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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

BRIANA ARREOLA, individually, on a
representative basis, and on behalf of all others
similarly situated;

Plaintiff,

vs.

FLEET SERVICES, INC., a California
Corporation; DICK VAN ECK, an individual;
and DOES 1 through 20, inclusive;

Defendants.

Case No.: 30-2023-01316151-CU-OE-CXC
*[Assigned to Hon. Lon F. Hurwitz, Dept
CX103, for all purposes]*

**DECLARATION OF BRIAN J. MANKIN
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA ACTION
SETTLEMENT**

Hearing

Date: December 13, 2024

Time: 1:30 p.m.

Dept.: CX103

Complaint filed: March 30, 2023

I, Brian J. Mankin, state and declare:

1. I am an attorney licensed to practice before all of the courts of the State of California. I manage the employment department within my firm where I am also a Partner. I represent Plaintiff Briana Arreola ("Plaintiff") in this action and I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of this Class Action Settlement. If called as a witness, I could and would competently testify thereto.

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1 **COUNSEL'S EXPERIENCE**

2 2. I have been a member, in good standing, of the State Bar of California since 2001.
3 I am admitted to practice in the United States District Courts for the Central and Southern
4 District of California and the Ninth Circuit Court of Appeal and have tried cases in various
5 courts in California.

6 3. I have handled well over 500 employee vs. employer litigation matters during my
7 23 years in practice. Over the last 15 years, my practice has almost entirely consisted of
8 representing employees, the majority of which has included class action and representative
9 action wage and hour matters. In total, I have handled over 300 class action and representative
10 action wage/hour cases, and have been appointed by the court as class counsel and have received
11 final court approval and judgment in over half of those actions to date, and anticipate receiving
12 final approval in many more of those in the future.

13 4. As part of these settlements and judgments, I have recovered in excess of \$250
14 million in damages for my clients and the class members (who often work as nurses, ambulance
15 drivers, technicians, warehouse workers, truck drivers, sales, professional occupations and
16 countless other trades). My team and I once held the record for the largest PAGA-only case in
17 California's history - a \$12.5 million-dollar court approved settlement, which followed extensive
18 litigation, summary adjudication and writs to the CA Supreme Court against a Fortune 50
19 company (*Garcia v. Macy's*, San Bernardino Superior Court).

20 5. I have tried two major class and PAGA cases against Fortune 100 companies over
21 the last few years. I was lead counsel in a PAGA case that my firm tried in the Orange County
22 Superior Court and received a \$425,000 judgment. I was co-counsel in a class action case
23 against Walmart that was tried to the jury in District Court, wherein the jury awarded Plaintiffs
24 over \$6 million. Both cases were appealed.

25 6. I was named by the LA Times as one "Southern California Leading Lawyers" in
26 the May 2023 issue of Consumer Attorney's of Southern California. Additionally, over the last
27 five consecutive years, I have been selected by my peers as a "Super Lawyer" in Employment
28 Litigation.

BRIEF SUMMARY OF THE SETTLEMENT

7. Following a contested but productive mediation, Plaintiff and Defendants Fleet Services, Inc. (“Fleet Services”) and Dick Van Eck (“Mr. Van Eck”) (collectively, “Defendants”) (Plaintiff and Defendants collectively, the “Parties”) entered into a Class Action and Private Attorneys General Act of 2004 (“PAGA”) Representative Action Settlement Agreement and Release of Claims resolving the wage and hour claims of the putative class (the “Settlement Agreement”), which is attached hereto as **Exhibit A**. The Settlement Agreement seeks to release and discharge Defendants from the claims brought against it in exchange for Defendants’ agreement to pay \$275,000 on a non-reversionary, non-claims made basis (each Class Member will receive their share of the Net Settlement Amount without having to submit a claim form or take any action, except for those who opt-out). Plaintiff seeks to represent a class of current and former nonexempt (hourly paid) employees employed by Fleet Services in California during the Class Period (the “Class” or “Class Members”). Under the terms of the Settlement Agreement, Defendants will not oppose Class Counsel’s application for a reasonable award of attorneys’ fees not to exceed one-third of the Settlement Amount, Class Counsel’s litigation expenses not to exceed \$20,000, the Settlement Administrator costs of \$7,950, a Service Payment to Plaintiff of \$7,500, and PAGA Penalties of \$27,500, of which \$20,625 will be paid to the Labor and Workforce Development Agency (“LWDA”) and the remaining \$6,875 will be paid to the Aggrieved Employees. After subtracting the agreed-upon deductions from the Settlement Amount, approximately \$120,383.34 will be available to pay the individual settlement amounts to approximately 104 Class Members who do not opt-out of the Settlement, as follows:

<i>Settlement Amount</i>	\$ 275,000.00
Attorneys’ Fees (1/3)	\$ 91,666.66
Litigation Costs (not to exceed)	\$ 20,000.00
Administrator Costs	\$ 7,950.00
PAGA Penalties	\$ 27,500.00
Class Representative Service Award	\$ 7,500.00
<i>Net Settlement Amount</i>	\$ 120,383.34

1 8. Assuming approximately 104 total Class Members employed during the Class
2 Period, each will receive approximately \$1,157.53 on average, the potential high payment is
3 \$3,057.12 for an employee who worked all 264 Workweeks during the Class Period (at \$11.58
4 per Workweek), and the lowest potential payment is \$11.58 for a short-term employee that only
5 worked one Workweek during the Class Period

6 9. Each Class Member will receive the Class Notice, explaining the nature of the
7 case, and the process for participating, objecting and opting-out, and advising of their estimated
8 settlement payment and the number of Pay Periods they are credited with working during the
9 Class Period (attached hereto as **Exhibit B**).

10 **PROCEDURAL BACKGROUND**

11 10. My office has performed considerable work and diligently investigated and
12 prosecuted this case to a successful conclusion. Our work has resulted in the creation of a
13 significant settlement fund for the benefit of the Class. We efficiently communicated and
14 exchanged information informally with Defense Counsel which enabled the Parties to
15 successfully settle the case. Because of the risks involved in litigating the case and the contested
16 legal and factual issues, Plaintiff's Counsel (i.e., my office) believes this Settlement to be fair,
17 reasonable, and adequate.

18 11. After being retained by Plaintiff, we submitted a letter to the LWDA for civil
19 penalties under the PAGA, which is attached hereto as **Exhibit C**, and simultaneously sent a
20 letter to Defendants requesting the production of her personnel and timekeeping records to
21 further evaluate the wage and hour claims.

22 12. Meanwhile, the LWDA declined to assert jurisdiction over the PAGA Claims, so
23 on October 10, 2023, Plaintiff filed the operative first amended complaint (the "Complaint"),
24 adding PAGA Claims. The Complaint alleges Class Claims and PAGA Claims for: (1) failure to
25 pay minimum wages (2) failure to pay overtime wages; (3) failure to provide meal periods; (4)
26 failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested
27 vacation; (7) failure to timely pay wages upon separation of employment (including, but not
28 limited to, unpaid sick pay); (8) failure to provide accurate itemized wage statements; (9) unfair

1 and unlawful competition; and (10) claims for PAGA penalties.

2 13. Defendants fully denied the allegations. However, before incurring significant
3 costs and expenses in protracted discovery and litigation, the Parties agreed to explore an early
4 resolution through mediation. In preparation for the mediation, the Parties informally
5 exchanged documents and information that allowed both sides to calculate the potential damages
6 and evaluate potential risk, including extensive policies and procedures pertaining to each claim
7 alleged, and statistics relating to the number of current and former employees and number of
8 shifts, workweeks, and pay periods. In this regard, Defendants provided a comprehensive
9 database of timekeeping and payroll records of the Class Members that consisted of over 7,000
10 shifts (and 1,500 pay periods) worked by the Class Members. This robust sampling enabled both
11 Parties and their experts to take a deep dive into the claims. During this process, Plaintiff's
12 Counsel and their retained expert (Jarrett Gorlick of Berger Consulting Group) evaluated the
13 potential claims, risks, and defenses as to all similarly situated employees.

14 14. On February 20, 2024, Plaintiff and Defendants participated in a full-day
15 mediation with Kelly Knight, Esq. At the conclusion of mediation, the Parties agreed to settle
16 for the Settlement Amount and thereafter memorialized the terms of the Settlement in a long-
17 form settlement agreement. Under the terms of the Settlement, the Parties now seek preliminary
18 approval of the Settlement.

19 **THE WAGE AND HOUR CLAIMS AND CLASS COUNSEL'S INVESTIGATION**

20 15. The putative Class in this case consists of approximately 104 current and former
21 nonexempt (hourly paid) employees employed by Fleet Services in California during the Class
22 Period. Plaintiff alleged numerous wage and hour violations on behalf of the Class. However,
23 Defendants vigorously contested and denied each of Plaintiff's material allegations on the merits
24 and as to the propriety of a class action or PAGA representative action on behalf of the putative
25 Class and allegedly Aggrieved Employees.

26 16. *First*, Plaintiff alleged that Plaintiff and Class Members were not provided all
27 minimum, regular, and overtime wages due to Defendants' failure to accurately record and
28 compensate for all hours worked. Moreover, Defendants paid the Class Members on an hourly

1 basis plus other nondiscretionary compensation (such as gift cards and bonuses), yet Defendants
2 failed to properly include this compensation in the regular rate calculations and overtime
3 compensation and vacation pay. Defendants argued that the hours were properly accounted for
4 and paid and that non-discretionary bonuses were so infrequent that any alleged unpaid regular
5 rate overtime was miniscule.

6 17. *Second*, Plaintiff alleged that Plaintiff and Class Members were often subjected to
7 meal period violations when they were: (1) unable to take a meal period due to workload, (2)
8 forced to take an on-duty meal period while under the control of the Defendants, (3) forced to
9 take a shortened meal period, (4) forced to take a meal period after the fifth hour of work, and (5)
10 not provided mandated second meal periods for shifts in excess of 10 hours. Defendants argued
11 that these violations require individualized testimony and proof and are not certifiable for class
12 treatment because common issues do not predominate.

13 18. *Third*, Plaintiff alleged that Defendants also failed to provide Plaintiff and the
14 Class Members with 10 minutes of net rest break time for every 4 hours worked, or major
15 fraction thereof. Defendants did not schedule rest breaks, Class Members were not able to leave
16 the premises for rest breaks, and they were often not authorized and/or permitted to take the
17 mandated rest breaks due to be overwhelmed with their hectic workload. Furthermore, on
18 occasions when Plaintiff and Class Members worked longer shifts, Defendants failed to
19 authorize and/or permit mandated third rest breaks. As with meal period violations, Defendants
20 argued that these claims were defensible and were not certifiable.

21 19. *Fourth*, Plaintiff alleged that Defendants required Class Members to incur
22 necessary business-related expenses and costs without reimbursement. Defendants, however,
23 argued that any such alleged cell phone use was neither required nor necessary.

24 20. *Fifth*, Plaintiff alleged that Class Members were not paid all wages due and owing
25 each pay period (Labor Code § 204) and upon separation of employment within the time
26 required by Labor Code §§ 201-203. Defendants dispute all the underlying claims that give rise
27 to the late payment claims. Therefore, Defendants argue that these derivative claims fail for the
28 same reasons that the underlying claims fail.

1 21. *Finally*, Plaintiff also alleged claims for wage statement violations under Labor
2 Code § 226. During the statutory period, Plaintiff alleges that Defendants provided the Class
3 Members with wage statements that failed to contain the total hours worked each period as
4 required by Labor Code § 226(a)(2). However, Defendants raised a variety of defenses to this
5 claim, including that Plaintiff would be unable to prove the required “knowing and intentional”
6 and “injury” elements under § 226(e) and, thus, no liability would attach

7 22. Plaintiff also alleged various PAGA claims arising out of the claimed violations
8 mentioned above. However, Defendant argued that these type of “derivative” claims have no
9 merit.

10 23. Nonetheless, the Parties concluded that further litigation of the Action would be
11 protracted and expensive, and that it is desirable that the Action be fully and finally settled in
12 order to limit further risk, expense and protracted litigation.

13 24. It should also be noted that the Parties have met and conferred and are unaware of
14 any related cases that may be affected by this Settlement.

15 **EVALUATION OF THE SETTLEMENT**

16 25. In preparation for mediation, Misty Lauby, a partner within my office, and I
17 formulated a damages model based upon detailed data obtained through informal discovery and
18 information exchanges. The summary of the claims below is based on calculations by our expert
19 and us, and the risks that we potentially faced, giving significant credit to the defenses that
20 Defendants raised or would likely raise in further proceedings. Following the informal exchange
21 and other information provided by Defendants, we estimated the following data points through
22 the date of mediation: (1) 103 Class Members, (2) 49 *former* Class Members for purposes of
23 Labor Code § 203, (3) 10,400 workweeks, (4) 51,559 shifts worked, and (4) approximately 4,079
24 wage statements during the PAGA Period. From these metrics, and when factoring in claim
25 certification probabilities and liability probabilities, we formulated detailed damages models to
26 value the claims in preparation for mediation and to reach a realistic and reasonable resolution.

