

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into between Cedar Operations, LLC (“Cedar Operations” or “Defendant”), on the one hand, and Plaintiff Roselaure Richard pursuant to the California Labor Code Private Attorneys General Act on behalf of herself, other Aggrieved Employees, and the California Labor and Workforce Development Agency (“LWDA”), on the other hand.

1. PREAMBLE

This Settlement Agreement is intended to resolve all claims made pursuant to the California Labor Code Private Attorneys General Act (“PAGA”) in connection with a lawsuit: *Roselaure Richard v. Cedar Operations, LLC*, San Bernardino County Superior Court Case No. CIVSB2304727 (the “PAGA Action”). This Settlement Agreement is subject to the approval of the Court pursuant to section 2699(l) of the California Labor Code, and shall be effectuated and subject to the following terms and conditions:

2. DEFINITIONS

- 2.1. **“Agreement” or “Settlement”** means this Settlement Agreement and Exhibits A and B hereto.
- 2.2. **“Attorneys’ Fees and Litigation Expenses”** means the attorneys’ fees and litigation expenses to be requested by Settlement Group Members’ Counsel subject to Court approval in accordance with this Agreement.
- 2.3. **“Complaint”** means the initial Complaint filed in the Superior Court of the State of California, County of San Bernardino in Case No. CIVSB2304727 on February 14, 2023, and any amendments filed thereto in the PAGA Action.
- 2.4. **“Court”** means the San Bernardino County Superior Court, Department S26, the Honorable Jessica Morgan, presiding, and any appellate court which may review any orders entered by the San Bernardino County Superior Court related to this Settlement.
- 2.5. **“Released Parties”** means Cedar Operations, LLC, and any of their joint employers, staffing companies, parent companies, management companies, predecessors, successors, subsidiaries, affiliated, related entities, and representatives of any kind, including their respective owners, officers, directors, shareholders, agents, assigns, attorneys, insurers, agents, independent contractors, employees, and related parties.
- 2.6. **“Execution”** means the signing of this Agreement by all signatories hereto.
- 2.7. **“Final Judgment”** means the Final Judgment approving the Settlement, entering judgment, substantially in the form of the proposed Final Judgment attached hereto as Exhibit A, which this Settlement contemplates will be entered and approved by the Court.

- 2.8. ***“Gross Settlement Amount”*** means the maximum amount of money that Cedar Operations will be obligated to pay under this Settlement, \$400,000.00 (four hundred thousand dollars and zero cents) on a non-reversionary basis as provided for in this Agreement.
- 2.9. ***“Individual PAGA Payment”*** means a single Aggrieved Employee’s *pro rata* share of 25% of the PAGA Fund, calculated as described in Subsection 4.1.5.
- 2.10. ***“LWDA Payment Amount”*** means the amount of the PAGA Fund payable to the LWDA pursuant to the PAGA, Cal. Lab. Code section 2699(i), and as specified in Subsection 4.1.4 of this Agreement.
- 2.11. ***“Notice(s)”*** means the document substantially in the form of the document attached hereto as Exhibit B, which has been agreed to by the Parties and, subject to Court approval, which shall be sent to the Settlement Group Members with the Settlement Payments to inform them of the material terms of the Agreement and the Released Claims.
- 2.12. ***“Notice and Settlement Administration Costs”*** means the costs to be paid to the Settlement Administrator for the purposes of preparing and sending Notices and payments pursuant to this Agreement, and performing other settlement administration functions in accordance with this Agreement, which will be paid from the Gross Settlement Amount.
- 2.13. ***“PAGA Fund”*** means the portion of the Gross Settlement Amount available after deductions for any Court-approved Attorneys’ Fees and Litigation Expenses, Service Payment, and Notice and Settlement Administration Costs. It includes the LWDA Payment Amount and the Settlement Group Payment Amount.
- 2.14. ***“PAGA Representative” or “Plaintiff”*** means Plaintiff Roselaure Richard, in her capacity as private attorney general pursuant to the PAGA on behalf of herself, other Aggrieved Employees, and the State of California.
- 2.15. ***“Parties”*** means the PAGA Representative and Cedar Operations.
- 2.16. ***“QSF”*** means the Qualified Settlement Fund to be set up in accordance with this Agreement.
- 2.17. ***“Released Claims”*** means the claims that are released, acquitted and discharged by Plaintiff, the Settlement Group Members, and the State of California pursuant to Section 9 of this Agreement.
- 2.18. ***“Service Payment”*** means the amount Settlement Group Members’ Counsel may request to be paid as a service payment to Roselaure Richard as the named plaintiff and PAGA Representative, which shall be paid in accordance with this Agreement, subject to the Court’s approval.

- 2.19. ***“Settlement Administrator”*** means, subject to Court approval, ILYM Group, Inc., the entity who shall perform certain notice and claims administration functions in accordance with this Agreement.
- 2.20. ***“Settlement and Release Period” or “PAGA Period”*** means the period of time from February 13, 2022, through October 25, 2023.
- 2.21. ***“Settlement Effective Date”*** means the date both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Approval of the Settlement and (b) the Judgment is final. The Judgment is final on the latest of the following occurrences: (a) if no objections are filed to the Settlement or if all objections are withdrawn prior to the Court ruling on them, the day the Court enters Judgment; or (b) if objections are filed and overruled and no appeal is taken from the order approving the Settlement, sixty-one (61) days after the date of entry of the settlement approval order; or (c) if a timely appeal is made, ten (10) business days after the final resolution of that appeal if the appeal is rejected, the Settlement is upheld, and the Settlement approval order is no longer subject to further judicial review.
- 2.22. ***“Settlement Group,” “Settlement Group Members” and/or “Aggrieved Employees”*** mean(s) any and all hourly-paid or non-exempt employees who at any time during the Settlement and Release Period worked or continue to work for Cedar Operations, including but not limited to Roselaure Richard. Cedar Operations represents that there are 376 Aggrieved Employees in the PAGA Period.
- 2.23. ***“Settlement Group Data”*** means information that Cedar Operations will provide in electronic form (including in an excel document) to the Settlement Administrator which contains the following information for each Settlement Group Member: name, , last known address, last known phone number, social security number. The Settlement Administrator shall also be provided with the total number of pay periods worked by each Settlement Group Member for the period of time from February 13, 2022, through October 25, 2023. This information shall be provided as soon as practicable after the Court grants approval of the Settlement, but no later than ten (10) calendar days after the Court grants approval of the Settlement.
- 2.24. ***“Settlement Group Members’ Counsel”*** means Marcus J. Bradley, Kiley L. Grombacher, and Corey S. Smith of Bradley/Grombacher, LLP, and Garen Majarian and Sahag Majarian of Majarian Law Group, APC.
- 2.25. ***“Settlement Group Payment Amount”*** means the amount of the PAGA Fund payable to Settlement Group Members in accordance with Subsection 4.1.5 of this Agreement.

