Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

BIBIYAN LAW GROUP, P.C.
Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Brandon M. Chang (SBN 316197)
brandon@tomorrowlaw.com
Shereen K. Basi (SBN 339539)
sbasi@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

Attorneys for Plaintiff, GIOVANNIE SANCHEZ, on behalf of himself and all others similarly situated and aggrieved

[Attorneys for Defendants on following page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

GIOVANNIE SANCHEZ, an individual and on behalf of all others similarly situated,

Plaintiff,

v.

YZER, LLC, a Florida limited liability company; MCKESSON CORPORATION, a Delaware corporation; YZER LAST MILE, LLC, a Florida limited liability company doing business as YZER FLEET LLC, YZER MANAGED SERVICES LLC and YZER NEXT LLC; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 25STCV24952

[Assigned for all purposes to Hon. Bruce G. Iwasaki in Dept. 11]

CLASS AND PAGA SETTLEMENT AGREEMENT

Action Filed: August 25, 2025
Trial Date: None Set

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, P.C.
James A. Eckhart (SBN 321101)
*jeckhart@*scopelitis.com
Robert A. Rowlett (pro hac vice)
rrowlett@scopelitis.com
10 West Market Street, Suite 1400
Indianapolis, Indiana 46204
Tel: (317) 637-1777; Fax: (317) 687-2414

Andrew J. Butcher (pro hac vice)
abutcher@scopelitis.com
30 West Monroe Street, Suite 600
Chicago, Illinois 60603
Tel: (312) 255-7200; Fax: (312) 422-1224

Attorneys for Defendants YZER, LLC and YZER Last Mile, LLC

JACKSON LEWIS P.C.
Cody Kennedy (SBN 296061)
Cody.Kennedy@jacksonlewis.com
725 South Figueroa Street, Suite 2800
Los Angeles, CA 90017
Tel: (213) 356-7392; Fax: (213) 689-0430

Attorneys for Defendant MCKESSON CORPORATION

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

This Class and PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Giovannie Sanchez ("Plaintiff") and YZER, LLC and YZER Last Mile, LLC and McKesson Corporation ("Defendants"). The Agreement refers to Plaintiff and Defendants collectively as "Parties," or individually as "Party."

1. DEFINITIONS

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Defendants, captioned *Giovannie Sanchez v. YZER, LLC et al.,* Case No. 25STCV24952, initiated on August 25, 2025, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means Apex Class Action, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. "Aggrieved Employee" means all persons currently or formerly employed by Defendants YZER, LLC or YZER Last Mile, LLC in the State of California as non-exempt, hourly-paid employees during the PAGA Period.

1.5. "Class" means all persons currently or formerly employed by Defendants YZER, LLC or YZER Last Mile, LLC in the State of California as non-exempt, hourly-paid employees during the Class Period.

1.6. "Class Counsel" means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C.

1.7. "Class Counsel Fees Payment" means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees incurred to prosecute the Action.

1.8. "Class Counsel Litigation Expenses Payment" means the amounts allocated to Class Counsel for reimbursement of expenses incurred to prosecute the Action.

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

1.9. "Class Data" means Class Member identifying information in Defendants' custody, possession, or control, including each Class Member's (1) name; (2) last known address(es); (3) last known telephone number(s), if available; (4) last known Social Security Number(s); and (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

1.10. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Participating Class Member or a Non- Participating Class Member who qualifies as an Aggrieved Employee).

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

1.12. "Class Notice" means the NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE FOR FINAL APPROVAL HEARING, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13. "Class Period" means the period from August 25, 2021, through the date the Court grants preliminary approval of the Parties' settlement.

1.14. "Class Representative" means the named Plaintiff in the Operative Complaint.

1.15. "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action as specified in paragraph 3.2.1.

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

1.17. "Defendants" means named Defendants YZER, LLC, YZER Last Mile, LLC, and McKesson Corporation.

1.18. "Defense Counsel" means James A. Eckhart, Robert A. Rowlett, and Andrew J. Butcher of Scopelitis, Garvin, Light, Hanson & Feary, P.C., on behalf of YZER, LLC and YZER Last Mile, LLC, and Cody R. Kennedy of Jackson Lewis P.C., on behalf of McKesson Corporation.

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

1.19. "Effective Date" means the date when all of the following events have occurred: (a) this Agreement has been executed by all Parties and by Class Counsel and Defense Counsel; (b) the Court has granted Preliminary Approval of the Agreement; (c) notice has been given to the Class Members providing them with an opportunity to opt-out of the Settlement; (d) the Court has held a Final Approval Hearing and entered a Final Approval and Judgment approving this Agreement from which no appeal can be taken except that in the event there are written objections filed prior to the Final Approval Hearing that are not later withdrawn, the later of the following events: (i) when the period for filing any appeal, writ, or other appellate proceeding opposing the Agreement and Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; or (ii) when any appeal, writ, or other appellate proceeding opposing the Agreement and Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (iii) when any appeal, writ, or other appellate proceeding has upheld the Court's Final Approval with no right to pursue further remedies or relief. In this regard, it is the intention of the Parties that the Agreement and Settlement shall not become effective until the Court's order approving the Agreement and Settlement is completely final and there is no further recourse for an appellant or objector who seeks to contest the Agreement and Settlement. If no objections are filed, the Effective Date shall be after steps (a) through (d) have been completed.

1.20. "Final Approval" means the Court's order granting final approval of the Settlement.

1.21. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.22. "Final Judgment" means the Judgment entered by the Court based upon the Final Approval.

