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SOLUTIONS, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CLARA – OLD COURTHOUSE

FRANCISCO AVENDANO HERAS,
individually, and on behalf of all others
similarly situated

Plaintiff,

vs.

ACTION ROAD SOLUTIONS, LLC, dba
GREAT AMERICA TOWING; a Delaware
limited liability company; and DOES 1
through 50, inclusive,

Defendants.

Case No. 25CV469179

*Assigned for all purposes to the Hon.
Theodore C. Zayner, Dept. 19*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

Complaint filed: June 25, 2025
Trial date: None set

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between Plaintiff Francisco Avendano Heras (“Plaintiff”) and Defendant Action Road Solutions,
3 LLC, dba Great America Towing (“Defendant”). The Agreement refers to Plaintiff and Defendant
4 collectively as “Parties,” or individually as “Party.”

5 **1. DEFINITIONS.**

6 1.1 “Action” means Plaintiff’s lawsuit alleging wage and hour violations against
7 Defendant captioned *Heras v. Action Road Solutions, LLC, et al.*, Case No. 25CV469179,
8 initiated on June 25, 2025, and pending in the Court.

9 1.2 “Address Search” means the Administrator’s investigation and search for current
10 Class Member or Aggrieved Employee mailing addresses using all reasonably available sources,
11 methods and means including, but not limited to, the National Change of Address database, skip
12 traces, and direct contact by the Administrator with Class Members or Aggrieved Employees.

13 1.3 “Administrator” means ILYM Group, Inc., the neutral entity the Parties have agreed
14 to appoint to administer the Settlement.

15 1.4 “Administration Costs” means the amount the Administrator will be paid from the
16 Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the
17 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary
18 Approval of the Settlement.

19 1.5 “Aggrieved Employee” means a person employed by Defendant in California and
20 classified as an hourly-paid, non-exempt individual who worked for Defendant at any time during
21 the PAGA Period.

22 1.6 “Class” means all persons employed by Defendant in California and classified as an
23 hourly-paid, non-exempt individual who worked for Defendant at any time during the Class
24 Period.

25 1.7 “Class Counsel” means John G. Yslas, Eugene Zinovyev, John Brown, and Gabriella
26 Solé of Wilshire Law Firm, PLC.

27 1.8 “Class Counsel Fees” and “Class Counsel Costs” mean the amounts allocated to Class
28 Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to

1 prosecute the Action.

2 1.9 “Class Data” means Class Member identifying information in Defendant’s possession,
3 including the Class Member’s name, last-known mailing address, Social Security number, and
4 number of Class Period Workweeks and PAGA Pay Periods.

5 1.10 “Class Member” means a member of the Class, as either a Participating Class Member
6 or Non-Participating Class Member (including a Non- Participating Class Member who qualifies
7 as an Aggrieved Employee).

8 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION AND
9 PAGA SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be
10 mailed to Class Members in English with a Spanish translation in the form, without material
11 variation, attached as Exhibit A and incorporated by reference into this Agreement.

12 1.12 “Class Period” means the period from November 11, 2024, through July 15, 2026.

13 1.13 “Class Representative” means the named Plaintiff in the operative complaint in the
14 Action seeking Court approval to serve as a class representative.

15 1.14 “Class Representative Service Award” means the payment to the Class
16 Representative for initiating the Action and providing services in support of the Action.

17 1.15 “Court” means the Superior Court of California, County of Santa Clara.

18 1.16 “Defendant” means named Defendant Action Road Solutions, LLC, dba Great
19 America Towing.

20 1.17 “Defense Counsel” means Timothy B. Nelson of the law firm Medina McKelvey LLP.

21 1.18 “Effective Date” means the date on which the Judgment becomes final. The Judgment
22 is final as of the latest of the following occurrences: (a) if no Participating Class Member objects
23 to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class
24 Members objects to the Settlement, the day after the deadline for filing a notice of appeal from
25 the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court
26 affirms the Judgment and issues a remittitur.

27 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.

28 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final

Approval of the Settlement.

1.21 “Gross Settlement Amount” or (“GSA”) means \$232,500.00, which is the total amount Defendant agrees to pay under the Settlement, excluding employer-side payroll taxes. The GSA will be used to pay Individual Class Payments, PAGA Penalties, Class Counsel Fees, Class Counsel Costs, the Class Representative Service Award, and Administration Costs.

1.22 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount based on the number of Workweeks worked during the Class Period.

1.23 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

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

1.25 “LWDA” means the California Labor and Workforce Development Agency.

1.26 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (m).

1.27 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties, Class Representative Service Award, Class Counsel Fees, Class Counsel Costs, and Administration Costs. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.28 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.29 “PAGA Period” means the period from November 11, 2024, through July 15, 2026.

1.30 “PAGA” means the Private Attorneys General Act (Lab. Code § 2698, *et seq.*).

