FIRST AMENDED JOINT STIPULATION FOR CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This First Amended Joint Stipulation for Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiffs MARIO MAYORGA, NOEL MARTINEZ, MOISES LOPEZ, and ROBERT RAMOS (collectively, "Plaintiffs") and defendant QUALAWASH HOLDINGS, LLC (erroneously sued as "QUALAWASH HOLDING, LLC" and "QUALAWASH, LLC") ("Defendant"). The Agreement refers to Plaintiffs and Defendant collectively as "Parties," or individually as "Party."

Pursuant to Paragraph 10.6 of the Joint Stipulation for Class Action and PAGA Settlement Agreement executed on April 4, 2024, the Parties hereby amend and supplant the Joint Stipulation for Class Action and PAGA Settlement Agreement.

1. DEFINITIONS.

1.1 "**Actions**" means the civil class action case entitled Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al., currently pending before the Superior Court of the State of California, County of Los Angeles, Case No. 23STCV00914, and the related Private Attorney General Act ("PAGA") case entitled Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al., currently pending before the Superior Court of the State of California, County of Los Angeles, Case No. 23NWCV00148. The Parties agree, as part of this Settlement, that the Actions will be amended to add Robert Ramos as an additional named Plaintiff with respect to the class action and PAGA claims asserted by Plaintiffs.

1.2 "**Administrator**" or "**Settlement Administrator**" means Xpand Legal Consulting, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 "**Administration Expenses Payment**" means the costs incurred by the Settlement Administrator in connection with the administration which is estimated at $10,000.

1.4 "**Claims**" means all claims that were actually alleged or which could have been alleged in the Actions by Plaintiff, on behalf of themselves, the Class Members, based on the facts alleged in the operative Complaints, and occurring during the Class Period (defined below), including but not limited to: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business & Professions Code §§ 17200, et seq. The term "Claims" also includes Plaintiffs' claim that Defendant is liable for the attorneys' fees incurred to prosecute the Actions on behalf of Plaintiffs and the Class Members, including fees incurred for the services of Class Counsel, and any claim that Defendant is liable for any other remedies, civil penalties, statutory penalties, interest, or claims arising under California law based on the facts alleged in the operative Complaint. The term "Claims" also includes all claims that Plaintiffs and/or the Class Members may have against the Released Parties relating to (i) the payment, taxation and allocation of attorneys' fees and costs to Class Counsel pursuant to this Settlement Agreement, and (ii) the payment, taxation, and allocation of Plaintiffs' Service Award pursuant to this Settlement Agreement.

1.5 "**Class**," "**Settlement Class**," or "**Class Members**" means all current and former hourly-paid or non-exempt employees who worked for any of the Defendants within the State of California at any time during the period from four years preceding the filing of this Complaint (January 13, 2019) through and including the Preliminary Approval Date. Notwithstanding the immediately preceding sentence, Defendant reserves the right to exclude any persons from the Class at any point if said person files a lawsuit, files a PAGA letter, or otherwise seeks relief, up to and including preliminary approval, except the Class Representatives. If excluded, such persons shall not be entitled to any benefits under this settlement, but also shall not be bound by or release any claims released by this Settlement. Defendant estimates and believes that as of June 30, 2023, there were approximately 180 Class Members ("**Total Class Members**").

1.6 "**Class Counsel**" means Edwin Aiwazian, Arby Aiwazian, Joanna Ghosh, Vartan Madoyan, and Helene Mayer of Lawyers *for* Justice, PC, 410 West Arden Avenue, Suite 203, Glendale, California 91203.

1.7 "**Class Counsel Costs Award**" means the expenses and costs incurred by Class Counsel for Class Counsel's litigation and resolution of this Action, as awarded by the Court, which may not exceed $15,000.00. The Class Counsel Costs Award shall be paid to Class Counsel out of the Gross Settlement Amount.

1.8 "**Class Counsel Fees Award**" means the attorneys' fees for Class Counsel's litigation and resolution of this Action, as awarded by the Court, which the Parties agree may not exceed one third (33.33%) of the $400,000.00 Gross Settlement Amount (i.e., $133,333.34 in attorneys' fees). The Class Counsel Fees Award shall be paid to Class Counsel out of the Gross Settlement Amount.

1.9 "**Class Information**" means information regarding Class Members that Defendant will compile in good faith from its records and provide, confidentially, to the Settlement Administrator. Class Information shall be provided in a confidential Excel spreadsheet and shall include, for each Class Member: (1) full name, (2) last known address, (3) Social Security number, and (4) the number of Workweeks each Class Member worked for Defendant during the Class Period and PAGA Period. Because Class Members' sensitive personal information is included in the Class Information, the Settlement Administrator shall maintain the Class Information securely and in confidence. Access to such Class Information shall be limited to employees of the Settlement Administrator with a need to use the Class Information for administration of the Settlement. However, access will also be provided to Class Counsel if the Class Information is needed to respond to an inquiry from Class Members or the Court.

1.10 "**Class Notice**" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to

Class Members in English with a Spanish translation, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.11 "**Class Period**" means the period January 13, 2019 through and including the Preliminary Approval Date.

1.12 "**Class Representatives**" means Plaintiffs Mario Mayorga, Noel Martinez, and Moises Lopez.

1.13 "**Complaints**" means the operative complaints in the Actions, including any forthcoming amended complaint.

1.14 "**Class Representatives Service Awards**" means the amount that the Court may award to the Class Representatives for their effort in assisting with the prosecution of the Actions and as consideration for their execution of this Settlement Agreement and releasing their claims, as specified herein.

1.15 "**Court**" means the Superior Court of California, County of Los Angeles.

1.16 "**Defendant**" means Qualawash Holdings, LLC.

1.17 "**Defense Counsel**" means James M. Peterson and Derek W. Paradis of Higgs Fletcher & Mack, LLP.

1.18 "**Effective Date**" means the date by which this Settlement is finally approved and fully funded as provided herein and the Court's Final Approval Order becomes binding. For purposes of this Settlement Agreement, the Final Approval Order becomes binding: (1) if no Class Member timely and properly intervenes or files a motion to vacate the Judgment under Code of Civil Procedure § 663 before the entry of Judgment, then the date of funding by Defendant; (2) if a Class Member timely intervenes or files a motion to vacate the Judgment before the entry of Judgment, then the later of (a) the day after the deadline by which a notice of appeal to the Court of Appeals of the Final Approval Order and/or of an order rejecting any motion to intervene may be timely filed, and none is filed; (b) if such an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial or otherwise, the day after the deadline for filing a request for further review of the Court of Appeals' decision passes and no further review is requested; (c) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeals and further review of the Court of Appeals' decision is requested, the day after the request for review is denied with prejudice and/or no further review of the decision can be requested; or (d) if review is accepted, the day after the Supreme Court of California affirms the Settlement. Defendant will not be obligated to fund this Settlement until and unless the Effective Date is reached.

1.19 "**Final Approval Hearing**" means the hearing held to determine whether the Court will enter a Final Approval Order finally approving this Settlement.

1.20 "**Final Approval Order**" means the Court's entry of an order granting the Parties' motion for final approval of and entering a final judgment in accordance with this Settlement.

1.21 "**Gross Settlement Amount**" means Four Hundred Thousand Dollars ($400,000.00), which is the maximum amount that Defendant shall be obligated to pay under this Settlement Agreement in order to settle this Action, subject to the Court's approval. Defendant will be responsible for paying any Employer share of Payroll Taxes on the wage portions of any settlement payments separate and apart from the Gross Settlement Amount.

1.22 "**Individual Settlement Payment**" means amount payable to Class Members who do not request exclusion from the Settlement ("**Settlement Class Members**"), as calculated pursuant to Paragraph 3.5.4, below, and excludes any PAGA Settlement Payments distributed to Class Members pursuant to the PAGA.