1.23. "Gross Settlement Amount" means $500,000.00, which is the total amount Defendants YZER, LLC and YZER Last Mile, LLC agree to pay under the Settlement, except as provided in paragraphs 8.1 and 3.1 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

1.24. "Individual Class Payment" means each Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period as provided in paragraph 3.2.4.

1.25. "Individual PAGA Payment" means each Aggrieved Employee's pro rata share of thirty-five (35%) of the PAGA Penalties, calculated according to the number of Workweeks worked during the PAGA Period.

1.26. "Judgment" means the judgment entered by the Court based upon Final Approval.

1.27. "LWDA" means the California Labor and Workforce Development Agency.

1.28. "LWDA PAGA Payment" means the sixty-five percent (65%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.30. "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.

1.31. "Operative Complaint" means the First Amended Complaint filed on March 23, 2026.

1.32. "PAGA Pay Period" means any seven-day pay period during which an Aggrieved Employee worked for Defendants YZER, LLC or YZER Last Mile, LLC for at least one (1) day during the PAGA Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

1.33. "PAGA Period" means the period from August 19, 2024, through the end of the Class Period.

1.34. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq*.).

1.35. "PAGA Notice" means Plaintiff's letter to Defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a) dated August 18, 2025.

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

1.36. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, $50,000.00, allocated thirty-five percent (35%) to the Aggrieved Employees ($17,500.00) and the sixty-five percent (65%) to the LWDA ($32,500.00) in settlement of PAGA claims.

1.37. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.38. "Plaintiff" means Giovannie Sanchez, the named plaintiff in the Action.

1.39. "Preliminary Approval" means the Court's order granting preliminary approval of the Settlement.

1.40. "Preliminary Approval Order" means the proposed order granting Preliminary Approval of the Settlement.

1.41. "Released Class Claims" means the claims being released as described in paragraph 5.2 below.

1.42. "Released PAGA Claims" means the claims being released as described in paragraph 5.4 below.

1.43. "Released Parties" means: (a) Defendants and (b) their past, present, and/or future parent, subsidiary, affiliated, or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), including each related company, corporation, and/or partnership (defined as a company, corporation, and/or partnership that is, directly or indirectly, under common control with that Defendant or any of its parents and/or affiliates), and (c) each of the previously listed persons' and entities' respective past, present, and future agents, contractors, employees, servants, officers, directors, principals, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors, divisions, assigns, predecessors, successors, insurers, and consultants.

1.44. "Request for Exclusion" means a Class Member's submission of a written and signed request to be excluded from the class portion of the Settlement.

1.45. "Response Deadline" means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees and shall be the last date on which

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Class Members may: (a) mail Requests for Exclusion or (b) mail Objections to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fifteen (15) calendar days beyond expiration of the Response Deadline in which to mail Requests for Exclusion or Objections.

1.46. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.47. "Workweek" means any week during which a Class Member worked for Defendants YZER, LLC and/or YZER Last Mile, LLC, for at least one (1) day during the Class Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

2. RECITALS

2.1. On or around August 18, 2025, pursuant to Labor Code section 2699.3, Plaintiff filed with the LWDA and served on Defendants the PAGA Notice stating Plaintiff intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations.

2.2. On August 25, 2025, Plaintiff commenced the Action by filing a complaint against Defendants for: failure to pay overtime and minimum wages; failure to provide meal and rest breaks, or compensation in lieu thereof; waiting time penalties; wage statement violations; failure to timely pay wages, and unfair competition.

2.3. On March 23, 2026, Plaintiff filed a First Amended Complaint in the Action adding a cause of action for civil penalties under PAGA. The First Amended Complaint is the Operative Complaint in the Action.

2.4. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.5. Prior to mediation Plaintiff obtained, through informal discovery: (a) time and payroll records for one hundred percent (100%) of Class Members through April 2026; (b) a class list of hire dates, termination dates, and rates of pay for all Class Members; (c) wage and hour policy documents; and (d) all documents pertaining to Plaintiff that was available to Defendants.

/ / /

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

2.6. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.7. On May 12, 2026, the Parties participated in an all-day mediation presided over by Stephanie S. Chow. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action.

2.8. The Court has not granted class certification.

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

2.10. Defendants YZER, LLC and YZER Last Mile, LLC previously settled a lawsuit involving California Labor Code and PAGA claims asserted on a class and representative action basis, titled *Maria Guadalupe Hernandez v. YZER, LLC, et al*., Case No. 23CV025345 (Superior Court of the State of California, County of Alameda) ("*Hernandez* Action"). Some Class Members in the Action were class members in the *Hernandez* Action and, therefore, the period for which those Class Members may recover in the Action has been correspondingly shortened.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by paragraph 8.1 below, Defendants YZER, LLC and YZER Last Mile, LLC promise to pay $500,000.00 as the Gross Settlement Amount, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in paragraph 4.3 of this Agreement. The Administrator shall disburse the entire Gross Settlement Amount 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 shall revert to Defendants.

