the last known address for each Class Member and PAGA
18 Settlement Employee through a generally utilized, national address update database prior to
19 mailing the Class Notice;
- 20 d. Print and mail the Class Notice;
- 21 e. Establish and maintain a toll-free informational telephone support line to
22 assist Class Members who have questions regarding the Class Notice;
- 23 f. Conduct additional address searches for mailed Class Notices that are
24 returned as undeliverable and, to the extent new and more current addresses are found, also
25 reprint and re-mail Class Notices accordingly;
- 26 g. Field inquiries from Class Members and administer any Requests for
27 Exclusion. This service will include settlement proceed calculations, printing and issuance of
28 checks, and preparation of W-2 and 1099 Forms;

1 h. Distribute and pay the Service Award, Individual Settlement Payments,
2 Individual PAGA Payments, the LWDA's portion of the PAGA Payment, and fees and costs
3 awarded to Class Counsel; and

4 i. Provide declarations and/or other information to the Court as requested.

5 13. Delivery of the Class Data. Within fifteen (15) business days of Preliminary
6 Approval, Defendants shall provide the Class Data to the Settlement Administrator. The
7 Settlement Administrator will treat the Class Data as confidential as noted in paragraph 5 above.
8 The Settlement Administrator will not provide Class Data to Class Counsel, except for the
9 number of workweeks corresponding with the Settlement Administrator's calculations provided
10 to both Class Counsel and Defendants' counsel.

11 14. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the
12 Class Data from Defendants, the Settlement Administrator shall mail the Class Notice to all
13 Class Members via regular First-Class U.S. Mail, using the most current, known mailing
14 addresses identified in the Class Data.

15 15. Confirmation of Contact Information in the Class Data. Prior to mailing, the
16 Settlement Administrator shall perform a search based on the National Change of Address
17 Database for information to update and correct for any known or identifiable address changes.

18 16. Class Notices. All Class Members will be mailed a Class Notice, which is
19 approved by the Parties. Each Class Notice will provide: (1) information regarding the nature of
20 the Action; (2) a summary of the Settlement's principal terms; (3) the Class definition; (4) each
21 Class Member's estimated Individual Settlement Payment and the formula for calculating
22 Individual Settlement Payments, if they do not request to be excluded; (5) each PAGA
23 Settlement Employee's estimated Individual PAGA Payment and the formula for calculating
24 Individual PAGA Payments; (6) the dates that comprise the Class Period and PAGA Period; (7)
25 instructions on how to submit a valid Request for Exclusion or Notice of Objection; (8) the
26 deadline by which the Class Member must submit a Request for Exclusion or Notice of
27 Objection; (9) the date for the final approval hearing; and (10) the claims to be released. The
28 Class Notice will also inform Class Members that, in order to receive the Individual Settlement

1 Payment and Individual PAGA Payment, they do not need to do anything except keep the
2 Settlement Administrator apprised of their current mailing addresses.

3 17. Re-Mailing of Returned Notices. Any Class Notice returned to the Settlement
4 Administrator as non-deliverable on or before the Response Deadline shall be re-sent promptly
5 via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement
6 Administrator shall indicate the date of such re-mailing on the Class Notice. If no forwarding
7 address is provided, the Settlement Administrator shall promptly attempt to determine the
8 correct address using a skip-trace, or other search using the name, address and/or Social Security
9 Number of the Class Member involved and shall then perform a re-mailing.

10 18. Request for Exclusion Procedures. Any Class Member, other than Plaintiff, may
11 opt-out from the Settlement by submitting a written Request for Exclusion to the Settlement
12 Administrator postmarked by the Response Deadline. A Request for Exclusion must: (1) clearly
13 state that the Class Member does not wish to be included in the Settlement; (2) set forth the
14 name, address, telephone number, and last four digits of the Social Security Number of the Class
15 Member requesting exclusion; (3) be signed by the Class Member; (4) be returned by mail to
16 the Settlement Administrator at the specified address indicated in the Class Notice; and (5) be
17 postmarked on or before the Response Deadline. The date of the postmark shall be the exclusive
18 means to determine whether a Request for Exclusion is timely. By submitting such a Request
19 for Exclusion, a Class Member shall be deemed to have exercised his or her option to opt out of
20 the Settlement and not be bound by this Agreement, except that in light of the binding nature of
21 a PAGA judgment on non-party employees, Class Members employed during the PAGA Period
22 who exclude themselves from this Settlement shall still be bound by the Released PAGA Claims.
23 At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class
24 Members to submit a Request for Exclusion. Class Counsel shall not represent any Class
25 Members with respect to any such request.

26 19. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
27 Member who does not affirmatively opt-out of the Settlement by submitting a valid and timely
28 Request for Exclusion shall be bound by all terms of the Settlement to the fullest possible extent,

1 including those pertaining to the Released Claims, as well as any Judgment that may be entered
2 by the Court. Additionally, Class Members employed during the PAGA Period shall be bound
3 by the Released PAGA Claims, as well as any Judgment that may be entered by the Court
4 thereon, regardless of whether they opt-out of the Settlement.