27 26. Here, there were several claims alleged by Plaintiff, including: (1) unpaid wage
28 claims under various theories, (2) meal and rest break violations, (3) failure to reimburse

1 business expenses, (4) unpaid vacation wages, and (5) derivative claims for waiting time and
2 wage statement penalties due to the other alleged violations.

3 27. As to the unpaid wage claims, Plaintiff alleged the following theories of liability.
4 First, Plaintiff alleged that Defendants paid bonuses to Class Members yet failed to include that
5 additional compensation in the regular rate for purposes of calculating overtime wages. Second,
6 Plaintiff alleged that Defendants failed to pay all vested vacation wages upon separation of
7 employment, including due to a practice of paying at the base rate of pay, rather than at the final
8 rate of pay (incorporating commission/bonus pay) as required by Labor Code § 227.3 (“all
9 vested vacation shall be paid to [the employee] as wages at his *final rate*”). Third, Plaintiff
10 alleged that Defendants did not pay sick time at the regular rate under Labor Code § 246.
11 Finally, Plaintiff alleged that she and Class Members were made to clock out for lunches but
12 continued to work off-the-clock.

13 28. In total, Plaintiff’s counsel estimated the maximum value of these unpaid wages
14 to be \$407,900. However, Defendants vehemently opposed these unpaid wage claims on the
15 merits and as to the propriety of class certification. For example, Defendants argued that Fleet
16 Services very rarely paid non-discretionary bonuses to the Class, and that those sums were
17 minuscule for the calculation regular rate overtime pay. Additionally, as to the “off-the-clock”
18 claim, Defendants argued that Class Members were not told to work off-the-clock and that the
19 evaluation of these claims would require individualized proof to determine if this applied to each
20 Class Member and, if so, how frequently it occurred and for how long. Finally, Defendants
21 argued that Fleet Services was permitted under its vacation policy to set the terms including the
22 rate at which it paid vested vacation to employees, including at termination. Due to the defenses
23 and arguments raised, Plaintiff assigned a 20% risk for each respective unpaid wage claim at the
24 class certification stage and an additional 20% risk on the merits. In sum, Plaintiff’s counsel
25 calculated the risk-adjusted value of the unpaid wage claims as \$268,589.

26 29. Plaintiff also alleged meal and rest break claims against Defendants. Given the
27 total number of shifts at issue (an estimate of 51,559), and when incorporating claimed meal
28 period violation rates from expert review of the timekeeping records and other evidence,

1 Plaintiff's counsel estimated a 35% violation rate for meal breaks and assumed a 25% violation
2 rate for rest breaks based on Fleet Services' compliant policies, leading to 18,046 alleged meal
3 violations and 12,890 alleged rest break violations. This established a maximum potential value
4 for these claims of \$707,816 (30,936 violations multiplied by the average hourly rate of \$22.88
5 as the applicable premium rate under Labor Code § 226.7).

6 30. However, Defendants raised numerous arguments in response to these claims,
7 including that Fleet Services maintained fully compliant written policies and specifically
8 authorized the Class Members to take meal and rest breaks. Further, Defendants asserted that a
9 fact-finder would have to determine for each Class Member whether a break was missed and
10 why, and why a break was noncompliant or nonexistent, because if it was by the employee's
11 choice, no liability attaches to Defendants. These defenses are factored into Plaintiff's analysis
12 in two ways. First, these issues raise questions regarding whether the meal and rest break claims
13 could be certified, and Plaintiff placed a 30% risk at the class certification stage for meal periods
14 and a 50% risk for rest breaks. Second, these defenses also go toward the merits given the
15 evidentiary question of proving the number of meal and rest violations. As such, Plaintiff placed
16 a 30% risk on the merits for meal breaks, and an additional 50% risk on the merits for rest
17 breaks, setting the risk-adjusted value for the combined meal and rest break claims at \$276,042.

18 31. Plaintiff also alleged claims for the failure to reimburse business expenses for
19 Class Members (including cell phones and cell service needed to perform their tasks). Plaintiff
20 valued this claim at an estimated \$104,000 (based on 10,400 violative workweeks and \$10
21 unreimbursed expenses per week). However, Defendants argued that cell phones were not
22 needed nor required to perform the work. Thus, based on these policies, which Plaintiff's
23 counsel cross-checked and confirmed applied to Plaintiff, Plaintiff assigned a 75% risk of defeat
24 at class certification and another 75% risk of defeat on the merits, leading to a risk-adjusted
25 value of \$650 on the Labor Code § 2802.

26 32. Finally, Plaintiff alleged claims for waiting time penalties and wage statement
27 violations. But these claims were entirely derivative of the claims above, meaning that they only
28 had merit if the claims for unpaid wages or meal/rest breaks were successful. The maximum

1 values for these claims were as follows: (1) \$285,886 for waiting time penalties [49 former
2 employees x \$22.88 per hour x 8.5 hours per day x 30 days], and (2) \$403,800 for wage
3 statement violations [4,079 wage statements for 82 employees during statutory period at the
4 \$50/\$100 formula of § 226(e)].

5 33. Defendants raised a variety of defenses to these derivative claims that impacted
6 the valuation. Namely, Defendants argued that the wage statements did not violate Labor Code §
7 226 and, even if there were violations, given its factual and legal defenses, Plaintiff would be
8 unable to prove the required “knowing and intentional” and “injury” elements. See *Naranjo v.*
9 *Spectrum Sec. Servs., Inc.*, 88 Cal.App.5th 937, 945-951 (2023) (holding that a good faith factual
10 or legal defense precludes the imposition of penalties under both Section 226 and Section 203).
11 Based on these facts and defenses, Plaintiff placed a 30% risk at class certification (mirroring the
12 claims on which the wage statement claim was based) and estimated another 50% risk the merits,
13 leading to a risk-adjusted value of \$141,330 for the wage statement claims.

14 34. Then, as to the waiting time penalty claim, Plaintiff’s valuation had to account for
15 the fact that this claim was derivative of the unpaid wage and meal/rest break claims and, if those
16 claims failed at certification or on the merits, there would be no waiting time penalties owed, so
17 the same risks for those claims applied to this claim. Furthermore, even if the unpaid wage
18 and/or meal/rest claims succeeded at certification and on the merits, Plaintiff would have to
19 prove that the violations (if any existed) were “willful” under the meaning of Labor Code § 203.
20 And, here, Defendants argued there was no “willful” violation since Fleet Services had
21 compliant written policies and good faith factual and legal defenses to the wage claims. As a
22 result of this analysis, Plaintiff’s counsel applied a 30% risk at class certification and a 50% risk
23 on the merits, leading to a risk-adjusted value of \$100,060.

24 35. As to the PAGA Claim, Plaintiff’s Counsel believed Defendants’ maximum
25 exposure could theoretically reach the mid-six figures under Labor Code § 2699(f). However,
26 Defendants argued against the merits of the underlying claims which would also be a defense to
27 potential PAGA penalties. Defendants also argued that it would be improper to “stack” civil
28 penalties on top of statutory penalties for the same violations. Also, courts have wide latitude to

1 reduce PAGA penalties “based on the facts and circumstances of a particular case” and if “to do
2 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”
3 Labor Code § 2699(e)(2). Courts have often awarded significantly lesser amounts in cases when
4 they assess a penalty. *See, e.g., Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 529
5 (PAGA penalties reduced by 90%); *Morales v. Bridgestone*, Case No. 30-2017-00900244
6 (Orange County Super. Ct.) (Aug. 2, 2018) (PAGA penalties reduced by 94%). Given these
7 factors, Plaintiff allocated \$27,500 of the total Settlement Amount to civil penalties. Allocating
8 less of the Settlement to PAGA penalties is justified because it maximizes payments to class
9 members and furthers the public policies underlying PAGA by providing a “robust” remedy for
10 alleged violations of the Labor Code. *See Mejia v. Walgreen Co.* (E.D. Cal. Mar. 23, 2021) 2021
11 WL 1122390, at *5.

12 36. In sum, when factoring in the defenses and risks of ongoing litigation, Plaintiff
13 estimates the risk-adjusted class recovery as follows:

14	• Unpaid Wage Claims	\$	268,589
15	• Meal and Rest Break Claims	\$	276,042
16	• Expense Reimbursement Claim	\$	650
17	• Wage Statement Claims	\$	141,330
18	• Waiting Time Penalty Claims	\$	100,060
19	• <u>PAGA Claim</u>	<u>\$</u>	<u>27,500</u>
20	• Total Risk Adjusted Penalties and Damages	\$	814,171

21
22 **THE SETTLEMENT IS FAIR, JUST, AND REASONABLE**

23 37. The Settlement was the product of extensive arm’s length negotiations, facilitated
24 by an experienced mediator. Though cordial and professional, the settlement negotiations were
25 adversarial and non-collusive in nature. The Settlement reached is the product of substantial
26 effort by the Parties and their counsel. Although we believed that there was a possibility of
27 certifying the claims, we recognized the potential risk, expense, and complexity posed by
28 litigation, such as unfavorable decisions on class certification, summary judgment, at trial and/or

1 on the damages awarded, and/or on an appeal that can take several more years to litigate.

2 38. The Settlement will result in a fair payment to each Class Member based on the
3 percentage of Workweeks each Class Member worked during the Class Period. As set forth
4 hereinabove, Plaintiff and her counsel have diligently investigated the claims and defenses on
5 behalf of the Class Members and worked to achieve a resolution of the claims to maximize the
6 recovery by avoiding further expenditure of attorneys' fees and costs. After evaluating the
7 significant risks attendant with further litigation described above and weighing them against the
8 benefits of a known compromise and settlement as set forth in the Settlement Agreement,
9 settlement on the terms agreed to is believed to be in the best interest of Plaintiff and the Class
10 Members, and is a fair and reasonable resolution of the claims alleged.

11 39. Plaintiff's Counsel brought to bear a great deal of experience in negotiating the
12 settlement of this case. As detailed herein, Plaintiff's counsel engaged in the necessary
13 discovery and investigation, making it possible to exercise informed judgment throughout the
14 settlement process, including significant document review (e.g. documents pertaining to Fleet
15 Services' policies and procedures, personnel documents, among others), and conducted an
16 extensive analysis of the detailed class-wide data provided by Defendants.

17 40. Based on my experience in other cases, including wage and hour matters, I
18 believe I am qualified to evaluate the class claims and viability of defenses in this class action.
19 In this case, the recovery for each class member is reasonable, fair, and adequate, and a
20 settlement at this time is in the best interests of the Class. The Settlement provides each Class
21 Member with compensation for the alleged violations when viewed in relation to the costs and
22 risks inherent in obtaining class certification and proceeding to trial.

23 41. Plaintiff's Counsel, as well as Defendants' Counsel, fully endorse the terms and
24 conditions of the Settlement as set forth in the abovementioned Settlement Agreement.

25 42. Of course, the Settlement Amount represents a compromise figure, taking into
26 account the various risks surrounding class certification and the merits of Defendants' asserted
27 defenses. Nevertheless, the Settlement provides for fair and adequate payments to the Class
28 Members, with no reversion to Defendants.

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49. A true and correct copy of the Settlement Agreement is attached hereto as Exhibit “A.”

51. A true and correct copy of the notice letter we submitted to the LWDA is attached as Exhibit “C.”

52. ILYM Group’s proposal to administer the Settlement is attached hereto as Exhibit “D.”

53. The LWDA's confirmation of receipt of this Motion and all Declarations/Exhibits is attached hereto as Exhibit "E."

54. For the foregoing reasons, it is respectfully requested that the Court grant preliminary approval of the Settlement as being fair, reasonable, and in the best interests of the Class, as well as preliminarily approve the requested attorneys' fees, costs, and enhancement payment to the Class Representative.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on September 13, 2024, at Riverside, California.

By: Brian J. Mankin
Brian J. Mankin, Esq.

EXHIBIT “A”

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Attorneys for Defendants Fleet Services, Inc., and Dick Van Eck

SUPERIOR COURT OF THE STATE OF CALIFORNIA
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*[Assigned to Hon. Lon F. Hurwitz, Dept
CX103, for all purposes]*

**CLASS ACTION AND PAGA
REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

1 This Class Action and California Private Attorneys' General Act of 2004 (Cal. Lab. Code
2 §§ 2698, et seq.) ("PAGA") Representative Action Settlement Agreement and Release of Claims
3 is entered into by and between Plaintiff Briana Arreola, individually and on behalf of the
4 proposed Class, and on behalf of the State of California, and Defendants Fleet Services, Inc. and
5 Dick Van Eck, and is approved as to form by their respective counsel of record, subject to the
6 terms and conditions hereof and the Court's approval.

