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STATE OF CALIFORNIA

SUPERIOR COURT FOR THE COUNTY OF TULARE

ALEJANDRO BERMUDEZ, an individual;
on behalf of himself and on behalf of all
persons similarly situated,

Plaintiff,

v.

SHANNON BROS. CO., a California
Corporation; SBC LOGISTICS, INC., a
California Corporation; and DOES 1-50,
inclusive,

Defendants.

Case No.: VCU301866

**CLASS ACTION AND PRIVATE
ATTORNEYS GENERAL ACT
SETTLEMENT AGREEMENT**

Complaint Filed: January 11, 2023
Trial Date: None Set

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Attorneys for Plaintiff, ALEJANDRO BERMUDEZ

This Class Action and PAGA Settlement Agreement is made by and between Plaintiff Alejandro Bermudez, acting on behalf of himself, the [proposed] putative settlement class, and the State of California via the California Private Attorneys General Act (California Labor Code 2698 *et seq.*), and Defendants Shannon Bros. Co. and SBC Logistics, Inc. The Agreement refers to Plaintiff Alejandro Bermudez, Defendant Shannon Bros. Co., and Defendant SBC Logistics, Inc. collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

1.1. “Action” means the matter of *Bermudez v. Shannon Bros. Co. et al.*, Tulare County Superior Court, Case No. VCU301866.

1.2. “Administrator” means ILYM GROUP Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount payable to the Administrator from the Gross Settlement Amount as payment for its administration services, consistent with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. “Aggrieved Employee” means all persons who, during the PAGA Period, (a) were directly employed by either Defendant Shannon Bros. Co. or SBC Logistics, Inc. in California, and (b) who worked for either Defendant Shannon Bros. Co. or SBC Logistics, Inc. as a non-exempt employee.

1.5. “Agreement” means this Class Action and Private Attorneys General Act Settlement Agreement, including Exhibit A hereto.

1.6. “Class” means all persons who, during the Class Period, (a) were directly employed by either Defendant Shannon Bros. Co. or SBC Logistics, Inc. in California, and (b) who worked for either Defendant Shannon Bros. Co. or SBC Logistics, Inc. as a non-exempt employee.

1.7. “Class Counsel” means Kenneth Seligson of Seligson Law; Jean-Claude Lapuyade of JCL Law Firm, APC; and, Shani O. Zakay of Zakay Law Group, APLC.

1.8. “Class Counsel Fees Payment” means the amount payable to Class Counsel from the Gross Settlement Amount as payment for reasonable attorneys’ fees.

1.9. “Class Counsel Litigation Expenses Payment” means the amount payable to Class Counsel

from the Gross Settlement Amount as payment for litigation costs.

1.10. “Class Data” means each Class Member’s name, last-known mailing address, Social Security number, and number of Class Pay Periods and PAGA Pay Periods.

1.11. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.12. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.13. “Class Notice” means the Court-approved notice concerning the settlement of the Action and correspondence procedures, attached hereto as Exhibit A, which the Administrator will mail to Class Members without material variation.

1.14. “Class Period” means the period from January 22, 2022, through the earlier of (1) August 2, 2025, or (2) the date of preliminary approval of this Agreement, unless adjusted at Defendants’ election pursuant to Section 8 of this Agreement.

1.15. “Class Representative” means Plaintiff Alejandro Bermudez.

1.16. “Class Representative Service Payment” means the amount payable to the Class Representative out of the Gross Settlement Amount for initiating the Action, providing services to Class Counsel in support of the Action, and as consideration for the Class Representative’s general release of claims in favor of Released Parties.

1.17. “Class Workweek” means any week during the Class Period in which a Class Member (a) was directly employed by either Defendant Shannon Bros. Co. or Defendant SBC Logistics, Inc. in California, (b) worked as a non-exempt employee for either Defendant Shannon Bros. Co. or Defendant SBC Logistics, Inc., and (c) earned wages for hours worked during the week.

1.18. “Court” means the Superior Court of California, County of Tulare.

1.19. “Defendants” means Defendants Shannon Bros. Co. and SBC Logistics, Inc.

1.20. “Defense Counsel” means Ian B. Wieland and Michael J. Conway II of Sagaser

Watkins & Wieland PC.

1.21. “Effective Date” means the first date on which all of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; (b) the Judgment is final; and, (c) a Party, or the Court, has issued notice of entry of the Judgment. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Members object to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members object to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or, (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.22. “Final Approval Order” means the Court’s order granting final approval of the Settlement.

1.23. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.24. “Gross Settlement Amount” means \$275,000.00, which is the total amount Defendants agree to pay under the Settlement, subject to (voluntary) increase at Defendants’ election as provided in Section 8 of this Agreement. The Administrator shall use the Gross Settlement Amount to fund all aspects of the settlement, including Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration Expenses Payment. The “Gross Settlement Amount” shall exclude employer-side payroll taxes owed by Defendants on the wage-portion of Individual Class Payments.

1.25. “Individual Class Payment” means an individual Participating Class Member’s pro rata share of the Net Settlement Amount, calculated as provided in Section 3.2.4 of this Agreement.

1.26. “Individual PAGA Payment” means an individual Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties payable pursuant to Labor Code §2699, subd. (i) (in effect from June 27, 2016, to June 30, 2024), calculated as provided in Section 3.2.5 of this Agreement.

1.27. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1 **1.28.** “LWDA” means the California Labor and Workforce Development Agency, the
2 agency entitled to receive the LWDA PAGA Payment pursuant to Labor Code §2699, subd. (i) (in
3 effect from June 27, 2016, to June 30, 2024).

4 **1.29.** “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA
5 pursuant to Labor Code §2699, subd. (i) (in effect from June 27, 2016, to June 30, 2024).

6 **1.30.** “Net Settlement Amount” means the Gross Settlement Amount, less the following
7 payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA
8 Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel
9 Litigation Expenses Payment, and the Administration Expenses Payment.

10 **1.31.** “Non-Participating Class Member” means a Class Member who submits a valid
11 Request for Exclusion.

12 **1.32.** “Operative Complaint” means Plaintiff’s First Amended Complaint, inclusive of
13 class allegations previously ordered dismissed by the Court in its January 25, 2024, order granting
14 Defendants’ motion to compel arbitration and stay proceedings.

15 **1.33.** “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

16 **1.34.** “PAGA Notice” means all notices issued by Plaintiff to the LWDA pursuant to Labor
17 Code §2699.3, subd. (a) (in effect from July 1, 2021, to June 30, 2024), including but not limited to
18 Plaintiff’s October 21, 2022, notice; and, March 27, 2023, notice.

19 **1.35.** “PAGA Penalties” means the total amount (\$20,000.00) of PAGA civil penalties to
20 be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00)
21 and the 75% to LWDA (\$15,000.00) in settlement of PAGA claims.

22 **1.36.** “PAGA Pay Period” means any pay period (i.e., an ordinary, biweekly paycheck
23 cycle) during the PAGA Period in which a Class Member (a) was directly employed by either
24 Defendant Shannon Bros. Co. or Defendant SBC Logistics, Inc. in California, (b) worked as a non-
25 exempt employee for either Defendant Shannon Bros. Co. or Defendant SBC Logistics, Inc., and
26 (c) earned wages for hours worked during the pay period.

27 **1.37.** “PAGA Period” means the period from January 22, 2022, to the date of Preliminary
28 Approval.