5 20. Objection Procedures. Any Class Member who does not opt-out of this Settlement
6 shall be entitled to object to the Settlement. To object to the Settlement, a Class Member should
7 return by mail a written statement of objection to the Settlement Administrator at the specified
8 address by the Response Deadline. The Notice of Objection must include: (1) the objector's full
9 name, signature, address, and telephone number; (2) a written statement of the basis for the
10 objection; and (3) any copies of papers, briefs, or documents upon which the objection is based.
11 However, any Class Member who does not submit a timely Notice of Objection may
12 nevertheless appear at the Final Approval Hearing and present an oral objection to the
13 Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise
14 encourage Class Members to submit written objections to the Settlement or appeal from the
15 Order and Judgment. Class Counsel shall not represent any Class Members with respect to any
16 such objections to this Settlement. Any Class Member who submits a valid Request for
17 Exclusion shall not be allowed to object to this Settlement. No later than five (5) days after the
18 Response Deadline, the Settlement Administrator shall provide Defense Counsel with a
19 complete list of all Class Members who have timely and properly requested exclusion from the
20 Class.

21 21. Defendants' Right to Rescind. If four percent (4%) or more of the Class submit a
22 timely and valid Request for Exclusion, Defendants will have sole and absolute discretion to
23 rescind/void this Agreement. Defendants must exercise the option to rescind within fifteen (15)
24 calendar days of Defense Counsel receiving from the Settlement Administrator the complete list
25 of Class Members who have submitted timely and valid Requests for Exclusion from the
26 Settlement. If Defendants exercise this right to void the Agreement, then the Parties will have
27 no further obligations under the Agreement, including, without limitation, any obligation by
28 Defendants to pay the Gross Settlement Amount, or any amounts that otherwise would have

1 been owed under this Agreement, except that Defendants shall pay all Settlement Administration
2 Costs incurred by the Settlement Administrator up to the date of Defendants' notice to rescind.
3 In the event the Settlement is terminated, the Parties shall proceed in all respects as if this
4 Agreement had not been executed. The Parties agree that they will not encourage any Class
5 Member to object to the Settlement or to opt out.

6 22. Settlement Administrator's Reports of Information. The Settlement Administrator
7 shall provide Defense Counsel and Class Counsel a weekly report which certifies the number of
8 Class Members who have submitted valid Requests for Exclusion. Additionally, the Settlement
9 Administrator will provide to counsel for both Parties any updated reports regarding the
10 administration of the Settlement as needed or requested. The Settlement Administrator shall also
11 forward to Parties' counsel any Notices of Objection received immediately upon receipt. Further,
12 the Settlement Administrator shall immediately forward any Request for Exclusion to the
13 Parties' counsel so that they can determine whether the Request for Exclusion is valid and timely.

14 23. Distribution of Payments. Within fourteen (14) calendar days of Defendants
15 funding the Gross Settlement Amount, the Settlement Administrator shall pay: (1) the Individual
16 Settlement Payments to Participating Class Members and Individual PAGA Payments to PAGA
17 Settlement Employees; (2) the Labor and Workforce Development Agency seventy-five percent
18 (75%) of the PAGA Payment; (4) the Service Award to Plaintiff; and (5) Class Counsel Award
19 to Class Counsel. The Settlement Administrator shall also issue a payment to itself for services
20 performed in connection with the Settlement.

21 24. Non-Negotiated Settlement Checks. Settlement Payment Checks shall be
22 negotiable until one hundred and eighty (180) calendar days after mailing to the Participating
23 Class Members and PAGA Settlement Employees. Those funds represented by settlement
24 checks returned as undeliverable and the funds which correspond with the settlement checks
25 that are not negotiated within one hundred and eighty (180) calendar days after mailing shall be
26 transferred to the Stockton Food Bank, the designated *cy pres* recipient, pursuant to Code of
27 Civil Procedure § 384.

28 25. Certification of Completion. Upon completion of administration of the Settlement,

1 the Settlement Administrator shall provide a written declaration under oath to certify such
2 completion to the Court and counsel for all Parties.

3 26. Tax Allocation of Individual Settlement Payments. All Individual Settlement
4 Payments shall be allocated as follows: seventy percent (70%) as penalties, interest, and
5 reimbursement under Labor Code § 2802, and reported on an IRS Form 1099; and thirty percent
6 (30%) shall be attributed to wages and reported via an IRS Form W-2. Participating Class
7 Members are responsible for their share of the payroll taxes, which shall be deducted from their
8 Individual Settlement Payments. thyssenkrupp Materials NA, Inc., thyssenkrupp Supply Chain
9 Services NA Inc., and CorTech West Staffing, LLC are responsible for their respective employer
10 share of payroll taxes, in addition to the Gross Settlement Amount, and these taxes will not be
11 deducted from the Gross Settlement Amount.

12 27. Tax Allocation of Individual PAGA Payments. All Individual PAGA Payments
13 shall be allocated 100% as penalties. The amount of payment shall be reported on an IRS Form
14 1099 by the Settlement Administrator.

15 28. Administration of Taxes by the Settlement Administrator. The Settlement
16 Administrator shall be responsible for issuing to Plaintiff, Participating Class Members, PAGA
17 Settlement Employees, and Class Counsel, 1099 forms or other tax forms as may be required by
18 law for all amounts paid pursuant to this Agreement.

19 29. Tax Liability. Defendants, Defense Counsel, the Settlement Administrator, and
20 Class Counsel make no representation as to the tax treatment or legal effect of the payments
21 called for hereunder, and Plaintiff and Participating Class Members are not relying on any
22 statement, representation, or calculation by Defendants, Defense Counsel, Class Counsel, or by
23 the Settlement Administrator in this regard. Plaintiff and Participating Class Members
24 understand and agree that they will be solely responsible for the payment of any and all taxes
25 and penalties assessed on their respective payments described herein and will defend, indemnify,
26 and hold Defendants, Defense Counsel, Class Counsel, and the Settlement Administrator free
27 and harmless from and against any claims resulting from treatment of such payments as non-
28 taxable penalties/damages.

30. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

D. RELEASE OF CLAIMS BY PLAINTIFF AND THE CLASS

1. Release of Claims by Plaintiff and Participating Class Members. Upon the payment of the Gross Settlement Amount, Plaintiff and all Participating Class Members, hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised,

1 relinquished, and discharged, to the fullest extent possible, any and all of the Released Parties
2 of and from any and all Released Claims.

3 2. Release of Claims by PAGA Settlement Employees. Upon the payment of the
4 Gross Settlement Amount, Plaintiff and all PAGA Settlement Employees, hereby do and shall
5 be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and
6 discharged, to the fullest extent possible, any and all of the Released Parties of and from any
7 and all Released PAGA Claims.

8 **E. FINAL AND PRELIMINARY APPROVAL**

9 1. Preliminary Approval Hearing. Plaintiff shall obtain a hearing before the Court to
10 request the Preliminary Approval of the Settlement, conditional certification of the Class, and
11 the entry of a Preliminary Approval Order: (i) approving of the proposed Settlement, and (ii)
12 setting a date for a Final Approval/Settlement Fairness Hearing. The Preliminary Approval
13 Order shall provide for the Class Notice to be sent to all Class Members as specified herein. In
14 conjunction with the Preliminary Approval hearing, Plaintiff shall submit this Agreement, which
15 sets forth the terms of this Settlement, and will include the proposed Class Notice, attached to
16 this Agreement as **Exhibit A**.

17 2. Final Settlement Approval Hearing. Upon expiration of the deadlines to submit
18 Requests for Exclusion or Notices of Objection to the Settlement, and with the Court's
19 permission, a Final Approval/Settlement Fairness Hearing shall be conducted to determine the
20 Final Approval of the Settlement along with the amounts properly payable for (i) Individual
21 Settlement Payments; (ii) the PAGA Payment; (iii) the Class Counsel Award; (iv) the Service
22 Award; and (v) Settlement Administration Costs. Class Counsel will be responsible for drafting
23 all documents necessary to obtain final approval. Class Counsel will also be responsible for
24 drafting the attorneys' fees and costs application to be heard at the Final Approval Hearing.

25 3. Entry of Judgment and Continued Jurisdiction of the Court. Concurrent with the
26 Motion for Final Approval, the Parties shall also jointly seek the entry of Judgment consistent
27 with the terms of this Agreement. After entry of the Judgment, the Court shall have continuing
28 jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms

of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.

4. Dismissal of the Class Action. Within seven (7) calendar days of notice of the Court's entry of final judgment approving the terms of the Settlement, and the time to appeal has expired, the Parties shall prepare and file a joint stipulation of voluntary dismissal with prejudice in the Class Action.

5. Nullification of Settlement. In the event that the Settlement does not become final for any reason, then this Agreement, and any documents generated to bring it into effect, shall be null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall likewise be treated as void from the beginning.

F. CLASS CERTIFICATION & NON-ADMISSION OF LIABILITY

1. Class Action Certification. The Parties are agreeing to class certification for settlement purposes only. This Agreement shall not constitute, in this or any other proceeding, an admission of any kind by Defendants, including without limitation, that certification of a class for trial or any other purpose is appropriate or proper or that Plaintiff or any Class Member can establish any of the requisite elements for class treatment of any of the claims in this Action. If, for any reason, the Settlement is not finally approved, this Agreement will be void and the Parties will be restored to their respective positions in the lawsuit as if they had not entered into this Agreement. The Parties further agree that this Agreement or any documents or orders issued related to this Settlement will not be admissible, other than according to the Settlement's terms, in this or any other proceeding as evidence that either: (i) a class action should be certified, or (ii) Defendants are liable to Plaintiff or any Class Member.

2. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, that they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any

misrepresentation or deception; or engaged in any other unlawful conduct with respect to their employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants of any such violations or failures to comply with any applicable law, regulation, or legal requirement. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission of any nature on the part of Defendants, or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

G. DISPUTES

1. Disputes Regarding Language of Settlement Agreement. If the Parties have a dispute with regard to the language of the Agreement, the Parties agree to attempt to informally resolve the dispute by engaging Michael Loeb, Esq. to mediate such dispute.

2. Disputes Regarding Individual Settlement Payments. In the event that Class Members have a dispute as to the data provided by Defendants, Class Members will have the opportunity to provide documentation and/or an explanation. Absent evidence rebutting Defendants' records, Defendants' records will be presumed determinative. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments and Individual PAGA Payments under the terms of this Agreement, and that determination shall be binding.

3. Disputes Regarding Administration of Settlement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court under the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court.

4. Enforcement Actions. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of

1 this Settlement, or to declare rights and/or obligations under this Settlement, the prevailing Party
2 or Parties shall be entitled to recover from the non-prevailing Party or Parties reasonable
3 attorneys' fees and costs, including expert witness fees incurred in connection with any
4 enforcement actions.