7 **A. Definitions**

8 1. "Action" or "Lawsuit" means and refers to the case entitled *Briana Arreola v.*
9 *Fleet Services, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01316151-CU-OE-
10 CXC.

11 2. "Administrator" means and refers to ILYM Group, Inc., the third-party class
12 action settlement administrator agreed to by the Parties, that will provide the Notice Packet to the
13 Class Members and distribute the settlement amounts as described in this Agreement.

14 3. "Administration Costs" means the costs payable from the Settlement Amount to
15 the Administrator for administering this Settlement, including, but not limited to, printing and
16 mailing the Notice Packet, calculating Settlement payments, tracking documents for this
17 Settlement, tax reporting, and calculation and payment to the applicable tax authorities of the
18 employee and employer share of payroll taxes, unclaimed property due diligence, reporting and
19 remittance obligations, distributing the Settlement Amount, and providing necessary reports and
20 declarations, as requested by the Parties. The Administration Costs shall be paid from the
21 Settlement Amount, including, if necessary, any costs approved by the Court in excess of the
22 amount represented by the Administrator as being the maximum costs necessary to administer
23 the Settlement.

24 4. "Aggrieved Employee(s)" means current and former nonexempt (hourly paid)
25 employees employed by Fleet Services, Inc. in California during the PAGA Period.

26 5. "Agreement" or "Settlement Agreement" or "Settlement" shall mean this Class
27 Action and PAGA Representative Action Settlement Agreement and Release of Claims.

28 6. "Class" or "Settlement Class" is the proposed settlement class defined as all

current and former nonexempt (hourly paid) employees employed by Fleet Services, Inc. in California during the Class Period.

7. “Class Member(s)” refers to individual members of the Class.

8. “Class Counsel” refers to Brian Mankin and Misty Lauby of Lauby, Mankin & Lauby LLP.

9. “Class Data” means a complete list that Defendants will diligently and in good faith compile from their records and provide to the Administrator on one spreadsheet which shall include, to the extent available from Defendants’ records, for each Class Member, the individual’s full name; last known mailing address; Social Security Number; total Workweeks worked during the PAGA Period; and total Workweeks worked during the Class Period.

10. “Class Period” is deemed to be any time during the period of March 30, 2019, through April 20, 2024.

11. “Class Representative” or “Plaintiff” means and refers to Plaintiff Briana Arreola.

12. “Complaint” refers to the operative First Amended Complaint, alleging class and PAGA representative action claims, which was filed in the Orange County Superior Court on October 10, 2023.

13. “Court” means the California Superior Court, County of Orange.

14. “Defendants” means and refers to Defendants Fleet Services, Inc., and Dick Van Eck.

15. “Defendants’ Counsel” or “Defense Counsel” means and refers to Shannon R. Finley, Esq. and Jessica C. O’Malley, Esq. of Pettit Kohn Ingrassia Lutz & Dolin PC.

16. “Effective Date” means the latest of the following dates: (i) if no Class Member timely and properly intervenes or files a motion to vacate the Judgment under Code of Civil Procedure section 663, then the date the Court enters an order granting Final Approval of the Settlement; (ii) if a Class Member intervenes or files a motion to vacate the Judgment, then sixty-one (61) calendar days following the date the Court enters an order granting Final Approval of the Settlement, assuming no appeal is filed; or (iii) if a Class Member timely and properly intervenes or files a motion to vacate the Judgment under Code of Civil Procedure section 663 or

1 initiates another collateral attack, and if a timely appeal is filed, then the date of final resolution
2 of that appeal or other collateral attack (including any requests for rehearing and/or petitions for
3 *certiorari*), resulting in final judicial approval of the Settlement.

4 17. “Escalator Clause:” Defendants represent that there are approximately 104 Class
5 Members who collectively worked approximately 10,400 Workweeks in California during the
6 Class Period. As such, the Parties agree that, should the total number of workweeks exceed
7 11,440 (which is 10% more than Defendants’ representation), then Defendants have the option to
8 end the class period when 11,440 is reached or the Settlement Amount shall increase by \$26.44
9 (Settlement Amount divided by 10,400) for each additional workweek above 11,440.

10 18. “Final Approval” refers to the order of the Court granting Final Approval of this
11 Settlement and entering a judgment approving this Agreement on substantially the terms
12 provided herein or as may be modified by subsequent agreement of the Parties. Plaintiff shall
13 prepare the motion for final approval, and Defendants will not object to Plaintiff’s motion
14 provided it is consistent with the terms herein. Defendants’ counsel will be provided with a
15 reasonable opportunity of no less than five (5) court days to review and comment upon the draft
16 motion before it is filed, and Class Counsel agrees to reasonably consider the comments from
17 counsel for Defendants.

18 19. “Individual Class Payment” refers to each Participating Class Member’s share of
19 the Net Settlement Amount, as further discussed in Paragraph 45(c) below.

20 20. “Individual PAGA Payment” refers to the pro rata share of an Aggrieved
21 Employee’s payment from the 25% of PAGA Penalties allocated to Individual PAGA Payments
22 to the Aggrieved Employees, as further discussed in Paragraph 45(h) below.

23 21. “Net Settlement Amount” is the Settlement Amount less the Attorneys’ Fees and
24 Costs Award, Service Payment to the Class Representative as awarded by the Court,
25 Administration Costs, and PAGA Penalties, as further explained in Paragraph 45(b) below.

26 22. “Notice Packet” means the Class Notice (which is a notice of proposed class and
27 representative action settlement that will be sent to the Class Members and which will advise
28 each Class Member of the Settlement, including how their Individual Class Payment, and if

applicable, their Individual PAGA Payment, will be calculated; Class Member rights and deadlines to be excluded from the Class; and the setting of a Final Approval Hearing), the Request for Exclusion Form, and Objection Form.

23. “PAGA Penalties” means the amount that the Parties have agreed to pay allocated to PAGA civil penalties, 75% of which will be paid to the Labor and Workforce Development Agency (“LWDA”), and 25% of which will be allocated for Individual PAGA Payments, as required by the PAGA.

24. “PAGA Period” is deemed to be any time during the period of March 30, 2022, through April 20, 2024.

25. “Participating Class Member(s)” means any and all Class Members who do not opt-out by submitting a valid Request for Exclusion. Only Participating Class Members will receive an Individual Class Payment.

26. “Parties” mean Plaintiff and Defendants, collectively.

27. “Preliminary Approval Date” means the date the Court approves the Settlement and enters the Preliminary Approval Order.

28. “Preliminary Approval Order” means the judicial Order to be jointly prepared by the Parties and entered by the Court, upon the motion of Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice Packet to the Class, an opportunity to opt out of the Settlement, an opportunity to submit timely objections to the Settlement, and setting a final approval hearing on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs. Provided that the motion is consistent with the terms herein, Defendants will not object to Plaintiff’s motion for preliminary approval. Defense Counsel will be provided with no less than five (5) court days to review and comment upon the draft motion before it is filed, and Class Counsel agrees to reasonably consider the comments from Defense Counsel. If Defendants believe the motion papers are inconsistent with the terms of this Agreement and Defendants, after raising such concern with Plaintiff during the five (5) court day period, believe their concerns remains unaddressed, Defendants may bring such concerns to the attention of the Court concurrent with the filing of the motion.

1 29. “QSF” means the Qualified Settlement Fund set up by the Administrator which
2 the Parties agree will at all times be treated as a “qualified settlement fund” within the meaning
3 of Treasury Regulations section 1.468B-1, *et seq.* The Parties agree the Administrator shall, in
4 establishing the account, make any such elections as necessary or advisable to carry out the
5 “relation back election” (as defined in Treasury Regulations section 1.468B-1(j)(2)(i)) back to
6 the earliest permitted date. Such elections shall be made in compliance with the procedures and
7 requirements contained in such regulations. The Parties further agree and acknowledge that, for
8 purposes of Section 468B of the Internal Revenue Code of 1986, as amended (the “Code”), and
9 the Treasury Regulations promulgated thereunder, only the Defendants shall be treated as a
10 “transferor” (within the meaning of such term under Treasury Regulations section 1.468B-
11 1(d)(1)) with respect to the QSF.

12 30. “Released Class Claims” means the Class claims stated in the operative
13 Complaint and those based solely upon the facts in the Complaint, including: (1) failure to pay
14 minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4)
15 failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested
16 vacation; (7) failure to timely pay final wages (including, but not limited to, unpaid sick pay); (8)
17 failure to provide accurate itemized wage statements; and (9) unfair and unlawful competition.
18 The time period governing the Released Class Claims shall be the Class Period.

19 31. “Released PAGA Claims” means the PAGA claims based on the facts stated in
20 the relevant LWDA notice letters and only to the extent that they are alleged in the operative
21 Complaint, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay
22 minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4)
23 failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested
24 vacation; (7) failure to pay wages each pay period; (8) failure to timely pay wages upon
25 separation of employment (including, but not limited to, unpaid sick pay); (9) failure to provide
26 accurate itemized wage statements; and (10) all other claims for civil penalties recoverable under
27 the PAGA based on the facts or claims alleged in the LWDA notice letters and Complaint. The
28 time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA

Released Claims do not release any Aggrieved Employees' claims for wages or statutory penalties.

32. "Released Parties" means Defendants, together with their owners, officers, directors, employees, attorneys, and agents.

33. "Request for Exclusion" shall have the meaning ascribed to it in Paragraph 66(a) below.

34. "Response Deadline" is 45 calendar days from the date the Notice Packet is mailed to the Class Members.

35. "Service Payment" or "Service Award" means the amount approved by the Court to be paid to Class Representative Briana Arreola in addition to her Individual Class Payment as a Participating Class Member and Individual PAGA Payment as an Aggrieved Employee.

36. "Settlement Amount" means the total maximum amount that Defendants will be required to pay under this Agreement, which is \$275,000.00, unless increased pursuant to the Escalator Clause, except for Defendants' obligation to fund its share of payroll taxes on the portion of Individual Class Payments that are allocated to wages, as further discussed in Paragraph 45(c) below.

37. "Workweeks" or "Weeks Worked" means any and all workweeks during the Class Period, or if applicable, the PAGA period, during which the Class Member and/or Aggrieved Employee worked at least one day for Fleet Services, Inc. in California. The Parties have for simplicity agreed to use workweeks for the purpose of calculating both Individual Class Payments and Individual PAGA Payments.

B. General Terms

38. On March 30, 2023, Plaintiff filed a putative class action in the Orange County Superior Court. That same day, Plaintiff sent a letter to the LWDA notifying it and Defendants that Plaintiff intended to pursue claims against Defendants under the PAGA for violation of California Labor Code sections 200, 201, 202, 203, 204, 208, 210, 218.6, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2802 ("LWDA Notice"). The LWDA declined to assert jurisdiction over the PAGA Claims, so on October 10,

2023, Plaintiff filed the operative first amended complaint (the “Complaint”), adding PAGA Claims. The Complaint alleges Class Claims and PAGA Claims for: (1) failure to pay minimum wages (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested vacation; (7) failure to timely pay wages upon separation of employment (including, but not limited to, unpaid sick pay); (8) failure to provide accurate itemized wage statements; (9) unfair and unlawful competition; and (10) claims for PAGA penalties.

39. Defendants deny any and all liability or wrongdoing of any kind associated with the claims asserted in the Action, dispute the damages and penalties claimed by Plaintiff, and further contend that, for any purpose other than settlement, Plaintiff’s claims are not appropriate for class or representative treatment.

40. Plaintiff believes that she can proceed with the representative and class claims, that the Action is meritorious, and that class certification is appropriate.

41. The Parties have conducted a thorough investigation into the facts of the Action. This includes conducting informal discovery by exchanging sampling of payroll and timekeeping records for Class Members, relevant policy documents, class size and workweek information, and information regarding average hourly rates. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims of the Class. Class Counsel has diligently pursued an investigation of the Class Members’ claims against Defendants. Based on the foregoing data and on their own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendants for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendants, and numerous potential appellate issues.

42. On February 20, 2024, Plaintiff and Defendants participated in a full-day mediation with Kelly Knight, Esq., a well-respected class action wage-and-hour mediator. At the conclusion of mediation, the Parties agreed to settle for the Settlement Amount and began to

1 negotiate a memorandum of understanding.

2 43. This Settlement is a compromise of disputed claims. The Parties agree that
3 neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgment to be
4 entered pursuant to the terms of the Settlement Agreement, shall be construed as an admission by
5 Defendants of any wrongdoing or violation of any statute, law, or liability on the claims or
6 allegations in the Action.