1 **1.38.** “Participating Class Member” means a Class Member who does not submit a valid
2 and timely Request for Exclusion from the Settlement.

3 **1.39.** “Plaintiff” means Alejandro Bermudez, the named plaintiff in the Action.

4 **1.40.** “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of
5 the Settlement.

6 **1.41.** “Released Class Claims” means the Released Claims being released as described in
7 Section 5.3.1 through 5.3.1.3 below.

8 **1.42.** “Released PAGA Claims” means the Released Claims being released as described in
9 Section 5.3.2 through 5.3.2.3 below.

10 **1.43.** “Released Parties” means Defendants together with their present and former parents,
11 subsidiaries, affiliated entities, commonly owned or controlled entities, present and former owners,
12 board members, officers, directors, trustees, employees, agents, insurers, attorneys, successors and
13 assigns, and/or any individual or entity to whom liability for claims released by Plaintiff, or the
14 Released Class Claims and Released PAGA Claims, could be assigned, including but not limited to
15 liability established pursuant to Labor Code §558.1, or on a joint-employer, alter-ego, or other
16 similar theory of liability.

17 **1.44.** “Request for Exclusion” means a Class Member’s submission of a valid, signed
18 written request to be excluded from the Class Settlement.

19 **1.45.** “Response Deadline” means 45 days after the Administrator mails Notice to Class
20 Members and Aggrieved Employees, plus an additional 14 days for any Class Members whose Class
21 Notice is resent by the Administrator after being returned as undeliverable, and shall be the last date
22 on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement;
23 (b) fax, email, or mail his or her challenges as to assigned Class Workweeks or PAGA Pay Periods,
24 and/or (c) fax, email, or mail his or her objection to the Settlement.

25 **1.46.** “Settlement” means the disposition of the Action effected by this Agreement and the
26 Judgment.

27 **2. RECITALS**

28 **2.1** On October 23, 2022, Plaintiff commenced this Action by filing a class action

complaint alleging various causes of action arising under the California Labor Code and related laws. Plaintiff subsequently filed a **first amended complaint** asserting a cause of action under PAGA on March 27, 2023, after having given the requisite notice to Defendants under PAGA. In or around September 2023, Plaintiff transferred the Action from Alameda County to Tulare County. Defendants answered Plaintiff's first amended complaint on October 25, 2023. Subsequently, the Defendants successfully enforced an arbitration agreement signed by Plaintiff, resulting in an order from the Court compelling Plaintiff's individual claims to arbitration, staying Plaintiff's PAGA claims, and dismissing the class action claims.

2.2 On March 3, 2025, the Parties participated in an all-day mediation presided over by neutral Hon. Carl West (Ret.), a former longtime judge in the Los Angeles County Superior Court with significant experience in both overseeing and mediating wage and hour class action and PAGA claims.

2.3 Prior to mediation, Plaintiff obtained, through informal discovery and for the entirety of the Class Period and PAGA Period, the number of putative Class Members, the number of Aggrieved Employees, the number of workweeks, the number of pay periods, sample time records, sample payroll records, written policies, and related information. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.4 The Court has not granted class certification.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Section 8 below, Defendants promise to pay \$275,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Section 4.2 of this Agreement. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and

deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member and Aggrieved Employee). Defendants shall not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed \$10,000.00. As part of its motions for preliminary and/or final approval of the Settlement, Plaintiff will seek the Court's approval of the Class Representative Service Payment. If the Court approves a Class Representative Service Payment less than \$10,000.00, the Administrator will retain the difference in the Net Settlement Amount and distribute it pursuant to the procedures set forth herein. The Administrator shall pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for taxes owed on the Class Representative Service Payment and agrees to hold Defendants harmless, and indemnify Defendants, from any dispute or controversy regarding any division, sharing, or taxation of this payment, including for any costs/fees incurred by Defendants relating to the dispute or controversy.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third, which is currently estimated to be \$90,750.00 and a Class Counsel Litigation Expenses Payment of not more than \$15,000.00. Defendants will not oppose requests for these payments provided that they do not exceed these amounts and the Class Counsel Litigation Expenses Payment claimed are recoverable under statute. As part of its motions for preliminary and/or final approval of the Settlement, Plaintiff will seek the Court's approval of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment of less than these amounts, the Administrator will retain the difference in the Net Settlement Amount and distribute it pursuant to the procedures set forth herein. The Administrator shall pay the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment using IRS Form 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees

1 Payment and Class Counsel Litigation Expenses Payment and agrees to hold Defendants
2 harmless, and indemnify Defendants, from any dispute or controversy regarding any division,
3 sharing, or taxation of this payment, including for any costs/fees incurred by Defendants relating
4 to the dispute or controversy.

5 3.2.3. To the Administrator: An Administration Expenses Payment not to exceed
6 \$7,950.00 except for a showing of good cause and as approved by the Court. Defendants shall
7 not oppose Plaintiff's request for an Administration Expenses Payment that does not exceed
8 \$7,950.00. As part of its motions for preliminary and/or final approval of the Settlement,
9 Plaintiff will seek the Court's approval of the Administration Expenses Payment. If the Court
10 approves an Administration Expenses Payment of less than \$7,950.00, the Administrator will
11 retain the difference in the Net Settlement Amount and distribute it pursuant to the procedures
12 set forth herein. The Administrator shall pay the Administration Expenses Payment using IRS
13 Form 1099. The Administrator full responsibility and liability for taxes owed on the Class
14 Administration Expenses Payment and agrees to hold Defendants harmless, and indemnify
15 Defendants, from any dispute or controversy regarding any division, sharing, or taxation of this
16 payment, including for any costs/fees incurred by Defendants relating to the dispute or
17 controversy.

18 3.2.4. To Each Participating Class Member: An Individual Class Payment
19 calculated by (a) dividing the Net Settlement Amount by the total number of Class Pay Periods
20 worked by all Participating Class Members during the Class Period and (b) multiplying the result
21 by each Participating Class Member's Class Pay Periods.

22 3.2.4.1. Tax Allocation of Individual Class Payments. The Administrator shall
23 allocate five percent of each Participating Class Member's Individual Class Payment as
24 wages for tax purposes (hereinafter the "Wage Portion"). The Administrator shall withhold
25 employee-side payroll taxes on the Wage Portion of Individual Class Payments and shall
26 report the Wage Portion of Individual Class Payments using IRS Form W-2. The
27 Administrator shall allocate the remainder of each Participating Class Member's Individual
28 Class Payment as non-wages for tax purposes (the "Non-Wage Portion"). The Administrator

shall not withhold any sum, unless required by applicable law, from the Non-Wage Portion of Individual Class Payments and shall report the Non-Wage Portion of Individual Class Payments using IRS Form 1099. Class Members shall assume full responsibility and liability for taxes owed on the Non-Wage Portion of Individual Class Payments.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. A Non-Participating Class Member shall not receive an Individual Class Payment. The Administrator shall retain the sum of all Individual Class Payments allocable to Non-Participating Class Members in the Net Settlement Amount for distribution to Participating Class Members pursuant to the procedures set forth herein.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000.00, with 75% (\$15,000.00) payable to the LWDA as the LWDA PAGA Payment and 25% (\$5,000.00) payable to Aggrieved Employees as Individual PAGA Payments. Individual PAGA Payments shall be calculated by (a) dividing the Aggrieved Employees' share of PAGA penalties (\$5,000.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. The Administrator shall not withhold any sum, unless required by applicable law, from the LWDA PAGA Payment or the Individual PAGA Payments and shall report the payments using IRS Form 1099. The LWDA shall assume full responsibility and liability for taxes owed on the LWDA PAGA Payment and Aggrieved Employees shall assume full responsibility and liability for taxes owed on the Individual PAGA Payments. If the Court approves PAGA Penalties of less than \$20,000.00, the Administrator shall retain the difference in the Net Settlement Amount and distribute it pursuant to the procedures set forth herein.