3. RECITALS

- 3.1. On February 13, 2023, counsel for Plaintiff submitted a letter to the LWDA and Cedar Operations notifying them that Plaintiff intended to seek penalties against Cedar Operations pursuant to PAGA

for Cedar Operations' purported violations of, or relief under, California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 1182, 1197, 1198, and the applicable IWC Wage Orders.

- 3.2. On February 14, 2023, Plaintiff initiated the PAGA Action by filing a class action complaint against Cedar Operations for the various wage and hour violations, including: (i) failure to pay overtime wages (Labor Code §§ 510, 1198, and the applicable Wage Order); (ii) failure to pay minimum wages (Labor Code §§ 221, 223, 1182, 1194, 1197, 1198, and the applicable Wage Order); (iii) failure to provide complaint meal periods (Labor Code §§ 226.7, 512, 516, 1198, and the applicable Wage Order); (iv) failure to provide compliant rest periods (Labor Code §§ 226.7, 516, 1198, and the applicable Wage Order); (v) failure to timely furnish accurate itemized wage statements and maintain accurate records (Labor Code § 226 and the applicable Wage Order); (vi) failure to provide sick pay (Labor Code § 246 and the applicable Wage Order); (vii) failure to timely pay wages during employment (Labor Code § 204 and the applicable Wage Order); (viii) failure to pay all wages upon discharge (Labor Code §§ 201, 203, and the applicable Wage Order); and (ix) violations of California's Unfair Competition Law (Business & Professions Code § 17200 *et seq.*).
- 3.3. On May 11, 2023, Plaintiff filed her First Amended Complaint, including the cause of action for PAGA penalties pursuant to Labor Code §§ 2698-2699. Subsequently, the class action claims were dismissed.
- 3.4. Cedar Operations denies and continues to deny liability or wrongdoing and all of Plaintiff's material allegations including, but not limited to, those made in the PAGA Action.
- 3.5. On October 27, 2023, the Parties participated in a private mediation with mediator James W. Johnston and were able to reach an agreement to settle the PAGA Action as set forth in this Agreement.
- 3.6. The Parties agree to cooperate and take all steps necessary and appropriate to obtain approval of this Settlement, to effectuate its terms.
- 3.7. Each of these Recitals is incorporated into this Agreement as if fully set forth herein.

4. TERMS OF SETTLEMENT

This Agreement is a product of compromise. Nothing in this Agreement shall be construed to be an admission by Plaintiff, the Settlement Group Members, or the LWDA that their PAGA claims do not have merit or by Cedar Operations of any liability or wrongdoing as to Plaintiff, the Settlement Group Members, or any other person. The Parties have entered into this Agreement to avoid further disputes and litigation with the attendant inconvenience, nuisance, expenses, and risks. This Agreement and any related Court documents or orders are not and may not be cited or admitted as evidence of liability. The Parties agree that an express condition of this Agreement is that there has been no finding of liability on the merits.

Subject to the other terms and conditions of this Agreement, and subject to Court approval, Cedar Operations agrees to the following:

- 4.1. Cedar Operations agrees to pay the Gross Settlement Amount of Four Hundred Thousand Dollars and Zero Cents (\$400,000.00) on a non-reversionary basis pursuant to the terms of this Agreement, so long as the Settlement Effective Date occurs. The Gross Settlement Amount will cover (1) the amount of Attorneys' Fees and Litigation Expenses awarded by the Court; (2) a Service Payment approved by the Court; (3) Notice and Settlement Administration Costs approved by the Court; (4) any other fees or expenses incurred in executing the terms of this Agreement as approved by the Court; (5) the LWDA Payment Amount; and (6) the Settlement Group Payment Amount, as follows:

- 4.1.1. Attorneys' Fees and Litigation Expenses.

- 4.1.1.1. Settlement Group Members' Counsel shall apply to the Court for an award of reasonable Attorneys' Fees in the amount of One Hundred Thirty-Three Thousand Three Hundred and Twenty Dollars and Zero Cents (\$133,320.00) or 33.33% of the Gross Settlement Amount, and reimbursement of actual Litigation Expenses incurred by Settlement Group Members' Counsel not to exceed \$20,000 in total costs for all Settlement Group Members' Counsel. Cedar Operations takes no position on the reasonableness of the Attorneys' Fees and Litigation Expenses sought by Settlement Group Members' Counsel and, therefore, will not oppose such a request. Subject to Court approval, the amount of Attorneys' Fees and Litigation Expenses approved by the Court shall be paid from the Gross Settlement Amount. This payment will be reported on an IRS Form 1099 issued to Settlement Group Members' Counsel. Should the Court award be less than the full amount of Attorneys' Fees and Litigation Expenses sought, the difference shall revert to the Gross Settlement Amount for distribution to the LWDA, subject to Section 13.2.