1.23 "**Individual PAGA Payment**" means the amount calculated by the Settlement Administrator using PAGA Payment Ratio to distribute to each PAGA Aggrieved Employee. Any Class Member who opts out of the Settlement Class will nonetheless receive their PAGA Settlement Payment from the PAGA Settlement Allocation that will be distributed to the PAGA Aggrieved Employees and be bound, to the extent allowed by law, by the LWDA's release of its claims to PAGA penalties under this Agreement.

1.24 "**LWDA**" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.25 "**Net Settlement Amount**" means the Gross Settlement Amount, less the amount that the Court awards for the Class Representatives' Service Awards, Class Counsel Fees Award, the PAGA Settlement Allocation, Class Counsel Costs Award, and any Settlement Administration Costs. Defendant is separately and solely responsible for any employer Payroll Taxes owed as a result of this Settlement Agreement which the Court requires be paid separately from the Settlement funds.

1.26 "**Notice of Objection**" means a timely written request by a Class Member to object to this Settlement, which must be filed or mailed in the manner and times set forth in this Settlement Agreement and the Notice of Settlement.

1.27 "**Notice of Settlement**" means the Notice of Pendency of Class Action and Proposed Class Settlement that will be mailed to Class Members to apprise them of this Settlement. The Notice of Settlement must be substantially similar to the form attached as Exhibit "A".

1.28 "**PAGA**" means the California Labor Code Private Attorneys General Act of 2004, Labor Code § 2698, *et seq*.

1.29 "**PAGA Aggrieved Employee**" or "**Aggrieved Employee**" shall be comprised of all Class Members, irrespective of whether the Class Member files a Request for Exclusion from the Settlement Class, who were employed by Defendant during the PAGA Period.

1.30 "**PAGA Payment Ratio**" means the respective Workweeks during the PAGA Period for each PAGA Aggrieved Employees divided by the sum total of the Workweeks for all PAGA Aggrieved Employees during the PAGA Period.

1.31 "**PAGA Period**" means the period between January 13, 2022 through and including the Preliminary Approval Date.

1.32 "**PAGA Settlement Allocation**" shall mean Fifty-Five Thousand Dollars ($55,000.00) to be allocated from the Gross Settlement Amount for the payment of penalties under the PAGA. In accordance with the PAGA, the PAGA Settlement Allocation comprises payment to the LWDA for 75% of the total (i.e. $41,250.00) and the PAGA Settlement fund, which is the 25% of the total ($13,750.00) that will be paid to the Class Members satisfying the definition of

PAGA Aggrieved Employees. Each PAGA Aggrieved Employee will be paid his or her proportionate share of PAGA Settlement Fund represented by the PAGA Payment Ratio without regard to whether he or she opts out of the class settlement.

1.33 "**PAGA Settlement Fund**" means and refers to the 25% portion of the PAGA Settlement Allocation that will be distributed to the PAGA Aggrieved Employee pursuant to their PAGA Payment Ratio.

1.34 "**Payroll Taxes**" means the Defendant's portion of FICA, FUTA, and all other state and federal employer payroll taxes, which shall be paid by Defendant separately from the Gross Settlement Amount.

1.35 "**Plaintiffs**" mean Mario Mayorga, Noel Martinez, Moises Lopez, and Robert Ramos.

1.36 "**Preliminary Approval**" means the preliminary approval of this Settlement, and "**Preliminary Approval Date**" means the date the Court enters an order granting preliminary approval of this Settlement.

1.37 "**Preliminary Approval Order**" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.38 "**Released Class Claims**" means the claims being released as described in Paragraph 4.1.1 below.

1.39 "**Released PAGA Claims**" means the claims being released as described in Paragraph 4.1.3 below.

1.40 "**Released Parties**" means Qualawash Holdings, LLC, including its respective subsidiaries, affiliates, parents, divisions, predecessors, employee benefit plans sponsored or maintained by it, its attorneys, and its respective successors and assigns; all of its past, present, and future respective officers, directors, board members, executive-level employees, members, administrators, fiduciaries, trustees, principals, heirs, representatives, accountants, auditors, consultants, attorneys, insurers and reinsurers, beneficiaries and agents, and other persons acting on its behalf.

1.41 “**Request for Exclusion**” means a timely written request by a Class Member to exclude himself/herself from the Settlement, which must be completed and mailed in the times and manner set forth in Section 3.10.6 of this Settlement Agreement and the Notice of Settlement.

1.42 "**Response Deadline**" means the date forty-five (45) calendar days after the Settlement Administrator mails the Notice of Settlement to Class Members and the last date on which Class Members may postmark and/or file, as applicable, Requests for Exclusion or Notices of Objection to the Settlement.

1.43 “**Settlement**” or “**Settlement Agreement**” means the disposition of the Actions pursuant to this Agreement.

1.44 “**Settlement Fund Account**” means the qualified bank account to be established by the Settlement Administrator pursuant to the terms of this Settlement Agreement, from which all monies payable under the terms of this Settlement shall be paid. The Parties agree to treat this account as a “Qualified Settlement Fund,” and the Settlement Administrator shall treat the Settlement Fund Account as the “employer” for purposes of federal and state income and employment tax withholding and reporting with respect to the Individual Settlement Payments.

1.45 “**Void Date**” means the date by which any checks issued to Class Members shall become void, i.e., on the 181st day after mailing.

1.46 “**Workweeks**” means the number of weeks of employment that each Class Member worked for Defendant during the Class Period. For purposes of distributing the PAGA Settlement to the Settlement Class, Workweeks means the number of weeks of employment for each Settlement Class Member during the PAGA Period.

1.47 “**1542 Waiver**” means an express and complete waiver, to the fullest extent permitted by law, of the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which Section provides: “A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

2. RECITALS.

2.1 Procedural History. Plaintiffs filed the Actions on or about January 13, 2023. The Complaints, as a whole, assert Claims for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (10) Violation of California Business & Professions Code §§ 17200, et seq.; and (11) penalties under Private Attorney General Act ("PAGA"), Labor Code § 2698 et seq. Following execution of this Agreement, Plaintiffs will amend the Complaints to add Robert Ramos as a named plaintiff and class and PAGA representative, which the Parties anticipate will be made through a joint stipulation for leave to amend.

2.2 Mediation. On September 25, 2023, the Parties participated in a full-day, private mediation with Keith Jacoby, Esq., an experienced mediator who is well-versed in putative class and representative actions. Through that process Mr. Jacoby made a mediator's proposal which was accepted by the Parties, and with Mr. Jacoby's assistance, the Parties reached an agreement to resolve the Actions. At all times, each Party was represented by experienced counsel during the arms-length, good-faith negotiations facilitated by Mr. Jacoby.

2.3 Discovery and Analysis. The Parties have engaged in a thorough investigation and analysis of the claims made in the Actions. The parties informally exchanged information and documents and the Parties exchanged a sampling of time and payroll information, allowing each side with a reasonable opportunity to assess the respective strengths and weaknesses of their claims and defenses.

2.4 Plaintiffs' Reasons for Settlement. The Class Representatives and Class Counsel recognize the expense and length of continued proceedings necessary to litigate the Actions through trial, and the likelihood of protracted and expensive appellate review. They have also taken into account the uncertainty and risk of the outcome of further litigation, as well as the difficulties and delays inherent in such litigation. The Class Representatives and Class Counsel are likewise aware of the burdens of proof necessary to establish liability for the Claims asserted in the Action, which claims have been, and remain, highly disputed by Defendant, and the difficulties in establishing damages or justifiable penalties for Class Members under the theories asserted in this action. Based on the foregoing, the Class Representatives and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate and reasonable Settlement and is in the best interests of themselves and the Class Members.