/ / /

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

3.2. Payments from the Gross Settlement Amount. The Administrator shall 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: A Class Representative Service Payment to Plaintiff of not more than $10,000.00, in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a Participating Class Member. Defendants shall not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. The failure of the Court to approve the full amount of the Class Representative Service Payment requested shall not impact the enforceability or validity of the remainder of this Agreement, which shall remain in full force and effect. As part of the motion for the payment of the Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff shall seek Court approval for any Class Representative Service Payment prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator shall retain the remainder in the Net Settlement Amount. The Administrator shall pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for any and all taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than thirty-five percent (35%) of the Gross Settlement Amount, which, unless escalated pursuant to paragraph 8.1 of this Agreement, is currently estimated to be $175,000.00 and a Class Counsel Litigation Expenses Payment of not more than $30,000.00. Defendants shall not oppose requests for these payments provided they do not exceed these amounts. The failure of the Court to approve the full amount of the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment requested shall not impact the enforceability or validity of the remainder of this Agreement, which shall remain in full force and effect. Plaintiff and/or Class Counsel shall endeavor to file a motion for payment of the Class Counsel Fees Payment and Class Counsel Litigation Expenses

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Payment prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator shall 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 the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment and Class Counsel shall hold Defendants harmless from and shall indemnify Defendants for any such claims brought against Defendants. The Administrator shall pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS Form 1099s. Class Counsel assume full responsibility and liability for any and all taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and shall hold Defendants harmless, and shall indemnify Defendants, from any dispute, controversy, or claim regarding any division or sharing of any of these payments.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed $8,490.00 except for a showing of good cause and as approved by the Court. If the Court approves an Administration Expenses Payment less than the amount requested, the Administrator shall allocate the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated 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. Ten percent (10%) of each Participating Class Member's Individual Class Payment shall be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholdings and the amount of tax withholdings shall be calculated by the Administrator, subject to Defendants' review and approval, and shall be reported on an IRS Form W-2. The remaining ninety percent (90%) of each Participating Class Member's Individual Class Payment shall

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to tax withholdings and shall be reported on IRS Form 1099. Participating Class Members assume full responsibility and liability for any and all taxes owed on their Individual Class Payments. The Administrator shall rely upon all tax information reasonably available to and provided by Defendants to issue any IRS Form W-2 and/or IRS Form 1099 required by this Agreement. To the extent Defendants lack sufficient tax information concerning a Participating Class Member or Aggrieved Employee, the Settlement Administrator shall request that the affected Participating Class Member or Aggrieved Employee submit a completed IRS Form W-9 to the Administrator. If the affected Participating Class Member or Aggrieved Employee refuses or fails to submit a complete IRS Form W-9 to the Administrator, then the Administrator shall make appropriate withholdings from any Individual Class Payment(s) and/or Individual PAGA Payment(s) due to the affected Participating Class Member or Aggrieved Employee under this Agreement.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members shall not receive any Individual Class Payments. The Administrator shall 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 $50,000.00 to be paid from the Gross Settlement Amount, with sixty-five percent (65%), or $32,500.00, allocated to the LWDA PAGA Payment and thirty-five percent (35%), or $17,500.00, allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator shall calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' thirty-five percent (35%) share of PAGA Penalties, or $17,500.00, by the total number of

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any and all taxes owed on their Individual PAGA Payments.

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

3.2.5.3. Effect of Non-Participating Class Members on Individual PAGA Payments. Non-Participating Class Members may not opt-out of the portion of the Settlement allocated to PAGA Penalties and shall, notwithstanding any Request for Exclusion, release the claims identified in paragraph 5.4 of this Agreement and shall receive an Individual PAGA Payment.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date and accounting for workweeks settled in the *Hernandez* Action, Defendants estimate there are 400 Class Members who collectively worked a total of 9,458 Workweeks from the beginning of the Class Period to May 12, 2026 and 206 Aggrieved Employees who worked a total of 7,704 PAGA Pay Periods from the beginning of the PAGA Period to May 12, 2026.

4.2. Class Data. Not later than seven (7) calendar days after the Court grants Preliminary Approval of the Settlement, Defendants YZER, LLC and YZER Last Mile, LLC shall deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. The Class Data shall not be provided to Class Counsel. To protect Class Members' privacy rights, the Administrator shall maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

discover that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible to the Administrator. Without any extension of the deadline by which Defendants must send the Class Data to the Administrator, the Parties and their counsel shall expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendants YZER, LLC and YZER Last Mile, LLC shall fully fund the Gross Settlement Amount, including the amounts necessary to fully pay Defendants' share of payroll taxes owed on the Wage Portions of the Individual Class Payments, by transmitting the funds to the Administrator no later than seven (7) calendar days after the Effective Date. However, in no event shall Defendants pay more than the Gross Settlement Amount and Defendants' share of the payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants YZER, LLC and YZER Last Mile, LLC, shall be jointly responsible for payment of the Gross Settlement Amount and employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant McKesson Corporation shall have no obligation under this Agreement to fund any portion of the Gross Settlement Amount nor to provide any other payments, including but not limited to employer payroll taxes owed on the Wage Portions of the Individual Class Payments.

4.4. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendants YZER, LLC and YZER Last Mile, LLC fund the Gross Settlement Amount, the Administrator shall mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator shall issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date when the

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

check will be voided, which date shall not be less than 180 calendar days after the date of mailing ("Void Date"). The Administrator shall cancel all checks not cashed by the Void Date. The Administrator shall send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator shall send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update each Class Member's and/or Aggrieved Employee's mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all Participating Class Members and Aggrieved Employees whose checks are returned undelivered without a forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator shall re-mail a check to any forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member or Aggrieved Employee whose original check was lost or misplaced upon request by the Class Member and/or Aggrieved Employee prior to the Void Date.