1.31 “PAGA Notice” means Plaintiff’s June 26, 2025 letter to the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.32 “PAGA Penalties” means \$11,625, the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to Aggrieved Employees and 65% to the LWDA in settlement of PAGA claims.

1.33 “Participating Class Member” means a Class Member who does not submit a valid

and timely Request for Exclusion from the Settlement.

1.34 “Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period and recorded time in Defendant’s timekeeping system.

1.35 “Plaintiff” means Francisco Avendano Heras, the named plaintiff in the Action.

1.36 “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

1.37 “Released Class Claims” means the claims being released, as described in Paragraph 5.2 below.

1.38 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.39 “Released Parties” means Defendant and each of its past and present, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

1.40 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.41 “Response Deadline” means 60 days after the Administrator mails the Class Notice and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion, (b) fax, email or mail objections to the Settlement, or (c) fax, email, or mail a challenge to the number of Workweeks allocated to the Class Member in the Class Notice. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have their deadline extended an additional 14 calendar days beyond the Response Deadline.

1.42 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.43 “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period and recorded time in Defendant’s timekeeping system.

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1 **2. RECITALS.**

2 2.1 On June 25, 2025, Plaintiff commenced this Action by filing a class action complaint
3 alleging the following causes of action against Defendant: 1) Failure to Pay Minimum and
4 Straight Time Wages; 2) Failure to Pay Overtime Wages; 3) Failure to Provide Meal Periods; 4)
5 Failure to Authorize and Permit Rest Periods; 5) Failure to Timely Pay Final Wages at
6 Termination; 6) Failure to Provide Accurate Itemized Wage Statements; 7) Failure to Indemnify
7 Employees for Expenditures; 8) Failure to Produce Requested Employment Records; and 8)
8 Unfair Business Practices in violation of the Unfair Competition Law (“UCL”), Bus. & Prof.
9 Code § 17200, *et seq.* (“Class Action”).

10 2.2 On September 3, 2025, Plaintiff filed a representative PAGA action complaint against
11 Defendant, Santa Clara County Superior Court Case No. 25CV474263) for civil penalties under
12 the PAGA alleging essentially the same Labor Code violations as alleged in the Class Action and
13 the violations alleged in the PAGA Notice (the “PAGA Action”).

14 2.3 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written
15 notice to Defendant and the LWDA by sending the PAGA Notice.

16 2.4 On April 16, 2026, the Parties participated in an all-day mediation presided over by
17 Steven G. Mehta, Esq. (“Mediator”), which led to this Agreement.

18 2.5 Before mediation, Plaintiff obtained, through informal discovery, Plaintiff’s personnel
19 file, a sampling of Class Members’ timekeeping and payroll records, and Defendant’s written
20 policies in effect during the Class Period, including Defendant’s Employee Handbook. Plaintiff’s
21 investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford*
22 *Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168
23 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

24 2.6 For purposes of settlement only, the Parties stipulate and agree that 1) Plaintiff shall
25 file a First Amended Complaint in the Class Action to add a PAGA cause of action alleging the
26 violations alleged in the PAGA Notice, and then 2) Plaintiff shall dismiss the PAGA Action
27 without prejudice. The First Amended Complaint shall be the operative complaint in the Action
28 (the “Operative Complaint”). Defendant denies the allegations in the Operative Complaint, denies

any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.7 The Court has not granted class certification because the Parties engaged in mediation before any motion for class certification was filed.

2.8 The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matters or actions asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Defendant promises to pay \$232,500 and no more as the Gross Settlement Amount and to pay separately any and all employer payroll taxes owed on the Wage Portions (as defined below) of the Individual Class Payments. Defendant has no obligation to pay the GSA (or any payroll taxes) before the deadline stated in Paragraph 4.2. The Administrator will disburse the entire GSA without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiff: Class Representative Service Award of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment to which the Class Representative is entitled as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Award that does not exceed this amount. As part of the Motion for Final Approval, Plaintiff will seek Court approval for any such Service Award. If the Court approves a Class Representative Service Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative

Service Award.

3.2.2 To Class Counsel: Class Counsel Fees of not more than 35%, which is currently estimated to be \$81,375, and Class Counsel Costs of not more than \$26,500. Defendant will not oppose requests for these payments provided they do not exceed these amounts. As part of the Motion for Final Approval, Plaintiff and/or Class Counsel may seek Court approval of Class Counsel Fees and Class Counsel Costs. In support of Class Counsel Costs, Class Counsel must submit a cost ledger listing each expense incurred during the Action. If the Court approves Class Counsel Fees or Class Counsel Costs less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fees and/or Class Counsel Costs. The Administrator will pay Class Counsel Fees and Class Counsel Costs using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on Class Counsel Fees and Class Counsel Costs and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.