4. SETTLEMENT PROCESSING

4.1. Class Data. Not later than 30 days after Preliminary Approval of the Settlement by the Court, Defendants shall deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. The Administrator shall maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform the Administrator's duties under this

1 Agreement. Defendants have a continuing duty to provide corrected or updated Class Data as soon
2 as reasonably feasible upon learning of errors in the Class Data. The Parties and their counsel shall
3 expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related
4 to missing or omitted Class Data, or discrepancies related thereto.

5 **4.2.Funding of Gross Settlement Amount.** Defendants shall fund the Gross Settlement Amount
6 and the corresponding amounts necessary to pay the payroll taxes on the Wage Portion of the
7 Individual Class Payments within 45 calendar days of the Effective Date.

8 **4.3.Payments from the Gross Settlement Amount.** Within 21 days after Defendants fund the
9 Gross Settlement Amount, the Administrator shall issue all payments described in Section 3.2 of
10 this Agreement. The payments shall not trigger any further financial obligations of Defendants, such
11 as triggering 401(k) contribution obligations, supplemental bonus or regular rate of pay obligations,
12 or the like. All payments shall be issued via First Class U.S. Mail, postage prepaid. The face of each
13 check shall prominently state the date on which the check will void, which shall be not less than 180
14 days and not more than 200 days from the date on which the check is mailed. The Administrator
15 shall send Individual Class Payments to all Participating Class Members (including those whose
16 Class Notice was returned as undeliverable) and shall send Individual PAGA Payments to all
17 Aggrieved Employees (including those whose Class Notice was returned as undeliverable). The
18 Administrator may send Participating Class Members who are also Aggrieved Employees a single
19 check, combining their Individual Class Payment and Individual PAGA Payment. The
20 Administrator shall conduct a Class Member Address Search as to any Class Member whose
21 payment is returned as undelivered without a USPS forwarding address and mail the check to any
22 updated address obtained within seven days of the check being returned. If the check is returned
23 again, the Administrator need take no further steps to ascertain the Class Member's address. The
24 Administrator shall promptly issue replacement checks to any Class Member upon request, but the
25 replacement check shall void on the same date as the original check. The Administrator shall cancel
26 all checks not cashed by the void date. The Administrator shall issue payment of all uncashed funds
27 to Valley Children's Healthcare Foundation.

28 **5. RELEASES OF CLAIMS**

1 **5.1, Effective Date of Release.** The releases described in this Agreement shall take effect upon
2 the Effective Date. Therefore, Defendants and Released Parties shall have the right to enforce the
3 releases contained in this Agreement against Plaintiff, Participating Class Members, Aggrieved
4 Employees, and the State of California (or any of its agencies) as of the Effective Date, prior to
5 funding the Gross Settlement Amount and prior to distribution of Individual Settlement Payments,
6 Individual PAGA Payments, and the LWDA PAGA Payment. The Court may invalidate the releases
7 described herein upon proof of Defendants' failure to fund the Gross Settlement Amount by the
8 deadline set forth in Section 4.2 of this Agreement. The statute of limitations on any Released
9 Claims shall be tolled between the Effective Date and Defendants' deadline to fund the Gross
10 Settlement Amount set forth in Section 4.2 of this Agreement.

11 **5.2, Plaintiff's Release.**

12 5.2.1. **General Release:** Plaintiff agrees to release and discharge Released Parties
13 from all known and unknown claims of whatever type that Plaintiff has or may have against
14 Released Parties through the date of Plaintiff's execution of this Agreement, except for claims
15 to enforce this Agreement or claims that Plaintiff cannot release via a general release as a matter
16 of law, including claims for unemployment and workers' compensation benefits.

17 5.2.2. **Plaintiff's Waiver of Rights Under California Civil Code Section 1542.**
18 Plaintiff acknowledges that he may discover facts or law different from, or in addition to, the
19 facts or law that he now knows or believes to be true, which could materially affect his decision
20 to agree to the releases set forth in this Agreement. Nonetheless, Plaintiff voluntarily assumes
21 this risk and agrees that his general release of claims against Released Parties shall remain in
22 effect notwithstanding such differences or additional discoveries. To this end, Plaintiff expressly
23 waives and relinquishes his rights under California Civil Code §1542 with respect to his general
24 release of claims, which provides:

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

28 **5.3, Release by Participating Class Members and Aggrieved Employees:**

5.3.1. Release of Class Claims: As of the Effective Date, all Participating Class Members shall release the Released Parties of all claims that are not assertable under PAGA and that Plaintiff alleged, or could have alleged, by reason of or in connection with any matter or fact set forth in the Operative Complaint, and which arose or existed during the Class Period (“Released Class Claims”). Without limiting the foregoing, Released Class Claims shall include:

5.3.1.1. All claims relating to unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); all claims related to the timeliness of wage payments (whether regular or final wages); all claims related to the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; all claims relating to the failure to provide compliant meal, rest, and recovery periods; all claims relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims relating to the provision of wage statements, including the accuracy or substance thereof; all claims relating to the failure to maintain accurate employment records; all claims relating to the failure to reimburse of necessary business expenses; all claims relating to the deduction of wages; and all claims relating to unfair business practices resulting from any of the foregoing.

5.3.1.2. All claims arising under California Labor Code §§201, 202, 203, 204, 208, 210, 218.5, 218.6, 221, 225.5, 226, 226.3, 226.7, 246, 248, 248.2, 248.5, 248.6, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802; 8 C.C.R. §11090, Sections 3, 4, 7, 9, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; California Business and Professions Code §§17200-17208; California Civil Code §§3287 and 3289; California Code of Civil Procedure §1021.5; and related claims under the applicable provisions of the Fair Labor Standards Act (29 U.S.C. §§201, et seq.).

5.3.1.3. All remedies associated with any of the claims described herein, including but not limited to compensatory, consequential, incidental, liquidated, and punitive damages;

penalties; restitution; interest; costs; attorneys' fees; and, injunctive or other equitable relief.

5.3.2. Release of PAGA Claims: As of the Effective Date, all Aggrieved Employees and the State of California (and all of its agencies, including but not limited to the Labor Commissioner and/or the LWDA) shall release the Released Parties of all claims that are assertable under PAGA and that Plaintiff alleged, or could have alleged, by reason of or in connection with any matter or fact set forth in the Operative Complaint, and which arose or existed during the PAGA Period ("Released PAGA Claims"). Without limiting the foregoing, Released PAGA Claims shall include:

5.3.2.1. All claims for civil penalties recoverable under PAGA relating to: unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); the timeliness of wage payments (whether regular or final wages); the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; the failure to provide compliant meal, rest, and recovery periods; all claims relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); the provision of wage statements, including the accuracy or substance thereof; the failure to maintain accurate employment records; the failure to reimburse necessary business expenses; and, the deduction of wages.