7 44. Stipulation for Class Certification. For settlement purposes only, Defendants will
8 stipulate that the Class Members described herein may be conditionally certified as a Class. This
9 stipulation to certification is in no way an admission that class action certification is proper and
10 shall not be admissible in this or in any other action except for the sole purposes of enforcing this
11 Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties'
12 stipulation to class certification as part of the Settlement shall become null and void ab initio and
13 shall have no bearing on, and shall not be admissible in connection with, the issue of whether
14 class certification would be appropriate in a non-settlement context. Defendants expressly
15 reserve their rights and declare that they would continue to oppose class certification and the
16 substantive merits of the case should the Court fail to issue Final Approval. Plaintiff expressly
17 reserves her rights and declares that she will continue to pursue class certification and a trial
18 should the Court fail to issue Final Approval.

19 **C. Terms of Settlement**

20 45. The financial terms of the Settlement are as follows:

21 (a) Settlement Amount: The Parties agree to settle this Action for the
22 Settlement Amount, unless increased pursuant to the Escalator Clause and Defendants'
23 obligation to separately pay its share of payroll taxes on the wage portion of the Individual Class
24 Payments, which is the maximum amount that will be paid by Defendants and includes
25 Individual Class Payments, Class Counsel's Attorneys' Fees and Costs Award, the Service
26 Payment to the Class Representative, Administration Costs, and PAGA Penalties.

27 (b) Net Settlement Amount: The entire Net Settlement Amount will be paid
28 to Participating Class Members. If the Court reduces the Attorneys' Fees and Costs Award,

1 Service Award, or Administrator Costs, or either increases or decreases the amount allocated to
2 the PAGA Penalties, the difference shall be placed in the Net Settlement Amount and allocated
3 to Participating Class Members.

4 (c) Calculation of Individual Class Payments: The Individual Class Payment
5 for each Participating Class Member will be calculated by the Administrator using the Class Data
6 provided by Defendants as follows: Compensable workweeks will be all Weeks Worked by
7 Participating Class Members during the Class Period. The dollars per compensable Workweek
8 will be calculated by dividing the total Weeks Worked by Participating Class Members into the
9 Net Settlement Amount to determine a per workweek value ("Workweek Value"). The
10 Workweek Value will be multiplied by the number of Weeks Worked by a Participating Class
11 Member during the Class Period to determine the Individual Class Payment for a Participating
12 Class Member.

13 (d) Allocation of Individual Class Payments: The Individual Class Payments
14 to Participating Class Members will be allocated as follows: 15% will be allocated as wages
15 subject to withholding of all applicable local, state, and federal taxes; and 85% will be allocated
16 for interest and statutory penalties pursuant to applicable California Labor Code sections from
17 which no taxes will be withheld. If required based on the settlement amounts, the Administrator
18 will issue to each Participating Class Member and/or Aggrieved Employee an Internal Revenue
19 Service ("IRS") Form W-2 and comparable state forms with respect to the wage allocation and a
20 Form 1099 with respect to the penalties and interest allocations.

21 (e) Service Payment to Class Representative: The amount, if any, awarded to
22 the Class Representative as a Service Payment will be set by the Court in its discretion, not to
23 exceed \$7,500.00, in recognition of the service that Plaintiff performed on behalf of the Class
24 and in return for executing a general release with Defendants as to Class Representative's
25 Released Claims as defined below. Defendants agree not to oppose this request. The Service
26 Payment to Plaintiff will be paid out of the Settlement Amount. The Class Representative will
27 be issued an IRS Form 1099 in connection with this Service Payment. Plaintiff shall be solely
28 and legally responsible to pay all applicable taxes on this Service Payment. The Parties agree

1 that any amount awarded as the Service Payment to Plaintiff less than the requested amount shall
2 not be a basis for Class Counsel to void this Settlement Agreement. Should the Court approve a
3 lesser amount for the Service Payment, the difference shall be added to the Net Settlement
4 Amount to be distributed to the Participating Class Members.

5 (f) Attorneys' Fees and Costs Award: Defendants agree to not oppose a
6 request by Class Counsel to the Court for an award of attorneys' fees of one-third of the
7 Settlement Amount, plus reasonable litigation costs not to exceed \$20,000.00 ("Attorney's Fees
8 and Cost Award"). Defendants agree not to oppose any contention by Class Counsel that
9 attorneys' fees should be based on the common fund theory. The Attorney's Fees and Cost
10 Award shall be paid from the Settlement Amount, and, except for this award, Defendants shall
11 have no further obligation to pay any attorneys' fees, costs, or expenses to Class Counsel.
12 Should the Court approve a lesser amount than what is sought by Class Counsel, the difference
13 shall be added to the Net Settlement Amount to be distributed to the Participating Class
14 Members. Any Court order awarding less than the amount sought by Class Counsel shall not be
15 grounds to rescind the Settlement Agreement or otherwise void the Settlement. The
16 Administrator shall issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys'
17 fees and costs awarded by the Court.

18 (g) Administration Costs: The fees and other charges of the Administrator
19 will be paid from the Settlement Amount, not to exceed \$7,950.00, unless an increase is justified
20 by the Administrator and is agreed to by the Parties and approved by the Court.

21 (h) PAGA Penalties: The Parties agree that \$27,500.00 is allocated to PAGA
22 Penalties, and is to be paid from the Settlement Amount, subject to Court approval. Of this
23 amount, \$20,625.00 (75%) shall be paid to the LWDA as its share of civil penalties under the
24 PAGA, and \$6,875.00 (25%) will be the total amount allocated to Individual PAGA Payments to
25 the Aggrieved Employees, which for simplicity shall be calculated and allocated pro-rata on a
26 workweek basis. The Individual PAGA Payments will be treated entirely as civil penalties and
27 shall be reported to the extent required on an IRS Form 1099. Class Counsel shall give proper
28 notice to the LWDA of the Settlement by submitting a copy of this Settlement Agreement to the

1 LWDA at the same time as they submit this Settlement Agreement to the Court for Preliminary
2 Approval, as required by California Labor Code section 2699(1)(2). Within ten (10) days
3 following the Final Approval Order, Class Counsel shall submit a copy of the Final Approval
4 Order and Judgment entered by the Court to the LWDA, as required by California Labor Code
5 section 2699(1)(3).

6 (i) Tax Liability: Class Counsel, Defendants, and Defense Counsel make no
7 representations as to the tax treatment or legal effect of settlement amounts called for hereunder,
8 and Plaintiff and the Class Members are not relying on any statement or representation by Class
9 Counsel, Defendants, or counsel for Defendants in this regard. Plaintiff, Participating Class
10 Members, and Aggrieved Employees understand and agree that they will be solely responsible
11 for the payment of any taxes and penalties assessed on their respective Individual Class
12 Payments and Individual PAGA Payments, described herein. The portion of Individual Class
13 Payments deemed payment for settlement of claims for wages and expenses shall be reported on
14 IRS Form W-2 with respect to the year of payment as wage income to the Class Member by the
15 Administrator on behalf of the QSF. The Administrator shall issue IRS Form 1099 if required
16 for the remaining portion of the Individual Class Payment and for any Individual PAGA
17 Payment. If the Code, the regulations promulgated thereunder, or other applicable tax law, is
18 changed after the date of this Agreement, the processes set forth in this Section may be modified
19 in a manner to bring Defendants into compliance with any such changes. Plaintiff, Participating
20 Class Members, and Aggrieved Employees understand and agree that they will be solely
21 responsible for the payment of any taxes and penalties assessed on their respective payments
22 described herein.

23 (j) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS
24 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY”
25 AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING
26 PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO
27 PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR
28 DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND

1 OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
2 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
3 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
4 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
5 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS
6 OWN INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
7 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO
8 THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY
9 OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT
10 ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
11 ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY
12 THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
13 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
14 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR
15 ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS
16 LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF
17 THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING
18 ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

19 (k) "Non-Reversionary" Settlement. This is a "non-reversionary" settlement.
20 Under no circumstances will any portion of the Settlement Amount revert to Defendants.
21 Participating Class Members and Aggrieved Employees will not have to make a claim in order to
22 receive an Individual Class Payment or Individual PAGA Payment. Distributions, in the form of
23 Individual Class Payments or Individual PAGA Payments, will be made directly to each
24 Participating Class Member and Aggrieved Employee. The Administrator shall be responsible
25 for accurately and timely reporting and remittance obligations with respect to unclaimed funds as
26 a result of a Participating Class Member and/or Aggrieved Employee not cashing any checks
27 delivered pursuant to the Settlement by the check cashing deadline, as set forth herein.

28 (l) Class Counsel and Plaintiff believe that the Settlement is fair and

reasonable and will so represent same to the Court.

D. Release by the Participating Class Members

46. Upon the Effective Date occurring and Defendants fully funding the Settlement Amount, Plaintiff and the Participating Class Members will forever completely release and discharge the Released Parties from the Released Class Claims for the Class Period.

47. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

E. Release of PAGA Claims

48. Upon the Effective Date occurring, and after the Court's Judgment is final and Defendants have fully funded the Settlement Amount, Plaintiff on behalf of herself, the LWDA, and the Aggrieved Employees will be deemed to have released and discharged the Released Parties from the Released PAGA Claims for the PAGA Period.

49. Regardless of whether a Class Member and/or Aggrieved Employee submits a valid Request for Exclusion, neither Plaintiff nor any Aggrieved Employee shall have the right to opt-out or otherwise exclude themselves from the Released PAGA Claims.

50. It is the intent of the Parties that the Final Approval judgment shall have full equitable and collateral estoppel and res judicata effect to the fullest extent permitted by law.

F. Release by Plaintiff and Class Representative

51. Class Representative does hereby, for herself and her spouses, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and assigns forever and completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, lawsuits, rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Agreement, whether known or unknown, suspected or unsuspected, including but not limited to all claims arising out of, based upon, or relating to Class Representative's employment with Fleet Services, Inc. or the

1 termination of such employment (the “Class Representative’s Released Claims”).

2 52. Without limiting the generality of the foregoing, this general release by Plaintiff
3 includes all federal, state, and local statutory claims, federal, and state common law claims
4 (including but not limited to those for contract, tort, and equity), including without limitation the
5 Americans with Disabilities Act, Age Discrimination in Employment Act, Title VII of the Civil
6 Rights Act of 1964 (as amended), 42 USC sec. 1981, 42 USC sec. 1983, the Fair Labor
7 Standards Act, the Employment Retirement Security Income Act of 1974, the California
8 Constitution, the California Fair Employment and Housing Act, the California Unfair
9 Competition Act (California Business and Professions Code section 17200 et seq.), and the
10 California Labor Code.

11 53. Plaintiff agrees that there is a risk that any injury that she may have suffered by
12 reason of the Released Parties’ relationship with her might not now be known, and there is a
13 further risk that said injuries, whether known or unknown as of the date of this Settlement
14 Agreement, might possibly become progressively worse, and that as a result thereof further
15 damages may be sustained. Nevertheless, Plaintiff agrees to forever and fully release and
16 discharge the Released Parties, and understands that, by the execution of this Settlement
17 Agreement, no further claims for any such injuries that existed at the time of the execution of this
18 Settlement Agreement may ever be asserted by Plaintiff with respect to claims arising in the time
19 period from the beginning of time to the execution of this Settlement Agreement.

20 54. Plaintiff expressly waives and relinquishes all rights and benefits afforded by
21 Section 1542 of the Civil Code of the State of California and does so understanding and
22 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code
23 of the State of California states:

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

1 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
2 full and complete release and discharge of all Parties, Plaintiff expressly acknowledges that this
3 Settlement Agreement is intended to include in its effect, without limitation, all claims against
4 the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist on
5 behalf of or against the other at the time of execution of this Settlement Agreement, including,
6 but not limited to, any and all claims relating to or arising from Plaintiff's employment with
7 Fleet Services, Inc. The only claims not covered by this release are claims that cannot be
8 released by private or court approved agreement under applicable law.

9 **G. Interim Stay of Proceedings**

10 55. Pending completion of all of the prerequisites necessary to effectuate this
11 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
12 except such as is necessary to effectuate the Settlement.

13 **H. Notice Process**

14 56. Appointment of Administrator. The Parties have agreed to the appointment of the
15 Administrator to perform the duties of a settlement administrator, including mailing the Notice,
16 exercising its judgment to determine the current mailing address for each Class Member,
17 including performing a skip-trace to identify any updated addresses, independently reviewing
18 and verifying documentation associated with any opt-out requests, resolving any disputes
19 regarding the calculation or application of the formula for determining the Individual Class
20 Payments and Individual PAGA Payments, issuing and mailing the settlement checks to
21 Participating Class Members and Aggrieved Employees, issuing all necessary tax forms, and
22 performing such other tasks as set forth herein or as the Parties mutually agree or that the Court
23 orders.