- 4.1.2. Service Payment.

- 4.1.2.1. Settlement Group Members' Counsel shall apply to the Court for a Service Payment in the amount of \$10,000 to be paid to the PAGA Representative, which will be paid from the Gross Settlement Amount. Cedar Operations takes no position on the reasonableness of the Service Payment sought by Settlement Group Members' Counsel for the Plaintiff and, therefore, will not oppose such a request. Should the Court award less than the full amount of the Service Payment requested, the difference shall revert to the Gross Settlement Fund for distribution to the LWDA.

4.1.3. Notice and Settlement Administration Costs.

4.1.3.1. Settlement Administrator shall be paid reasonable Notice and Administration Costs up to \$5,550.00, which will be paid from the Gross Settlement Amount.

4.1.4. LWDA Payment Amount.

4.1.4.1. The LWDA Payment Amount shall be payable to the California Labor and Workforce Development Agency pursuant to Section 2699(i) of PAGA. The LWDA Payment Amount shall be paid from the Gross Settlement Amount, after deductions for Settlement Group Members' Counsels' Attorneys' Fees and Litigation Expenses (per Subsection 4.1.1.), the Service Payment to the PAGA Representative (per Subsection 4.1.2), and the Notice and Settlement Administration Costs (per Subsection 4.1.3), which amount is expected to be \$231,130.00. The Settlement Administrator shall issue seventy-five (75) percent of the PAGA Fund to the LWDA (which amount is expected to be \$173,347.50) as the LWDA Payment Amount.

4.1.5. Settlement Group Payment Amount.

4.1.5.1. The Settlement Group Payment Amount shall consist of twenty-five (25) percent of the PAGA Fund, which is expected to be \$57,782.50. The Settlement Group Payment Amount shall constitute the aggregate amount of PAGA penalties recoverable by the Settlement Group Members pursuant to Section 2699(i) of PAGA. Settlement Group Members do not need to make a claim to participate in the Settlement and receive their Individual PAGA Payments.

4.1.5.2. The Settlement Administrator will manage the administration of the Settlement in cooperation with Settlement Group Members' Counsel and Cedar Operations, and in accordance with the following parameters:

4.1.5.2.1. The Settlement Administrator shall pay the Individual PAGA Payments from the Settlement Group Payment Amount to each Settlement Group Member based on the provisions of Subsection 4.1.5.3.

4.1.5.3. Individual PAGA Payments will vary among Settlement Group Members. The Individual PAGA Payment that any particular Settlement Group Member will receive from the Settlement Group Payment Amount shall be calculated on a *pro rata* basis based upon the number of pay periods during which the Settlement Group Member worked for Cedar Operations in California during the Settlement and Release Period, as follows:

- 4.1.5.3.1. A Settlement Group Member will receive one Unit for each pay period during which he or she worked during the Settlement and Release Period.
- 4.1.5.3.2. Partial pay periods worked will be rounded up to the nearest full pay period.
- 4.1.5.3.3. The number of pay periods that each Settlement Group Member was employed will be determined based upon the Settlement Group Data provided by Cedar Operations to the Settlement Administrator.
- 4.1.5.3.4. The monetary value of a Unit will be calculated by dividing the Settlement Group Payment Amount by the aggregate number of Units for all Settlement Group Members.
- 4.1.5.4. The Settlement Group Payment Amount, and more specifically, each Individual PAGA Payment, shall be distributed to Settlement Group Members in an amount calculated pursuant to Subsection 4.1.5.3 and in the form of a mailed check that shall remain valid for one hundred eighty (180) calendar days from issuance. For any Settlement Group Member whose check remains uncashed ninety (90) calendar days from issuance, the Settlement Administrator shall mail a reminder notice that the check will only remain valid for one hundred eighty (180) calendar days from issuance. Thereafter, all uncashed checks shall be voided and any remaining monies from the Settlement Group Payment Amount shall be paid to the LWDA.
- 4.1.6. Escalator Provision. Cedar Operations represents that, as of the date of October 25, 2023, there were 5,290 pay periods at issue for the Settlement Group Members, through the Settlement and Release Period. If the total number of pay periods is more than 5% larger than this total, the Gross Settlement Amount shall increase by 1% for every 1% increase in pay periods over the 5% threshold.

5. NOTICE AND PAYMENTS

- 5.1. The Settlement Administrator shall provide to Settlement Group Members the Court-approved Notice of the Settlement substantially in the form of attached Exhibit B, subject to Court approval. Given that this is a PAGA Settlement, Settlement Group Payment checks will be mailed with the Notices, as well as 1099 forms, if needed.
- 5.2. The Notice and Settlement Group Payment checks shall be sent via first class mail to the last known address of each Settlement Group Member as provided in the Settlement Group Data. Prior

to mailing the Notice, the Settlement Administrator will run the names and addresses through the National Change of Address Database to verify/update the address information. For returned mail, the administrator will utilize one or more skip tracing methods in order to determine current address information, and will re-mail Notices and Settlement Group Payment checks when updated addresses are ascertained.

- 5.3. The Notice and Settlement Group Payment checks will be sent out to Settlement Group Members by the Settlement Administrator no later than fifteen (15) calendar days after the receipt of the Settlement Group Data, or fifteen (15) calendar days after the receipt of funds in accordance with Section 7.1, whichever is later.
- 5.4. Attorneys' Fees and Litigation Expenses awarded by the Court, the Service Payment approved by the Court, and the Settlement Administration Costs approved by the Court shall be paid by the Settlement Administrator no later than fifteen (15) calendar days after the receipt of funds in accordance with Section 7.1.
- 5.5. Payment to the LWDA shall be made by the Settlement Administrator no later than fifteen (15) calendar days after the receipt of funds in accordance with Section 7.1.