2.5 Defendant's Reasons for Settlement. Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Defendant has incurred substantial amounts of time, energy, and resources in connection with the Actions and, unless this Settlement is made, will continue to be devoted to the defense of the Claims. Defendant has also taken into account the risks of further litigation in reaching its decision to enter into this Settlement. Although Defendant vehemently denies and strongly disputes the Claims and continues to contend it is not liable for any of the causes of action asserted in the Actions, Defendant has nonetheless agreed to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the Claims and avoid further protracted litigation. Defendant agrees that the Settlement set forth in this Settlement Agreement is fair, adequate, and reasonable to and for the Class Members, even though Defendant makes no concessions or admissions of wrongdoing or liability of any kind whatsoever.

2.6 Defendant has claimed, and continues to claim, that the Claims have no merit and do not give rise to liability. Defendant specifically denies all of the allegations in the operative Complaints. This Settlement Agreement is a compromise of such disputed claims. Nothing contained in this Settlement Agreement and no documents referred to herein and no action taken to carry out this Settlement Agreement may be construed or used as an admission by or against Defendant of any fault, wrongdoing, or liability whatsoever. The Parties acknowledge and agree that this Agreement, including the consideration provided herein, has been, and is, made and received solely based on a compromise of disputed claims and that this Agreement is not, and shall not be construed as an admission by Defendant of any liability.

2.7 The Parties also understand and agree that, pursuant to California Evidence Code section 1152, and any other analogous rules of evidence that are applicable (including, but not limited to, analogous rules of evidence applicable in other courts and other jurisdictions, such as, for example, Federal Rule of Evidence 408), neither this Agreement, the settlement memorialized therein, nor any act performed or document executed pursuant to or in furtherance of this Agreement, is to be (or may be deemed to be) used in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal as: (a) an admission of the validity of any Released Claims or of any wrongdoing or liability of any of the Released Parties; (b) evidence of the validity of any Released Claims or of any wrongdoing or liability of any of the Released Parties; (c) an admission of any fault or omission of any of the Released Parties; or (d) evidence of any fault or omission of any of the Released Parties.

3. SETTLEMENT TERMS.

The Parties agree as follows:

3.1 Certification of Settlement Class. Solely for the purposes of this Settlement, the Parties stipulate and agree that, in order for this Settlement to occur, the Court should certify the Settlement Class.

3.2 Appointment of Class Representative. The Parties agree that Plaintiffs Mario Mayorga, Noel Martinez, Moises Lopez, and Robert Ramos will be appointed as representatives of the Settlement Class, subject to Court approval.

3.3 Appointment of Class Counsel. The Parties agree that Edwin Aiwazian, Arby Aiwazian, Joanna Ghosh, Vartan Madoyan, and Helene Mayer with Lawyers *for* Justice, PC, will be appointed as Class Counsel for the Settlement Class, subject to the Court approval.

3.4 Gross Settlement Amount. Under the terms of this Settlement, and in consideration for the entry of the Final Approval Order and judgment, as well as the various releases, acts, and benefits delineated herein, the maximum monetary amount payable by Defendant shall not exceed payment of the employer's side Payroll Taxes and the Gross Settlement Amount of Four Hundred Thousand Dollars ($400,000). This Gross Settlement Amount represents the maximum monetary payment Defendant may be required to make to, or for the benefit of, the named Plaintiffs, Class Members, the taxing authorities, the State of California, and Class Counsel for the Settlement of this action, and this Gross Settlement Amount shall be used to cover all Individual Settlement Payments to Class Members, the Service Award to Plaintiffs, PAGA Settlement Allocation, the Class Counsel Fees Award, the Class Counsel Costs Award, Settlement Administration Costs, and any and all other costs or consideration associated with this Settlement. All employer side Payroll Taxes will be paid by Defendant separately and apart from the Gross Settlement Amount.

3.5 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:

3.5.1 Settlement Accounting. No more than five (5) calendar days after the Effective Date, the Settlement Administrator shall provide the Parties with an accounting of all anticipated payments from the Settlement Fund Account, including: (1) Individual Settlement Payments; (2) Plaintiffs' Service Award; (3) the Class Counsel Fees Award; (4) the Class Counsel Costs Award; (5) PAGA Settlement payments; and (6) Settlement Administration Costs, all as specified in this Settlement Agreement and approved by the Court.

3.5.2 Funding the Settlement. Within ten (10) calendar days following the receipt of the Settlement Accounting referenced in section 3.5.1, Defendant shall fund the Settlement by providing the Gross Settlement Amount, plus the employer's side Payroll Taxes, to the Settlement Administrator. The Settlement Administrator shall deposit the funds in the Settlement Fund Account and will disburse the funds in the manner and at the times set forth in this Agreement.

3.5.3 Individual Settlement Payments. Individual Settlement Payments will be paid from the Net Settlement Amount and mailed by First Class U.S. Mail to Class Members' last known mailing address within thirty (30) calendar days following the Effective Date of the Settlement. Any checks issued to Class Members shall remain valid and negotiable for one hundred and eighty (180) calendar days from the date of their issuance and shall become void on the 181st day after mailing, i.e., the Void Date.

3.5.4 Calculation of Individual Settlement Payments. All Class Members who do not submit a timely and valid Request for Exclusion will receive an Individual Settlement Payment. The Individual Settlement Payment shall be calculated and apportioned based on the number of Workweeks each Class Member worked during the Class Period as an employee of Defendant. Specific calculations will be made as follows:

3.5.4.1 Using the data provided by Defendant, the Settlement Administrator will calculate the number of individual Workweeks that each Class Member worked during the Class Period.

3.5.4.2 The Settlement Administrator will then add the total number of Workweeks worked by Class Members during the Class Period to come up with a total number of Workweeks ("Class Workweeks").

3.5.4.3 Individual Settlement Payments will be allocated and paid proportionately based on the number of Workweeks each Class Member worked during the Class Period. The Individual Settlement Payment will be calculated as follows: Individual Settlement Payment = (Individual Workweeks ÷ Class Workweeks) × Net Settlement Amount.

3.5.4.4 The Settlement Administrator shall calculate and deduct from those amounts the employee's share of any applicable taxes and/or other required withholdings, and then will pay the resulting amount to Class Members in the manner set forth herein.

3.5.5 Tax Treatment of Individual Settlement Payments. Each Individual Settlement Payment shall be allocated as follows: ten percent (10%) will be considered wages subject to withholding of all applicable local, state, and federal taxes, and ninety percent (90%)

will be paid non-wages, i.e., as interest and penalties, from which no taxes will be withheld. The Settlement Administrator will issue to each Class Member an IRS Form W-2 and comparable state forms with respect to the wage allocation and an IRS Form 1099 with respect to the penalties and interest allocation.

3.5.6 Calculation of Individual Payments to the Aggrieved Employees. Using the Class Data, the Settlement Administrator shall add up the total number of Workweeks for all Aggrieved Employees during the PAGA Period. The respective Workweeks for each Aggrieved Employee will be divided by the total Workweeks for all Aggrieved Employees, resulting in the "PAGA Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the Aggrieved Employee Payment to calculate each Aggrieved Employee's estimated Individual PAGA Settlement payment.

3.5.7 PAGA Settlement Allocation. Fifty-Five Thousand Dollars ($55,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the Private Attorneys General Act of 2004 ("PAGA Settlement"). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Settlement ($41,250,00) to the California Labor and Workforce Development Agency no later than twenty-five (25) calendar days after the Funding Date (hereinafter "LWDA Payment"). Twenty-five (25%) of the PAGA Settlement Allocation ($13,750.00), which is referred to as the PAGA Settlement Fund, will be distributed as PAGA Settlement Payments to the members of the PAGA Aggrieved Employees. For purposes of distributing the PAGA Settlement Fund to the PAGA Aggrieved Employees, each Aggrieved Employee shall receive a PAGA Settlement Payment calculated based on their pro-rata share of the PAGA Settlement Fund using the PAGA Payment Ratio as defined above.