4.4.3. For any Participating Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the Void Date, the Administrator shall transmit the funds represented by such checks to the *cy pres* recipient, Legal Aid at Work, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384 subd. (b). The Parties,

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Class Counsel, and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the *cy pres* recipient. Participating Class Members who do not cash their Individual Class Payment checks nevertheless remain bound by the Settlement, including the release of claims in paragraph 5.2.

4.4.4. Aggrieved Employees who do not cash their Individual PAGA Payment checks nevertheless remain bound by the Settlement, including the release of claims in paragraph 5.4.

4.4.5. Within seven (7) calendar days of full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts with the Administrator, and *cy pres*, Legal Aid at Work.

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

5. RELEASE OF CLAIMS

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendants YZER, LLC and YZER Last Mile, LLC fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, and Class Counsel shall release claims against all Released Parties as follows:

5.1. Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged based on the facts contained in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint or Plaintiff's PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

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 only, 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.

5.2. Release of Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged and (ii) all claims reasonably arising out of or relating to the allegations in the Operative Complaint, including, any and all claims involving any alleged failure to pay minimum wages and liquidated damages; failure to pay overtime wages; failure to authorize and provide meal periods or compensation in lieu thereof; failure to authorize and provide rest periods or compensation in lieu thereof; inaccurate wage statements; failure to timely pay wages upon termination of employment; failure to comply with any provisions of the California Labor Code identified in Plaintiff's claim for civil penalties under PAGA; and violation of the Unfair Competition Law, California Business and Professions Code section 17200 *et seq.*, during the Class Period. Participating Class Members only release these claims for the duration of the Class Period.

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

5.3. Except as set forth in paragraph 5.2 of this 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, workers' compensation, or claims based on facts occurring outside the Class Period.

5.4. Release of PAGA Claims: Plaintiff, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, on behalf of the LWDA and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, releases the Released Parties from all claims for PAGA penalties that were alleged in, and all claims for PAGA penalties reasonably arising out of or relating to the allegations in, the Operative Complaint or the PAGA Notice, including claims for any alleged failure to pay minimum wages and liquidated damages; failure to pay overtime wages; failure to authorize and provide meal periods or compensation in lieu thereof; failure to authorize and provide rest periods or compensation in lieu thereof; inaccurate wage statements; and failure to timely pay wages upon termination of employment during the PAGA Period. Plaintiff, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, only releases these claims on behalf of the LWDA for the duration of the PAGA Period.

6. MOTION FOR PRELIMINARY APPROVAL

The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and to 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

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

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 the nature and extent of any financial relationship with Plaintiff, Class Counsel, or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members; (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)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator.

6.2. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval after the full execution of this Agreement; 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.

6.3. 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 shall expeditiously work together on behalf of the Parties by meeting and conferring, 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 shall meet, confer, and negotiate in good faith for a period of thirty (30) days following any order denying Preliminary Approval to modify the Agreement directly, or with the assistance of a mediator, to address any concerns identified by the Court. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

change to the Agreement within the meaning of this paragraph. If the Parties are unable to secure Preliminary Approval of this Agreement, as modified, after meeting and conferring in good faith, then this Agreement shall be null and void and the Parties shall equally bear any expenses incurred by the Administrator in administering the Settlement up to that point.

7. SETTLEMENT ADMINISTRATION

7.1. Selection of Administrator. The Parties have jointly selected Apex Class Action, LLC (the "Administrator") to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of the Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

7.4. Notice to Class Members

7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator shall send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

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

7.4.4. The deadlines for Class Members' written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion shall be extended an additional fifteen (15) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator shall inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5. If the Administrator, Plaintiff, Defendants, Defense Counsel, or Class Counsel are contacted by or otherwise discover any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties shall expeditiously meet and confer in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons shall be Class Members entitled to the same rights as other Class Members, and the Administrator shall send, via email or overnight delivery, a Class Notice requiring them to object or submit a Request for Exclusion under this Agreement not later than fifteen (15) calendar days after receipt of the Class Notice, or the deadline contained in the Class Notice, whichever is later.

/ / /

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

7.5. Requests for Exclusion (Opt-Outs).

7.5.1. Class Members who wish to exclude themselves (opt-out of) the class portion of the Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional fifteen (15) calendar days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline, except as provided in paragraph 7.4.4 of this Agreement.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator shall promptly notify the Parties upon receipt of any Request for Exclusion. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. If the Parties disagree as to the validity or authenticity of a Request for Exclusion, they shall confer in good faith to resolve the dispute. In the event that the Parties cannot reach agreement regarding the validity or authenticity of a Request for Exclusion, the Administrator shall decide the matter and the Administrator's determination shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 5.2 and 5.3 of this Agreement,

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

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 5.4 of this Agreement and are eligible for an Individual PAGA Payment regardless of whether a Request for Exclusion was submitted.

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional fifteen (15) days for Class Members whose Class Notice is re-mailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods (if any) contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. If the Parties disagree as to the allocation or calculation of Workweeks and/or PAGA Pay Periods regarding any Class Member, they shall confer in good faith to resolve the dispute. In the event that the Parties cannot reach agreement concerning the allocation or calculation of Workweeks and/or PAGA Pay Periods regarding any Class Member, the Administrator shall decide the matter and the Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods, and the Administrator's determination of the challenges, if applicable, to Defense Counsel and Class Counsel.

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

7.7. Objections to Settlement

7.7.1. Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2. Participating Class Members may send written objections to the Administrator, by mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) calendar days after the Administrator's mailing of the Class Notice (plus an additional fifteen (15) calendar days for Class Members whose Class Notice was re-mailed). The Administrator shall promptly provide Class Counsel and Defense Counsel with copies of any objections received. Class Counsel shall file any objections received with the Court.