5 **H. TERMINATION**

6 1. Subject to the obligation(s) of mutual full cooperation set forth herein, either
7 Plaintiffs or Defendants may terminate this Settlement if after submitting this Agreement to
8 the Court for approval, any Court declines to enter the preliminary approval order, the final
9 approval order, or judgment in substantially the form submitted by the Parties, or if an appeal
10 opposing the judgment is not ultimately dismissed. The terminating Party shall give to the
11 other Party (through its/their counsel) written notice of its decision to terminate no later than
12 fourteen (14) calendar days after receiving notice that one of the enumerated events has
13 occurred. Termination shall have the following effects:

- 14 a. The Settlement Agreement shall be terminated and shall have no force or effect,
15 and no Party shall be bound by any of its terms.
- 16 b. In the event the Settlement Agreement is terminated, Defendants shall have no
17 obligation to make any payments to any party, Settlement Class Member, or
18 attorney, and the Gross Settlement Amount in its entirety in the escrow account
19 shall revert to Defendants. If there are any fees incurred by the Settlement
20 Administrator and the settlement is terminated by any Defendant, that Defendant
21 shall solely be responsible for any costs and fees incurred by the Settlement
22 Administrator.
- 23 c. The preliminary approval order, final approval order, and judgment shall be
24 vacated.
- 25 d. The Stipulation of Settlement and all negotiations, statements and proceedings
26 relating to same shall be without prejudice to the rights of any of the Parties, all
27 of whom shall be restored to their respective positions prior to the Settlement.
- 28 e. Except as otherwise discoverable or specially noted herein, neither this

Agreement, the Memorandum of Understanding, nor any ancillary documents, actions, statements, or filings in furtherance of settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Actions or any other action for any purpose whatsoever.

I. MISCELLANEOUS TERMS

1. Confidentiality Preceding Preliminary Approval. The Parties and their counsel agree to keep the terms of the Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Any confidentiality associated with the terms of this Settlement shall expire upon the filing by Class Counsel of the Motion for Preliminary Approval with the Court, except that the negotiations and discussions preceding submission of the Settlement to the Court for preliminary approval shall remain strictly confidential, unless otherwise agreed to by the Parties or unless otherwise ordered by the Court. Further, the Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, post information on any social media or website, or have any communication with the press about the fact, amount, or terms of the Settlement. Plaintiff and Class Counsel agree that if contacted by the press regarding this case, they will only state that the Actions exist and has been resolved. This provision shall not prohibit Class Counsel from communicating with Class Members after preliminary approval is granted or if contacted by such Class Members. Nothing in this provision prohibits Defendants from disclosing the terms of this Settlement prior to Plaintiff's Motion for Preliminary Approval in connection with public reporting requirements, nor does anything in this provision prohibit the Parties or their counsel from disclosing the terms of the Settlement prior to Plaintiff's Motion for Preliminary Approval as may be required by law.

2. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they 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 right herein released and discharged.

3. Exhibits Incorporated by Reference. The terms of this Agreement include the

terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement.

4. Entire Agreement. This Agreement and any attached Exhibits constitute the entirety of the Parties' Settlement terms. No other prior or contemporaneous written or oral negotiations or agreements may be deemed binding on the Parties.

5. Amendment or Modification. This Agreement may be amended or modified only by a written instrument signed by the Parties, their successors-in-interest, or their counsel.

6. Authorization to Enter into Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by the Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best and good-faith efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

7. Execution and Counterparts. This Agreement is subject only to the execution of all Parties. However, the Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, DocuSign, and scanned copies of the signature page, shall be deemed to be one and the same instrument provided that counsel for the Parties shall exchange among themselves original signed counterparts.

8. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors, heirs, or assigns of the Parties hereto, as previously defined.

9. California Law Governs. All terms of this Agreement and Exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

10. Invalidity of Any Provision. Before declaring any provision of this Agreement

1 invalid, the Court shall first attempt to construe the provision as valid to the fullest extent
2 possible consistent with applicable precedents so as to define all provisions of this Agreement
3 valid and enforceable. Any invalid, illegal, or unenforceable provision determined by the Court
4 shall in no way affect any other provision if Defendants and Class Counsel, on behalf of the
5 Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal,
6 or unenforceable provision had never been included in this Agreement.

7 11. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
8 that Plaintiff or Class Counsel may appeal any reduction in the Class Counsel Award below the
9 amount Class Counsel requests, and either Party may appeal any order that materially alters the
10 Agreement's terms.

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

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

18 14. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms
19 and conditions of this Agreement. Accordingly, this Agreement shall not be construed more
20 strictly against one Party than another merely by virtue of the fact that it may have been prepared
21 by counsel for one of the Parties, it being recognized that, because of the arm's-length
22 negotiations between the Parties, all Parties have contributed to the preparation of this
23 Agreement.

24 15. Representation by Counsel. The Parties acknowledge that they have been
25 represented by counsel throughout all negotiations that preceded the execution of this
26 Agreement, and that this Agreement has been executed with the consent and advice of counsel.
27 Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the
28 Agreement.

16. Cooperation and Execution of Necessary Documents. All Parties shall cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

17. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement shall be fully enforceable and binding on all Parties and agree that it shall be admissible and subject to disclosure in any proceeding to enforce its terms.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and Representative Action Settlement between Plaintiff and Defendants.

PLAINTIFF CURTIS WHITE

Dated: 03/28/2024, 2024

DocuSigned by:



Curtis White

DEFENDANT CORTECH WEST STAFFING, LLC

Dated: _____, 2024



Michael Greco (Name)

General Counsel (Title)

On behalf of CorTech West Staffing, LLC

DEFENDANT THYSSENKRUPP MATERIALS NA, INC.

Dated: _____, 2024

(Name)

(Title)

On behalf of thyssenkrupp Materials NA, Inc.

16. Cooperation and Execution of Necessary Documents. All Parties shall cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

17. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement shall be fully enforceable and binding on all Parties and agree that it shall be admissible and subject to disclosure in any proceeding to enforce its terms.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and Representative Action Settlement between Plaintiff and Defendants.