3.5.8 PAGA Approval. Plaintiffs shall file a Motion for Court Approval of the PAGA Settlement Agreement pursuant to Labor Code section 2699(l). Plaintiffs have elected to allocate $55,000.00 to settle Plaintiffs' PAGA claims. Should the Court not approve Plaintiffs' allocation of the Gross Settlement Amount, Plaintiffs shall file additional Motions for Court Approval allocating more of the Gross Settlement Amount to Plaintiffs' PAGA claims if necessary. In this process, the Gross Settlement Amount will never be increased. In no event shall Defendant pay, or ever be obligated to pay, any sums exceeding the Gross Settlement Amount presently called for under this Agreement (except for employer share of Payroll Taxes).

3.5.9 Administration of Taxes by Settlement Administrator. The Settlement Administrator shall be responsible for issuing to the Class Representatives, Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099 or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also be responsible for forwarding the Payroll Taxes and any applicable withholdings/deductions to the appropriate governmental authorities.

3.5.10 Tax Liability. Defendant and Class Counsel make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Class Representatives, Class Members, and Aggrieved Employees are not relying on any statement, representation, or calculation by Defendant, Class Counsel or by the Settlement Administrator in this regard. The Class Representatives, Class Members, and Aggrieved Employees understand and agree that, except for the Settlement Administrator's payment of the employer's portion and employee's portion of any applicable Payroll Taxes, the Class Representatives, Class Members, and Aggrieved Employees will be solely responsible for reporting and paying any taxes or penalties assessed based on the payments described herein.

3.5.11 Class Representatives Service Award. Defendant agrees not to oppose any application by the Class Representatives for a Service Award which is not to exceed Ten Thousand Dollars ($10,000) each to Plaintiffs Mario Mayorga, Noel Martinez, and Moises Lopez, and not to exceed Seven Thousand Five Hundred Dollars ($7,500.00) to Plaintiff Robert Ramos, for a total of $37,500.00, as consideration for their Complete and General Release of Claims and for their time and effort in prosecuting this matter. While Defendant does not object to the enhancement award, it does not endorse an enhancement award, and leaves the amount to be awarded to the Court's discretion. Any Service Awards approved by the Court shall be paid to the Class Representatives within twenty (20) calendar days following the Effective Date of the

Settlement. The Class Representatives agree to provide the Settlement Administrator with an updated IRS Form W-9 before the Service Award is issued to the extent required by the Settlement Administrator. The Settlement Administrator shall issue an IRS Form 1099 to the Class Representatives for this payment. The Class Representatives shall be solely and legally responsible for paying any and all applicable taxes on their Service Award and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Service Award. The Service Award shall be in addition to the Class Representatives' Individual Settlement Payment. In the event the Court awards less than the full amount requested for the Service Award, the difference between the requested amount and the awarded amount will be made available for distribution to Class Members as part of the Net Settlement Amount. Plaintiffs and the Class Representatives shall not have the right to revoke their agreement to the Settlement on the grounds the Court does not approve any or all of the requested Service Award.

3.5.12 Class Counsel Fees Award and Class Counsel Costs Award. Defendant agrees not to oppose any application by Class Counsel for a Class Counsel Fees Award not to exceed one-third of the Gross Settlement Amount (i.e. $133,333.34 if the Gross Settlement Amount remains $400,000.00). Defendant further agrees not to oppose any application by Class Counsel for a Class Counsel Costs Award not to exceed $15,000.00. Class Counsel agrees they will not seek a Class Counsel Fee Award or Class Counsel Costs Award in excess of these amounts. The Class Counsel Fee Award and Class Counsel Costs Award shall be deemed to cover all work performed, costs, and expenses related to the investigation, prosecution, and settlement of the Actions incurred through the Effective Date and distribution date. The Settlement Administrator shall pay the Court-approved Class Counsel Fees Award and Class Counsel Costs Award within twenty (20) calendar days following the Effective Date of the Settlement. Class Counsel agrees to provide the Settlement Administrator with an executed IRS Form W-9 before the Class Counsel Fees Award and Class Counsel Costs Award are issued to the extent required by the Settlement Administrator. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the payments made pursuant to this Paragraph. In the event the Court awards less than the full amount requested for the Class Counsel Fees Award and Class Counsel Costs Award, the difference between the requested amount and the awarded amount will be made available for distribution to Class Members as part of the Net Settlement Amount. This Settlement is not contingent upon the Court's decision to award Class Counsel any particular amount, or any amount, for Class Counsel's attorneys' fees and costs. Class Counsel shall be solely responsible for the division and distribution of any and all Court-approved Class Counsel Fees Award and Class Counsel Costs Award. Class Counsel agrees to release Defendant and the Released Parties from any responsibility for and liability arising out of or related to the division and distribution of any Court-approved Class Counsel Award. Class Counsel agrees to assume all responsibility for the payment of any liens asserted by any former attorneys in its firm and agrees to indemnify and hold harmless Defendants for any such lien.

3.5.13 Settlement Administration Costs. The Settlement Administration Costs shall be paid to the Settlement Administrator from the Gross Settlement Amount, in an amount currently estimated not to exceed $10,000.00. The Settlement Administration Costs shall be paid the Settlement Administration Costs within forty-five (45) calendar days following the Effective Date of the Settlement, unless the Settlement Administrator requires payment before then, in which case Defendant shall provide payment when requested. In the event the Court awards less than the Settlement Administration Costs outlined herein, the difference between the requested amount and the awarded amount will be available for distribution to Class Members as part of the Net Settlement Amount.

3.6 No Pending or Future Lawsuits. Other than the Actions, the Class Representatives represent that they do not have any pending lawsuits, administrative complaints, or charges against the Released Parties in any local, state, or federal court or administrative agency. The Class Representatives further acknowledge that all claims raised therein, if any, shall be fully and finally extinguished by virtue of this Settlement Agreement and the Court's Final Approval Order, and that they will not bring any action in the future in which they seek to recover any damages from the Released Parties relating to or arising from their employment with

Defendant, existing as of the date of the execution of this Agreement, other than an action to enforce their rights under this Settlement Agreement. The Class Representatives further acknowledge and agrees that, consistent with the terms of their Complete and General Release, they shall not seek relief in any currently pending or future-filed class or representative action against the Released Parties, in any manner seeking relief for claims arising on or before the date of Final Approval. In the event a class action is certified or a collective action is commenced against the Released Parties, the Class Representatives agree that they shall opt-out of any and all relief obtained thereby, including without limitation any settlements, judgments, or relief of whatsoever kind or character obtained for the class or group to the extent they receive notice of the same, and they shall otherwise have the affirmative obligation to decline participation in any and all such class action or representative action cases, settlements, judgments, or relief of whatsoever kind or character seeking relief for claims arising on or before the date of Final Approval.

4. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer Payroll Taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, and Class Members will release claims against all Released Parties as follows:

4.1.1 Release as to All Class Members. As of the Effective Date, all Class Members who do not timely submit a Request for Exclusion will forever and finally release the Released Parties from all of the Released Claims. Released Class Claims means Claims that Class Members are fully releasing in exchange for the consideration provided by this Settlement Agreement, whether arising at law, in contract or in equity, and whether for economic or non-economic damages, restitution, injunctive relief, penalties or liquidated damages as specified below. Released Claims means all claims actually asserted or which could have been asserted in the Actions by the Class Members against the Released Parties, arising during the Class Period, based on the facts alleged in the operative Complaint, including but not limited to claims for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of

California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business & Professions Code §§ 17200, et seq. Released Claims also includes all claims that were or that could have been alleged in the Actions based on the facts stated in the Complaints, including but not limited to any claims for violations of the Fair Labor Standards Act, the California Labor Code, and the relevant Wage Orders. The term "Released Claims" also includes Plaintiffs' claim that Defendant is liable for the attorneys' fees incurred to prosecute this Actions on behalf of Class Members, including fees incurred for the services of Class Counsel, and any claim that Defendant is liable for any other remedies, civil penalties, statutory penalties, or interest under California law based on the facts alleged in the operative Complaint. The term "Released Claims" also includes all claims that the Class Members may have against the Released Parties relating to (i) the payment, taxation and allocation of attorneys' fees and costs to Class Counsel pursuant to this Settlement Agreement, and (ii) the payment, taxation, and allocation of Plaintiffs' Service Award pursuant to this Settlement Agreement. Class Members may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Final Approval Order shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist or have existed, upon any theory of law or equity now existing. It is the intent of the Parties that the Final Approval Order and Judgement entered by the Court shall have full res judicata and collateral estoppel effect and be final and binding upon Class Members regarding the Released Claims.