24 57. Additional Duties of the Administrator. The Administrator shall upload and
25 maintain on its website the following non-inclusive list of documents: the Settlement Agreement,
26 the Notice Packet, the Motion for Preliminary Approval, the Order granting Preliminary
27 Approval, the Motion for Final Approval, and the Order granting Final Approval. These
28 documents shall be accessible by the Class via URL link that will be provided in the Class

1 Notice.

2 58. Disputes Regarding Administration. Any disputes not resolved by the Parties and
3 the Settlement Administrator concerning the administration of the Settlement will be resolved by
4 the Court under the laws of the State of California. Prior to any such involvement of the Court,
5 counsel for the Parties will meet and confer in good faith to attempt to resolve the dispute
6 without involving the Court.

7 59. Class Data. Within twenty (20) days after entry of the Preliminary Approval
8 Order, Defendants shall provide the Class Data to the Administrator. The Administrator will
9 inform the Parties within five (5) days of receipt of the Class Data if the Escalator Clause has
10 been triggered and, if so, if the Administrator will seek an adjustment of the Administration
11 Costs. The Administrator also will run a check of the Class Members' addresses against those
12 on file with the U.S. Postal Service's National Change of Address List. The Class Data provided
13 to the Administrator will remain confidential, will be used solely for purposes of administration
14 of the Settlement, and will not be used or disclosed to anyone, except as required by applicable
15 tax authorities, pursuant to Defendants' express written consent, or by order of the Court.
16 Although Class Counsel will not be provided with the Class Data, nothing herein shall prevent
17 Class Counsel from responding to inquiries or requests from Class Members regarding the
18 Action and Settlement.

19 60. Total Workweeks. At least five (5) court days prior to mailing the Notice, the
20 Administrator shall provide a spreadsheet to Class Counsel and Defense Counsel containing a
21 preliminary calculation of all payments to be paid from the Settlement Amount, including the
22 estimated Individual Class Payments to each Class Member and Individual PAGA Payments to
23 each Aggrieved Employee (a person's name shall be redacted and a control number used in place
24 of the name). In the event that the total Workweeks worked by all Class Members through April
25 20, 2024 triggers the Escalator Clause, the Administrator shall notify the Parties.

26 61. Class Notice. The Class Notice, as approved by the Court, shall be sent by the
27 Administrator to the Class Members, by first class mail, in English and Spanish, within ten (10)
28 calendar days following the Administrator's receipt of the Class Data. The Administrator shall

1 use reasonable skip trace methods to obtain forwarding addresses of Class Members if any
2 envelopes are returned.

3 62. Returned Class Notices. The Administrator will take steps to ensure that the
4 Class Notice is received by all Class Members, including utilization of the National Change of
5 Address Database maintained by the United States Postal Service to review the accuracy of and,
6 if possible, update, a mailing address. Class Notices will be re-mailed to any Class Member for
7 whom an updated address is located within ten (10) calendar days following both the
8 Administrator learning of the failed mailing and its receipt of the updated address. The re-mailed
9 Class Notice shall be identical to the original Class Notice, except that it shall notify the Class
10 Member that the exclusion (opt-out) request or objection must be returned by no later than 15
11 (fifteen) days from the original Response Deadline.

12 63. Presumption Regarding Receipt of Notice Packet. It will be conclusively
13 presumed that if an envelope has not been returned undeliverable to Administrator by the
14 Response Deadline that the Class Member received the Notice Packet.

15 64. Disputes Regarding Class Data. Class Members are deemed to participate in the
16 Settlement unless they opt-out. Regardless of whether any Class Members opt out of the
17 Settlement, they will still be bound by the PAGA Release if they are an Aggrieved Employee.
18 The Class Notice will inform Class Members of the number of Workweeks they worked during
19 the Class Period and the PAGA Period. Class Members may dispute their Weeks Worked if they
20 feel they should be credited with more Weeks Worked in the Class Period and/or PAGA Period
21 in California than Defendants' records show by timely submitting evidence to the Administrator.
22 Defendants' records will be presumed determinative absent reliable evidence to rebut
23 Defendants' records, but the Administrator will evaluate the evidence submitted by the Class
24 Member and provide the evidence submitted to Class Counsel and Defense Counsel, who agree
25 to meet and confer in good faith about the evidence to determine the Class Member's actual
26 number of Workweeks and estimated Individual Class Payment and Individual PAGA Payment.
27 The Administrator shall attach all disputes to its Declaration of Due Diligence, along with any
28 evidence submitted, and include an initial recommendation in its declaration as to the number of

1 Workweeks to be credited for any disputing Class Members. However, the Court shall have the
2 right to review any decision and make a final decision, which will be binding upon the Class
3 Members and the Parties. Class Members and Aggrieved Employees will have until the
4 Response Deadline to dispute Weeks Worked, object, or opt out, unless extended by the Court.

5 65. Declaration of Due Diligence. The Administrator shall provide counsel for the
6 Parties a declaration of due diligence and proof of mailing with regard to the mailing of the
7 Notice seven (7) days after the initial Response Deadline.

8 66. Class Members' Rights. Each Class Member will be advised of the Settlement,
9 the ability to object to the Settlement, and the ability to request exclusion from the Class Claims.
10 The Class Notice will inform the Class Members of the Court-established deadlines for filing
11 objections or requesting exclusion from the Settlement in accordance with the following
12 guidelines:

13 (a) Requests for Exclusion from Class. Any Class Member, other than
14 Plaintiff, may request to be excluded from the Class by submitting a Request for Exclusion
15 Form, using the form provided within the Notice Packet. The Request for Exclusion Form must
16 be mailed to the Administrator and postmarked on or before the Response Deadline in order to
17 be timely, unless the Parties otherwise agree in writing. Any such request must be made in
18 accordance with the terms set forth in the Notice Packet. The Administrator shall attach each
19 Request for Exclusion Form to its declaration of due diligence and file with the Court prior to the
20 Final Approval Hearing. Any Class Member who timely requests exclusion in compliance with
21 these requirements: (i) will not have any rights under this Agreement as to the Class Action
22 Settlement, including the right to object to or otherwise challenge the Settlement; (ii) will not be
23 entitled to receive any Individual Class Payment under this Agreement; and (iii) will not be
24 bound by the Class Action Settlement including the Released Class Claims. Any Class Member
25 who is an Aggrieved Employee who requests timely exclusion will still be bound by the PAGA
26 Settlement in regards to the Released PAGA Claims to the fullest extent permitted by law and
27 will receive an Individual PAGA Payment. The Parties and their counsel shall not encourage or
28 solicit Class members to submit requests for exclusion or objections, directly or indirectly,

1 through any means.

2 (b) Binding Effect on Participating Class Members. All Participating Class
3 Members will: (i) be bound by the terms and conditions of this Agreement, the Final Approval
4 judgment, and the releases set forth herein; and (ii) unless they object as set forth herein, will be
5 deemed to have waived all objections and oppositions to the fairness, reasonableness, and
6 adequacy of the Settlement.

7 (c) Objections to Settlement. Any Class Member, other than Plaintiff, who
8 does not submit a valid and timely Request for Exclusion Form may object to the terms of this
9 Agreement by completing an Objection Form provided within the Notice Packet. To object, the
10 Class Member must mail the Objection Form to the Administrator, postmarked by the Response
11 Deadline in order to be timely, unless the Parties otherwise agree in writing. Alternatively, the
12 Class Member may elect to make an oral objection at the Final Approval hearing; objecting
13 Class Members are not required to file a notice of intent to appear in advance. The Court will
14 consider all oral objections made in person or through counsel at the Final Approval Hearing
15 regardless of whether a written objection has been submitted. Additionally, any objection must
16 be made in accordance with the terms set forth in the Notice Packet. The Administrator shall
17 provide any written objections to Class Counsel and Defense Counsel within three (3) days of
18 receipt, and the Administrator shall attach the same to its declaration of due diligence and file
19 with the Court prior to the Final Approval Hearing. Any Participating Class Member who files
20 an Objection Form remains eligible to receive an Individual Class Payment. Plaintiff and
21 Defendants shall not be responsible for any fees, costs, or expenses incurred by any Class
22 Member and/or their counsel related to any objections to the Settlement. Submitting an
23 objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is
24 preserved by becoming a party of record by timely and properly intervening or filing a motion to
25 vacate the judgment under Code of Civil Procedure section 663.

26 (d) Failure to Object. Any Class Member who does not timely and properly
27 become a party of record by intervening or filing a motion to vacate the judgment waives any
28 and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding

1 and appellate proceeding, such as a motion to vacate judgment, motion for new trial, motion
2 under California Code of Civil Procedure section 473, and extraordinary writs.

3 (e) Responses to Objections. Counsel for the Parties may jointly or separately
4 file a response to any objections submitted by any Class Members at least five (5) court days
5 before the date of the Final Approval Hearing.

6 (f) Class Members will have until the Response Deadline to submit a Request
7 for Exclusion Form or Objection Form to the Administrator by U.S. Mail. The Administrator
8 shall disclose jointly to Class Counsel and Defense Counsel on a weekly basis all objections or
9 Requests for Exclusion Forms that were submitted.

10 67. Funding of the Settlement Amount. Defendants shall fund the Settlement
11 Amount, plus Defendants' share of payroll taxes, within thirty (30) days of the Effective Date
12 into an account established by the Administrator.

13 68. Distribution of Funds. No later than ten (10) calendar days after the receipt of the
14 Settlement Amount and Defendants' share of payroll taxes, the Administrator shall mail the
15 Individual Class Payments to the Participating Class Members, the Individual PAGA Payments
16 to the Aggrieved Employees, the payment to Class Counsel for the Attorneys' Fees and Costs
17 Award, any Service Payment to the Class Representative, and the payment to the LWDA for
18 PAGA Penalties in accordance with the percentages set forth herein, and will pay itself the
19 Administration Costs.

20 (a) Deadline for Cashing/Depositing Settlement Checks. Participating Class
21 Members and Aggrieved Employees shall have 180 calendar days after mailing by the
22 Administrator to cash their settlement checks. The release will be binding upon all Participating
23 Class Members who do not cash their checks within the 180-day period. In the event that any
24 settlement check is returned to the Administrator within 180 days of mailing, the Administrator
25 will, within five (5) business days of receipt of the returned settlement check, perform a skip
26 trace to locate the individual and notify Defense Counsel and Class Counsel of the results. If a
27 new address is located by these means, the Administrator will have ten (10) business days to re-
28 issue the check. Neither Defendants, Defense Counsel, Class Counsel, Plaintiff, nor the

Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event that a Participating Class Member and/or Aggrieved Employee notifies the Administrator that they believe that a settlement check has been lost or stolen, the Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Administrator will issue a replacement check. For any check is not cashed within 180 days of mailing, the check will be voided and a stop-payment will be issued, and the Administrator shall issue the unclaimed funds to the California State Controller's Office in the name of the Participating Class Member and/or Aggrieved Employee.

I. Duties of the Parties Prior to the Court's Approval

69. Promptly after execution of this Agreement, Plaintiff will move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval Order jointly prepared by the Parties, accomplishing the following:

- (a) Approving as to form and content the proposed Notice;
- (b) Directing the mailing of the Notice by first class mail to the Class Members;
- (c) Preliminarily approving this Settlement;
- (d) Preliminarily certifying the class for purposes of this Settlement only;
- (e) Advising the LWDA of the proposed Settlement; and
- (f) Scheduling the Final Approval Hearing on the issue of whether this Settlement should be finally approved as fair, reasonable, and adequate.

J. Duties of the Parties Following Court's Final Approval

70. In connection with the Final Approval Hearing provided for in this Agreement, Class Counsel shall submit a proposed Final Approval Order jointly prepared by the Parties:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorneys' fees and

reimbursement of litigation costs and expenses, the Service Payment to the Class Representative, and the payment to the Administrator for costs of administering the settlement; and

(c) Entering judgment pursuant to the Settlement.

K. Voiding the Agreement

71. If the Court fails or refuses to issue the Final Approval Order or fails to approve any material condition of this Agreement which effects a fundamental change of the Settlement, the entire Agreement shall be rendered voidable and the Parties will be restored to their respective positions as if they had not entered into the Agreement.

72. If the Settlement is voided or fails for any reason, Plaintiff and Defendants will have no further obligations under the Settlement, including any obligation by Defendants to pay the Settlement Amount, or any amounts that otherwise would have been owed under this Settlement. The Parties further agree that this Agreement will not be admissible in this or any other proceeding as evidence that either (i) a class action should be certified or not decertified, or that this matter may proceed as a representative action; or (ii) Defendants are liable to Plaintiff or any Class Member other than according to the Settlement's terms. In the event that the Settlement is not approved or otherwise voided, the Parties expressly reserve all rights.