PLAINTIFF CURTIS WHITE

Dated: _____, 2024

Curtis White

**DEFENDANT CORTECH WEST STAFFING,
LLC**

Dated: _____, 2024

(Name)

(Title)

On behalf of CorTech West Staffing, LLC

**DEFENDANT THYSSENKRUPP
MATERIALS NA, INC.**

Dated: _____, 2024

1 Nishu Gosh (Name)

CFD (Title)

On behalf of thyssenkrupp Materials NA, Inc.

16. Cooperation and Execution of Necessary Documents. All Parties shall cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Agreement.

17. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement shall be fully enforceable and binding on all Parties and agree that it shall be admissible and subject to disclosure in any proceeding to enforce its terms.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and Representative Action Settlement between Plaintiff and Defendants.

PLAINTIFF CURTIS WHITE

Dated: 03/28/2024, 2024

DocuSigned by:

 0022156A9F14A0...
 Curtis White

**DEFENDANT CORTECH WEST STAFFING,
LLC**

Dated: _____, 2024

(Name)
(Title)

On behalf of CorTech West Staffing, LLC

**DEFENDANT THYSSENKRUPP
MATERIALS NA, INC.**

Dated: _____, 2024

_____(Name)
_____(Title)
On behalf of thyssenkrupp Materials NA, Inc.

**DEFENDANT THYSSENKRUPP SUPPLY
CHAIN SERVICES NA, INC.**

Dated: April 30, 2024



Christopher Merz (Name)
President & CEO (Title)
On behalf of thyssenkrupp Supply Chain Services
NA, Inc.

DEFENDANT TESLA, INC.

Dated: _____, 2024

(Name)
(Title)
On behalf of Tesla, Inc.

APPROVED AS TO FORM:

**FITZPATRICK & SWANSTON
DIVERSITY LAW GROUP, P.C.**

Dated: April 2, 2024



B. James Fitzpatrick
Laura L. Franklin
Larry W. Lee
Christine S. Lee
*Attorneys for Plaintiff Curtis White and Proposed
Class Counsel*

LITTLER MENDELSON, P.C.

Dated: April 30, 2024



Chad D. Greeson
Nicholas Gioiello
*Attorneys for Defendants thyssenkrupp Supply
Chain Services, NA, Inc. and thyssenkrupp
Materials NA, Inc.*

**DEFENDANT THYSSENKRUPP SUPPLY
CHAIN SERVICES NA, INC.**

Dated: _____, 2024

(Name)
(Title)

On behalf of thyssenkrupp Supply Chain Services
NA, Inc.

DEFENDANT TESLA, INC.

Dated: April 30 _____, 2024



James Y. Wu (Name)
Managing Counsel, Employment Litigation (Title)

On behalf of Tesla, Inc.

APPROVED AS TO FORM:

**FITZPATRICK & SWANSTON
DIVERSITY LAW GROUP, P.C.**

Dated: April 2 _____, 2024



B. James Fitzpatrick
Laura L. Franklin
Larry W. Lee
Christine S. Lee
*Attorneys for Plaintiff Curtis White and Proposed
Class Counsel*

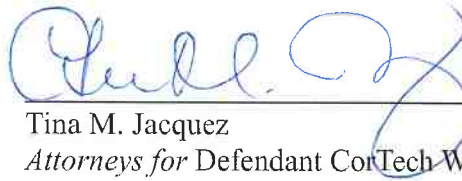
LITTLER MENDELSON, P.C.

Dated: _____, 2024

Chad D. Greeson
Nicholas Gioiello
*Attorneys for Defendants thyssenkrupp Supply
Chain Services, NA, Inc. and thyssenkrupp
Materials NA, Inc.*

**SOLTMAN, ~~LEVITT, FLAHERTY~~ &
WATTLES LLP**

Dated: April 30, 2023


Tina M. Jacquez
Attorneys for Defendant CorTech West Staffing, LLC

MORGAN, LEWIS & BOCKIUS LLP

Dated: _____, 2023

Brian Berry
Andrea Fellion
Attorneys for Defendant Tesla, Inc.

**SOLTMAN, LEVITT, FLAHERTY &
WATTLES LLP**

Dated: _____, 2023

Tina M. Jacquez
*Attorneys for Defendant CorTech West Staffing,
LLC*

MORGAN, LEWIS & BOCKIUS LLP

Dated: April 30 _____, 2023



Brian Berry
Andrea Fellion
Attorneys for Defendant Tesla, Inc.

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN JOAQUIN

NOTICE OF CLASS ACTION SETTLEMENT

PLEASE READ CAREFULLY AS
THIS NOTICE MAY AFFECT YOUR RIGHTS

CURTIS WHITE on behalf of himself and all similarly aggrieved employees, Plaintiff, vs. CORTECH WEST STAFFING, LLC; THYSSENKRUPP MATERIALS NA, INC.; THYSSENKRUPP SUPPLY CHAIN SERVICES NA INC.; TESLA, INC. dba TESLA MOTORS, INC.; and DOES 1 through 50, inclusive Defendants	CASE No. STK-CV-UOE-2023-0000029 JUDGE: Hon. Banuelos, Blanca DEPARTMENT: C-71 NOTICE OF CLASS ACTION SETTLEMENT
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**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.
PLEASE READ THIS NOTICE CAREFULLY.**

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains that a settlement has been reached in the case entitled *CURTIS WHITE v. CORTECH WEST STAFFING, LLC; et al.*, Case No. STK-CV-UOE-2023-0000029 (the “Action”).