5.3.2.2. Without limiting the foregoing, Released PAGA Claims shall include claims for civil penalties for violations of California Labor Code §§201, 202, 203, 204, 208, 210, 218.5, 218.6, 221, 226, 226.7, 246, 248, 248.2, 248.5, 248.6, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802; 8 C.C.R. §11090, Sections 3, 4, 7, 9, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395. This release shall apply to civil penalties provided for in, but not limited to, California Labor Code §§203, 210, 225.5, 226, 226.3, 248.5, 558, 1174.5, 1197.1, 8 C.C.R. §11090, Sec. 20, and other default civil penalties for the Released PAGA Claims available under California Labor Code §2699.

5.3.2.3. All remedies associated with any of the claims described herein, including but not limited to civil penalties; costs; attorneys' fees; and, injunctive or other equitable relief.

5.4. Construction. The Parties intend that this release be construed as broadly as possible. The release excludes the release of claims not permitted by law.

5.5. Resolution of Good Faith Dispute. The Parties warrant and represent that the releases for Participating Class Members and Aggrieved Employees resolve, pursuant to Labor Code §§206 and 206.5, and applicable case law (including but not limited to *Chindarah v. Pick Up Stix, Inc.* (2009) 171 Cal.App.4th 796) a good faith dispute regarding any and all wages, if any, owed by Defendants to Participating Class Members / Aggrieved Employees through their last day of employment with Defendants within the Class Period and PAGA Period. All sums payable by Defendants under this agreement are in addition to any undisputed wages owed to Class Members and Aggrieved Employees.

6. MOTION FOR PRELIMINARY APPROVAL.

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code §2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming his willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel attesting to their competency to represent the Class Members; and (vii) proof of Plaintiff's timely transmission to the LWDA of all necessary PAGA documents, including but not limited to the PAGA Notice(s), the Operative Complaint, and this Agreement.

6.2. Responsibilities of Counsel. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary

1 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
2 Administrator.

3 **6.3. Duty to Cooperate.** Defendant shall not oppose Plaintiff's Motion for Preliminary Approval
4 to the extent it is consistent with this Agreement. If the Parties disagree on any aspect of the proposed
5 Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel
6 and Defense Counsel will expeditiously work together on behalf of the Parties by meeting by
7 telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
8 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
9 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting
10 in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the
11 Court's concerns. However, no Party shall be obligated to consent to any material change (including
12 but not limited to changes to the Gross Settlement Amount or the releases set forth herein) in the
13 Agreement, whether or not such material change is caused or requested by the Court. The Parties
14 shall have the continuing obligation to seek both preliminary approval of the settlement consistent
15 with the terms set forth herein, until the Effective Date occurs. Such obligation shall only cease upon
16 the written consent of all Parties.

17 **7. SETTLEMENT ADMINISTRATION**

18 **7.1. Selection of Administrator.** The Parties have jointly selected ILYM GROUP Inc. to serve as
19 the Administrator and verified that, as a condition of appointment, ILYM GROUP Inc. agrees to be
20 bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in
21 exchange for the Administration Expenses Payment. The Parties, Class Counsel, and Defense
22 Counsel represent that they have no interest or relationship, financial or otherwise, with the
23 Administrator other than a professional relationship arising out of prior experiences administering
24 settlements.

25 **7.2. Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets
26 the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section
27 468B-1.

28 **7.3. Notice to Class Members.**

7.3.1. No later than five business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Class Pay Periods, and PAGA Pay Periods in the Class Data.

7.3.2. Using best efforts to perform as soon as possible, and in no event later than 30 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member and/or Aggrieved Employee, and the number of Class Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts.

7.3.3. Not later than five business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.3.4. The deadlines for Class Members’ written objections, Challenges to Class Workweeks and/or PAGA Pay Periods (disputes), and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.3.5. If the Administrator, Defendants, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person, by telephone, or via email, and in good faith in an effort to agree on whether

to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send a Class Notice requiring them to exercise options under this Agreement within the timeframes applicable to Class Members whose Class Notice is re-mailed by the Administrator.

7.4. Requests for Exclusion (Opt-Outs).

7.4.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a signed writing to the Administrator from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and last four digits of his/her social security number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator shall have authority to determine the validity of any Requests for Exclusion, and the decision shall be final, not subject to challenge by a Class Member.

7.4.2. Every Class Member who does not submit a timely and valid Request for Exclusion shall be deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under 5.3.1 through 5.3.1.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice, an Individual Settlement Payment, objects to the settlement, or disputes the pay periods set forth in the Class Notice.

7.4.3. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement.

7.4.4. All Aggrieved Employees are entitled to all benefits and bound by all terms

1 and conditions of the Settlement as they pertain to PAGA claims, including the Aggrieved
2 Employees' Releases under Section 5.3.2 through 5.3.2.3 of this Agreement, regardless of
3 whether the Aggrieved Employee actually receives the Class Notice, an Individual PAGA
4 Payment, objects to the settlement, or disputes the pay periods set forth in the Class Notice.

5 7.4.5. The Administrator will promptly review Requests for Exclusion to ascertain
6 their validity. Not later than five days after Response Deadline, the Administrator shall email a
7 list to Defense Counsel containing the names and other identifying information of Class
8 Members who have timely submitted valid Requests for Exclusion and copies of all supporting
9 documentation provided to the Administrator. Upon request, the Administrator may provide
10 summary information regarding the information described in this section to Class Counsel, but
11 shall not provide any personal identifying information (e.g., names and contact information) to
12 Class Counsel.

13 7.5.Challenges to Calculation of Workweeks and Pay Periods.

14 7.5.1. Class Members who wish to challenge the Class Workweeks or PAGA Pay
15 Periods assigned to them in the Class Notice must send the Administrator, by fax, email, or mail,
16 a signed written statement indicating an intent to challenge the Class Workweeks or PAGA Pay
17 Periods assigned to them not later than 45 days after the Administrator mails the Class Notice
18 (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A challenge is
19 a written request to the Administrator from a Class Member or his/her representative that
20 reasonably communicates the Class Member's intent to and basis for disputing his/her assigned
21 Class Workweeks or PAGA Periods and includes the Class Member's name, address, and last
22 four digits of his/her social security number. The Administrator shall attempt to solicit any
23 supporting documentation deemed necessary to resolve the challenge. To be valid, a challenge
24 must be timely faxed, emailed, or postmarked by the Response Deadline. If the Administrator
25 has reason to question the authenticity of a challenge, the Administrator may demand additional
26 proof of the Class Member's identity. The Administrator shall have authority to determine the
27 validity of any challenges, and the decision shall be final, not subject to challenge by a Class
28 Member. In the absence of any contrary documentation, the Administrator is entitled to presume

that the Class Pay Periods and PAGA Pay Periods contained in the Class Data are correct.

7.5.2. The Administrator will promptly review any challenges received to ascertain their validity and, if necessary, update the Class Data to account for any successful challenges. Not later than five days after the Response Deadline, the Administrator shall email Defense Counsel and Class Counsel an updated aggregate Class Workweek and PAGA Pay Period count after updating the Class Data to account for valid and successful challenges.

7.6. Objections to Settlement.

7.6.1. Only Participating Class Members may object to the class action components of the Settlement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or the Class Representative Service Payment. Non-Participating Class Members shall have no right to object to any of the class action components of the Settlement. Aggrieved Employees shall have no right to object to any of the PAGA components of the Settlement.