73. If the Settlement is voided or fails for any reason, any costs incurred by the Administrator shall be borne equally by Defendants and Plaintiff, unless otherwise specified in this Agreement.

L. Other Terms

74. Waiver. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

75. Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

76. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to accomplish the terms of this Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by

1 this Agreement and any other efforts that may become necessary by order of the Court, or
2 otherwise, to effectuate this Agreement and the terms set forth herein. As soon as practicable
3 after execution of this Agreement, Class Counsel shall, with the assistance and cooperation of
4 Defendants and Defense Counsel, take all necessary steps to secure the Court's preliminary and
5 final approval of the settlement and final entry of judgment.

6 77. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
7 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
8 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
9 cause of action, or rights released and discharged by this Agreement.

10 78. No Admission. Defendants deny any and all liability to Plaintiff, Class Members,
11 and Aggrieved Employees in this Action, as to any and all causes of action that were asserted or
12 that might have been asserted in this Action. Nonetheless, Defendants wish to settle and
13 compromise the matters at issue in the Complaint to avoid further substantial expense and the
14 inconvenience and distraction of protracted and burdensome litigation. Defendants have taken
15 into account the uncertainty and risks inherent in litigation, and without conceding the validity of
16 any claims or any infirmity in the defenses that it has asserted or could assert in the Action, has
17 determined that it is desirable and beneficial that the Complaint's claims be settled in the manner
18 and upon the terms and conditions set forth in this Agreement.

19 79. Inadmissibility of Agreement. Whether or not the Court issues the Final
20 Approval Order, nothing contained herein, nor the consummation of this Agreement, is to be
21 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
22 of Defendants or any of the other Released Parties. Each of the Parties hereto has entered into
23 this Agreement with the intention of avoiding further disputes and litigation with the attendant
24 inconvenience and expenses. This Agreement is a settlement document, and it, along with all
25 related documents such as the notices, and motions for preliminary and final approval, shall,
26 pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be
27 inadmissible in evidence in any proceeding, except that the Settlement may be filed and used in
28 this litigation or any related litigation as necessary to approve, interpret, or enforce this

1 Settlement, or in any subsequent action against or by Defendants to support a stay of such
2 subsequent action, or to establish a defense of res judicata, collateral estoppel, release, good faith
3 settlement, judgment bar, or reduction, or any other theory of claim preclusion or issue
4 preclusion or similar defense or counterclaim. The stipulation for class certification as part of
5 this Agreement is for settlement purposes only and if, for any reason the settlement is not
6 approved, the stipulation will be of no force or effect.

7 80. No Publicity. The Parties will not publicize the Settlement or disclose it to third
8 parties prior to the Court granting Preliminary Approval, except as required or necessary to
9 effectuate its terms and comply with law. After Preliminary Approval and the Final Approval
10 Date, Class Counsel and Class Representative agree that they will not discuss the Settlement
11 with the media, any settlement and verdict reporting service, any social media postings, or other
12 Internet postings. Nothing herein shall be construed to prevent Class Counsel from the public
13 filing of motions or other case materials in the Action related to seeking and obtaining Court
14 approval of this Settlement and the related awards of attorneys' fees and costs, or to
15 communications with Class Members or their representatives about this Settlement, including
16 through the posting of Court-filed documents on Class Counsel's websites for access solely by
17 the Class Members, or to prevent the Parties or their representatives from communicating with
18 financial or legal advisors regarding the Settlement. In response to any media inquiry, Class
19 Counsel may state only that the Action has been settled on terms mutually agreeable to the
20 Parties.

21 81. Construction. The Parties hereto agree that the terms and conditions of this
22 Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and
23 that this Agreement shall not be construed in favor of or against any Party by reason of the extent
24 to which any Party or her or its counsel participated in the drafting of this Agreement. Plaintiff
25 and Defendants expressly waive the common-law and statutory rule of construction that
26 ambiguities should be construed against the drafter of an agreement and further agree, covenant,
27 and represent that the language in all parts of this Agreement shall be in all cases construed as a
28 whole, according to its fair meaning.

1 82. Captions and Interpretations. Paragraph titles or captions contained herein are
2 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
3 describe the scope of this Agreement or any provision hereof. Each term of this Agreement is
4 contractual and not merely a recital.

5 83. Modification. This Agreement may not be changed, altered, or modified, except
6 in writing and signed by the Parties hereto or their counsel, and if necessary, approved by the
7 Court. This Settlement Agreement may not be discharged except by performance in accordance
8 with its terms or by a writing signed by all of the Parties hereto.

9 84. Jurisdiction of the Court. Consistent with California Code of Civil Procedure
10 section 664.6 and California Rules of Court, Rule 3.769(h), the Court shall retain jurisdiction
11 over the Parties with respect to the interpretation, implementation, and enforcement of the
12 Agreement.

13 85. Choice of Law. This Settlement Agreement shall be governed by and construed,
14 enforced, and administered in accordance with the laws of the State of California, without regard
15 to its conflicts-of-law rules.

16 86. Integration Clause. This Settlement Agreement contains the entire agreement
17 between the Parties relating to the Settlement and transaction contemplated hereby, and all prior
18 or contemporaneous agreements, understandings, representations, and statements, whether oral
19 or written and whether by a Party or such Party's legal counsel, are merged herein. No rights
20 hereunder may be waived except in writing.

21 87. Binding On Assigns. This Agreement shall be binding upon and inure to the
22 benefit of the Parties hereto and their respective heirs, trustees, executors, administrators,
23 successors, and assigns.

24 88. Signatures of All Class Members Unnecessary to be Binding. It is agreed that,
25 because the members of the Class are numerous, it is impossible or impractical to have each
26 Class Member execute this Agreement. The Class Notice will advise all Class Members of the
27 binding nature of the release provided herein and such shall have the same force and effect as if
28 this Agreement were executed by each Class Member.

89. Counterparts. This Agreement may be executed in 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 fully signed Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

Dated: June 24, 2024

PLAINTIFF AND CLASS REPRESENTATIVE:


Briana Arreola (Jun 3, 2024 13:37 PDT)

Briana Arreola

Dated: June 24, 2024

DEFENDANT FLEET SERVICES, INC.

Dick Van Eck

By: Dick Van Eck (name)

President (title)

Dated: June 24, 2024

DEFENDANT DICK VAN ECK

Dick Van Eck

Dick Van Eck

1 **APPROVED AS TO FORM:**

2 Dated: June 4, 2024

CLASS COUNSEL

3 LAUBY, MANKIN & LAUBY LLP

4 

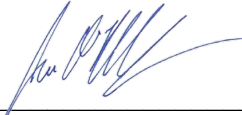
5 Brian J. Mankin

6 Attorneys for Plaintiff

7 Dated: June 24_, 2024

DEFENSE COUNSEL

8 PETTIT KOHN INGRASSIA LUTZ & DOLIN, P.C.

9 

10 Shannon R. Finley, Esq.

11 Jessica C. O'Malley, Esq.

12 Attorneys for Defendants

EXHIBIT “B”

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT

Briana Arreola v. Fleet Services, Inc., et al.

(Orange County Superior Court, Case No. 30-2023-01316151-CU-OE-CXC)

**YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT.
PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.**

A California court authorized this notice. This is not a solicitation from a lawyer.

A class and representative action settlement has been reached by the parties to a lawsuit involving wage and hour claims. The settlement covers all current and former nonexempt (hourly paid) employees employed by Defendant Fleet Services, Inc. (“Fleet Services”) in California (the “Class Members”) at any time from March 30, 2019 through April 20, 2024 (the “Class Period”). The settlement resolves a class and representative action lawsuit filed in Orange County Superior Court, entitled *Briana Arreola v. Fleet Services, Inc., et al.* (“the Action”). Plaintiff and Class Representative Briana Arreola (“Plaintiff”) alleges that Fleet Services failed to: pay all wages due during employment, including minimum and overtime wages; provide compliant meal and rest periods or premium compensation in lieu thereof; timely and properly pay final wages upon separation of employment; and issue accurate and complete wage statements. Plaintiff also brings a claim for civil penalties under the California Private Attorneys’ General Act of 2004 (“PAGA”) on behalf of all current and former nonexempt (hourly paid) employees employed by Fleet Services in California during the PAGA Period of March 30, 2022, through April 20, 2024 (the “Aggrieved Employees”).

Fleet Services and its owner Dick Van Eck (collectively referred to as “Defendants”) deny liability for all claims and contend that its policies and practices comply with the law. The Settlement avoids the costs and risks of continuing the Action; pays money to employees; and releases Defendants from liability from the claims that were or could have been asserted in the Action.

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

Based on Defendants’ records and the Parties’ current assumptions, the number of Workweeks you are credited with working during the Class Period and/or PAGA Period according to Defendants’ records are shown in the chart below. The settlement amount you may receive will depend on several factors. (If no weeks worked are stated for the PAGA Period, then according to Defendants’ records, you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

[CLASS MEMBER NAME] **[ID/CONTROL NUMBER]**

Two Parts	Weeks Worked During: Class Period and PAGA Period (If Applicable)	Your Estimated Share(s)
Class Member	INSERT (During Class Period)	\$INSERT (Individual Class Payment)
Aggrieved Employee	INSERT (During PAGA Period)	\$INSERT (Individual PAGA Payment)

If you believe that you worked a different number of weeks during either period than Defendants’ records show in the chart above, you can submit a dispute by **DATE**, 2024 (“**Response Deadline**”). See **Section 4** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood this Notice. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff as

a Service Payment and to Plaintiff’s attorneys (“Class Counsel”) for their requested attorneys’ fees and costs. If the Settlement is approved, the Court will enter an order and judgment that requires Defendants to make payments under the Settlement and bars Class Members and Aggrieved Employees from asserting certain claims against Defendant as described in Question 3 below.

Based on Defendants’ records showing that you worked for Defendants during the Class Period and/or PAGA Period, you have a few options as shown in the Chart below:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT IF THE SETTLEMENT IS APPROVED	To receive a cash payment from the Settlement, no further action is required on your part. If you do nothing and the Court approves the Settlement, you will be mailed a settlement payment and you will release certain claims. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Class Claims described in Section 3 .
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do <u>not</u> wish to participate in the Settlement of Class Claims, you may “opt-out” of the settlement of the Class Claims. You may not opt-out of the settlement of the PAGA claims. If you choose to opt-out of the Settlement of Class Claims, you must submit a Request for Exclusion Form by [REDACTED], 2024 (see Section 6 for more details on how to opt-out). If you opt-out, you cannot object to the Class Settlement, and you will receive no money from the Class Settlement, but you will preserve your right to pursue the Released Class Claims described below subject to applicable statutes of limitations. If you are an Aggrieved Employee, you will be paid a share of the PAGA Payment and will be bound by the PAGA Release, as detailed below.
OBJECT TO THE SETTLEMENT	If you object to the Settlement of Class Claims, you may submit an Objection Form stating why you object to the Settlement by [REDACTED], 2024. You may also orally object at the Final Approval Hearing (see Section 7 for details on how to object).
DISPUTE THE NUMBER OF WEEKS WORKED	If you believe the number of Workweeks that you were credited with working in the chart above is incorrect, you may submit a written dispute to the Administrator (see Section 4 for more details on how to dispute your credited Weeks Worked). Defendants’ records will be presumed to be correct, but you may provide evidence to the Administrator showing how many Workweeks you believe that you should be credited, and the Court will render a final decision.

YOU MAY ATTEND THE FINAL APPROVAL HEARING, BUT IT IS NOT EXPECTED OR REQUIRED	
DATE: [REDACTED], 2024 TIME: [REDACTED]	At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. You do not have to attend, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone, or by using the Court’s virtual appearance platform. Class Members can object to the Settlement prior to or at the Final Approval Hearing. See Section 8 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Fleet Services. On March 30, 2023, Plaintiff filed the class and representative Action against Defendants, which alleges the following violations of the California Labor Code: (1) failure to pay minimum wages, (2) failure to pay overtime wages; (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to reimburse business expenses, (6) failure to pay vested vacation, (7) failure to timely pay wages upon separation of employment, (8) failure to provide accurate itemized wage statements, and (9) unfair and unlawful competition. Based on

the same claims, Plaintiff also asserted a claim for civil penalties under the California Private Attorneys' General Act of 2004 (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action ("Class Counsel"). See Section 9 below for their contact information.

Defendants strongly deny violating any laws or failing to pay any wages and contend they complied with all applicable laws.