6. LWDA NOTICE

- 6.1. Settlement Group Members' Counsel shall provide notice of the Settlement and any Court order entering Judgment to the LWDA in accordance with the PAGA.

7. DISTRIBUTION PROCESS

- 7.1. The Gross Settlement Amount shall be funded through a Qualified Settlement Fund ("QSF") in accordance with this Agreement. The timing of the payments to the QSF shall be as follows: within fifteen (15) calendar days of the Effective Date, Defendant shall transfer the Gross Settlement Amount to the QSF.

8. QUALIFIED SETTLEMENT FUND (QSF)

- 8.1. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under U.S. Treasury Regulation section 468B-1.
- 8.2. Following its deposits as described in this Agreement, Cedar Operations shall have no responsibility, financial obligation, or liability whatsoever with respect to the notifications to the Settlement Group Members required hereunder, payments to Settlement Group Members' Counsel, investment of QSF funds, payment of federal, state, and local income, employment, unemployment, excise, and other taxes imposed on the QSF or its disbursements, or payment of the administrative, legal, accounting, or other costs occasioned by the use or administration of the QSF, since it is agreed that such deposits shall fully discharge Cedar Operations' obligations to

Settlement Group Members and Settlement Group Members' Counsel, including for expenses of administration in respect to the disposition of the Gross Settlement Amount hereunder. Rather, the Settlement Administrator shall have sole authority and responsibility for the administration of such funds and income thereon, disbursement to Settlement Group Members and Settlement Group Members' Counsel, and payment of taxes and administrative costs in accordance with the provisions hereof, subject only to the rights of Cedar Operations or Settlement Group Members' Counsel to seek redress for any breach of the terms hereof.

- 8.3. The Settlement Administrator shall cause to be filed, on behalf of the QSF, all required federal, state, and local tax returns, information returns and tax withholdings statements in accordance with the provisions of Treasury Regulation §1.468B-2(k)(1) and Treasury Regulation §1.468B-2(l)(2)(ii). The Settlement Administrator may, at the expense of the QSF, retain legal counsel and an independent, certified public accountant to consult with and advise the Settlement Administrator or the Trustee with respect to the preparation and filing of such materials and the federal, state, and local tax compliance of the QSF. Either Cedar Operations or the Settlement Administrator, independently or jointly, may, but are not required to, apply to the Internal Revenue Service and/or any applicable state taxing authority for an advance ruling as to any issue pertinent to the qualification of the QSF under Internal Revenue Code §468B and Treasury Regulations promulgated thereunder, its tax status under applicable state law, or its tax payment, reporting and withholding duties, so long as Cedar Operations and the remaining Parties are reasonably satisfied that such application and ruling will not compromise the confidentiality of settlement evidenced herein as required by this Agreement. Subject to any contrary holdings in any such ruling, Settlement Group Members shall be responsible for payment of appropriate federal, state, and local income taxes on any settlement payment paid out to Settlement Group Members pursuant to this Agreement. The Parties agree that no portion of any distributions from the QSF to the Settlement Group Members is made in satisfaction of any excluded liability as described in Treasury Regulation §1.468B-1(g), related to Qualified Settlement Funds.
- 8.4. Based on the Trustee's recommendation and approval by the Parties, the QSF may be invested in United States Treasury bills, money market funds primarily invested in the same, or certificates of deposit (CDs), provided that such portions of the QSF as may reasonably be required to pay current QSF administrative expenses, taxes or disbursements to Settlement Group Members or Settlement Group Members' Counsel may be deposited in bank accounts that are federally-insured to the greatest extent practicable. All federal, state, and local taxes imposed with respect to income earned by, or property of, the QSF, shall be paid from the QSF.
- 8.5. The Settlement Administrator may amend, either in whole or in part, any administrative provision of this Section or the trust instrument through which the QSF is established to maintain the qualification of the QSF pursuant to the above-described authorities provided that the rights and liabilities of the Parties hereto and the definition of Settlement Group Members are not altered thereby in any material respect.

9. COMPREHENSIVE WAIVER AND RELEASE

- 9.1. Subject to approval by the Court of the Settlement, and only upon the Settlement Effective Date, and for good and valuable consideration set forth herein, the receipt and sufficiency of which is hereby acknowledged, Plaintiff, all Settlement Group Members, and the State of California irrevocably release, acquit, and forever discharge the Released Parties of and from any and all claims for civil penalties under California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Cal. Lab. Code section 2698 et seq. alleged in any iteration of the Complaint and any letters submitted to the LWDA by Plaintiff, seeking authorization to pursue PAGA claims which occurred during the Settlement and Release Period. Plaintiff, individually, and as a private attorney general acting on behalf of the State of California and all Settlement Group Members, will release the Released Parties from those PAGA claims alleged in the Complaint, or that reasonably could have been alleged on the facts alleged in Plaintiff’s LWDA letter or in the Complaint, including claims for PAGA penalties based on violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 1194, 1197, 1198, 2699, and California Industrial Welfare Commission Wage Orders (the “PAGA Released Claims”). Neither this Agreement nor any amounts paid to Plaintiff or any Settlement Group Members under this Agreement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Cedar Operations. The release as to the State of California and Settlement Group Members only covers claims that arise under the Private Attorneys General Act, and does not cover a Settlement Group Member’s individual Labor Code claims. The release expressly excludes claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the Settlement and Release Period.
- 9.2. Given the payment of fees and costs contemplated by this Agreement, the State of California and Settlement Group Members’ Released Claims also release all claims for Attorneys’ Fees and Costs incurred by Settlement Group Members on behalf of the State of California and on their behalf or by Settlement Group Members’ Counsel or any other attorney in connection with the PAGA Action, and this Settlement.
- 9.3. In addition to the release above, and only upon the Settlement Effective Date, Plaintiff also generally releases all claims against the Released Party. This general release includes claims arising from Plaintiff’s employment relationship with Defendant, including, without limitation, claims for discrimination, harassment, or retaliation pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. section 2000 et seq., the California Fair Employment and Housing Act, California Gov’t Code section 12900 et seq., or any claims for violation of public policy, or claims arising from the California Labor Code and the Fair Labor Standards Act. This general release by Plaintiffs also includes a waiver of rights under California Civil Code Section 1542, which states:

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.