3.2.3 To the Administrator: Administration Costs not to exceed \$7,950 except for a showing of good cause and as approved by the Court. To the extent the administration costs are less than or the Court approves payment less than \$7,950, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment, which the Administrator shall calculate by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of

wage claims (the “Wage Portion”). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 80% of each Participating Class Member’s Individual Class Payment will be allocated to the settlement of claims for interest and statutory penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$11,625 to be paid from the GSA, with 65% (\$7,556.25) allocated to the LWDA PAGA Payment and 35% (\$4,068.75) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 35% share of PAGA Penalties (\$4,068.75) by the total number of Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

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1 **4. SETTLEMENT FUNDING AND PAYMENTS.**

2 4.1 Class Size Estimates. Based on a review of its records to date, Defendant estimates
3 there are 242 Class Members who collectively worked a total of 11,000 Workweeks and 242
4 Aggrieved Employees who worked a total of 5,399 Pay Periods.

5 4.1.1 If the total number of Workweeks increases by more than 10% (i.e. more than
6 1,100 Workweeks), then Defendant shall have the option either to: (1) increase the
7 GSA proportionally by the number of Workweeks worked in excess of 10% (e.g., if
8 the final number of total Workweeks increases by 11% over 11,000, the GSA will
9 increase by 1%); or (2) roll back the end of the Class and PAGA Periods to the date
10 on which the total number of Workweeks reaches, but does not exceed, 12,100. If this
11 provision is triggered, the Parties agree that the portion of the GSA allocated to
12 attorneys' fees will increase proportionally such that the total amount of attorneys'
13 fees remains up to 35% of the GSA after the requisite upward adjustment is
14 implemented.

15 4.2 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
16 Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes, by
17 transmitting the funds to the Administrator no later than 14 days after the Effective Date.

18 4.3 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds
19 the Gross Settlement Amount, the Administrator will mail checks for all Individual Class
20 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, Administration Costs,
21 Class Counsel Fees, Class Counsel Costs, and the Class Representative Service Award.
22 Disbursement of Class Counsel Fees, Class Counsel Costs, and the Class Representative Service
23 Award shall not precede disbursement of Individual Class Payments and Individual PAGA
24 Payments.

25 4.3.1 The Administrator will issue checks for the Individual Class Payments and/or
26 Individual PAGA Payments and send them to Class Members and Aggrieved
27 Employees via First Class U.S. Mail, postage prepaid. The face of each check shall
28 prominently state the date (not less than 180 days after the date of mailing) when the

1 check will be voided. The Administrator will cancel all checks not cashed by the void
2 date. The Administrator will send checks for Individual Class Payments to all
3 Participating Class Members (including those for whom Class Notice was returned
4 undelivered). The Administrator will send checks for Individual PAGA Payments to
5 all Aggrieved Employees including Non-Participating Class Members who qualify as
6 Aggrieved Employees (including those for whom Class Notice was returned
7 undelivered). The Administrator may send Participating Class Members who are also
8 Aggrieved Employees a single check combining the Individual Class Payment and the
9 Individual PAGA Payment. Before mailing any checks, the Administrator must update
10 the recipients' mailing addresses using the National Change of Address Database.

11 4.3.2 The Administrator must conduct an Address Search for all Class Members and
12 Aggrieved Employees whose checks are returned undelivered without a United States
13 Postal Service ("USPS") forwarding address. Within 7 days of receiving a returned
14 check the Administrator must re-mail the check to the USPS forwarding address
15 provided or to an address ascertained through the Address Search. The Administrator
16 need not take further steps to deliver checks to Class Members or Aggrieved
17 Employees whose re-mailed checks are returned as undelivered. The Administrator
18 shall promptly send a replacement check to any Class Member or Aggrieved
19 Employee whose original check was lost or misplaced, as requested by the Class
20 Member or Aggrieved Employee before the void date.

21 4.3.3 For any Class Member whose Individual Class Payment check is uncashed and
22 cancelled after the void date, the Administrator shall transmit the funds represented
23 by such a check to the California Controller's Unclaimed Property Fund in the name
24 of the Class Member thereby leaving no "unpaid residue" subject to the requirements
25 of Code of Civil Procedure § 384(b).

26 4.3.4 For any Aggrieved Employee whose Individual PAGA Payment check is
27 uncashed and cancelled after the void date, the Administrator shall transmit the funds
28 represented by such check to the California Controller's Unclaimed Property Fund in

the name of the Aggrieved Employee thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure § 384(b).

4.3.5 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer-side payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff’s Release. Plaintiff and Plaintiff’s respective former and present representatives, agents, attorneys, administrators, successors and assigns, release and discharge Released Parties from all claims arising during the Class Period that were, or reasonably could have been, alleged based on the facts contained in the Operative Complaint and the PAGA Notice (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1 Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

1 5.2 Release by Participating Class Members: All Participating Class Members, on behalf
2 of themselves and their respective former and present representatives, agents, attorneys,
3 administrators, successors and assigns, release Released Parties from all claims arising during the
4 Class Period that were alleged, or reasonably could have been alleged, based on the facts and
5 allegations in the Operative Complaint. Except as set forth in Section 5.3 of this Agreement,
6 Participating Class Members do not release any other claims, including claims for vested benefits,
7 wrongful termination, violation of the Fair Employment and Housing Act, unemployment
8 insurance, disability, social security, or workers' compensation or claims based on events
9 occurring outside the Class Period.