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

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement.

7.8.1. Website, Email Address, and Toll-Free Number. The Administrator shall establish, maintain, and use an internet website to post the following information: the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment, the Final Approval, and the Judgment. The Administrator shall also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator shall promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing: (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion received by the Administrator (whether valid or invalid).

7.8.3. Weekly Reports. The Administrator shall, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received, 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. Before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator shall provide to Class Counsel and Defense Counsel a 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, monitoring and recording the number of Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, monitoring and recording the total number of Requests for Exclusion from Settlement it received (whether valid or invalid), and monitoring and recording the number of written objections, and the Administrator shall attach the Exclusion List. The Administrator shall supplement its declaration as needed

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

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 ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator shall provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments issued under this Agreement. At least seven (7) calendar days before any deadline set by the Court, the Administrator shall 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. The Administrator shall 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.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendants YZER, LLC and YZER Last Mile, LLC estimate there are 400 Class Members who collectively worked a total of 9,458 Workweeks from the beginning of the Class Period to May 12, 2026, and 206 Aggrieved Employees who worked a total of 7,704 PAGA Pay Periods from the beginning of the PAGA Period to May 12, 2026.

8.1. Increase in Workweeks. The Parties stipulate that 9,458 Workweeks were worked by Class Members from the beginning of the Class Period to May 12, 2026. In the event the number of Workweeks worked by Class Members between May 13, 2026, and the date the Court grants Preliminary Approval of the Parties' settlement increases the total Workweeks by more than ten percent (10%), or an additional 946 Workweeks, then the Gross Settlement Amount shall be increased proportionally by multiplying the Workweeks in excess of 10,404 Workweeks by the Workweek Value. The "Workweek Value" shall be equal to the Gross Settlement Amount divided by 9,458, or $52.87. Thus, by way of example only, should there be 11,000 Workweeks worked by Class Members during the Class Period, then the Gross Settlement Amount shall be increased by $31,510.52 ([11,000 Workweeks – 10,404 Workweeks] × $52.87).

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

9. DEFENDANTS' RIGHT TO WITHDRAW

If the number of valid Requests for Exclusion exceeds 10% of the total of all Class Members, Defendants may, but are not obligated to, withdraw from the Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio, shall have no force or effect whatsoever, and no Party shall have any further obligation to perform under this Agreement, provided, however, Defendants YZER, LLC and YZER Last Mile, LLC shall remain responsible for paying all expenses of the Administrator incurred up to the date of withdrawal. Defendants shall notify Class Counsel and the Court of the exercise of their right to withdraw from the Settlement pursuant to this paragraph not later than seven (7) calendar days after the Administrator sends the final Exclusion List to Defense Counsel.

10. MOTION FOR FINAL APPROVAL

Prior to the calendared Final Approval Hearing, Plaintiff shall file with the Court a motion for final approval of the Settlement, that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (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 prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel shall expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1. 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 with the Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of the releases identified in paragraph 5), the Parties shall meet, confer, and negotiate in good faith for a period of thirty (30) calendar days to modify this Agreement directly, or with the assistance of a mediator, to address any concerns identified by the Court. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph. If the Parties are unable to secure Final Approval of this Agreement, as modified, after meeting and conferring in good faith, then this Agreement shall be null and void and the Parties shall equally bear any expenses incurred by the Administrator in administrating the Settlement up to that point.

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

10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, 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/or appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If a Participating Class Member who has filed an objection appeals the Judgment, the Parties' obligations to perform under this Agreement shall be suspended until such time as the appeal is finally resolved and the Judgment becomes final.

10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If any appellate court with jurisdiction over the Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of the releases identified in paragraph 5), the Parties shall meet, confer, and negotiate in good faith for a period of thirty (30) calendar days to modify this Agreement directly, or with the assistance of a mediator, to address any concerns identified by the appellate court. The appellate court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

within the meaning of this paragraph so long as the Gross Settlement Amount remains unchanged. If the Parties are unable to secure approval of this Agreement, as modified, after meeting and conferring in good faith, then this Agreement shall be null and void and the Parties shall equally bear any expenses incurred by the Administrator in administrating the Settlement up to that point.

11. AMENDED JUDGMENT

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

12. ADDITIONAL PROVISIONS

12.1. Government Actions Affecting Settlement. If any proceeding or action is commenced on or before a date that is one (1) year from the date of Preliminary Approval by any federal, state, or local government authority, including, without limitation, the U.S. Department of Labor or the Division of Labor Standards Enforcement of the California Department of Industrial Relations, asserting any claims released by the Settlement, Plaintiff and Class Counsel shall not oppose Defendants' arguments asserting that the governmental action is within the scope of the Settlement, the Action, the Final Approval, and the Judgment. Additionally, in the event any action is commenced by a governmental authority as stated herein, Defendants shall have the option to seek an order from the Court requesting that Individual Class Payments and Individual PAGA Payments to the Class Members and Aggrieved Employees, respectively, be immediately stayed pending the outcome of the suit or administrative proceeding brought by the governmental authority.

12.2. Prevailing Party Attorney's Fees and Costs. The Parties, and each of them, agree that, in the event that the Court determines that there has been a breach of this Agreement, including any term regarding funding, the Party deemed by the Court to be the prevailing party in such proceeding shall be entitled to, in addition to any other relief provided by law and/or equity, such reasonable attorneys' fees and statutory costs found by the Court to be reasonably necessary to enforce this Agreement. Attorneys' fees and costs under this provision may only be sought against the specific Party deemed to have breached the agreement. No Defendant

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

shall be deemed jointly, severally, or otherwise liable for any breach by another Defendant nor recoverable attorney fees and costs stemming therefrom.