4.1.2 Complete and General Release by Class Representatives. In consideration for the promises and payments set forth in this Settlement Agreement, to which the Class Representatives are otherwise not entitled, the Class Representatives agree to provide a Complete and General Release and a 1542 Waiver to the Released Parties, which shall release all claims and damages of every kind and nature, actual or potential, known and unknown, which exist or could arise out of their employment and/or the end of their employment with Defendant, through and including the date of execution of this Settlement Agreement. With respect to the General Release, the stipulates and agree that, upon the Effective Date, they shall be deemed to have, and by operation of the Court's Final Approval Order, shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

> **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

The Class Representatives acknowledge that they may discover facts in addition to or different from those they now knows or believe to be true with respect to the subject matter of the Complete and General Release, but upon the Effective Date, shall be deemed to have, and by operation of the Final Approval Order shall have, fully, finally, and forever settled and released any and all of the claims covered by the Complete and General Release, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or have existed, upon any theory of law or equity now existing, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Parties understand and agree that this includes all actions, group actions (including any pending or future collective, class, private attorney general or representative actions for which the Class Representatives may otherwise qualify as a putative class member, aggrieved employee, or represented party), complaints and grievances that could potentially be brought by him against the Released Parties. The Class Representatives further agree that this Complete and General Release includes, but is not limited to, any rights or claims arising under the California Constitution; the California Labor Code; the California Business & Professions Code; the California Code of Regulations; the California Fair Employment and Housing Act; the Fair Labor Standards Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; federal and state family leave statutes; and any and all other federal, state and local laws, statutes, executive orders, regulations and common law, including contract, employment and tort law.

4.1.3 Release by the Aggrieved Employees. Upon the Effective Date, the Released Parties shall be entitled to a release from the State of California and the members of the PAGA Aggrieved Employees group only as to all PAGA claims based on the alleged facts and legal claims arising during the PAGA Period at the time of final approval by Plaintiffs in the Actions and Plaintiffs' notice letter to the LWDA including, but not limited to, Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and 2698 et seq., and the applicable IWC Wage Orders, and any resulting claim for attorneys' fees and costs under PAGA, which occurred during the PAGA The PAGA Released Claims expressly exclude all PAGA claims outside the PAGA Period, all PAGA claims not alleged in the operative complaints in the Actions, all claims under Cal. Labor Code § 558(a)(3), and all non-PAGA claims.

5. MOTION FOR PRELIMINARY APPROVAL. Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

5.1 Preliminary Approval. Promptly after execution of this Settlement Agreement, Class Counsel will submit this Agreement to the Court and shall move the Court for Preliminary Approval of the settlement set forth in this Agreement, certification of the Class for settlement purposes only, appointment of Class Counsel and the Class Representative, and entry of the Preliminary Approval Order, which shall set a Final Approval hearing date and approve the Notice for dissemination to the Class. Class Counsel shall provide drafts of the motions for preliminary approval and final approval to Defense Counsel for review and input no less than seven (7) days prior to filing the same.

5.2 Plaintiff's Responsibilities. Plaintiffs 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 Section 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 the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members [and/or the proposed Cy Pres]; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming 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 [and/or the proposed Cy Pres]; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiffs and Class Counsel Declaration shall aver as to whether they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

5.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly 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 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

5.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

6. SETTLEMENT ADMINISTRATION.

6.1 Appointment of Settlement Administrator. Solely for the purposes of this Settlement, the Parties agree Xpand Legal Consulting, LLC shall be retained to serve as the Settlement Administrator. The Settlement Administrator shall be responsible for establishing the Settlement Fund Account, establishing an address for receipt of Class Member communications; preparing, printing and mailing the Notice Packet materials to Class Members; receiving, reviewing, and processing Requests for Exclusion, if any, submitted by Class Members; calculating Individual Settlement Payments; calculating and paying any and all Payroll Taxes and any required withholdings from the Individual Settlement Payments as required under applicable law, if any; providing weekly status reports to Defense Counsel and Class Counsel; providing a due diligence declaration for submission to the Court prior to the Final Approval Hearing; mailing Individual Settlement Payments and PAGA Settlement payments to Class Members and Aggrieved Employees; paying the Service Award, Class Counsel Fees Award and Class Counsel Costs Award to Plaintiffs and Class Counsel, and Payroll Taxes to the appropriate authorities; printing and providing Class Members, Aggrieved Employees, Plaintiffs, and Class Counsel with IRS Forms W-2 and/or 1099 as required by applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; translating all notices; and for such other tasks as the Parties mutually agree. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. Any legally mandated tax reports, tax forms, tax filings, or other tax documents required by administration of this Settlement Agreement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be a Settlement Administration Cost. The Parties agree to cooperate in the Settlement administration process and to make all reasonable efforts to control and minimize Settlement Administration Costs. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

6.2 Notice to Class Members.

6.2.1 Class Information. No more than ten (10) calendar days after entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the Class Information for purposes of mailing the Notice Packet to Class Members.

6.2.2 Notice by First Class U.S. Mail. Upon receipt of the Class Information, the Settlement Administrator will conduct a national change of address search for the most current address of all former employee Class Members and will update such Class Members' addresses as necessary. Fourteen (14) calendar days after receipt of the Class Information, the Settlement Administrator shall mail the Notice Packet to all Class Members by First Class U.S. Mail. The Notice Packet will include both English and Spanish translations of the Notice of Settlement to the Class Members. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

6.2.3 Undeliverable Notices. Any Notice Packet that is returned to the Settlement Administrator as non-deliverable on or before a date fourteen (14) calendar days before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If received less than fourteen (14) calendar days before the Response Deadline, no action needs to be taken by the Settlement Administrator. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts to obtain an updated mailing address, including performing a skip trace. If an updated address is identified, the Settlement Administrator shall resend the Notice Packet to the Class Member within seven (7) calendar days of the date of the return of the original mailing. Class Members to whom the Notice Packet is resent, after having been returned as non-deliverable to the Settlement Administrator, shall have fourteen (14) calendar days thereafter or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion and/or file the Notice of Objection. The date of the postmark on the return envelope shall be the exclusive means used to determine whether a Class Member has timely mailed his/her Request for Exclusion or Notice of Objection on or before the relevant deadline. If a Class Member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be re-mailed. If, for any reason, a Notice of Settlement is non-deliverable, the Settlement Administrator will not mail an Individual Settlement Payment to the Class Member but will hold the Individual Settlement Payment until the Void Date, at which time the funds represented by such uncashed checks, plus any interest accrued thereon, shall be distributed consistent with California Code of Civil Procedure Section 384 as follows: San Diego County Bar Foundation (SDCBF). The SDCBF provides services to over 50 legal aid and public interest organizations – and include abused women and children, immigrants seeking political asylum, the working poor who cannot afford legal representation, and others who are in desperate need of legal assistance and have nowhere to turn. SDCBF grants also support programs that educate children and adults about the legal system and individuals' rights and responsibilities. More information on the SDCBF can be found at https://sdcbf.org/about/.