This notice is to inform you of the proposed Settlement of the Action. The notice is also intended (i) to describe the Settlement, including how the Settlement monies will be allocated and how the Settlement may affect you; and (ii) to advise you of your rights and options with respect to the Settlement.

You are receiving this notice by order of the Court because the records of CorTech West Staffing, LLC (hereafter “CorTech”) and Thyssenkrupp Supply Chain Services NA, Inc. (hereafter “tk Supply”), indicate that you are either: (1) a current or former non-exempt employee of tk Supply, who worked for tk Supply in California at any time during the time period from October 24, 2018, through January 28, 2024; and/or (2) a non-exempt employee of CorTech assigned to work at Telsa’s Livermore and/or Lathrop, California Production facilities managed by tk Supply at any time during the time period from October 24, 2018, through January 28, 2024 (the “Class”). As a result, **you are eligible to receive a portion of the settlement amount.**

WHAT IS THIS LAWSUIT ABOUT?

On January 3, 2023, a former CorTech and tk Supply employee, in California, filed a lawsuit in which he alleged violations of California wage-and-hour laws. This lawsuit is brought on a class action and representative basis as to CorTech’s employees assigned to work at Telsa’s production facilities in Livermore and/or Lathrop and tk Supply’s current and former non-exempt employees in California.

The Class Action alleges that CorTech and tk Supply failed to provide meal periods or compensation in lieu thereof; to provide rest breaks or compensation in lieu thereof; to pay hourly and overtime wages; to provide compliant wage statements; to pay all wages upon termination; and to reimburse employees for all business-related expenses. The Class Action also alleges violations under the California Business and

Professions Code §§ 17200 et seq. based on the foregoing state law claims. The lawsuit also seeks penalties under California’s Private Attorneys General Act (“PAGA”) set forth in California Labor Code §§ 2698 et seq. The individual who is suing CorTech and tk Supply is referred to in this document as “Plaintiff.” Plaintiff’s attorneys, Fitzpatrick & Swanston and Diversity Law Group, P.C., have been litigating the Action in State and Federal Court prior to this settlement.

CorTech, tk Supply, and Tesla Inc. (collectively, “Defendants”) expressly deny any liability or wrongdoing of any kind associated with the claims alleged in the Action and those released as part of the settlement of the Action. Defendants further deny all material allegations set forth in the Action and have asserted numerous affirmative defenses. Defendants deny all wrongdoing and maintain, among other things, they have complied with federal and California law, including wage-and-hour laws, in all respects claims and that the members of the Class have been paid all monies that were due to them.

The Court has not ruled on whether Plaintiff’s allegations have any merit. However, in order to avoid the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, Plaintiff and Defendants have negotiated a settlement whereby Defendants have agreed to pay up to \$750,000.00 to resolve the matter. As a Class Member, you are eligible to receive a portion of this amount.

This settlement is **not** an admission by Defendants of any liability.

SUMMARY OF THE SETTLEMENT

B. Who is a Class Member?

“Class Member” means all current and former non-exempt employees of tk Supply who worked for tk Supply in California at any time during the time period from October 24, 2018, through January 28, 2024; and all non-exempt employees of CorTech assigned to work at Tesla’s Livermore and/or Lathrop, California Production facilities managed by tk Supply at any time during the time period from October 24, 2018, through January 28, 2024.

C. Who is a PAGA Employee?

The Settlement includes PAGA Employees comprised all current and former non-exempt employees employed as W-2 employees by tk Supply in California at any time during the time period from October 25, 2021, through January 28, 2024; and (2) all current and former non-exempt employees employed as W-2 employees by CorTech on assignment at Tesla’s Livermore and/or Lathrop, California Production facilities managed by tk Supply at any time during the time period from October 25, 2021, through January 28, 2024.

D. What does the Settlement provide?

1. Gross Settlement Amount.

The Settlement provides that Defendants will pay Seven Hundred And Fifty Thousand Dollars and Zero Cents (\$750,000) to settle the lawsuit.

2. Net Settlement Proceeds.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange

for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts that will be requested at the Final Approval Hearing and are subject to comment or objection by Participating Class Members. The Court will fix these amounts at the Final Approval Hearing.

(a) **Class Counsel Fees Payment** in an amount set by the Court, not to exceed one-third of the settlement value (or \$250,000);

(b) **Class Counsel Litigation Expenses Payment** in an amount not to exceed \$30,000;

(c) **Class Representative Payment/Plaintiff's Individual Settlement Payment** in an amount set by the Court, not to exceed \$5,000 for Plaintiff's service in the lawsuit and settlement of his individual claims in the lawsuit;

(d) **Settlement Administration Costs** which are currently estimated to not exceed \$15,000, for administering the settlement; and

(e) **PAGA Settlement** in the total amount of not more than \$100,000 for the settlement of claims arising under the California Private Attorneys General Act ("PAGA"). 75%, or \$75,000, shall be paid to the California Labor and Workforce Development Agency. The remaining 25%, or \$25,000, shall be paid to the PAGA Employees.

3. Individual Settlement Payment.

Your share of the Net Settlement Amount and PAGA Settlement Amount will be determined by the formula detailed in section F below.

E. What Are You Exchanging To Get A Payment?

Subject to Defendants' payment of the Gross Settlement Amount, in exchange for the consideration set forth in the Parties' Agreement, Plaintiff and the Class Members release the Released Parties from the Class Released Claims for the Class Period.