This release from Plaintiffs is only effective upon the Settlement Effective Date and only applies to claims that may be released as a matter of law. This release also does not include future claims that arise after final approval.

- 9.4. The Parties acknowledge that this Settlement, including the releases provided in this Section, reflects a compromise of disputed claims.

10. DUTIES OF THE PARTIES WITH RESPECT TO OBTAINING COURT APPROVAL

- 10.1. Settlement Group Members' Counsel shall apply to the Court for approval of the Settlement and for entry of a proposed Final Judgment substantially in the form attached hereto as Exhibit A. Such motion for approval of the Settlement shall be unopposed by Cedar Operations, unless Plaintiff's motion for approval of the PAGA Settlement seeks relief inconsistent with or not specified by this Agreement. In such event, Cedar Operations reserves its rights to address any assertions that are not contained in this Agreement. The proposed Final Judgment shall:
- 10.1.1. Approve the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate and directing consummation of its terms and provisions;
 - 10.1.2. Approve Payment of the Gross Settlement Amount pursuant to this Agreement;
 - 10.1.3. Approve Settlement Group Members' Counsel's application for an award of Attorneys' Fees and Litigation Expenses pursuant to this Agreement;
 - 10.1.4. Approve the Service Payment;
 - 10.1.5. Approve the Notice and Settlement Administration Costs;
 - 10.1.6. Direct that the Settlement's terms and provisions be carried out;
 - 10.1.7. Enter Final Judgment in accordance with this Agreement; and
 - 10.1.8. Retain jurisdiction to oversee administration and enforcement of the terms of this Agreement and the Court's orders.
- 10.2. Cedar Operations shall cooperate with Settlement Group Members' Counsel to obtain approval of the Settlement and entry of the Final Judgment of the PAGA Action.
- 10.3. The Final Judgment shall not be considered final until the occurrence of the Settlement Effective Date.

11. MUTUAL FULL COOPERATION

- 11.1. The Parties agree to cooperate fully with each other to accomplish the terms of this Settlement, including but not limited to execution of all necessary documents, and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate the terms of this Settlement. As soon as practicable after execution of this Settlement, Settlement Group Members' Counsel shall, with the assistance and cooperation of Cedar Operations and their counsel, take all necessary steps to secure the Court's Judgment.

12. STATEMENT OF NO ADMISSION

- 12.1. Nothing contained in this Agreement shall be construed or deemed an admission of liability, culpability, or wrongdoing on the part of Cedar Operations, and Cedar Operations deny liability for any alleged wrongdoing. Cedar Operations expressly deny liability for the claims asserted and specifically deny and do not admit any of the pleaded facts not admitted in their pleadings in the PAGA Action. Nor shall this Agreement constitute an admission by Cedar Operations as to any interpretation of laws or as to the merits, validity, or accuracy of any claims made against them in the PAGA Action. Likewise, nothing in this Agreement shall be construed or deemed an admission by Plaintiff or the Settlement Group Members with regards to the validity of any of the defenses or affirmative defenses that Cedar Operations asserted during the pendency of the litigation. Each of the Parties has entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

13. VOIDING THE AGREEMENT

- 13.1. Subject to the provisions of Section 13.2 and 13.3, in the event that this Settlement is not approved, or if for any reason the Settlement Effective Date does not occur, the Settlement Agreement shall be deemed null, void, and unenforceable and shall not be used nor shall it be admissible in any subsequent proceedings either in this Court or in any other judicial, arbitral, administrative, investigative, or other court, tribunal, forum, or other proceeding, or other litigation against Cedar Operations, and the Parties shall return to their respective positions prior to the execution of this Agreement.
- 13.2. In the event that the Court reduces the Attorneys' Fees and Litigation Expenses requested by Settlement Group Members' Counsel, that finding shall not be a basis for rendering the entire Settlement Agreement null, void, or unenforceable. Settlement Group Members' Counsel retains their right to appeal any decision by the Court regarding the Attorneys' Fees and Litigation Expenses.

- 13.3. In the event that the Court reduces the Service Payment in the amount requested by Settlement Group Members' Counsel, that finding shall not be a basis for rendering the entire Settlement Agreement null, void, or unenforceable. Settlement Group Members' Counsel retains their right to appeal any decision by the Court regarding the Service Payment.

14. SIGNATORIES' AUTHORITY

- 14.1. The respective signatories to this Agreement each represent that they are fully authorized to enter into this Settlement on behalf of the respective Parties for submission to the Court for approval.

15. NO PRIOR ASSIGNMENTS

- 15.1. The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged in this Settlement.

16. NOTICES

- 16.1. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given: (i) on the date given, if given by hand delivery; (ii) within one (1) business day, if sent by overnight delivery services such as Federal Express or similar courier; (iii) on the third business day after mailing by United States registered or certified mail, return receipt requested, or (iv) on the day received for delivery by e-mail. All notices given under this Agreement shall be addressed as follows:

- 16.1.1. To Settlement Group Members' Counsel:

BRADLEY/GROMBACHER, LLP

Marcus J. Bradley, Esq. (SBN 174156)
Kiley L. Grombacher, Esq. (SBN 245960)
Corey S. Smith, Esq. (SBN 312002)
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: (805) 270-7100
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MAJARIAN LAW GROUP, APC

Sahag Majarian, II, Esq. (SBN 146621)
18250 Ventura Boulevard
Tarzana, California 91356
Telephone: (818) 609-0807
Facsimile: (818) 609-0892
sahagii@aol.com