6.2.4 Notice Satisfies Due Process. Compliance with the notice procedures specified herein shall constitute due and sufficient notice to Class Members of this Settlement and shall satisfy the requirements of due process. Nothing else shall be required of, or done by, the Parties, Class Counsel or Defense Counsel to provide notice of the proposed Settlement. In the event the procedures in this Settlement Agreement are followed and the intended recipient of a Notice Packet still does not receive the Notice Packet, the intended recipient shall remain a Class Member and will be bound by all terms of the Settlement and any Final Approval Order entered by the Court if the Settlement becomes effective.

6.2.5 Requests for Exclusion (Opt-Outs). The Notice of Settlement shall state that Class Members who wish to exclude themselves from the Settlement must submit a written Request for Exclusion to the Settlement Administrator by the Response Deadline. To be valid, the Request for Exclusion: (1) must contain the full name, address and last four digits of the social security number of the Class Member requesting exclusion; (2) must be signed by the Class Member requesting exclusion; and (3) must state, in substance: "I wish to exclude myself from the Settlement in Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al., currently pending before the Superior Court of the State of California, County of Los Angeles, Case Nos. 23STCV00914 and 23NWCV00148. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement." If the Request for Exclusion does not contain the information listed in (1)-(3) or is not timely postmarked and returned to the Settlement Administrator at the specified address, it will not be deemed a timely or valid Request for Exclusion from the Class. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Members who submit a timely and valid Request for Exclusion from the Class will not be entitled to any monetary recovery under the Settlement and will not be bound by the terms of the Settlement as it relates to the Released Claims. However, any Settlement Class Member that submits a timely request for exclusion that is also a member of the Aggrieved Employees will still receive their pro rata share of the PAGA Settlement, and in consideration, will be bound by the Release by the Aggrieved Employees as set forth herein. Any Class Member who submits a timely and valid Request for Exclusion will not have any right to object or appeal to the Settlement. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a complete list of the names of all Class Members who have submitted timely and valid Requests for Exclusion.

6.2.6 Objections. The Notice of Settlement shall state that Class Members who wish to object to the Settlement must submit a written Notice of Objection to the Settlement Administrator by the Response Deadline. The Settlement Administrator shall forward any Notices of Objection received to counsel for the Parties. To be valid, the Notice of Objection must include: (1) the objector's full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support, if any, for such objection; (2) copies of any papers, briefs, or other documents upon which the objection is based, if any; (4) must state the case name and case number, Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al., Case Nos. 23STCV00914 and 23NWCV00148; and (5) state whether the Class Member or his/her representative intends to appear at the Final Approval Hearing. If the Notice of Objection does not contain the information listed in (1)-(5) or is not filed or timely postmarked and returned to the Settlement Administrator at the specified address, it will not be deemed a timely or valid Notice of Objection to this Settlement. As applicable, the date of the filing or the date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Notice of Objection has been timely submitted. Class Members who fail to file or submit a timely and valid Notice of Objection may be deemed by the Court to have waived any objections; however, any such decision remains the Court's discretion and the Court may allow Class Members to appear at the Final Approval Hearing to make an objection even if a Notice of Objection was not timely submitted. Class Members who file or submit a timely and valid Notice of Objection will have a right to appear at the Final Approval Hearing in person or by audio or video to have their objections heard by the Court. Class Members who timely submit both a Notice of Objection and a Request for Exclusion will be deemed to have excluded themselves and their Notice of Objection shall not be considered.

6.2.7 No Solicitation of Exclusions or Objections. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit a Notice of Objection or a Request for Exclusion from the Settlement or to appeal from the Court's Final Approval Order. Class Counsel shall not represent Class Members with respect to any objections or appeals to this Settlement. The Parties are not precluded from contacting Class Members in an effort to encourage them to participate in the Settlement.

7. OPTION TO TERMINATE SETTLEMENT If, before the Final Approval Hearing, more than five percent (5%) of Class Members have submitted timely and valid Requests for Exclusion, Defendant shall have, in its sole discretion, the option to terminate this Settlement. In the event Defendant elects to so terminate this settlement, Defendant shall be responsible for the costs of the Settlement Administrator incurred between the date this Settlement Agreement was executed and the date of the termination of the Settlement Agreement. Defendant's right to terminate the Settlement pursuant to this section shall begin upon email confirmation from the Settlement Administrator that more than five (5%) of the Class Members have submitted timely and valid Requests for Exclusion. Defendant shall then have fourteen (14) calendar days in which to exercise its right to terminate the Settlement by submitting written intent to Class Counsel of its decision to terminate the Settlement, after which Defendant forfeits said right.

8. MOTION FOR FINAL APPROVAL.

8.1 Declaration in Support of Final Approval. No fewer than thirty (30) calendar days prior to the Final Approval Hearing, the Settlement Administrator shall provide the Parties with a statement detailing the actions taken by the Settlement Administrator to administer the Settlement to date, along with all incurred and anticipated Settlement Administration Costs, and shall provide any additional information as the Parties' desire.

8.2 Final Approval Hearing. The Court shall hold a Final Approval Hearing, where objections, if any, may be heard and the Court shall determine whether the Settlement should be finally approved, and if so, the amounts payable for: (1) Individual Settlement Payments; (2)

Plaintiffs' Service Award; (3) the Class Counsel Fees Award; (4) the Class Counsel Costs Award; (5) Settlement Administration Costs; and (6) the PAGA Settlement. Class Counsel shall prepare and file any moving papers necessary to secure Final Approval of this Settlement and shall provide a draft of the same to Defense Counsel for review and comment at least three (3) business days before filing such papers.

8.3 Entry of Final Approval Order. If the Court approves this Settlement at the Final Approval Hearing, Class Counsel shall request that the Court enter a Final Approval Order and shall obtain a Judgment from the Court. The Judgment shall, among other things, (a) find that the Court has personal jurisdiction over all Class Members and that the Court has subject matter jurisdiction to approve the Agreement; (b) approve the Agreement as fair, reasonable, and adequate to, and in the best interests of the Class Members, direct the parties to implement and consummate the Agreement according to its terms; (c) find that the Notice provisions contained herein are reasonably calculated to apprise the Class Members of the pendency of the action, the terms of this Agreement, their right to object or exclude themselves, that the notice provisions are reasonable and constitute due, adequate, and sufficient notice to all Class Members; (d) find that the Class Representatives and Class Counsel fairly and adequately represented the Class for the purpose of this Agreement; (e) incorporate the Releases set forth herein, and forever discharge the Released Parties as set forth herein. After granting final approval of the Settlement and entering judgment, the Court shall retain jurisdiction over the Parties to enforce and implement the terms of the judgment.

9. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

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10. ADDITIONAL PROVISIONS.

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

10.2 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10.3 No Effect on Employee Benefits. Amounts paid to Plaintiffs, the Class Representatives, or Class Members pursuant to this Settlement Agreement do not count as earnings or compensation for purposes of any benefits provided or sponsored by Defendant.

10.4 Nullification of Settlement Agreement. In the event: (1) the Court does not enter the Preliminary Approval Order as provided herein; (2) the Court does not enter a Final Approval Order as provided herein; (3) the Court does not approve the PAGA settlement, or (4) the Settlement does not become final, for any other reason, this Settlement Agreement shall be null and void, and any order entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such case, any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that any Settlement Administration Costs already incurred by the Settlement Administrator shall be paid by the Parties in equal shares. In the event an appeal is filed from the Court's Final Approval Order or from an order rejecting any motion to intervene, or any other appellate review is sought, the administration of the settlement shall be stayed pending final resolution and Defendant will not be required to fund this Settlement until and unless the Effective Date is reached.

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10.5 Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court.

10.6 Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by Defense Counsel and Class Counsel or their successors-in-interest.

10.7 Entire Agreement. This Settlement Agreement and any Exhibits thereto constitute the entire agreement among the Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in the Settlement Agreement and its Exhibits.