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

In preliminarily approving the Settlement, the Court did not make any determination in favor of Plaintiff or Defendants. There has been no decision on the merits or a trial. Instead, both sides conducted investigations and analysis of the facts and applicable law, and hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendants have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations and strongly dispute Plaintiff's claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendants have agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable, and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendants Will Pay \$275,000.00 as the Settlement Amount. Defendants have agreed upon final approval of the Settlement to deposit the Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's Costs, and PAGA Penalties to be paid to the LWDA. Assuming the Court grants Final Approval, Defendants will fund the Settlement Amount within thirty (30) days after the Judgment becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if any Participating Class Member objects to the proposed Settlement or the Judgment is appealed.

2. Court Approved Payments from the Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following payments from the Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

- A. Up to one-third of the Settlement Amount to Class Counsel for attorneys' fees (\$91,666.67) and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$7,500.00 to the Class Representative as a Service Payment for filing the Action, working with Class Counsel, and representing the Class Members and Aggrieved Employees. The Class Representative's Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and Individual PAGA Payment.
- C. Up to \$7,950.00 to the Administrator for services administering the Settlement.
- D. Up to \$27,500.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% to Individual PAGA Payments to all Aggrieved Employees, which will be divided based on their share of Weeks Worked during the PAGA Period.

3. Net Settlement Distributed to Class Members. After subtracting the above payments in amounts approved by the Court, the Administrator will distribute the remaining funds (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Weeks Worked during the Class Period.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendants are asking the Court to approve an allocation of 15% of each Individual Class Payment to taxable wages (“Wage Portion”) and 85% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendants will separately pay the employer payroll taxes they owe on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, no later than the Response Deadline. See Section 6 of this Notice for details on how to opt-out.

7. The Proposed Settlement Will be Void If the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendants have agreed that, in either case, the Settlement will be void: Defendants will not pay any money and Class Members will not release any claims against Defendants.

8. Administrator. The Court has appointed a neutral company, ILYM Group, Inc. (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Request for Exclusion Forms and Objection Forms (if any). The Administrator will also decide any disputes over Weeks Worked, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members’ Release. After the Judgment is final and Defendants have paid the Settlement Amount, Participating Class Members will release the Released Parties of the Released Class Claims, which means the Class Claims stated in the operative Complaint and those based solely upon the facts in the Complaint, including: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested vacation; (7) failure to timely pay final wages (including, but not limited to, unpaid sick pay); (8) failure to provide accurate itemized wage statements; and (9) unfair and unlawful competition (“Released Class Claims”). The time period governing the Released Class Claims shall be the Class Period.

As used herein, “Released Parties” means Defendants, together with their owners, officers, directors, employees, attorneys, and agents.

10. Release of Released PAGA Claims. After the Judgment is final and Defendants have paid the Settlement Amount, Plaintiff, the State of California, and the Aggrieved Employees shall release the Released Parties of the Released PAGA Claims, which means the PAGA Claims based on the facts stated in the relevant LWDA notice letters and only to the extent that they are alleged in the operative Complaint, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to provide rest breaks; (5) failure to reimburse business expenses; (6) failure to pay vested vacation; (7) failure to pay wages each pay period; (8) failure to timely pay wages upon separation of employment (including, but not limited to, unpaid sick

pay); (9) failure to provide accurate itemized wage statements; and (10) all other claims for civil penalties recoverable under the PAGA based on the facts or claims alleged in the LWDA notice letters and Complaint. The time period governing the PAGA Released Claims shall be the PAGA Period. The PAGA Released Claims do not release any Aggrieved Employees' claims for wages or statutory penalties.

4. HOW IS MY SETTLEMENT PAYMENT CALCULATED?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Weeks Worked by all Participating Class Members during the Class Period, and (b) multiplying the result by the number of Weeks Worked by each individual Participating Class Member during the Class Period.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$6,875.00 by the total number of Weeks Worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of Weeks Worked by each individual Aggrieved Employee during the PAGA Period.

3. Disputing Weeks Worked. The number of weeks you worked during the Class Period and/or PAGA Period, as recorded in Defendants' records, are stated in the first page of this Notice. You have until [REDACTED], 2024 ("Response Deadline") to dispute the number of Workweeks credited to you by submitting evidence to the Administrator.

You need to support your dispute by sending copies of pay stubs or other records. The Administrator will accept Defendants' calculation of Weeks Worked based on Defendants' records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will attempt to resolve Workweek disputes based on your submission and on input from Class Counsel and Defendants' Counsel, but the Court will have the right to review any initial decision made by the Administrator along with the evidence submitted. You cannot appeal or otherwise challenge the Court's final decision.

5. HOW AND WHEN WILL I GET PAID?

1. Participating Class Members and Aggrieved Employees. Defendants have agreed to fund the Settlement Amount approximately thirty (30) days after the judgment is final. Upon receipt of the funds, the Administrator will send, by U.S. mail, a check to every Participating Class Member and Aggrieved Employee approximately ten (10) days after receipt of payment.

2. Aggrieved Employees Only. If you opted out of the Class Settlement, but qualify as an Aggrieved Employee, then the Administrator will send, by U.S. mail, one check containing your Individual PAGA Payment.

3. Individual payments will be mailed to Participating Class Members and Aggrieved Employees only if the Court grants Final Approval of the Settlement and Defendants timely fund the Settlement Amount. The dates above are estimates; the dates after the Final Approval Hearing on which the above actions will take place will depend on several factors, including whether any Class Member objects to the Settlement or appeals the Court's Final Approval.

Your check(s) will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

If you **do not** wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself from the Class Settlement by completing and mailing to the Administrator the enclosed Request for Exclusion Form, postmarked no later than [REDACTED], 2024.

Any Class Member who submits a timely Request for Exclusion from the Class Claims (1) will not have any rights under the Class Settlement, including the right to object to, appeal, or comment on the Settlement; (2) will not be entitled to receive an Individual Class Payment; (3) will preserve the right to pursue the Released Class Claims; and (4) will not be

bound by this Settlement, or the Judgment, except as to the release of PAGA claims in which case you remain eligible to receive a PAGA payment even if you opt-out.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement remain eligible for Individual PAGA Payments even if they opt-out of the Class Settlement.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Settlement may wish to object. **The deadline for sending written objections to the Administrator is [REDACTED], 2024 (the “Response Deadline”).**

If you wish to object to the proposed Settlement, you or your own attorney must submit a written objection on the enclosed Objection Form, and should include the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof. Additionally, if you are represented by an attorney, the objection should include the name and address of your attorney. The objection and all supporting information must be sent to the Administrator at the address listed in Section 9, **postmarked** on or before [REDACTED], 2024.

If you do not comply with these procedures and the deadline for objections, the Court may not consider your objection at the Final Approval Hearing, and you may lose the right to contest the approval of the Settlement. You are still eligible to receive a settlement payment should the Settlement become final even if you object to the Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be prepared to inform the Court to what you object, why you object, and any facts that support your objection(s). See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. WHEN IS THE FINAL APPROVAL HEARING?

On [REDACTED], 2024, at _____ a.m./p.m., the Court will hold a public hearing in Department CX103 of the Civil Complex Center for the Superior Court for the State of California, County of Orange, 751 W. Santa Ana Blvd., Santa Ana, CA 92701 for the purposes of determining whether the proposed Settlement is fair, adequate, and reasonable and should be approved, whether to approve Class Counsel’s applications for attorneys’ fees and costs, whether to approve the payment to the LWDA, and whether to approve Plaintiff’s request for the Service Payment. This hearing may be continued or rescheduled by the Court without further notice to you other than by you checking the Court’s docket. If you do not object to the proposed Settlement, you can, but do not need to, appear at the hearing and do not need to take any other action. Class Counsel will answer any questions the Judge may have.

9. HOW CAN I GET MORE INFORMATION?

If you have questions about this Notice, the process to opt-out or object, or the Settlement, or if you did not receive this Notice in the mail but obtained it through other means and you believe that you are or may be a member of the Class, you should contact the Administrator for more information or to request that a copy of this Notice be sent to you in the mail.

Settlement Administrator
Name
Mailing Address
Telephone Number
Case Website

For your convenience, the Administrator has uploaded key case documents (including the operative Complaint, PAGA Notice letter to the LWDA, Settlement Agreement and Amendment thereto, the Class Notice Packet, and Orders granting Preliminary Approval, Final Approval, and the Judgment) for this case to the following website: [INSERT URL HERE](#). The website will be active for at least 180 days. Should you desire any additional information, or if you wish to communicate directly with Class Counsel or Defendants' Counsel, you may contact them at the contact information noted here:

Class Counsel	Defendants' Counsel
Brian Mankin <i>brian@LMLfirm.com</i> Misty Lauby, Esq. <i>misty@LMLfirm.com</i> Lauby Mankin Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, CA 92504 Tel: (951) 320-1444	Shannon R. Finley, Esq. <i>sfinley@pettitkohn.com</i> Jessica C. O'Malley, Esq. <i>jomalley@pettitkohn.com</i> Pettit Kohn Ingrassia Lutz & Dolin PC 11622 El Camino Real, Suite 300 San Diego, CA 92130 Tel: (858) 755-8500

You may also seek advice from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is posted on the Administrator's website (above), as well as on file with the Court and attached to the [Declaration of Brian J. Mankin in Support of Motion for Preliminary Approval of Class Action Settlement](#) filed on [\[REDACTED\]](#), 2024 and which is available to be inspected at any time during regular business hours at the Office of the Clerk, Orange County Superior Court, at 700 Civic Center Drive West, Santa Ana, CA 92701.

**DO NOT WRITE OR TELEPHONE THE SUPERIOR COURT
TO OBTAIN INFORMATION ABOUT THE SETTLEMENT**

10. WHAT IF I DO NOT GET OR LOSE MY SETTLEMENT CHECK(S)?

The settlement check(s) will automatically expire 180 days after the check(s) is mailed. If you do not receive or do not cash any check, you may contact the Administrator to request that the check(s) be reissued so long as more than 180 days from the mailing of the third check has not passed. For any payments that are not cashed within 180 days of the third and final payment, the payment will be void and a stop-payment will be issued on any outstanding checks, and the Administrator shall issue the unclaimed funds to the California State Controller's Office in the name of the recipient. Contact the California State Controller's Office for information on how to claim uncashed funds.

11. WHAT IF MY ADDRESS HAS CHANGED?

To ensure that you receive your check, you should immediately notify the Administrator if you have moved or otherwise changed your mailing address.

OBJECTION FORM

Briana Arreola v. Fleet Services, Inc., et al.

Orange County Superior Court, Case No. 30-2023-01316151-CU-OE-CXC

Please verify and/or complete any missing identifying information:

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

DO YOU OBJECT TO THE SETTLEMENT? (check the box that applies)

☐

NO: STOP HERE -- DO NOT RETURN THIS FORM

☐

YES: COMPLETE THE SECOND PAGE AND RETURN THIS FORM

The Court will consider your objection at the Final Approval Hearing if you submit a timely and valid written statement of objection. Any objection should describe the nature of and basis for the objection, and any other information that you would like the Court to consider.

I OBJECT to the Settlement in the case of *Briana Arreola v. Fleet Services, Inc., et al.* (Orange County Superior Court, Case No. 30-2023-01316151-CU-OE-CXC) on the following grounds (if additional space is necessary, please include additional sheets of paper):

Signed on _____, 2024

[NAME]

MAIL TO THE SETTLEMENT ADMINISTRATOR, BY U.S. MAIL, POSTMARKED NO LATER THAN [INSERT OBJECTION DEADLINE]:

Settlement Administrator:

Name
Mailing Address
Telephone Number

REQUEST FOR EXCLUSION FORM

Briana Arreola v. Fleet Services, Inc., et al.

Orange County Superior Court, Case No. 30-2023-01316151-CU-OE-CXC

[NAME]

[ADDRESS LINE 1]

[ADDRESS LINE 2]

DO YOU WANT TO PARTICIPATE IN THE SETTLEMENT AND RECEIVE A SETTLEMENT CHECK? (check the box that applies)

☐

YES: STOP HERE -- DO NOT RETURN THIS FORM. NO FURTHER ACTION IS NEEDED TO PARTICIPATE IN THE SETTLEMENT.

☐

NO: SIGN, DATE, AND RETURN THIS FORM TO EXCLUDE YOURSELF FROM THE SETTLEMENT.

By signing below, I am excluding myself from the Settlement:

I do NOT want to participate in the settlement in *Briana Arreola v. Fleet Services, Inc., et al.* (Orange County Superior Court Case No. 30-2023-01316151-CU-OE-CXC). I understand that, by excluding myself from the settlement, I will not receive any money from the settlement other than an Individual Private Attorneys' General Act of 2004 ("PAGA") Payment if I qualify as an Aggrieved Employee (see first page of the Court Approved Notice of Class Action Settlement).