7.6.2. Each Participating Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to object to the class action components of the Settlement. An objection is a signed writing delivered to the Administrator from a Class Member and/or his/her representative stating a factual and/or legal basis for contesting the legality of a provision of the Settlement and includes the Class Member's name, address, and last four digits of his/her social security number. To be valid, an objection must be timely faxed, emailed, or postmarked by the Response Deadline. If the Administrator has reason to question the authenticity of an objection, the Administrator may demand additional proof of the Class Member's identity. Any Participating Class Member who timely objects shall have the right to appear in Court (or hire an attorney to appear in Court) to present the objections at the Final Approval Hearing.

7.6.3. The Administrator will promptly review objections to ascertain their validity. Not later than five days after Response Deadline, the Administrator shall email a list to Defense Counsel and Class Counsel containing the names and other identifying information of Class Members who have timely objected and provide copies of all documentation submitted

therewith.

7.7. Administrator Duties.

7.7.1. Email Address, Fax Number, and Toll-Free Number. The Administrator shall establish and maintain and use an email address, fax number, and a toll-free telephone number to receive Class Member emails, faxes, and calls.

7.7.2. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Class Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received, except that any information provided to Class Counsel shall not contain any personal identifying information (e.g., names and contact information) of the Class Members.

7.7.3. Administrator's Declaration. Not later than 21 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with its obligations under this Agreement, including, but not limited to, its mailing of the Class Notices, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion it received (both valid or invalid), and the number of written objections received. The Administrator shall provide along with such declaration the Exclusion List with all personal identifying information (e.g., names and contact information) redacted. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.7.4. Final Report by Administrator. Within 10 days after the Administrator disburses the Gross Settlement Amount, the Administrator shall provide Class Counsel and

Defense Counsel a final report detailing its disbursements. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. DEFENDANTS' OPTION TO ADJUST CLASS PERIOD OR GROSS SETTLEMENT AMOUNT.

8.1. If, through the date of Preliminary Approval or August 2, 2025, whichever is earlier, the number of Class Workweeks for all Class Members exceeds 21,400 by more than 10-percent (i.e., 23,541 or more Class Workweeks), then the Gross Settlement Amount may, subject to Defendants' election, increase proportionally by \$12.85 for each additional Class Workweek in excess of 23,540. In lieu of agreeing to increase the Gross Settlement Amount, Defendant may elect to end the Class Period on the latest date on which the Class Workweeks of all Class Members is 23,540, or less. Defendant shall have the exclusive right to either adjust the Gross Settlement Amount or the end date for the Class Period if the Class Workweeks for All Class Members exceeds 23,540 by the date of Preliminary Approval and shall have no obligation to pay in excess of \$275,000.00 plus employer-side payroll taxes on the Wage Portion unless it expressly agrees to do so in a writing signed by a corporate officer. The PAGA Period shall extend through the date of Preliminary Approval and shall not be subject to any pro rata increase.

9. DEFENDANTS' RIGHT TO WITHDRAW.

9.1. Either Defendant Shannon Bros. Co. or Defendant SBC Logistics, Inc. shall have the exclusive right to terminate the Settlement if more than seven and one-half percent of the Settlement Class timely elect to exclude themselves from the Settlement, as determined by the Administrator. If either Defendant exercises its right under this Section, then that Defendant shall be solely liable for administrative costs incurred by the Administrator. Either Defendant must exercise its right to terminate the settlement in a writing to Class Counsel stating an intention to terminate the Settlement within 21-days of receiving the final Exclusion List from the Administrator. If either Defendant elects to terminate the Settlement, then the Settlement shall be null and void.

1 **10. MOTION FOR FINAL APPROVAL.**

2 **10.1. Motion Preparation and Filing.** Plaintiff shall have responsibility for timely filing a
3 motion for final approval of the Settlement that includes a request for approval of the PAGA
4 settlement, a proposed Final Approval order, and a proposed Judgment (collectively “Motion for
5 Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than
6 five business days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel
7 will expeditiously meet and confer by telephone, and in good faith, to resolve any disagreements
8 concerning the Motion for Final Approval.

9 **10.2. Response to Objections.** Each Party retains the right to respond to any objection
10 raised by a Participating Class Member, including the right to file responsive documents in Court
11 no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
12 by the Court.

13 **10.3. Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final
14 Approval on any material change to the Agreement (including but not limited to the scope of the
15 releases or changes to the Gross Settlement Amount), the Parties shall expeditiously work together
16 in good faith to address the Court’s concerns and endeavor to revise the Agreement as necessary to
17 obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class
18 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses
19 Payment and/or Administrator Expenses Payment shall not constitute a material modification to the
20 Agreement within the meaning of this section. No Party shall be obligated to consent to any material
21 change in the Agreement, whether or not such material change is caused or requested by the Court.
22 The Parties shall have the continuing obligation to seek final approval of the settlement consistent
23 with the terms set forth herein, until the Effective Date occurs. Such obligation shall only cease upon
24 the written consent of all Parties.

25 **10.4. Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment,
26 the Court will retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes
27 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
28 and (iii) addressing such post-Judgment matters as are permitted by law, all pursuant to CCP 664.6.

1 **10.5.** Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
2 conditions of this Agreement, the Parties, their respective counsel, and all Participating Class
3 Members who did not object to the Settlement as provided in this Agreement, waive all rights to
4 appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right
5 to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The
6 waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

7 **10.6.** Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
8 appellate court vacates, reverses, or modifies the Judgment in a manner that requires a material
9 modification of this Agreement (including, but not limited to, the scope of releases or changes to
10 the Gross Settlement Amount), this Agreement shall be null and void. The Parties shall nevertheless
11 expeditiously work together in good faith to address the appellate court's concerns and to obtain
12 Final Approval and entry of Judgment, with any additional administrative expenses incurred being
13 paid from the Gross Settlement Amount, if approved by the Court. An appellate decision to vacate,
14 reverse, or modify the Court's award of the Class Representative Service Payment, the Class
15 Counsel Fees Payment, and/or the Class Counsel Litigation Expenses Payment shall not constitute
16 a material modification of the Judgment within the meaning of this section, as long as the Gross
17 Settlement Amount remains unchanged. No party shall be obligated to consent to any material
18 change in the Agreement, whether or not such material change is caused or requested by the
19 reviewing Court. The Parties shall have the continuing obligation to seek final approval of the
20 settlement consistent with the terms set forth herein, until the Effective Date occurs. Such obligation
21 shall only cease upon the written consent of all Parties.

22 **10.7.** Amended Judgment. If any amended judgment is required under Code of Civil
23 Procedure §384, the Parties will work together in good faith to jointly submit a [Proposed] Amended
24 Judgment.

25 **11. ADDITIONAL PROVISIONS.**

26 **11.1.** No Waiver of Right to Arbitrate Individually. Defendants are agreeing to class
27 treatment of the claims for settlement purposes only. If the Effective Date is not achieved, the parties
28 shall be returned to the *status quo ante*, Plaintiff's class claims shall remain stricken from the

Operative Complaint, and Plaintiff shall lack any right to proceed on a class basis as to his claims against Defendants. Further, by agreeing to class treatment for settlement purposes, Defendants shall not be deemed to have waived their right to arbitrate on an individual basis the claims of any Class Members.