10 5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release,
11 on behalf of themselves and their respective former and present representatives, agents, attorneys,
12 administrators, successors, and assigns, the Released Parties from all claims for PAGA Penalties
13 arising during the PAGA Period that were alleged, or reasonably could have been alleged, based
14 on the facts and allegations in the Operative Complaint and the PAGA Notice.

15 **6. MOTION FOR PRELIMINARY APPROVAL.** The Parties agree jointly to prepare and
16 file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with
17 the Court's current checklist for Preliminary Approvals.

18 6.1 Defendant's Declaration in Support of Preliminary Approval. Within 14 days of the
19 full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed
20 declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or
21 potential conflicts of interest with the Administrator. In their declarations, Defense Counsel and
22 Defendant shall aver whether they are aware of any other pending matter or action asserting
23 claims that will be extinguished or adversely affected by the Settlement.

24 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all
25 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice and
26 memorandum in support of the Motion for Preliminary Approval that includes an analysis of the
27 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor
28 Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary Approval

1 and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration
2 from the Administrator attaching its “not to exceed” bid for administering the Settlement and
3 attesting to its willingness to serve; competency; operative procedures for protecting the security
4 of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other
5 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;
6 and the nature and extent of any financial relationship with Plaintiff, Class Counsel, or Defense
7 Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve
8 and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members,
9 and the Administrator; (vi) a signed declaration from Class Counsel attesting to its competency
10 to represent the Class Members; and its timely transmission to the LWDA of all necessary PAGA
11 documents (PAGA Notice (Lab. Code, § 2699.3, subd. (a)), Operative Complaint (Lab. Code, §
12 2699, subd. (1)(1)), and the Agreement (Lab. Code, § 2699, subd. (1)(2))); and (vii) all facts relevant
13 to any actual or potential conflict of interest with Class Members and/or the Administrator. In
14 their declarations, Plaintiff and Class Counsel shall aver whether they are aware of any other
15 pending matter or action asserting claims that will be extinguished or adversely affected by the
16 Settlement.

17 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly
18 responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later
19 than 30 days after the full execution of this Agreement, obtaining a prompt hearing date for the
20 Motion for Preliminary Approval, and appearing in Court to advocate in favor of the Motion for
21 Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary
22 Approval to the Administrator.

23 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
24 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
25 Defense Counsel will expeditiously work together by meeting in good faith, in person or by
26 telephone, to resolve the disagreement. If the Court does not grant Preliminary Approval or
27 conditions Preliminary Approval on any material change to this Agreement, Class Counsel and
28 Defense Counsel will expeditiously work together in good faith, in person or by telephone, to

1 modify the Agreement and/or otherwise satisfy the Court's concerns.

2 **7. SETTLEMENT ADMINISTRATION.**

3 7.1 Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to
4 serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc.
5 agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this
6 Agreement in exchange for Administration Costs. The Parties and their Counsel represent that
7 they have no interest or relationship, financial or otherwise, with the Administrator other than a
8 professional relationship arising out of prior experiences administering settlements.

9 7.2 Employer Identification Number. The Administrator shall have and use its own
10 Employer Identification Number for purposes of calculating payroll tax withholdings and
11 providing reports to state and federal tax authorities.

12 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
13 meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section
14 468B-1.

15 7.4 Notice to Class Members.

16 7.4.1 Not later than 15 days after the Court grants Preliminary Approval, Defendant
17 will deliver the Class Data to the Administrator, in the form of a Microsoft Excel
18 spreadsheet. To protect Class Members' privacy rights, the Administrator must
19 maintain the Class Data in confidence, use the Class Data only for purposes of this
20 Settlement and for no other purpose, and restrict access to the Class Data to
21 Administrator employees who need access to effect and perform under this
22 Agreement. Defendant has a continuing duty to notify Class Counsel immediately if
23 it discovers that the Class Data omitted Class Member identifying information and to
24 provide corrected or updated Class Data as soon as reasonably feasible. Without any
25 extension of the deadline by which Defendant must send the Class Data to the
26 Administrator, the Parties and their counsel will expeditiously use best efforts, in good
27 faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class
28 Data. No later than three (3) business days after receipt of the Class Data, the

1 Administrator shall notify Class Counsel that the list has been received and state the
2 number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in
3 the Class Data.

4 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
5 days after receiving the Class Data, the Administrator will send to all Class Members
6 identified in the Class Data, via first-class USPS mail, the Class Notice with Spanish
7 translation substantially in the form attached to this Agreement as **Exhibit A**. The first
8 page of the Class Notice shall prominently estimate the dollar amounts of any
9 Individual Class Payment and Individual PAGA Payment (if applicable) payable to
10 the Class Member and the number of Workweeks and PAGA Pay Periods (if
11 applicable) used to calculate these amounts. Before mailing Class Notices, the
12 Administrator shall update Class Member addresses using the National Change of
13 Address database.