12.3. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provision to be valid to the fullest extent possible consistent with applicable precedents and other law so as to render all provisions of this Agreement valid and enforceable. Should the Court deem any clause or provision of this Agreement to be invalid, illegal, or unenforceable, the Court shall first attempt to modify or reform the provision or clause as minimally necessary to be valid, lawful, and enforceable. Should the Court deem any clause or provision of this Agreement to be invalid, illegal, or unenforceable and its modification or reformation is not possible, then invalidation of any material provision of the Agreement shall invalidate the Agreement in its entirety, unless the Parties shall subsequently agree in writing that the remaining provisions of the Agreement are to remain in full force and effect. A modification of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and/or Administration Expenses Payment shall not be deemed a material provision of this Agreement under this paragraph. The Parties shall be equally responsible for any expenses incurred by the Administrator as of the time the Agreement is invalidated.

12.4. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendants that any of the allegations in the Operative Complaint have merit or that Defendants have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does not grant Preliminary Approval, Final Approval, or enter Judgment consistent with the terms of this Agreement, any conditional class certification shall be void ab initio and of no force or effect, and shall not be admissible in any judicial, administrative, or arbitral proceeding for any purpose whatsoever or with respect to any issue, substantive or

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

procedural and Defendants reserve the right to contest certification of any class in the Action for any reason, and Defendants reserve all available defenses to the claims alleged in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendants' defenses. The Settlement, this Agreement, and Parties' willingness to settle the Action shall have no bearing on, and shall not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

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

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

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

12.8. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

12.9. Cooperation. The Parties and their counsel shall cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying this Agreement, submitting supplemental evidence, and supplementing points and authorities, as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties shall seek the assistance of a mediator and/or the Court for resolution.

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

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

12.12. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court. Plaintiff and Defendants expressly agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any part of it, Class

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Counsel and Defense Counsel are authorized to submit to the Court any amendments of this Agreement, amended Agreements, or amendments to the Agreement, on behalf of the Parties once fully executed, which includes, but is not limited to, authorization of the use of signatures previously provided by the Parties.

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

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

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

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

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

12.18. Headings. The descriptive heading of any paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

/ / /

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

12.19. 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.

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

To Plaintiff:
BIBIYAN LAW GROUP, P.C.
Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Brandon M. Chang (SBN 316197)
brandon@tomorrowlaw.com
Shereen K. Basi (SBN 339539)
sbasi@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

To Defendants YZER, LLC and YZER Last Mile, LLC:
Robert A. Rowlett
SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, P.C.
10 West Market Street, Suite 1400
Indianapolis, IN 46204
(317) 492-9269
rrowlett@scopelitis.com

To Defendant McKesson Corp.:
Cody R. Kennedy
JACKSON LEWIS P.C.
725 South Figueroa Street, Suite 2800
Los Angeles, CA 90017
(213) 356-7392
Cody.Kennedy@jacksonlewis.com

12.21. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., 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. Any executed counterpart shall not be admissible in connection with any litigation except to prove the existence and contents of this Agreement.

/ / /

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

12.22. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation in the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that, upon the signing of this Agreement and pursuant to Cal. Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under Cal. Code of Civil Procedure section 583.310 for a period of time sufficient to effectuate all terms of this Agreement.

12.23. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Giovannie Sanchez

Plaintiff Giovannie Sanchez

DATE: 10/11/2026

DocuSigned by:
Rick Lopez
3A37325BZA2D40E...

Defendants YZER, LLC and YZER Last Mile, LLC

DATE: 10/19/2026

Defendant McKesson Corporation

DATE: _____

AGREED AS TO FORM ONLY:

David D. Bibiyan

David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff

DATE: 10/12/2026

[*Signatures continued onto following page*]

12.22. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation in the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that, upon the signing of this Agreement and pursuant to Cal. Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under Cal. Code of Civil Procedure section 583.310 for a period of time sufficient to effectuate all terms of this Agreement.

12.23. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

_____ DATE: _____
Plaintiff Giovannie Sanchez

_____ DATE: _____
Defendants YZER, LLC and YZER Last Mile, LLC

_____ DATE: October 16, 2026
Brian Casselman, VP, Transportation
Defendant McKesson Corporation

AGREED AS TO FORM ONLY:

_____ DATE: _____
David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff

[*Signatures continued onto following page*]

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

AGREED AS TO FORM ONLY:

Andrew J. Butcher

DATE: 10/19/2026

James A. Eckhart
Robert A. Rowlett
Andrew J. Butcher
Counsel for Defendants YZER, LLC and YZER Last Mile, LLC

DATE: _____

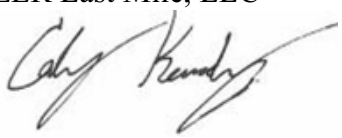
Cody R. Kennedy
Counsel for Defendant McKesson Corporation

4930-8117-8322, v. 2

AGREED AS TO FORM ONLY:

DATE: _____

James A. Eckhart
Robert A. Rowlett
Andrew J. Butcher
Counsel for Defendants YZER, LLC and YZER Last Mile, LLC



DATE: October 19, 2026

Cody R. Kennedy
Counsel for Defendant McKesson Corporation

4930-8117-8322, v. 2

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

EXHIBIT A

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE FOR FINAL APPROVAL HEARING

Sanchez v. YZER, LLC et al.