11.2. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted. Nor shall this Agreement be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Effective Date is not achieved, Plaintiff shall not be permitted to pursue class claims, Defendants shall otherwise be permitted to raise all available defenses to the claims in the Action, and Plaintiff reserves the right to pursue individual claims and claims under PAGA after arbitrating his individual case. The Settlement, this Agreement, and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.3. Confidentiality. Prior to Plaintiff filing his Motion for Preliminary Approval, the Parties agree not to disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; (5) in response to an inquiry or subpoena issued by a state or federal government agency; or, (6) to Class Members for purposes of informing them about this Settlement and its procedures. After preliminary approval, Class Counsel shall not disclose this Settlement to current or former employees of Defendants, to the media, or on any websites, blogs, social media, and/or online platforms. Exceptions to Class

Counsel's obligation of confidentiality after preliminary approval are (i) disclosures necessary to comply with the law, judicial processes, or for financial planning or tax preparation purposes; (ii) to the extent needed to enforce this Agreement; (iii) disclosures to a court for purposes of describing its qualifications as counsel; or, (iv) disclosures to Class Members for purposes of informing them about this Settlement and its procedures. Each Party agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena seeking such information.

11.4. No Solicitation. The Parties agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this section shall be construed to restrict the Parties' or their respective counsel's ability to communicate with Class Members for purposes of informing them about this Settlement and its procedures.

11.5. Integrated Agreement. Upon execution by the Parties, Class Counsel, and Defense Counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of Hon. Carl West (Ret.). Nothing in this section shall be construed as obligating the Parties to consent to any material change in the Agreement, whether or not such material change is caused or requested by the Court or the reviewing Court.

11.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.8. No Tax Advice. Plaintiff, Class Counsel, Defendants, and Defense Counsel are not providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied

upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties.

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

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

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

11.13. Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Effective Date, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendants unless, prior to the Effective Date, Defendants make a written request to Class Counsel for the return, rather than the destruction, of Class Data.

11.14. Headings. The descriptive heading of any section or section of this Agreement is inserted for convenience of reference only.

11.15. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or legal holiday, such date or deadline shall be on the first business day thereafter.

11.16. Notice. All written notices, demands or other communications between the Parties in connection with this Agreement shall be addressed as follows:

To Plaintiff:
Kenneth Seligson
SELIGSON LAW P.C.
2219 Main Street, Ste 710
Santa Monica, CA 90405
Ken@Seligsonlaw.com

To Defendants:
Ian B. Wieland, Esq.
Michael J. Conway II, Esq.
SAGASER, WATKINS & WIELAND PC
5260 N Palm Ave, Ste. 400
Fresno, CA 93704
Email: ian@sw2law.com; mikec@sw2law.com

11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

Dated: July 16, 2025

ALEJANDRO BERMUDEZ

By: 
Alejandro Bermudez (Jul 16, 2025 10:21 PDT)

Dated: July __, 2025

SBC LOGISTICS, INC.

By: _____

Dated: July __, 2025

SHANNON BROS. CO.

By: 

To Plaintiff:
Kenneth Seligson
SELIGSON LAW P.C.
2219 Main Street, Ste 710
Santa Monica, CA 90405
Ken@Seligsonlaw.com

To Defendants:
Ian B. Wieland, Esq.
Michael J. Conway II, Esq.
SAGASER, WATKINS & WIELAND PC
5260 N Palm Ave, Ste. 400
Fresno, CA 93704
Email: ian@sw2law.com; mikec@sw2law.com

11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email, which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

Dated: July 16, 2025

ALEJANDRO BERMUDEZ

By: 
[Alejandro Bermudez \(Jul 16, 2025 10:21 PDT\)](#)

Dated: August 6, 2025

SBC LOGISTICS, INC.

By: 
[Scott Critchley \(Aug 6, 2025 13:40:44 PDT\)](#)

Dated: August ___, 2025

SHANNON BROS. CO.

By: _____

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Approved as to Form

Dated: August 7, 2025

SAGASER, WATKINS & WIELAND PC

By:  _____

Ian B. Wieland
Michael J. Conway, II
Attorneys for Defendants

Dated: August 7, 2025

SELIGSON LAW P.C.

By: Ken Seligson _____

Kenneth Seligson
Attorneys for Plaintiff

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Bermudez v. Shannon Bros. Co. et al.
Superior Court of the State of California
County of Tulare, Case No. VCU301866

You are not being sued. This is a Court-approved notice that affects your rights. Please read it carefully.

The purpose of this notice is to let you know of a proposed settlement (the “Settlement”) that has been reached in a class and representative action that is pending in the Superior Court for the County of Tulare. The lawsuit was filed by Alejandro Bermudez (“Plaintiff”) against Shannon Bros. Co. and SBC Logistics, Inc. (“Defendants”) (collectively, Plaintiff and Defendant are referred to as the “Parties”), entitled *Bermudez v. Shannon Bros. Co., et al.*, Tulare County Superior Court Case No. VCU301866 (the “Lawsuit”).

In the Lawsuit, Plaintiff seek to represent: (1) all current and former non-exempt employees of Defendants in California employed during the period from January 22, 2022, through August 2, 2025 (“Class Members”); and, with respect to representative claims asserted under the California Private Attorneys General Act (“PAGA”), (2) all current and former non-exempt employees of Defendants in California from January 22, 2022, through October 30, 2025 (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a “Class Settlement” requiring Defendants to fund Individual Class Payments, and (2) a “PAGA Settlement” requiring Defendants to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

The Court granted preliminary approval of the Parties’ settlement on [Date], and has scheduled a hearing on [Date] at [Time] (the “Final Approval Hearing”) to determine whether or not to grant final approval of the Settlement. **Your legal rights may be affected, and you have a choice to make now.**

1. WHAT ARE MY OPTIONS?

DO NOTHING	Receive an Individual Class Payment and an Individual PAGA Payment (if eligible). By doing nothing, you will receive an Individual Class Payment, and, if eligible, an Individual PAGA Payment. However, you will release the right to assert all of the Released Class Claims (see Section 8 below) against Defendant and the other Released Parties.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	Exclude Yourself from the Class Settlement and Receive No Individual Class Payment. If eligible, you will still receive an Individual PAGA Payment because you cannot exclude yourself from the PAGA Settlement. You may opt-out of the Class Settlement by submitting a signed Request for Exclusion (see Section 9(B) below) that must be postmarked no later than [Response Deadline]. If you submit a valid and timely Request for Exclusion, you will not receive any payment from the Class Settlement and you will not be bound by the release of class claims provided under the Settlement. You cannot opt-out of the PAGA Settlement. Defendant must pay Individual PAGA Payments to all PAGA Employees and who must give up their rights to pursue Released PAGA Claims (see Section 8 below).
OBJECT TO THE CLASS SETTLEMENT	Object to the Class Settlement. You cannot object to the PAGA Settlement. If you choose to participate in the Class Settlement, you may submit an objection to the Class Settlement. To object, you can submit an objection (see Section 9(C) below) to the Settlement Administrator no later than [Response Deadline], or you can appear at the Final Approval Hearing and state any objections to the Class Settlement.

	If the Court overrules your objection, you will receive an Individual Class Payment, and you will release the right to assert all of the Released Class Claims (see Section 8 below) against Defendant and the other Released Parties.
CHALLENGE THE CALCULATION OF YOUR CLASS WORKWEEKS	You may Challenge the Calculation of Your Class Workweeks or PAGA Pay Periods. The amount of your Individual Class Payment and Individual PAGA Payment (if any) depends on how many Class Workweeks and/or PAGA Pay Periods you worked during the Class Period and the PAGA Period, respectively. The number of Class Workweeks and/or PAGA Pay Periods that you worked during the Class Period and the PAGA Period, according to Defendants' records, is stated in Section 6. If you wish to dispute the Class Workweeks and/or PAGA Pay Periods credited to you in this notice, you must submit a challenge to the Settlement Administrator no later than [Response Deadline] as described in Section 6.