10.8 Authorization to Enter into Settlement Agreement. Defense Counsel and Class Counsel warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms. The person or persons signing this Settlement Agreement on behalf of Defendant represents and warrants that he/she/they are authorized to sign this Settlement Agreement on behalf of Defendant. Plaintiffs and Class Representatives represent and warrant that they are authorized to sign this Settlement Agreement and that they have not assigned any Claims covered by this Settlement to a third-party. The Parties and their counsel agree to cooperate with each other fully and to use their best efforts to effectuate the implementation of the Settlement. Such cooperation includes, but is not limited to, execution of such other documents and the taking of such other actions as may be reasonably necessary to fulfill the terms of this Settlement. In the event 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.

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

10.10 California Law Governs. All terms of this Settlement shall be governed by and interpreted according to the laws of the State of California.

10.11 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.

10.12 Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedent so as to define all provisions of this Settlement Agreement as valid and enforceable.

10.13 Publicity. The Class Representatives and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any inquiry from the press about this case, or otherwise publicize the Actions or the Settlement, the facts of the Actions or the Settlement, or the outcome of the Actions. Nothing in this paragraph shall restrict Class Counsel from submitting documents to the Court or to the LWDA to effectuate this Settlement, or from fulfilling its ethical obligations or duties to the Class Members and Aggrieved Employees.

10.14 Exhibits and Headings. The terms of this Settlement Agreement include the terms set forth herein and in any Exhibits attached hereto, which are incorporated by this reference as though fully set forth herein. The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience only and do not constitute a part of this Settlement Agreement.

10.15 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 federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.16 Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement Agreement shall be made: (1) in writing; (2)

deemed given on the third business day after mailing; and (3) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiffs:	To Defendant:
LAWYERS for JUSTICE, PC Edwin Aiwazian, Esq. Arby Aiwazian, Esq. Joanna Ghosh, Esq. Vartan Madoyan, Esq. Helene Mayer, Esq. 410 West Arden Avenue, Suite 203 Glendale, California 91203	HIGGS FLETCHER & MACK, LLP James M. Peterson, Esq. Derek W. Paradis, Esq. 401 West "A" Street, Suite 2600 San Diego, CA 92101

10.17 Execution by Class Members. It is agreed that it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Notice of Settlement will therefore advise all Class Members of the binding nature of the Settlement and its Released Claims, which release shall have the same force and effect as if each Class Member executed this Settlement Agreement individually (excepting only those Class Members who return a timely and valid Request for Exclusion).

10.18 Execution by Plaintiffs. Plaintiffs, by signing this Settlement Agreement, are bound by the terms herein and further agree not to submit any Request for Exclusion from or Notice of Objection to the Settlement. Any such Request for Exclusion or Notice of Objection from Plaintiffs shall therefore be void and of no force or effect.

10.19 Counterparts. This Settlement Agreement shall become effective upon its execution by all of the undersigned. The Agreement may be executed counterparts, which shall have the same force and effect as if each had signed the same instrument. Copies of the executed Settlement Agreement shall be effective for all purposes as though the signatures contained therein were original signatures.

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IT IS SO STIPULATED AND AGREED:

DATED: July 30, 2024

Electronically Signed 2024-07-31 01:19:32 UTC - 172.114.6.72
Nintex AssureSign® 3a665346-ba25-48e1-974b-b1bd0143d1ba

MARIO MAYORGA

DATED: August 02, 2024

Electronically Signed 2024-08-02 16:57:07 UTC - 104.28.85.129
Nintex AssureSign® 2f91a632-6fd7-4f69-82e1-b1bd014469cb

NOEL MARTINEZ

DATED: July 31, 2024

Electronically Signed 2024-08-01 06:07:38 UTC - 172.56.177.21
Nintex AssureSign® f6694a1d-147f-4b97-89fb-b1bd0144c831

MOISES LOPEZ

DATED: August 01, 2024

Electronically Signed 2024-08-01 21:15:20 UTC - 172.58.210.124
Nintex AssureSign® f9ab3919-1982-485e-a94e-b1bd01455beb

ROBERT RAMOS

DATED: ________ ___, 2024

____
QUALAWASH HOLDINGS, LLC

By:______________________________

Title:_____________________________

APPROVED AS TO FORM:

Dated: ________ ___, 2024

HIGGS FLETCHER & MACK LLP

By: ______________________________
JAMES M. PETERSON
DEREK W. PARADIS
Attorneys for Defendant

Dated: August 2, 2024

LAWYERS for JUSTICE, PC

Helene Mayer

By: ______________________________
EDWIN AIWAZIAN
JOANNA GHOSH
VARTAN MADOYAN
HELENE MAYER
Attorneys for Plaintiffs

IT IS SO STIPULATED AND AGREED:

DATED: ________ ___, 2024 ______________________________
MARIO MAYORGA

DATED: ________ ___, 2024 ______________________________
NOEL MARTINEZ

DATED: ________ ___, 2024 ______________________________
MOISES LOPEZ

DATED: ________ ___, 2024 ______________________________
ROBERT RAMOS

DATED: August 1, 2024 ______________________________
QUALAWASH HOLDINGS, LLC

By: Paul Woodbury

Title: VP, Human Resources

APPROVED AS TO FORM:

Dated: August 1, 2024

HIGGS FLETCHER & MACK LLP

By: ______________________________
JAMES M. PETERSON
DEREK W. PARADIS
Attorneys for Defendant

Dated: ________ ___, 2024

LAWYERS for JUSTICE, PC

By: ______________________________
EDWIN AIWAZIAN
JOANNA GHOSH
VARTAN MADOYAN
HELENE MAYER
Attorneys for Plaintiffs

EXHIBIT A

NOTICE OF PENDENCY OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND FINAL HEARING DATE

***Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case Nos. 23STCV00914 and 23NWCV00148**

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do **not** have to do anything. **Your estimated Individual Settlement Payment is: $<<___>>. See the explanation below.** After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive **no money from the Settlement**. Instructions are set forth below, except that you will still receive your Aggrieved Employee Payment.
Object	You may write to the Court about why you do not like the settlement. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit entitled *Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al.*, Case Nos. 23STCV00914 and 23NWCV00148 (the "Actions"), currently pending before the Superior Court of the State of California, County of Los Angeles (the "Court") has been reached between MARIO MAYORGA, NOEL MARTINEZ, MOISES LOPEZ, and ROBERT RAMOS (collectively, "Plaintiffs") and QUALAWASH HOLDINGS, LLC ("Defendant"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a Settlement Class Member, which is defined as:

> All of Defendant's current and former non-exempt employees employed in California between January 13, 2019 and <<INSERT PRELIMINARY APPROVAL DATE>>.

The "Class Period" is the period of time running from January 13, 2019 to <<INSERT PRELIMINARY APPROVAL DATE>>.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

The Actions were filed on January 13, 2023. In the Actions, Plaintiffs assert Claims for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (10) Violation of California Business & Professions Code §§ 17200, et *seq*.; and (11) penalties under Private Attorney General Act ("PAGA"), Labor Code § 2698 *et seq.*

On September 25, 2023, the Parties participated in a full-day, private mediation with Keith Jacoby, Esq., an experienced mediator who is well-versed in putative class and representative actions. Through that process Mr. Jacoby made a mediator's proposal which was accepted by the Parties, and with Mr. Jacoby's assistance, the Parties reached an agreement to resolve the Actions and entered into the First Amended Joint Stipulation for Class Action and PAGA Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement"). The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firm of Lawyers for Justice, PC to serve as Class Counsel.

Defendant denies and disputes all claims asserted in the Actions. Specifically, Defendant contended (and continues to contend) that the Actions could not properly be maintained as a class action; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendant paid any members of the class at least minimum wage for all hours worked, paid all overtime owed, and paid all wages due them at the time of their terminations; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; that Defendant reimbursed members of the class for all reasonably necessary business expenses; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Actions.