Subject to Defendants' payment of the Gross Settlement Amount, in exchange for the consideration set forth in the Parties' Agreement, the Plaintiff, the PAGA Employees, the LWDA and the State of California release the Released Parties from the Released PAGA Claims for the PAGA Period.

The "Released Parties" are Defendants CorTech West Staffing, LLC; thyssenkrupp Materials NA, Inc.; thyssenkrupp Supply Chain Services NA, Inc.; and Tesla, Inc., and any of their past, present, and future direct or indirect parents, subsidiaries, predecessors, successors, and affiliates, as well as each of their past, present, and future officers, directors, employees, partners, members, owners, shareholders, agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendants.

The "Released Claims" for Class Members who do not submit a timely and valid Election Not to Participate in Settlement Agreement refers to any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of every nature and description whatsoever in law, equity or otherwise, whether known or unknown, contingent or accrued, arising from, related to, or which were alleged or which could have been alleged against Defendants based on the facts that were alleged in the letter submitted by Plaintiff to the Labor and

Workforce Development Agency (“LWDA Letter”) or in any complaint on file in these Actions in any jurisdiction, including claims for: unpaid minimum, overtime or double time wages, and unpaid wages based on the regular rate of pay (Cal. Lab. Code §§ 204, 510, 515, 551, 552, 558, 1194, 1194.2, 1197, 1197.1, 1198, and 1199 and applicable Wage Order); non-compliant meal periods or unpaid meal premiums (Cal. Lab. Code §§ 210, 512, 226.7, and 1198, and applicable Wage Order); non-compliant rest breaks or unpaid rest break premiums (Cal. Lab. Code §§ 210, 226.7 and 1198, and applicable Wage Order); non-compliant wage statements (Cal. Lab. Code §§ 226, 226.3, 1174, and 1175, and applicable Wage Order); untimely wage payment during employment or upon termination (Cal. Lab. Code §§ 201, 202, 203, and 204, and applicable Wage Order); failure to reimburse business expenses, including, but not limited to mandatory safety uniforms, gear required to perform job duties, cell phones, and personal vehicles or mileage reimbursement (Cal. Lab. Code § 2802); unfair competition or unlawful business practices (Bus. & Prof. Code § 17200 et seq. and Common Law); claims for civil penalties pursuant to California’s Private Attorneys General Act of 2004 (“PAGA”, Lab. Code § 2698 et seq.) alleged, or which reasonably could have been alleged, based on the facts alleged in the operative complaints and any PAGA letter sent to the LWDA by Plaintiff in or prior to the Class Actions; claims for interest or penalties including but not limited to waiting time penalties at Lab. Code §§ 201-203, 204, 207, 208, 209, 216, 218, 218.5, 218.6, 223, 225.5, 226, 226.7, 510, 512, 558, 1174, 1175, 1194, 1194.1, 1197, 1197.1, 1198, 1199, 2699, 2800, 2802, 2698 et seq., and the applicable IWC Wage Orders, or premiums in connection with any of the preceding claims, as well as any claims under the California Labor Code, California Industrial Welfare Commission’s Wage Orders, or the California Code of Regulations, which were alleged or which could have been alleged under the same or similar facts alleged in the complaints in these Actions or letters submitted to the LWDA; any claims for injunctive relief, declaratory relief, restitution, fraudulent business practices or punitive damages alleged or which could have been alleged under the facts pleaded in the complaints; and Any and all other claims under California common law, the California Labor Code including the California Private Attorneys General Act (“PAGA”), the Fair Labor Standards Act (“FLSA”), California Industrial Welfare Commission Wage Orders, and the California Business and Professions Code alleged in or that could have been alleged under the same facts pleaded in the Operative Complaint. In addition, to the extent required by law, the cashing of the settlement check by the Settlement Class Member shall be deemed to be an opt-in for purposes of releasing the Released Parties from any claims predicated under the FLSA that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Class Lawsuit.

F. How Is Your Share Of The Settlement Calculated?

Each Participating Class Member (those who do not opt out of the Class Settlement) shall receive an “Individual Settlement Payment.” Each PAGA Employee, whether they opt out of the Class Settlement or not, shall receive an “Individual PAGA Payment.”

Calculation of Individual Settlement Payments to the Class Members. Individual Settlement Payments shall be paid from the Net Settlement Amount and shall be paid pursuant to the formula set forth herein. Individual Settlement Payments will be calculated by (a) dividing the Net Settlement Amount by the total number of Work Weeks (as defined in the Settlement) for all Participating Class Members during the applicable Class Period; and (b) multiplying the result by each Participating Class Member’s Work Weeks. Each Individual Settlement Payment will be reduced by any legally mandated employee tax withholdings (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class Members who submit valid and timely requests for exclusion will be redistributed to Settlement Class Members who do not submit valid and timely requests for exclusion on a pro rata basis.

Calculation of Individual PAGA Payments to the PAGA Employees. Individual PAGA Payments will be calculated by (a) dividing 25% of the PAGA Settlement Amount by the total number of PAGA Pay Periods for all PAGA Employees; and (b) multiplying the result by each PAGA Employee’s PAGA

Pay Periods.

Allocation of Individual Settlement Payments. For tax purposes, Individual Settlement Payments shall be allocated and treated as follows: 30% shall be attributed to wages and reported via an IRS Form W-2 (“Wage Portion”); and 70% as penalties, interest, and reimbursement under Labor Code § 2802, and reported on an IRS Form 1099 (“Non-Wage Portion”). The Wage Portion is subject to all applicable wage withholdings and shall be reported on IRS Form W-2. The Non-Wage Portion shall not be subject to wage withholdings and shall be reported on IRS Form 1099.