14 7.4.3 Not later than 3 business days after the Administrator's receipt of any Class
15 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class
16 Notice using any forwarding address provided by the USPS. If the USPS does not
17 provide a forwarding address, the Administrator shall conduct a Class Member
18 Address Search and re-mail the Class Notice to the most current address obtained. The
19 Administrator has no obligation to make further attempts to locate or send Class
20 Notice to Class Members whose Class Notice is returned by the USPS a second time.

21 7.4.4 The deadline for Class Members' written objections, challenges to Workweeks,
22 and Requests for Exclusion will be extended for Class Members whose notices are re-
23 mailed. Class Members to whom Class Notices are resent after having been returned
24 undeliverable to the Administrator shall have their deadline extended an additional 14
25 days beyond the Response Deadline. The Administrator will inform the Class Member
26 of the extended deadline with the re-mailed Class Notice.

27 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
28 discovers any persons who believe they should have been included in the Class Data

1 and should have received Class Notice, the Parties will expeditiously meet and confer
2 in good faith, in person or by telephone, in an effort to agree on whether to include
3 them as Class Members. If the Parties agree, such persons will be Class Members
4 entitled to the same rights as other Class Members, and the Administrator will send,
5 via email or overnight delivery, a Class Notice requiring them to exercise options
6 under this Agreement not later than 14 days after receipt of Class Notice or the
7 deadline dates in the Class Notice, whichever are later.

8 **7.5 Requests for Exclusion (Opt-Outs).**

9 7.5.1 Class Members who wish to exclude themselves from (opt out of) the Class
10 Settlement must send the Administrator, by fax, email, or mail, a signed written
11 Request for Exclusion not later than the Response Deadline. A Request for Exclusion
12 is a letter from a Class Member or the Class Member's representative that reasonably
13 communicates the Class Member's election to be excluded from the Settlement and
14 includes the Class Member's name, address and email address or telephone number.
15 To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked
16 by the Response Deadline.

17 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it
18 fails to contain all the information specified in the Class Notice. The Administrator
19 shall accept any Request for Exclusion as valid if the Administrator can reasonably
20 ascertain the identity of the person as a Class Member and the Class Member's desire
21 to be excluded. The Administrator's determination shall be final and not appealable
22 or otherwise susceptible to challenge. If the Administrator has reason to question the
23 authenticity of a Request for Exclusion, the Administrator may demand additional
24 proof of the Class Member's identity. The Administrator's determination of
25 authenticity shall be final and not appealable or otherwise susceptible to challenge.

26 7.5.3 Every Class Member who does not submit a timely and valid Request for
27 Exclusion is deemed to be a Participating Class Member, entitled to all benefits and
28 bound by all terms and conditions of the Settlement, including the Participating Class

Members' Release under Paragraph 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks and/or Pay Periods. Each Class Member shall have until the Response Deadline to challenge the number of Workweeks and/or Pay Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges to the number of Workweeks and/or Pay Periods. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or Pay Periods contained in the Class Notice are correct if they are consistent with the Class Data. The Administrator's determination of allocations of Workweeks and/or Pay Periods is final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide to Defense Counsel and Class Counsel copies of all challenges to calculation of Workweeks and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and this Agreement, including contesting the fairness of the Settlement and the amounts requested for Class Counsel Fees, Class Counsel Costs, Administration Costs, and Class Representative Service Award.

1 7.7.2 Participating Class Members may send written objections to the Administrator,
2 by fax, email, or mail no later than the Response Deadline. Participating Class
3 Members may appear in Court (or hire an attorney to appear in Court) to present oral
4 objections at the Final Approval Hearing.

5 7.7.3 Non-Participating Class Members have no right to object to any of the class
6 action components of the Settlement.

7 7.8 Administrator Duties. The Administrator has a duty to perform all tasks to be
8 performed by the Administrator set forth in this Agreement or otherwise.

9 7.8.1 Website, Email Address, and Toll-Free Number. The Administrator will
10 establish, maintain, and use a website to post information of interest to Class Members
11 including the date, time, and location for the Final Approval Hearing and copies of the
12 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
13 Notice, the Motion for Final Approval, the Final Approval, and the Judgment. The
14 Administrator will also maintain and monitor an email address and a toll-free
15 telephone number to receive Class Member calls, faxes and emails.

16 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
17 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
18 Not later than 5 days after the expiration of the deadline for submitting Requests for
19 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
20 containing (a) the names and other identifying information of Class Members who
21 have timely submitted valid Requests for Exclusion (“Exclusion List”), (b) the names
22 and other identifying information of Class Members who have submitted invalid
23 Requests for Exclusion, and (c) copies of all Requests for Exclusion submitted
24 (whether valid or invalid).