(County of Los Angeles, California Superior Court Case No. 25STCV24952)

As a current or former non-exempt, hourly-paid California employee of YZER, LLC and/or YZER Last Mile, LLC, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of defendants YZER, LLC and YZER Last Mile, LLC ("Defendants"), show that you are a "Class Member" and, therefore, entitled to a payment from this class action settlement. Class Members are all persons currently or formerly employed by Defendants YZER LLC and/or YZER Last Mile, LLC in the State of California as non-exempt, hourly-paid employees during the period from August 25, 2021, through [date the Court grants preliminary approval] ("Class Period").

- The settlement is to resolve a class action lawsuit, *Sanchez v. YZER, LLC, et al.,* pending in the Superior Court of California for the County of Los Angeles, Case Number 25STCV24952 (the "Lawsuit"), alleging causes of action against Defendants for: failure to pay overtime and minimum wages; failure to provide meal and rest breaks, or compensation in lieu thereof; waiting time penalties; wage statement violations; and unfair competition. Plaintiff also seeks civil penalties under the California Private Attorneys' General Act of 2004 ("PAGA") for violations of the Labor Code.

- On _____, the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendants deny the claims in the Lawsuit and contend that they fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. However, you cannot opt out of the portion of the Settlement related to settlement of the Released PAGA Claims (defined below). Thus, if you worked at any time during the period from August 19, 2024, through the end of the Class Period ("PAGA Period") as a non-exempt, hourly-paid employee of Defendants YZER, LLC and/or YZER Last Mile, LLC in the State of California, then you will be deemed an "Aggrieved Employee" and you will still receive your share of the proceeds available from the

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

	settlement of the Released PAGA Claims (your "Individual PAGA Payment") even if you opt out of the class portion of the Settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, [redacted], about why you object to the Settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [redacted] in Department 11 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012.

The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at [redacted], in the Spring Street Courthouse of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, in Department 11. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants' records show that you currently work, or previously worked, for Defendants as an hourly-paid, non-exempt employee in the State of California at some point during the Class Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement, after resolving any objections and after any appeals, a "Settlement Administrator" appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What is This Case About?

Giovannie Sanchez was an hourly-paid, non-exempt employee of Defendants YZER, LLC and YZER Last Mile, LLC. He is the "Plaintiff" in this case and alleges on behalf of himself and Class Members the following claims against Defendants: failure to pay overtime and minimum wages; failure to provide meal and rest breaks, or compensation in lieu thereof; waiting time penalties; wage statement violations; and unfair competition.

Based on the alleged Labor Code violations above-mentioned and other alleged Labor Code violations,, Plaintiff also seeks penalties under PAGA.

Defendants deny all the allegations made by Plaintiff and deny that they violated any laws. The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Summary of the Settlement Terms

Plaintiff and Defendants have agreed to settle this case on behalf of themselves and Class Members and Aggrieved Employees for the Gross Settlement Amount of $500,000, unless increased pursuant to the Settlement Agreement. The Gross Settlement Amount includes (1) Administration Costs up to $_____; (2) a service award of up to $10,000 to Plaintiff for his time and effort in pursuing this case; (3) up to thirty-five percent (35%) of the Gross Settlement Amount in attorneys' fees which, unless increased pursuant to the Settlement Agreement, amounting to $175,000; (4) up to $30,000 in litigation costs to Class Counsel, according to proof; and (5) PAGA penalties in the amount of $50,000. Pursuant to the PAGA, sixty-five percent (65%) of the amount allocated toward PAGA, or $32,500, will be paid to the California Labor and Workforce Development Agency ("LWDA") and thirty-five percent (35%), or $17,500, will be distributed to Aggrieved Employees. After deducting these sums, a total of approximately not less than $_____ will be available for distribution to Class Members ("Net Settlement Amount").

The Parties stipulate that 9,458 Workweeks were worked by Class Members from the beginning of the Class Period to May 12, 2026. In the event the number of Workweeks worked by Class Members between May 13, 2026, and the date the Court grants Preliminary Approval of the Parties' settlement increases the total Workweeks by more than ten percent (10%), or an additional 946 Workweeks, then the Gross Settlement Amount shall be increased proportionally by multiplying the Workweeks in excess of 10,404 Workweeks by the Workweek Value. The "Workweek Value" shall be equal to the Gross Settlement Amount divided by 9,458, or $52.87. Thus, by way of example only, should there be 11,000 Workweeks worked by Class Members during the Class Period, then the Gross Settlement Amount shall be increased by $31,510.52 ([11,000 Workweeks – 10,404 Workweeks] × $52.87).

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the number of Workweeks worked by Class Members for Defendants YZER, LLC and/or YZER Last Mile, LLC in California during the Class Period ("Eligible Workweeks"). Specifically, Class Members' settlement payments will be calculated by dividing the Net Settlement Amount by the total number of Eligible Workweeks attributed to all participating Class Members, multiplied by each participating Class Member's Eligible Workweeks. Otherwise stated, the formula for a Class Member is: (Net Settlement Amount ÷ total Settlement Class Eligible Workweeks) × Class Member's Eligible Workweeks. In addition, Class Members who worked during the PAGA Period (*i.e.*, Aggrieved Employees) will receive a *pro rata* share of the $17,500 allocated as PAGA penalties, whether or not they opt out of the class portion of the Settlement, based on the number of Pay Periods worked by each Aggrieved Employee during the PAGA Period.