2. WHY DID I GET THIS NOTICE?

Defendants' records show that you were employed as a non-exempt employee by Defendants, or either of them, in California at some point during the period from January 22, 2022, to **August 2, 2025** (the "Class Period"), and/or during the period from January 22, 2022 to October 30, 2025 ("PAGA Period"). The Court has authorized this notice because you have the right to know about the Settlement and your options before the Court decides whether to approve it. This notice explains what the Lawsuit is about, the terms of the Settlement, and your rights.

3. WHAT IS THIS LAWSUIT ABOUT?

On October 23, 2022, Plaintiff filed a Class Action Complaint for Damages in the Superior Court for the County of Alameda. Subsequently, the case was transferred to Tulare County. On both October 21, 2022, and March 27, 2023, respectively, Plaintiff provided written notice to the LWDA and Defendants of the specific provisions of the California Labor Code and other applicable laws that he contends were violated (collectively, "PAGA Notice"). Plaintiff also filed a First Amended Complaint on or about March 27, 2023 (the "Operative Complaint"), asserting additional claims, including a claim under the California Private Attorneys General Act, California Labor Code §2698 et seq. ("PAGA").

In the Operative Complaint, Plaintiff alleged that Defendants failed to pay all wages due, including overtime wages, meal period premiums, rest period premiums, and minimum wages; failed to timely pay wages during employment and upon termination; failed to issue compliant wage statements; failed to maintain accurate payroll records; failed to reimburse all necessary business expenses; violated applicable meal and rest period rules; unlawfully deducted wages; engaged in unfair business practices; and owed penalties pursuant to PAGA, among other alleged violations of law more fully stated in the Operative Complaint and related PAGA Notice. In the Operative Complaint, Plaintiff sought to represent a class of all current and former non-exempt employees who worked for Defendants in the State of California at any time during the Class Period and PAGA Period.

Defendants deny all of the material allegations in the Operative Complaint, including any and all allegations of wrongdoing, and asserted numerous affirmative defenses.

4. WHY IS THERE A SETTLEMENT?

The Court has not made any decision about the merits of Plaintiff's Lawsuit. There has been no trial. However, to avoid additional expense and the risks of continued litigation, Plaintiff and Defendants have concluded that it is in their respective best interests and the interest of the Class Members and Aggrieved Employees to settle the Lawsuit on the terms summarized in this notice.

The Settlement was reached after an exchange of extensive information about the facts and legal arguments in support of, and against, all of the claims raised in the Lawsuit. Plaintiff, Class Counsel, and Defendants all support this Settlement due to, among other things, Defendants' potential defenses to liability, the inherent risk associated with a trial on the

merits, the delays and uncertainties associated with litigation, and the benefits provided to Class Members and Aggrieved Employees under the Settlement.

5. SUMMARY OF THE SETTLEMENT

Defendant has agreed to pay a settlement amount of Two Hundred and Seventy Five Thousand Dollars and Zero Cents (\$275,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to the Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) a Class Representative Service Award in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff, (2) PAGA penalties in an amount not to exceed Twenty Thousand Dollars (\$20,000.00), payable 75-percent to the LWDA (“LWDA PAGA Payment”) and 25-percent on a pro rata basis to Aggrieved Employees (“Individual PAGA Payment”), (3) Attorneys’ Fees in an amount not to exceed one-third of the Gross Settlement Amount (i.e., \$90,750.00), (4) Litigation Costs in an amount not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00), and (5) Settlement Administration Costs in an amount not to exceed Seven Thousand Nine Hundred and Fifty Dollars and Zero Cents (\$7,950.00).

Class Members are eligible to receive payment of their pro rata share of the Net Settlement Amount (“Individual Class Payment”) based on the number of “Class Workweeks” credited to the Class Member. A “Class Workweek” means any week during the Class Period in which a Class Member (a) was directly employed by either of the Defendants in California, (b) worked as a non-exempt employee for either of the Defendants, and (c) earned wages for hours worked during the week.

To determine the sum payable to each Class Member, the Settlement Administrator will divide the Net Settlement Amount by the Class Workweeks of all Class Members to yield the Class Workweek value, then multiply each Class Member’s individual Class Workweeks by the Class Workweek value to yield his or her estimated Individual Class Payment that he or she may be eligible to receive under the Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator shall divide the final Net Settlement Amount by the Class Workweeks of all Class Members who did not submit a valid and timely Request for Exclusion (“Participating Class Members”) to yield his or her Individual Class Payment, which shall be paid from the Net Settlement Amount, less applicable employee-side tax withholdings.

Each Individual Class Payment will be allocated five percent (5%) to wages, which will be reported on an IRS Form W2, and ninety percent (95%) to non-wages, which will be reported on an IRS Form 1099 (if applicable). The Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect to the wage portion of the Individual Class Payments, and issue checks to Participating Class Members for their Individual Class Payments (i.e., payment of their Individual Class Payment net of these taxes and withholdings). The employer’s share of taxes on the wage portion of Individual Class Payment will be paid by Defendants separately and in addition to the Gross Settlement Amount. The Individual PAGA Payments are characterized as non-wages for tax purposes. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

6. YOUR CLASS WORKWEEKS BASED ON DEFENDANT’S RECORDS

According to Defendants’ records, during the Class Period, you worked [] Class Workweeks.

According to Defendants’ records, during the PAGA Period, you worked [] PAGA Pay Periods.

If you wish to dispute the Class Workweeks and/or PAGA Pay Periods credited to you in this notice, you must submit a written, signed challenge (“Class Workweeks Dispute”) to the Settlement Administrator. A Class Workweeks Dispute must be in writing and signed by you; include your full name, address, and the last four digits of your social security number; and, postmarked or otherwise provably submitted to the Settlement Administrator by fax, email, or mail no later than [Response Deadline]. You should submit, to the extent available, all documents you believe support any Class Workweeks Dispute you submit. The Administrator’s information is listed below:

ILYM Group, Inc.

[Mailing Address]

[Fax Address]

[Email Address]

7. WHAT IS MY ESTIMATED INDIVIDUAL SETTLEMENT SHARE?

As explained above, your estimated Individual Class Payment and Individual PAGA Payment (if eligible) is based on the number of Class Workweeks and PAGA Pay Periods credited to you.

Under the terms of the Settlement, your Individual Class Payment is estimated to be \$ [REDACTED]. The Individual Class Payment is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Class Payment.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED].

Your Individual Class Payment and Individual PAGA Payment (if applicable) reflected in this notice is only an estimate. Your actual Individual Class Payment and Individual PAGA Payment (if applicable) may be higher or lower.

The settlement approval process may take multiple months. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

8. WHAT RIGHTS AM I RELEASING IF I PARTICIPATE IN THE SETTLEMENT?

If the Court approves the Settlement, the Court will enter a judgment and the Settlement will bind all Participating Class Members (i.e., Class Members who have not submitted a timely and valid Request for Exclusion) as well as all Aggrieved Employees. This will bar all Participating Class Members and PAGA Employees from bringing certain claims against Defendants.