16.1.2. To Cedar Operations:

STRADLING YOCCA CARLSON & RAUTH LLP

Shane P. Criqui
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660
Telephone: (949) 725-4109
Facsimile: (949) 725-4100
scriqui@stradlinglaw.com
vmclaughlin@stradlinglaw.com

17. CONFIDENTIALITY

- 17.1. The negotiations related to this Agreement (including the negotiations related to the drafting of this Agreement and any negotiations prior to approval) will remain strictly confidential and shall not be discussed with anyone other than the PAGA Representative and Cedar Operations, their retained attorneys, their accountants and financial or tax advisers, their retained consultants, the Court, and the mediator James W. Johnston and his staff, unless otherwise agreed to by Settlement Group Members' Counsel and Cedar Operations, or unless otherwise ordered by the Court. Upon the filing of the Motion for Approval, the Parties may discuss the terms of this Agreement, subject to this Section and Section 18.1.

18. MEDIA

- 18.1. Neither Plaintiff, nor her counsel, shall initiate any statements to the media regarding this Settlement. To the extent Settlement Group Members' Counsel communicates with the media regarding the Settlement, Settlement Group Members' Counsel agrees to limit the scope of their comments to simply instruct the media to refer to the approved settlement agreement. This Paragraph does not preclude appropriate Notice as set forth in Section 5 of this Agreement nor does this Paragraph preclude Settlement Group Members' Counsel from referencing this Settlement in pleadings to other courts for the purposes of being appointed class counsel.

19. DOCUMENTS AND DISCOVERY

- 19.1. Counsel for the Parties will maintain confidentiality of documents and data produced by the Parties in the PAGA Action pursuant to any protective order entered in the case.

20. MISCELLANEOUS PROVISIONS

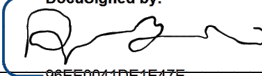
- 20.1. Construction. The Parties agree that the terms and conditions of this Settlement are the result of lengthy, intensive arms-length negotiations between the Parties and that this Settlement shall not be construed in favor of or against any party by reason of the extent to which any party or her or his counsel participated in the drafting of this Settlement.
- 20.2. Modification. This Agreement may not be changed, altered, or modified, except in a writing signed by the Parties, or their counsel acting on their behalf, and approved by the Court. Notwithstanding the foregoing, the Parties agree that any dates contained in this Agreement may be modified by agreement of the Parties without Court approval if the Parties agree, in writing, and cause exists for such modification. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties.
- 20.3. Integration Clause. This Agreement, the Exhibits hereto, and any other documents delivered pursuant hereto contain the entire agreement between the Parties relating to the resolution of the PAGA Action, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged in this Agreement. No rights under this Settlement may be waived except in writing and signed by the Party against whom such waiver is to be enforced.
- 20.4. Binding on Assigns. This Settlement shall be binding upon, and inure to the benefit of, the Parties and their respective heirs, trustees, executors, administrators, successors, and assigns.
- 20.5. The Notice provided in accordance with Section 5 of this Agreement will provide all Settlement Group Members with Notice and summary of the Settlement, and will advise all Settlement Group Members of the binding nature of the release.
- 20.6. Counterparts. This Agreement may be executed by facsimile signature and in any number of counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one and the same Agreement, which shall be binding upon and effective as to all Parties.
- 20.7. Applicable Law. This Agreement shall be governed by California law without regard to its choice of law or conflicts of law principles or provisions.
- 20.8. The Court shall retain jurisdiction to enforce the settlement pursuant to California Code of Civil Procedure ("CCP") § 664.6.

[Signatures on Following Pages]

IN WITNESS WHEREOF, Plaintiff and Cedar Operations and their respective undersigned counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: 2/6/2024

Plaintiff ROSELAURE RICHARD, on behalf of
herself and all Settlement Group Members

DocuSigned by:

96EE0041DE1E47E...
Roselaure Richard

Dated: _____

Defendant CEDAR OPERATIONS, LLC

By: _____

Its _____

IN WITNESS WHEREOF, Plaintiff and Cedar Operations and their respective undersigned counsel have executed this Settlement Agreement as of the date(s) indicated on the lines below.

Dated: _____

Plaintiff ROSELAURE RICHARD, on behalf of
herself and all Settlement Group Members

Roselaure Richard

Dated: 2/6/2024 _____

Defendant CEDAR OPERATIONS, LLC

A handwritten signature in black ink, appearing to be 'Erich Schiefelbine', is written over a light blue rectangular background.

By: Erich Schiefelbine

Its General Counsel

APPROVED AS TO FORM AND CONTENT ON BEHALF OF THE NAMED PLAINTIFF AND AS
A SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE SETTLEMENT
GROUP MEMBERS:

Dated: 2/6/21

BRADLEY/GROMBACHER, LLP

By: 

Marcus J. Bradley
Kiley L. Grombacher
Corey S. Smith
Counsel for Plaintiff and Settlement Group
Members

APPROVED AS TO FORM AND CONTENT

Dated: _____

STRADLING YOCCA CARLSON & RAUTH,
LLC

By: _____
Shane P. Criqui
Counsel for Cedar Operations, LLC

APPROVED AS TO FORM AND CONTENT ON BEHALF OF THE NAMED PLAINTIFF AND AS
A SUBSTANTIVE RECOMMENDATION TO THE COURT ON BEHALF OF THE SETTLEMENT
GROUP MEMBERS:

Dated: _____

BRADLEY/GROMBACHER, LLP

By: _____
Marcus J. Bradley
Kiley L. Grombacher
Corey S. Smith
Counsel for Plaintiff and Settlement Group
Members