25 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written
26 reports to Class Counsel and Defense Counsel that, among other things, tally the
27 number of: Class Notices mailed or re-mailed; Class Notices returned undelivered;
28 Requests for Exclusion (whether valid or invalid) received; objections received;

challenges to Workweeks received and/or resolved; and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion it received (both valid or invalid), and the number of written objections. The declaration shall attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

7.8.5 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration in Court.

8. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final

Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in good faith, in person or by telephone, to resolve any disagreements concerning the Motion for Final Approval.

8.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days before the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

8.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, including the scope of release to be granted by Class Members, the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Service Award, Class Counsel Fees, Class Counsel Costs, and/or Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph.

8.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

8.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including Class Counsel Fees and Class Counsel Costs, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the Net

1 Settlement Amount.

2 8.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
3 appellate court vacates, reverses, or modifies the Judgment in a manner that requires a material
4 modification of this Agreement (including, but not limited to, the scope of release to be granted
5 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
6 expeditiously work together in good faith to address the appellate court's concerns and to obtain
7 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional administration
8 expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
9 the Court's award of the Class Representative Service Award or any payments to Class Counsel
10 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
11 as long as the Gross Settlement Amount remains unchanged.

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

15 **10. ADDITIONAL PROVISIONS.**

16 10.1 No Admission of Liability. This Agreement represents a compromise and settlement
17 of highly disputed claims. Nothing in this Agreement is intended or should be construed as an
18 admission by Defendant that any of the allegations in the Operative Complaint have merit or that
19 Defendant has any liability for any claims asserted; nor is it intended or should be construed as
20 an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree
21 that class certification and representative treatment is for purposes of this Settlement only. If for
22 any reason the Court does not grant Preliminary Approval, grant Final Approval, or enter
23 Judgment, Defendant reserves the right to contest certification of any class for any reason,
24 Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the
25 right to move for class certification on any grounds available and to contest Defendant's defenses.
26 The Settlement, this Agreement, and the Parties' willingness to settle the Action will have no
27 bearing on, and will not be admissible in connection with, any litigation (except for proceedings
28 to enforce or effectuate the Settlement and this Agreement).

1 10.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant,
2 and Defense Counsel separately agree that, until the Motion for Preliminary Approval is filed,
3 they and each of them will not disclose, disseminate, publicize, or cause or permit another person
4 to disclose, disseminate, or publicize, any of the terms of the Agreement directly or indirectly,
5 specifically or generally, to any person, corporation, association, government agency, or other
6 entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed
7 to keep this Agreement confidential; (2) to counsel in a related matter; (3) to the extent necessary
8 to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or
9 (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each
10 Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or
11 subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel
12 separately agree not to, directly or indirectly, initiate any conversation or other communication,
13 before the filing of the Motion for Preliminary Approval, with any third party regarding this
14 Agreement or the matters giving rise to this Agreement except to respond only that "the matter
15 was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
16 communications with Class Members in accordance with Class Counsel's ethical obligations
17 owed to Class Members.

18 10.3 No Solicitation. The Parties separately agree that they and their respective counsel and
19 employees will not solicit any Class Member to opt out of or object to the Settlement or appeal
20 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
21 to communicate with Class Members in accordance with Class Counsel's ethical obligations
22 owed to Class Members.

23 10.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
24 together with its attached exhibits shall constitute the entire agreement between the Parties
25 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
26 inducements made to or by any Party.

27 10.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
28 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate

1 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
2 its terms, and to execute any other documents reasonably required to effectuate the terms of this
3 Agreement including any amendments to this Agreement.

4 10.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
5 best efforts in good faith to implement the Settlement by, among other things, modifying the
6 Settlement Agreement and submitting supplemental evidence and supplementing points and
7 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
8 or content of any document necessary to implement the Settlement, or on any modification of the
9 Agreement that may become necessary to implement the Settlement, the Parties will seek the
10 assistance of the Mediator or the Court for resolution.

11 10.7 No Prior Assignments. The Parties separately represent and warrant that they have not
12 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
13 encumber to any person or entity any portion of any liability, claim, demand, action, cause of
14 action, or right released and discharged by the Party in this Settlement.

15 10.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are
16 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
17 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
18 Part 10, as amended) or otherwise.

19 10.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
20 modified, changed, or waived only by an express written instrument signed by all Parties or their
21 representatives and approved by the Court.

22 10.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
23 to the benefit of, the successors of each of the Parties.

24 10.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
25 governed by and interpreted according to the laws of the State of California, without regard to
26 conflict of law principles.

27 10.12 Cooperation in Drafting. The Parties have cooperated in drafting and preparing this
28 Agreement. This Agreement will not be construed against any Party on the basis that the Party

1 was the drafter or participated in the drafting.

2 10.13 Confidentiality. To the extent permitted by law, all agreements made and orders
3 entered during the Action and in this Agreement relating to the confidentiality of information
4 shall survive the execution of this Agreement.