Upon the Effective Date, Plaintiff and all Participating Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged Defendants and other Released Parties of and from all Released Class Claims. "Released Class Claims" means all claims (whether arising under state, federal, or local law) not assertable under PAGA and that were alleged, or could have been alleged, based on the facts pled in the Operative Complaint in the Action and which arose or existed during the Class Period. Without limiting the foregoing, Released Class Claims includes:

- All claims relating to unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); all claims related to the timeliness of wage payments (whether regular or final wages); all claims related to the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; all claims relating to the failure to provide compliant meal, rest, and recovery periods; all claims relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); all claims relating to the provision of wage statements, including the accuracy or substance thereof; all claims relating to the failure to maintain accurate employment records; all claims relating to the failure to reimburse of necessary business expenses; all claims relating to the deduction of wages; and all claims relating to unfair business practices resulting from any of the foregoing.
- All claims arising under California Labor Code §§201, 202, 203, 204, 208, 210, 218.5, 218.6, 221, 225.5, 226, 226.3, 226.7, 246, 248, 248.2, 248.5, 248.6, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2699, 2802; 8 C.C.R. §11090, Sections 3, 4, 7, 9, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; California Business and Professions Code §§17200-17208; California Civil Code §§3287 and 3289; California Code of Civil Procedure §1021.5; and related claims under the applicable provisions of the Fair Labor Standards Act (29 U.S.C. §§201, et seq.).

- And, all remedies associated with any of the claims described herein, including but not limited to compensatory, consequential, incidental, liquidated, and punitive damages; penalties; restitution; interest; costs; attorneys' fees; and, injunctive or other equitable relief.

Upon the Effective Date, Plaintiff, the State of California, and Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged Defendants and other Released Parties of and from all Released PAGA Claims. "Released PAGA Claims" means all claims assertable under PAGA and that were alleged, or could have been alleged, based on the facts pled in the Operative Complaint or the underlying PAGA Notice in the Action and which arose or existed during the PAGA Period. Without limiting the foregoing, Released PAGA Claims includes:

- All claims for civil penalties recoverable under PAGA relating to: unpaid wages (including claims for failure to pay minimum wages, straight time wages, overtime and double-time compensation); the timeliness of wage payments (whether regular or final wages); the calculation of the regular rate of pay, including claims for unpaid overtime wages, paid sick leave, or other pay as a result of the improper calculation of the regular rate of pay; the failure to provide compliant meal, rest, and recovery periods; all claims relating to the failure to pay premiums for violations of meal, rest, and recovery period laws (including the failure to make premium payments at all, or failure to make premium payments at the correct rate of pay); the provision of wage statements, including the accuracy or substance thereof; the failure to maintain accurate employment records; the failure to reimburse necessary business expenses; and, the deduction of wages.
- All claims for civil penalties for violations of, or recoverable under, California Labor Code §§201, 202, 203, 204, 208, 210, 218.5, 218.6, 221, 226, 226.7, 246, 248, 248.2, 248.5, 248.6, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, and 2802; 8 C.C.R. §11090, Sections 3, 4, 7, 9, 11, 12, 18, or otherwise applicable, similar provisions of other IWC Wage Orders; 8 C.C.R. §3395; and, all civil penalties provided for in, but not limited to, California Labor Code §§203, 210, 225.5, 226, 226.3, 248.5, 558, 1174.5, 1197.1, 8 C.C.R. §11090, Sec. 20, and other default civil penalties for the Released PAGA Claims available under California Labor Code §2699.
- And, all remedies associated with any of the claims described herein, including but not limited to civil penalties; costs; attorneys' fees; and, injunctive or other equitable relief.

1"Released Parties" means Defendants together with their present and former parents, subsidiaries, affiliated entities, commonly owned or controlled entities, present and former owners, board members, officers, directors, trustees, employees, agents, insurers, attorneys, successors and assigns, and/or any individual or entity to whom liability for claims released by Plaintiff, or the Released Class Claims and Released PAGA Claims, could be assigned, including but not limited to liability established pursuant to Labor Code §558.1, or on a joint-employer, alter-ego, or other similar theory of liability.

The information provided in this notice is only a summary. The terms of the Settlement Agreement are the binding terms of this settlement, and all of these terms, including the releases that will bind you as a Class Member if you do not submit a Request for Exclusion, and Aggrieved Employee, are set forth fully in the Settlement Agreement that is on file with the Court and which can also be found at [www. \[REDACTED\]](http://www. [REDACTED]). If the Court does not approve the Settlement, or the Settlement does not become final for some other reason, the litigation against Defendants will continue.

9. WHAT ARE MY RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. PARTICIPATE IN THE SETTLEMENT

If you wish to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and will be issued your Individual Class Payment and Individual PAGA Payment (if eligible). If you participate in the Settlement, you will be bound by its terms and any judgment that may be entered by the Court based thereon, and you will release all of the claims described in Section 8 above. As a Settlement Class Member, you will not be separately responsible for the payment of attorneys' fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.

B. EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT

If you wish to exclude yourself from the Class Settlement you must submit a signed Request for Exclusion to the Settlement Administrator asking to exclude yourself from the Settlement. A Request for Exclusion must be in writing and signed by you; include your full name, address, and the last four digits of your social security number; and, postmarked or otherwise provably submitted to the Settlement Administrator by fax, email, or mail no later than [Response Deadline]. The Administrator's information is stated in Section 6 of this notice.

Requests for Exclusion that are postmarked after [Response Deadline] will not be valid. Requests for Exclusion that do not include all of the required information will be deemed null, void, and ineffective.

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement, will not be bound by the Settlement (and the release of claims described in Section 8 above), and will not have any right to object to, appeal, or comment on the Settlement. Any Class Members who do not submit a valid and timely request for exclusion will be deemed Participating Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section 8 above, as well as any judgment that may be entered by the Court based thereon.

Aggrieved Employees will receive their share of the PAGA payment, regardless of whether they opt out of being a Class Member.

C. OBJECT TO THE CLASS SETTLEMENT

If you do not think the Class Settlement is fair, you can object to the Class Settlement and tell the Court you do not agree with the Class Settlement or some part of it if you have not submitted a Request for Exclusion from the Class Settlement. The Court will consider your views. To object, you must submit a written objection to the Settlement Administrator or appear at the final settlement hearing to explain your objection. A written objection must be in writing and signed by you; include your full name, address, and the last four digits of your social security number; and, postmarked or otherwise provably submitted to the Settlement Administrator by fax, email, or mail no later than [Response Deadline]. The Administrator's information is stated in Section 6 of this notice.

10. WHEN AND WHERE IS THE FINAL APPROVAL HEARING?

The Court will hold a Final Approval Hearing on [Date] at [Time] in Department 1 of the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, CA 93291, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve and award Attorneys' Fees and Litigation Costs to Class Counsel and the Class Representative Service Award. The hearing may be postponed without further notice to Class Members, so be sure to check the Court's website if you plan to appear at the hearing. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

11. WHAT IF I HAVE QUESTIONS?

A complete copy of the Settlement Agreement and this notice are available at www. [redacted]. This website may be updated periodically to update the Class Members on any developments in the case.

You may also view the Settlement Agreement and documents filed in the Action for a fee by visiting the civil clerk's office, located at 221 S. Mooney Blvd., Visalia, CA 93291.

For further information about this case, you may contact the Administrator, Defense Counsel, or Class Counsel.

The Administrator's information is listed in Section 6 of this notice, as well as below:

ILYM Group, Inc.
[Mailing Address]
[Telephone Number]

Defense Counsel's contact information is as follows:

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DO NOT CONTACT THE COURT ABOUT THIS NOTICE.