Allocation of Individual PAGA Payments. For tax purposes, Individual PAGA Payments shall be allocated and treated as 100% penalties and shall be reported on IRS Form 1099.

Neither Class Counsel nor Defendants’ counsel intend anything contained in this Settlement Notice to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Capitalized terms are defined in the Settlement Agreement. For definitions and more details, please request a copy of the Settlement Agreement.

G. How Much Will Your Payment Be?

[FOR CLASS MEMBERS; NOTE: delete paragraph for anyone who is not a Class Member]
According to the records of Defendants, you worked [] Class Workweeks while employed from October 24, 2018, through January 28, 2024. Based on these Class Workweeks worked, you are entitled to an Individual Settlement Payment of approximately \$[]. This amount is subject to change based on the final ruling of the Court.

[FOR PAGA EMPLOYEES; NOTE: delete paragraph for anyone who is not a PAGA Employee]
According to the records of Defendants, you worked [] PAGA Pay Periods while employed from October 25, 2021, through January 28, 2024. Based on these PAGA Pay Periods worked, you are entitled to an Individual PAGA Payment of approximately \$[]. This amount is subject to change based on the final ruling of the Court.

Please be advised that the individual data above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the data, please submit an explanation and evidence in support of your position to the Settlement Administrator no later than [], 2024. In the event of a dispute, the Settlement Administrator will resolve the challenge with input from the Defendants and will make a final determination.

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the “Final Settlement Hearing”) on [], at [] a.m./p.m., in Department [] of the San Joaquin County Superior Court, located at 180 E. Weber Ave. Stockton, CA 95202. The Court will determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Class Members and PAGA Employees; (iii) whether the Participating Class Members and PAGA Employees should be bound by the terms of the settlement; (iv) the amount of the attorneys’ fees and costs to be awarded to Plaintiff’s Attorneys; and (v) the amount that should be awarded to Plaintiff as an enhancement payment and/or for settlement of Plaintiff’s individual claims. At the Final Settlement

Hearing, the Court will hear all properly filed objections, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move, you must update your address with the Settlement Administrator. If you disagree with pre-printed data indicated in section G above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than [REDACTED]. The Settlement Administrator's address is [Settlement Administrator address].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed settlement in writing by filing a Notice of Objection. The Notice of Objection, if in writing, must be signed by you and state: (1) the case name and number; (2) your name; (3) your address; (4) the basis for your objection; and (5) whether you intend to appear at the Final Approval/Settlement Fairness Hearing. If you fail to make objections in writing in the manner specified above, you may still make an objection orally at the Final Settlement Hearing, either in person or through an attorney at your own expense, with the Court's permission.

Written objections must be postmarked no later than [REDACTED] to the Settlement Administrator at [Settlement Administrator address].

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

If you are a Class Member, you have a right to exclude yourself ("opt out") from the Class, but if you choose to do so, you will not receive any benefits from the proposed settlement of the Class Released Claims and you will be barred from objecting to the settlement. You will not be bound by a judgment in this case (except that, if you are also a PAGA Employee, you will be bound by the Released PAGA Claims release in section E above, whether you opt out or not) and you will preserve your right to pursue the Released Claims subject to applicable statute of limitations. You can opt out of the Class by sending the enclosed Request for Exclusion form to the Settlement Administrator at [Settlement Administrator address]. Your Request for Exclusion form must be postmarked no later than [REDACTED] or it will be rejected.

There is no right for any member of the Class to opt out or otherwise exclude himself or herself from the Settlement of the PAGA claims in the Action.

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ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed "Settlement Agreement and Release" which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the San Joaquin Superior Court, located at 180 E. Weber Ave. Stockton, CA 95202.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [address], [telephone number], or Plaintiff's Attorneys:

FITZPATRICK & SWANSTON

555 S. Main Street
Salinas, CA 93901
Telephone: (831) 755-1311
Facsimile: (831) 755-1319

DIVERSITY LAW GROUP, P.C.

515 S. Figueroa Street, Suite 1250
Los Angeles, California 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.

**BY ORDER OF THE SUPERIOR COURT OF
THE STATE OF CALIFORNIA**

ELECTION NOT TO PARTICIPATE IN SETTLEMENT

CURTIS WHITE v. CORTECH WEST STAFFING, LLC; et al.
(Superior Court of the State of California for the County of San Joaquin
Court Case No. STK-CV-UOE-2023-0000029)

IF YOU DO NOT WANT TO BE INCLUDED IN THE
SETTLEMENT, YOU MUST SIGN THIS DOCUMENT AND MAIL IT TO THE
ADDRESS BELOW, POSTMARKED NO LATER THAN
DATE TO:

CURTIS WHITE v. CORTECH WEST STAFFING, LLC; et al.
C/O CLAIMS ADMINISTRATOR
ADMINISTRATOR ADDRESS

I have received notice of the proposed Settlement in the Lawsuit and wish to be excluded from the Class and **NOT** to participate in the proposed Settlement. I understand this means that I will **NOT** be bound by the Settlement and also will **NOT** share in the class action Settlement proceeds (if eligible).

Dated: _____

(Signature)

(Typed or Printed Name)

(Address)

(City, State, Zip Code)

(Telephone Number, Including Area Code)

(Employee identification number or last four
digits of Social Security Number)