APPROVED AS TO FORM AND CONTENT

Dated: _____

STRADLING YOCCA CARLSON & RAUTH,
LLC

By:  _____
Shane P. Criqui
Counsel for Cedar Operations, LLC

EXHIBIT A

BRADLEY/GROMBACHER, LLP

Marcus J. Bradley, Esq. (SBN 174156)
Kiley L. Grombacher, Esq. (SBN 245960)
Lirit A. King, Esq. (SBN 252521)
Corey S. Smith, Esq. (SBN 312002)
31365 Oak Crest Drive, Suite 240
Westlake Village, California 91361
Telephone: (805) 270-7100
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kgrombacher@bradleygrombacher.com
lking@bradleygrombacher.com
csmith@bradleygrombacher.com

MAJARIAN LAW GROUP, APC

Sahag Majarian, II, Esq. (SBN 146621)
18250 Ventura Boulevard
Tarzana, California 91356
Telephone: (818) 609-0807
Facsimile: (818) 609-0892
sahagii@aol.com

Attorneys for Plaintiff ROSELAURE RICHARD
on behalf of herself and others similarly situated

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
SAN BERNARDINO COUNTY**

ROSELAURE RICHARD, on behalf of herself
and all others similarly situated,

Plaintiffs,

v.

CEDAR OPERATIONS, LLC, a Delaware
limited liability company; and DOES 1 to 10,
inclusive,

Defendants.

CASE NO. CIVSB2304727

[Assigned for all purposes to Hon. Jessica
Morgan, Dept. S26]

**[PROPOSED] ORDER AND FINAL
JUDGMENT GRANTING APPROVAL
OF PAGA SETTLEMENT**

Complaint Filed: February 14, 2023
First Amend. Complaint Filed: May 23, 2023
Trial Date: None Set

1 On March 7, 2024, Plaintiff Roselaure Richard's motion for approval of the Settlement
2 Agreement between the above-captioned parties came on regularly for hearing pursuant to the
3 California Private Attorneys General Act, Labor Code section 2699, et seq. ("PAGA"). Appearances
4 were as stated in the record. Having considered the motion, the Settlement Agreement, all supporting
5 documents, and the arguments of counsel, and GOOD CAUSE having been shown, Plaintiff's motion
6 is GRANTED.

7 **NOW THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED:**

8 The Court hereby approves the parties' proposed PAGA Settlement Agreement entered into
9 between Plaintiff as an individual, on behalf of the State of California and as an "aggrieved employee"
10 acting as a private attorney general under PAGA, on the one hand, and Defendant Cedar Operations,
11 LLC ("Cedar Operations") on the other, as follows:

12 1. All capitalized terms used herein shall have the same meaning as defined in the
13 Settlement Agreement.

14 2. The Court finds and determines that the parties have satisfied the requirements of
15 Section 2699(1)(2) of PAGA, by submitting the Settlement Agreement to the Labor & Workforce
16 Development Agency ("LWDA").

17 3. The Court APPROVES the parties' Settlement Agreement and the Gross Settlement
18 Amount of \$400,000.00 to be allocated according to the Settlement Agreement.

19 4. The Court APPROVES and ORDERS that, of the Gross Settlement Amount,
20 \$133,320.00 (or 33.33%) is awarded as attorneys' fees paid to Settlement Group Members' Counsel,
21 \$20,000.00 is awarded as costs paid to Settlement Group Members' Counsel, \$10,000.00 is awarded
22 as a Service Payment paid to the PAGA Representative, Roselaure Richard, and Notice and
23 Administration Costs not to exceed \$5,550.00 is awarded to the Settlement Administrator.

24 5. The portion of the Gross Settlement Amount available after deductions for attorneys'
25 fees and costs paid to Settlement Group Members' Counsel, Service Payment, and Notice and
26 Administration Costs is the PAGA Fund. The PAGA Fund is estimated to be approximately
27 \$231,130.00. The Court APPROVES and ORDERS that, of the PAGA Fund, twenty-five percent
28 (25%) is to be distributed to the Settlement Group Members and seventy-five percent (75%) shall be

1 allocated to the LWDA pursuant to Section 2699(i) of PAGA. The 75% to the LWDA (or, the LWDA
2 Payment Amount) is estimated to be approximately \$173,347.50. The 25% to the Settlement Group
3 Members (or, the Settlement Group Payment Amount) is estimated to be approximately \$57,782.50.

4 6. In consideration of the Gross Settlement Amount provided under the Settlement
5 Agreement, and for other good and valuable consideration, each of the Settlement Group Members
6 and the State of California shall, by operation of this Judgment, irrevocably release, acquit, and forever
7 discharge any of the Released Claims, as defined by the Settlement Agreement, that arose between
8 February 13, 2022, through October 25, 2023. Consistent with the definitions provided in the
9 Settlement Agreement, the Settlement Group consists of: “[A]ny and all hourly-paid or non-exempt
10 employees who at any time during the Settlement and Release Period worked or continue to work for
11 Cedar Operations, including but not limited to Roselaure Richard.” (Settlement Agreement, ¶ 2.22.).
12 The “Settlement and Release Period” is defined as “the period of time from February 13, 2022, through
13 October 25, 2023.” (Settlement Agreement, ¶ 2.20.).

14 7. Without affecting the finality of the Judgment, the Court shall retain exclusive and
15 continuing jurisdiction over the subject matter of this action and the above-captioned parties, all
16 Settlement Group Members, and the State of California for purposes of enforcing the terms of the
17 Judgment entered herein.

18 8. Pursuant to paragraph 10.3 of the Settlement Agreement, this Judgment shall not be
19 considered final until the occurrence of the Settlement Effective Date, as that term has been defined
20 in paragraph 2.21 of the Settlement Agreement.

21 9. In the event that the Settlement Effective Date does not occur, this Judgment shall be
22 rendered null and void and shall be vacated, *nunc pro tunc*, except insofar as expressly provided to
23 the contrary in the Settlement Agreement, and without prejudice to the *status quo ante* rights of
24 Plaintiff, the Settlement Group Members, the State of California, and Defendants.