5 10.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to
6 Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class
7 Counsel by Defendant in connection with the mediation, other settlement negotiations, or the
8 Settlement, may be used only with respect to this Settlement and for no other purpose, and may
9 not be used in any way that violates any existing contractual agreement, statute or the California
10 Rules of Court. Not later than 90 days after the date when the Court discharges the
11 Administrator's obligation to provide a declaration confirming the final pay out of all Settlement
12 funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from
13 Defendant unless, before the Court's discharge of the Administrator's obligation, Defendant
14 makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

15 10.15 Headings. The descriptive heading of any section or paragraph of this Agreement is
16 inserted for convenience of reference only and does not constitute a part of the Agreement.

17 10.16 Calendar Days. Unless otherwise noted, all references to "days" in this Agreement
18 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
19 weekend or federal legal holiday, such date or deadline shall be on the first business day
20 thereafter.

21 10.17 Notice. All notices, demands or other communications between the Parties in
22 connection with this Agreement will be in writing and deemed to have been duly given as of the
23 third business day after mailing by United States mail, or the day sent by email or messenger,
24 addressed as follows:

25 To Plaintiff: John G. Yslas
26 *john.yslas@wilshirelawfirm.com*
27 Eugene Zinovyev
28 *eugene.zinovyev@wilshirelawfirm.com*
John Brown
john.brown@wilshirelawfirm.com

Gabriella Solé
gabriella.sole@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

To Defendant: Timothy B. Nelson
tim@medinamckelvey.com
MEDINA McKELVEY LLP
925 Highland Pointe Drive, Suite 300
Roseville, California 95678
Telephone: (916) 960-2211
Facsimile: (916) 742-5488

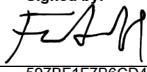
10.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument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

10.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

[SIGNATURES ON NEXT PAGE]

By the Parties:

Dated: 6/15/2026

Signed by:

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Plaintiff Francisco Avendano Heras

Dated: _____

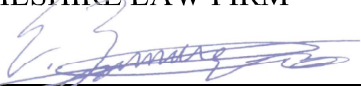
Defendant Action Road Solutions, LLC

By: _____

Position: _____

Approved by counsel:

Dated: 6/12/2026

WILSHIRE LAW FIRM
By: 
John G. Yslas
Eugene Zinovyev
John Brown
Gabriella Solé

Attorneys for Plaintiff
FRANCISCO AVENDANO HERAS

Dated: _____

MEDINA McKELVEY LLP
By: _____
Timothy B. Nelson

Attorneys for Defendant ACTION ROAD
SOLUTIONS, LLC

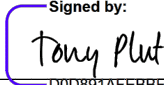
1 By the Parties:

2
3 Dated: _____

Plaintiff Francisco Avendano Heras

4
5 Dated: 6/24/2026

Signed by:

 Tony Plut

Defendant Action Road Solutions, LLC

6
7 By: Tony Plut

8 Position: CEO

9 Approved by counsel:

10
11 Dated: _____

WILSHIRE LAW FIRM

12 By: _____

13 John G. Yslas
14 Eugene Zinovyev
15 John Brown
16 Gabriella Solé

Attorneys for Plaintiff
FRANCISCO AVENDANO HERAS

17
18 Dated: June 17, 2026

MEDINA McKELVEY LLP

19
20 By:  _____

Timothy B. Nelson

21 Attorneys for Defendant ACTION ROAD
22 SOLUTIONS, LLC
23
24
25
26
27
28

EXHIBIT A

**COURT-APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

Heras v. Action Road Solutions, LLC
Santa Clara County Superior Court Case No. 25CV469179

The Superior Court for the State of California, County of Santa Clara authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Action Road Solutions, LLC dba Great American Towing (“Defendant”) for alleged wage and hour violations. The Action was filed by a former employee of Defendant, Francisco Avendano Heras (“Plaintiff”) and seeks payment of (1) back wages and statutory penalties for a class of hourly-paid, non-exempt employees who worked for Defendant in California during the Class Period from November 11, 2024, through July 15, 2026 (“Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”), Lab. Code § 2698, *et seq.*, for all Class members who worked for Defendant during the PAGA Period from November 11, 2024, through July 15, 2026 (“Aggrieved Employees”).