Defendants' records indicate that you worked [Eligible Workweeks] Workweeks as a non-exempt, hourly-paid employee in the State of California during the Class Period and [Eligible Pay Periods] Pay Periods during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [$Estimated Award] and your estimated payment as an Aggrieved Employee would be [$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [Response Deadline]. Please include any documentation you have that you contend supports your dispute. You should send copies rather than originals because the documents will not be returned to you.

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Tax Reporting

Ten percent (10%) of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and ninety percent (90%) of each Settlement Payment to Class Members will be allocated as penalties and interest and reported on an IRS Form 1099. One hundred percent (100%) of the payments to Aggrieved Employees for PAGA penalties will be allocated as penalties and reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your settlement or PAGA payments.

Your check will be valid for 180 days after the date of mailing. After 180 days, uncashed checks will be cancelled and the funds associated with those checks will be transmitted to the *cy pres* recipient, Legal Aid at Work in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384 subd. (b)].

Your Options Under the Settlement

Option 1 – *Do Nothing and Receive Your Payment*

If you do not opt out, you are automatically entitled to your Individual Settlement Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above**.

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all "Released Claims" they may have or had upon final approval of this Settlement and payment by Defendants to the Settlement Administrator.

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendants fully fund the entire Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, Plaintiff, Class Members, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows:

Released Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from (i) all claims that were alleged and (ii) all claims reasonably arising out of or relating to the allegations in the Operative Complaint, including, any and all claims involving any alleged failure to pay minimum wages and liquidated damages; failure to pay overtime wages; failure to authorize and provide meal periods or compensation in lieu thereof; failure to authorize and provide rest periods or compensation in lieu thereof; inaccurate wage statements; failure to timely pay wages upon termination of employment; failure to comply with any provisions of the California Labor Code identified in Plaintiff's claim for civil penalties under PAGA; and violation of the Unfair Competition Law, California Business and Professions Code section 17200 et seq., during the Class Period. Participating Class Members only release these claims for the duration of the Class Period.("Class Released Claims").

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Released PAGA Claims: Plaintiff, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, on behalf of the LWDA and its respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, releases the Released Parties from all claims for PAGA penalties that were alleged in, and all claims for PAGA penalties reasonably arising out of or relating to the allegations in, the Operative Complaint or the PAGA Notice, including claims for any alleged failure to pay minimum wages and liquidated damages; failure to pay overtime wages; failure to authorize and provide meal periods or compensation in lieu thereof; failure to authorize and provide rest periods or compensation in lieu thereof; inaccurate wage statements; and failure to timely pay wages upon termination of employment during the PAGA Period. Plaintiff, as the proxy and agent of the LWDA and as the representative of all Aggrieved Employees, only releases these claims on behalf of the LWDA for the duration of the PAGA Period.("PAGA Released Claims").

"Released Parties" means (a) Defendants and (b) their past, present, and/or future parent, subsidiary, affiliated, or related entities (including any companies, corporations, partnerships, alter egos, joint venturers, and actual or alleged joint employers), including each related company, corporation, and/or partnership (defined as a company, corporation, and/or partnership that is, directly or indirectly, under common control with that Defendant or any of its parents and/or affiliates), and (c) each of the previously listed persons' and entities' respective past, present, and future agents, contractors, employees, servants, officers, directors, principals, partners, members, trustees, fiduciaries, representatives, shareholders, stockholders, attorneys, equity sponsors, divisions, assigns, predecessors, successors, insurers, and consultants.

Option 2 – *Opt Out of the Settlement*

If you do not wish to receive your Individual Settlement Payment or release the Class Released Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must include your name, address, email address or telephone number, and any statement standing for the proposition that you do not wish to participate in the settlement. Sign, date, and mail your written request for exclusion to the address below.

Apex Class Action, LLC
18 Technology Drive, Suite 154
Irvine, CA 92618

To be valid, your written request for exclusion must be mailed and postmarked to the Administrator not later than [RESPONSE DEADLINE].

The proposed settlement includes the settlement of the PAGA Released Claims. You may not request exclusion from the settlement of a PAGA claim. Thus, if the Court approves the settlement and you are an Aggrieved Employee, then even if you request exclusion from the class portion of the settlement you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Released Claims related to the class portion of the settlement.

Option 3 – *Submit an Objection to the Settlement*

If you wish to object to the Settlement, you may submit an objection in writing by mail, stating why you object to the Settlement. Your written objection should include your name, address, signature, a statement of whether you plan to appear at the Final Approval Hearing, and a statement of the reason(s), along with whatever legal authority, if any, supporting your belief that the Court should not approve the Settlement. Your written objection must be mailed to the Administrator no later than [RESPONSE DEADLINE]. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the

Docusign Envelope ID: 7C0BD4D6-5EE2-8EAB-8286-472F5FE617DA

Court overrules your objection, you will be bound by the Settlement and will receive your Individual Settlement Payment.

Even if you don't submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court.

Final Approval Hearing

You may, if you wish, appear at the Final Approval Hearing set for [redacted] at [redacted] a.m. in the Department 11 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at https://lacc.lacourt.org/termsofuse. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at 1 (800) 355-0700 or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.
Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Brandon M. Chang (SBN 316197)
brandon@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

You may also visit the Settlement Administrator's website at https://apexclassaction.com/to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at Department 11 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, during regular business hours of each court day. You may also obtain these documents through the Court's website at https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

4931-3709-8455, v. 2