25 ///

26 ///

27 ///

28 ///

1 10. The Judgment is the Final Judgment in the suit as to all Released Claims and shall
2 constitute a judgment for purposes of California Rule of Court 3.769(h).

3 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

4
5 Dated: _____

Hon. Jessica Morgan
San Bernardino Superior Court

EXHIBIT B

ILYM Group, Inc.
[ADDRESS LINE 1]
[ADDRESS LINE 2]
Phone: [NUMBER]

xxx, 2024

ILYM ID: <<ID>>
<<FullName>>
<<Address1>><<Address2>>
<<City>>,<<State>><<Zip>>

**Re: Settlement Payment from *Richard v. Cedar Operations* Lawsuit
Private Attorneys General Act Litigation for Hourly-Paid or Non-Exempt
Employees in California**

Dear <<FullName>>:

Enclosed is your check from the settlement of the lawsuit entitled *Richard v. Cedar Operations, LLC*, San Bernardino County Superior Court Case No. CIVSB2304727. The Settlement includes all hourly-paid or non-exempt employees who worked for Cedar Operations in the State of California, at any time from February 13, 2022, through October 25, 2023 (the “Aggrieved Employees”). You have been identified through Cedar Operations’ records as an Aggrieved Employee who is therefore included in this settlement.

Plaintiff Roselaure Richard, through her attorneys, filed this lawsuit under the California Labor Code Proviante Attorney Generals Act of 2004, Cal. Lab. Code § 2698, *et seq.* (called “PAGA”), which means that it was brought on behalf of the State of California and also on behalf of persons alleged to be similarly situated “aggrieved employees,” who in this case includes those hourly-paid or non-exempt employees in the State of California who worked for Cedar Operations at any time from February 13, 2022, through October 25, 2023 (the “PAGA Period”). The lawsuit sought civil penalties alleged to be owed by Cedar Operations, alleging that Cedar Operations violated the California Labor Code and Industrial Welfare Commission Wage Orders by: (i) failing to pay overtime wages; (ii) failing to pay minimum wages; (iii) failing to provide complaint meal periods; (iv) failing to provide compliant rest periods; (v) failing to timely furnish accurate itemized wage statements and maintain accurate records; (vi) failing to provide sick pay; and (vii) failing to timely pay wages during employment; (viii) failing to pay all wages upon discharge.

Cedar Operations strongly disputes Plaintiff’s PAGA claim and denies any wrongdoing or liability whatsoever. Cedar Operations maintains that employees receive compensation for all time they report to have worked, as required by applicable law, and otherwise rejects all other claims being made. Cedar Operations has agreed to the proposed settlement solely to eliminate the burden, expense, uncertainty, and continuing distraction of further litigation.

The Court has not found that anyone did anything wrong. The parties agreed to resolve the case and the court has approved the parties’ settlement as fair and reasonable. The maximum amount Cedar Operations will have to pay in connection with this Settlement is Four Hundred

Thousand Dollars (\$400,000) (“Gross Settlement Amount”). The PAGA Fund means the Gross Settlement Amount, less Plaintiff’s Counsel’s court-awarded attorneys’ fees (totaling \$133,320.00), awarded reasonably attorneys’ costs (totaling \$20,000.00), the awarded Service Payment to the Named Plaintiff (totaling \$10,000.00), and Administration Notice Costs (totaling \$5,550.00). The PAGA Fund shall be allocated entirely to PAGA civil penalties, of which seventy-five percent (75%) shall be the “LWDA Payment” distributed to the California Labor & Workforce Development Agency (“LWDA”) for PAGA Penalties pursuant to California Labor Code § 2699(i), and twenty-five percent (25%) shall be the “Settlement Group Payment” distributed to Aggrieved Employees.

In conformance with the PAGA statute, enclosed is a check made out to you. The check represents your proportionate share of the settlement for the 25% of the PAGA penalties payable to the Aggrieved Employees: \$<<TotalAmount>>. You are responsible for paying any federal, state, or local taxes owed as a result of this settlement. The enclosed check is valid for 180 days from the date of issuance. If you do not cash it within 180 days, the funds from uncashed checks will be remitted to the LWDA.

As a result of this settlement, the State of California’s and your ability to seek civil penalties recoverable under the PAGA for the claims that were asserted in the lawsuit have been forever released, but only for the PAGA Period. Specifically, all individuals falling within the definition of “Aggrieved Employees” will release, release, acquit, and forever discharge the “Released Parties” (Cedar Operations, LLC, and any of their joint employers, staffing companies, parent companies, management companies, predecessors, successors, subsidiaries, affiliated, related entities, and representatives of any kind, including their respective owners, officers, directors, shareholders, agents, assigns, attorneys, insurers, agents, independent contractors, employees, and related parties) of and from any and all claims for civil penalties under PAGA alleged in any iteration of the Complaint and any letters submitted to the LWDA by Plaintiff, seeking authorization to pursue PAGA claims which occurred during the Settlement and Release Period. Plaintiff, the State of California, you, and all other Aggrieved Employees, will release the Released Parties from those PAGA claims alleged in the Complaint, or that reasonably could have been alleged on the facts alleged in Plaintiff’s LWDA letter or in the Complaint, including claims for PAGA penalties based on violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 246, 510, 512, 1194, 1197, 1198, 2699, and California Industrial Welfare Commission Wage Orders during the PAGA Period.

Neither this Agreement nor any amounts paid to Plaintiff or any Aggrieved Employees under this Agreement will modify any previously credited hours or service under any employee benefit plan, policy, or bonus program sponsored by Cedar Operations. The release expressly excludes claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.

If you have any questions, you may contact the settlement administrator (whose contact information is at the top of this letter). Please do not contact Cedar Operations or the Court.

Sincerely,
ILYM Group, Inc.