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

Based on Defendant’s records, and the parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] workweeks** during the Class Period and **you worked [REDACTED] pay periods** during the PAGA Period. If you believe that you worked more workweeks during the Class Period and/or pay periods during the PAGA Period, you can submit a challenge by the deadline date. See Section IV of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant Final Approval. Your legal rights are affected whether you act or not. Read this notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a Judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims against Defendant.
- (2) **Opt Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement ("Released Claims").
You Can Opt Out of the Class Settlement but not the PAGA Settlement The Opt-Out Deadline is [REDACTED]	If you don't want to fully participate in the proposed Settlement, you can opt out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section VI of this Notice. You cannot opt out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees, and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this Notice.
You Can Participate in the [REDACTED] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance

	platform. Participating Class Members can object to the Class Settlement, virtually or in person, at the Final Approval Hearing. See Section VIII of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amounts of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendant's records are stated on the first page of this Notice. If you disagree with the number of Class Period Workweeks, you must challenge it by [REDACTED]. See Section IV of this Notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing timely to pay overtime wages, minimum wages, and wages due upon termination, and failing to provide compliant meal periods, rest periods, reimbursement for business expenses, and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for unfair business practices under the Unfair Competition Law ("UCL"), Bus. & Prof. Code § 17200, *et seq.*, and a claim for civil penalties under PAGA. Plaintiff is represented by attorneys in the Action: John G. Yslas, Eugene Zinovyev, John Brown, and Gabriella Solé of Wilshire Law Firm.

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement and agreeing to ask the Court to enter a judgment ending the Action, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's final approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

III. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$232,500 as the Gross Settlement Amount ("Gross Settlement"). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the

Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, a Class Representative Service Award, Class Counsel's fees and expenses, the Administrator's expenses, and penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court:
 - A. Up to \$81,375.00 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$26,500.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 to Plaintiff as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$7,950.00 to the Administrator for services administering the Settlement.
 - D. Up to \$11,625.00 for PAGA penalties, allocated 65% to the LWDA and 35% to Individual PAGA Payments to Aggrieved Employees based on their pay periods during the PAGA Period.

Participating Class Members have the right to object to any of these deductions except the PAGA Penalties. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and statutory penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Cash Payment Checks Promptly. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from the Class Member or Class Member's representative setting forth the Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Class Members who opt out will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt out of the PAGA portion of the Settlement. Class Members who opt out of the Class Settlement remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will not grant Final Approval of the Settlement or not enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void, Defendant will not pay any money, and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator"), to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section IX of this Notice.
9. Released Class Claims. After the Judgment is final and Defendant has fully funded the Gross Settlement (and separately paid all employer payroll taxes), Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, release Released Parties from all claims arising during the Class Period that were alleged, or

reasonably could have been alleged, based on the facts and allegations in the Operative Complaint. Except as set forth in Section 5.3 of the Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation or claims based on events occurring outside the Class Period.

10. Released PAGA Claims. After the Court's Judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Release is as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors, and assigns, the Released Parties from all claims for PAGA Penalties arising during the PAGA Period that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint and the PAGA Notice.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$4,068.75 by the total number of PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.
3. Workweek Challenges. The number of Workweeks you worked during the Class Period, as recorded in Defendant's records, is stated in the first page of this Notice. You have until [REDACTED] to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section IX of this Notice has the Administrator's contact information.

You must support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks based on Defendant's records as accurate unless you send copies of records containing contrary information. Please send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment (if any).
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this Notice has the Administrator's contact information.

VI. HOW DO I OPT OUT OF THE CLASS SETTLEMENT?

To opt out of the Class Action Settlement, submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Heras v. Action Road Solutions, LLC*, Case No. 25CV469179, and include your identifying information (full name, address, telephone number, approximate dates of employment, and Social Security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **You must send your request to be excluded to the Administrator by [REDACTED], or it will be invalid.** Section IX of the Notice has the Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the [REDACTED] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair and states (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section IX of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's website ([REDACTED]) or the Court's website (<https://santaclara.courts.ca.gov/>).

A Participating Class Member who disagrees with any aspect of the Settlement or the Motion for Final Approval may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. A Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section VIII of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Heras v. Action Road Solutions, LLC*, Case No. 25CV469179), (b) be submitted to the Court either by mailing the objection to: Clerk of the Court, Superior Court of California, County of Santa Clara, 191 N. 1st Street, San Jose, California 95113, or by filing in person at the same location; (c) also be mailed to the Administrator, and (d) be filed or postmarked on or before [REDACTED]. Be sure to state what you object to, why you object, and any facts that support your objection. Please also include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section IX of this Notice has the Administrator's contact information.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 19 of the Santa Clara Superior Court, located at 191 N. 1st Street, San Jose, California 95113. At the hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via Unicorn Digital Courtroom (<https://santaclara.courts.ca.gov/remote-appearances>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website at [REDACTED] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

IX. HOW CAN I GET MORE INFORMATION?

The above is a summary of the basic terms of the Settlement. The settlement agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the settlement agreement, the Judgment, or any other settlement documents is to go to ILYM Group, Inc.'s website at [REDACTED]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to the Public Portal (<https://portal.sccscourt.org/search>) and entering the Case Number for the Action, Case No. 25CV469179. You can also make review court documents in person at Records, Santa Clara Superior Court, 191 N. 1st Street, San Jose, California 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

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Settlement Administrator: ILYM Group, Inc.
Email Address:
Mailing Address:
Telephone:
Fax Number:

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.