3. What are the terms of the Settlement?

<u>Total Settlement Amount</u>. Defendant has agreed to pay Four Hundred Thousand Dollars ($400,000.00) (the "Gross Settlement Amount") to fund the settlement. The Gross Settlement Amount includes the payment of all Individual Settlement Payments to participating Settlement Class Members, the Class Counsel Fees Award, the Class Counsel Costs Award, Settlement Administration Costs, the PAGA Settlement Allocation, and the Class Representatives Service Award to the Plaintiffs. Defendant will be responsible for paying any Employer share of Payroll Taxes on any individual settlement payments separate and apart from the Gross Settlement Amount.

Within ten (10) calendar days following the receipt of the Settlement Accounting from the Settlement Administrator, Defendant will fund the Gross Settlement Amount, plus the employer's side Payroll Taxes, by depositing the money into Settlement Fund Account maintained by the third party Settlement Administrator.

<u>Amounts to be Paid from the Gross Settlement Amount</u>. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Settlement Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed $10,000, for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.

- Attorneys' Fees and Costs. Subject to Court approval, Class Counsel shall seek a Class Counsel Fees Award in an amount equal to one-third of the Total Settlement Amount currently estimated to be $133,333.34 for reasonable attorneys' fees, plus costs and expenses supported by declaration not to exceed $15,000.00. The Class Counsel Fees and Costs Award is intended to compensate and reimburse Class Counsel for all of the work already performed and all of the work remaining to be performed by Class Counsel in documenting the settlement, securing Court approval of the settlement, administering the settlement, and making sure that the settlement is fairly administered and implemented.

- Class Representatives Service Award. Class Representatives Service Award of up to $10,000.00 each to Plaintiffs Mario Mayorga, Noel Martinez, and Moises Lopez, and up to $7,500.00 to Plaintiff Robert Ramos, for a total of $37,500.00, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, for their complete release of all claims, and for the risks they undertook.

- PAGA Settlement. A payment of $55,000.00 relating to Plaintiffs' claim under the Private Attorney General's Act ("PAGA"), $41,250.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining $13,750.00 will be distributed to Aggrieved Employees which are all of Defendant's current and former non-exempt employees employed in California between January 13, 2022 and <<INSERT PRELIMINARY APPROVAL DATE>>.

- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Settlement Administration Expenses, Class Counsel Awards, the Class Representatives Service Awards and the PAGA Settlement are deducted from the Total Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Participating Settlement Class Members"). The Individual Settlement Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of workweeks worked for all Participating Class Members that occurred during the Class Period and (b) multiplying the result by each individual Participating Class Member's workweeks worked that occurred during the Class Period.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. 10% of each Settlement Share constitutes wages in the form of back-pay (and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment) and 90% of each Settlement Share constitutes interest, penalties and other non-wage payments (and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment). Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement 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.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. As of the Effective Date, all Class Members who do not timely submit a Request for Exclusion will forever and finally release the Released Parties from all of the Released Claims. Released Class Claims means Claims that Class Members are fully releasing in exchange for the consideration provided by this Settlement Agreement, whether arising at law, in contract or in equity, and whether for economic or non-economic damages, restitution, injunctive relief, penalties or liquidated damages as specified below. Released Claims means all claims actually asserted or which could have been asserted in the Actions by the Class Members against the Released Parties, arising during the Class Period, based on the facts alleged in the operative Complaint, including but not limited to claims for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business & Professions Code §§ 17200, et seq. Released Claims also includes all claims that were or that could have been alleged in the Actions based on the facts stated in the Complaints, including but not limited to any claims for violations of the Fair Labor Standards Act, the California Labor Code, and the relevant Wage Orders. The term "Released Claims" also includes Plaintiffs' claim that Defendant is liable for the attorneys' fees incurred to prosecute this Actions on behalf of Class Members, including fees incurred for the services of Class Counsel, and any claim that Defendant is liable for any other remedies, civil penalties, statutory penalties, or interest under California law based on the facts alleged in the operative Complaint. The term "Released Claims" also includes all claims that the Class Members may have against the Released Parties relating to (i) the payment, taxation and allocation of attorneys' fees and costs to Class Counsel pursuant to this Settlement Agreement, and (ii) the payment, taxation, and allocation of Plaintiffs' Service Award pursuant to this Settlement Agreement. Class Members may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Final Approval Order shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist or have existed, upon any theory of law or equity now existing. It is the intent of the Parties that the Final Approval Order and Judgement entered by the Court shall have full res judicata and collateral estoppel effect and be final and binding upon Class Members regarding the Released Claims.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

Released PAGA Claims. Upon the Effective Date, the Released Parties shall be entitled to a release from the State of California and the members of the PAGA Aggrieved Employees group only as to all PAGA claims based on the alleged facts and legal claims arising during the PAGA Period at the time of final approval by Plaintiffs in the Actions and Plaintiffs' notice letter to the LWDA including, but not limited to, Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and 2698 et seq., and the applicable IWC Wage Orders, and any resulting claim for attorneys' fees and costs under PAGA, which occurred during the PAGA The PAGA Released Claims expressly exclude all PAGA claims outside the PAGA Period, all PAGA claims not alleged in the operative complaints in the Actions, all claims under Cal. Labor Code § 558(a)(3), and all non-PAGA claims.

5. How much will my payment be?

Defendant's records reflect that you have <<_____>> work-weeks/work-days worked during the Class Period.

Based on this information, your estimated Individual Settlement Payment is <<_______>>.

Defendant's records reflect that you have <<_____>> work-weeks/work-days worked during the PAGA Period.

Based on this information, your estimated Individual PAGA Settlement Payment is <<_______>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than ________________, 2024 [forty-five (45) days after the Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: _____________. (800) _________.

The Court will hold a hearing on __________________ to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms**.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____________, 2024. The request for exclusion must state in substance: "I wish to exclude myself from the Settlement in *Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case Nos. 23STCV00914 and 23NWCV00148. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

The address for the Settlement Administrator is ____. Written requests for exclusion that are postmarked after _______________, 2024, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't like the Settlement?

Any Class Member, who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections must be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All objections or other correspondence must also state the name and number of the case, which is *Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case Nos. 23STCV00914 and 23NWCV00148.

To object to the Settlement, you must not opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

The objections must be delivered or mailed to the Settlement Administrator no later than ________________, 2024 with copies to the Parties' counsel. The address for the Settlement Administrator is ___________________________________.

The addresses for the Parties' counsel are as follows:

To Plaintiff:	**To Defendant:**
LAWYERS for JUSTICE, PC Edwin Aiwazian, Esq. Arby Aiwazian, Esq. Joanna Ghosh, Esq. Vartan Madoyan, Esq. Helene Mayer, Esq. 410 West Arden Avenue, Suite 203 Glendale, California 91203	HIGGS FLETCHER & MACK, LLP James M. Peterson, Esq. Derek W. Paradis, Esq. 401 West "A" Street, Suite 2600 San Diego, CA 92101

The Court will hold a Final Approval Hearing at 00:00 AM/PM on ________________, at the Los Angeles County Superior Court, located at 312 N Spring St., Los Angeles, CA 90012 in Department 12 before Hon. Carolyn B. Kuhl. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at _____________ or write to *Mario Mayorga, et al. v. Qualawash Holdings, LLC, et al.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case Nos. 23STCV00914 and 23NWCV00148, Settlement Administrator, c/o ___________________.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to the Plaintiffs' counsel.

PLEASE <u>DO</u> <u>NOT</u> CALL THE COURT ABOUT THIS NOTICE.

<u>IMPORTANT:</u>

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.

- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. Any unclaimed funds as a result of the failure to cash Individual Settlement Payment checks by the Void Date shall be distributed to the San Diego County Bar Foundation pursuant to Code of Civil Procedure section 384. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.