Signed on _____, 2024

[NAME]

MAIL TO THE SETTLEMENT ADMINISTRATOR, BY U.S. MAIL, POSTMARKED NO LATER THAN [INSERT DEADLINE]:

Settlement Administrator:

Name

Mailing Address

Telephone Number

EXHIBIT “C”



LAUBY, MANKIN & LAUBY LLP

March 30, 2023

Submitted Via Online Filing to the LWDA

California LWDA
Attn: PAGA Administrator
455 Golden Gate Ave., 9th Fl.
San Francisco, CA 94102

Sent Via U.S. Mail and Certified Mail

Fleet Services, Inc.
3520 Miraloma Ave.
Anaheim, CA 92806

Dick Van Eck
3520 Miraloma Avenue
Anaheim, CA 92806

**Re: PAGA Civil Penalty Claim
Briana Arreola v. Fleet services, Inc., et al.**

To the Labor and Workforce Development Agency, Fleet Services, Inc. and Dick Van Eck:

Pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2699, *et seq.*, this letter shall serve as notification of the PAGA civil penalty claim of aggrieved employee Briana Arreola (“Claimant”), on behalf of the State of California and all Aggrieved Employees, against her employer(s), Fleet Services, Inc. and Dick Van Eck (collectively the “Company”), for violations of Labor Code §§ 200, 201, 202, 203, 204, 208, 210, 218.6, 226, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, 1199, and 2802 among possibly other sections inadvertently omitted, and/or sections of the applicable Industrial Welfare Commission Wage Order(s).

FACTUAL BACKGROUND

Claimant has been employed by the Company since August 2022. Claimant alleges that, at all relevant times, she and all other non-exempt employees employed by the Company in California (the “Aggrieved Employees”) were subjected to the same policies, working conditions, and corresponding wage and hour violations to Claimant was subjected during her employment.

For instance, at all relevant times, Claimant and the Aggrieved Employees were not provided proper minimum and overtime wages due to the Company’s failure to accurately record and compensate for all hours worked. Also, at all relevant times, the Company failed to pay overtime at the required rate (*i.e.*, time and one-half of the regular rate of pay). For example, Claimant and the Aggrieved Employees frequently earned compensation in addition to the base hourly rate (gift cards are one such example), yet the Company failed to include this compensation in calculations for regular rate of pay, leading to underpaid overtime on each such occasion.

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888.959.8508

Physical Address

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Claimant was also not provided 30-minute off-duty meal periods, as mandated by California law, during employment with the Company. As a result of the Company's policies and practices, Claimant was subjected to meal period violations when she was: (1) unable to take a meal period due to workload, (2) forced to take an on-duty meal period while under the control of the Company, (3) forced to take a meal period after the 5th hour of work, and (4) not provided mandated second or third meal periods on shifts in excess of 10 hours or 15 hours, respectively.

The Company also failed to provide Claimant with 10 minutes of net rest break time for every 4 hours worked, or major fraction thereof, as mandated by California law. The Company did not schedule Claimant's rest breaks, Claimant was unable to leave the premises for breaks, and Claimant was often not authorized and/or permitted to take mandated rest breaks due to being overwhelmed by the hectic workload. Furthermore, on occasions when Claimant worked in excess of 10 hours in a shift, the Company failed to authorize and/or permit a third mandated rest break.

Moreover, at all relevant times, the Company required Claimant and the Aggrieved Employees to incur necessary business-related expenses and costs without reimbursement. For example, Claimant was required to incur substantial expenses without reimbursement during employment, including but not limited to acquiring and maintaining a smart phone and related monthly data plan to communicate with the Company via phone, text messages, etc.

Also, at all relevant times, Defendants utilized a policy and practice through which Plaintiff and the Represented Employees accrued vacation and/or PTO hours (collectively, "vacation hours"). However, on occasions when Plaintiff and the Represented Employees had accrued but unused vacation hours upon separation of employment, Defendants failed to pay these wages and, further, failed to pay them at the "final rate" required by Labor Code § 227.3.

The Company also failed to comply with the mandates of Labor Code § 204 regarding the timing of the payment of wages to its employees each period, including meal and rest period premiums. Also, the Company failed to comply with the mandates of Labor Code §§ 201 – 203 regarding payment of final wages upon separation of employment including minimum wages, overtime, meal and rest break premiums, and the Company further failed to pay the Aggrieved Employees for mandated sick time at a rate "calculated in the same manner as the regular rate of pay."

Finally, during her employment with the Company, Claimant received inaccurate and incomplete wage statements that failed to accurately state all necessary items required under Labor Code § 226(a). Specifically, Claimant alleges that the Company failed to provide wage statements that listed all applicable rates of pay and total hours worked, among other violations - in direct violation of Labor Code § 226(a).

Furthermore, Claimant alleges that Dick Van Eck is now and/or at all relevant times was the Chief Financial Officer of Fleet Services, Inc. and were Claimant's and the Aggrieved Employees' actual employer or, in the alternative, were individuals employed by the Company as managerial and/or supervisory employees and/or agents. In addition, Claimant alleges that at all relevant times Dick Van Eck had the authority, in the interest of Fleet Services, Inc. to exercise independent judgment to hire, transfer, promote, discharge, assign, discipline, or take other similar actions against Claimant and the Aggrieved Employees, and were in Claimant's chain of command at the time of and direct participants in the wrongful conduct which constitutes the basis of Claimant's complaint herein. Claimant also alleges that Fleet Services, Inc. and Dick Van Eck are the agents, servants, employees, partners, affiliates, and/or representatives of each other,

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and were, at all times herein mentioned, acting within the course, scope, and purpose of such relationship(s) and with the knowledge, consent and/or ratification of each other. Furthermore, in conducting themselves in the manner described herein, Fleet Services, Inc. and Dick Van Eck were acting in active concert with on another such that the acts of each were fully attributable to the other in all material respects.

Claimant also alleges that Fleet Services, Inc. and Dick Van Eck were merely the alter-ego of the other in that there existed a unity of interest and ownership such that any separateness between them ceased to exist and each exercised undue dominance, control, influence, and management over the other. Claimant further alleges that, at all relevant times, Fleet Services, Inc. has been inadequately capitalized to conduct business, has failed to follow appropriate corporate formalities, and has simply been shells and instrumentality through which Dick Van Eck has conducted personal affairs. Adherence to the fiction of the separate existence of Fleet Services, Inc. would permit abuse of the corporate privilege, thereby sanctioning fraud and promoting injustice. Accordingly, the corporate veil should be pierced, and any liability attached to Fleet Services, Inc. should be imposed jointly and severally against Dick Van Eck.

Finally, in an additional separate, but not necessarily mutually exclusive, alternative theory of liability, Dick Van Eck is liable for PAGA civil penalties under Labor Code § 558 as “other person(s)” who caused the violations regarding minimum wage among other claims. See *Atempa v. Pedrazzani* (2018) 27 Cal.App.5th 809, 820 (“if there is evidence and a finding that a party other than the employer ‘violates, or causes to be violated’ the overtime laws (§ 558(a)) or ‘pays or causes to be paid to any employee’ less than minimum wage (§ 1197.1(a)), then that party is liable for certain civil penalties regardless of the identity or business structure of the employer”); *Moua v. IBM* (N.D. Cal. 2019) 2019 U.S.Dist.LEXIS 40851 (same)

As a result of these violations, and others described below, Claimant alleges that she and other Aggrieved Employees were denied specific rights to which they are/were entitled under California law and the rules promulgated by the IWC Wage Orders, including the following:

**PAGA ASSESSMENT FOR FAILURE TO
PAY ALL MINIMUM, REGULAR, AND OVERTIME WAGES**

(Labor Code §§ 204, 221-223, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198; IWC Wage Order §§ 3, 4(B))

As discussed above, the Company failed to pay all required minimum, regular, and overtime wages to Claimant and the Aggrieved Employees due to the Company’s failure to accurately record and compensate for all hours worked. This resulted in earned, but unpaid, minimum, regular, and overtime wages due and owing to Claimant and the Aggrieved Employees.

Accordingly, Labor Code §§ 210, 558, 1197.1, and 2699, among possibly others, impose various penalties upon the Company for each employee and each pay period in which it failed to pay all wages including, but not limited to, minimum, regular, and overtime wages in violation of the Labor Code and/or the IWC Wage Orders.

**PAGA ASSESSMENT FOR DENIAL OF MEAL PERIODS,
REST BREAKS, AND WAGE PREMIUMS**

(Labor Code §§ 226.7(b) & (c), 512, 558; Cal. Admin. Code, Title 8, § 11090)

Labor Code § 226.7(b) states that “[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard,

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or order of the Industrial Welfare Commission ...” Labor Code § 512(a) states in pertinent part: “[A]n employer may not employ an employee for a work period of more than 5 hours per day without providing the employee with an uninterrupted meal period of not less than 30 minutes [...] [a]n employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes.”

Section 12 of applicable IWC Wage Order states in pertinent part: “Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

Here, Claimant and other Aggrieved Employees were regularly not provided compliant mandatory meal periods and paid rest breaks due to the Company’s policies described above. Although the Company was required to pay Claimant and all Aggrieved Employees premium wages equal to an additional hour of pay at the employee’s regular rate of pay for each violation under Labor Code § 226.7(c), the Company did not pay the mandatory one-hour wage premiums. Labor Code § 558 imposes a penalty for each violation, plus an amount sufficient to recover the underpaid wages. Additionally, the civil assessment set forth in Labor Code § 2699 applies to these violations.

PAGA ASSESSMENT FOR FAILURE TO REIMBURSE BUSINESS EXPENSES

(Labor Code § 2802; IWC Wage Order § 9(b))

Labor Code § 2802(a) states “An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties.” IWC Wage Order § 9(b) states “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer.”

Here, the Company required Claimant and the Aggrieved Employees to incur expenses in direct consequence of the discharge of their duties without reimbursement. Accordingly, Labor Code § 2699 imposes a penalty upon the Company for each such violation of Labor Code § 2802.

FAILURE TO PAY VESTED VACATION UPON SEPARATION OF EMPLOYMENT

(Labor Code § 227.3)

Pursuant to Labor Code § 227.3, an employer that has implemented a paid vacation, paid time off, or compensated time off policy must, upon an employee’s separation from employment, pay to the employee all vested but unused vacation and/or paid time off at her final rate of pay. However, as alleged herein, the Company only paid vested vacation upon separation at the base rate of pay, leading to a violation on each such occasion. As a result of these violations, penalties may be assessed pursuant to Labor Code § 2699.

FAILURE TO PAY SICK TIME AT PROPER RATE OF PAY

(Labor Code § 246)

Labor Code § 246(l)(1) provides that paid sick time for non-exempt employees must be “calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.” Additionally, Labor Code § 246(l)(2) states that the paid sick time must be “calculated by dividing the employee’s total wages, not

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including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment."

Here, Claimant and the Aggrieved Employees were compensated on an hourly basis plus additional compensation in the form of nondiscretionary bonuses, commissions, and other forms of payment. However, on the occasions that the Aggrieved Employees took sick time and received paid sick leave, the Company only paid sick time at the base rate of pay (not factoring in the additional compensation as required by Labor Code §§ 246(1)(1-2). As such, penalties may be assessed pursuant to Labor Code § 2699.

**PAGA ASSESSMENT FOR FAILURE TO PAY ALL WAGES DUE AND OWING
EACH PAYROLL PERIOD WITHIN THE TIME REQUIRED BY LAW**

(Labor Code §§ 204, 204.1, 208, 256 and 2699)

Labor Code § 204(a) states that all wages earned by a person are due and payable twice during each calendar month, and further states that wages earned during the first through fifteenth days of the month must be paid no later than the twenty-sixth day of the month, and that wages earned between the sixteenth and last day of the month must be paid by the tenth day of the following month. Labor Code § 204(d) states "[t]he requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period."

As a result of the Company's failure to pay Claimant and the Aggrieved Employees all compensation to which they were entitled, the Company had a pattern and practice of failing to pay all wages due and owing to Claimant and the Aggrieved Employees within the time mandated by Labor Code § 204. As a result of these violations, penalties may be assessed pursuant to Labor Code §§ 203, 210, 256, and/or 2699.

PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES

(Labor Code §§ 201, 202, 203, 256 and 2699)

Labor Code § 201(a) provides in pertinent part: "If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." Labor Code § 202(a) states in pertinent part "If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours' previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting." Labor Code § 203(a) states "If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days."

The Company did not pay the Aggrieved Employees all wages that were due and owing within the required time following the end of their employment in accordance with Labor Code §§ 201-202. As a result, all such Aggrieved Employees are entitled to 30 days of wages as a "waiting time penalty." (Labor Code §§ 203, 256.) Labor Code § 2699 also imposes a penalty.

**PAGA ASSESSMENT FOR FAILURE TO PROVIDE ACCURATE,
ITEMIZED WAGE STATEMENTS**

(Labor Code §§ 226, 226.3, and 1174)

Labor Code § 226(a) requires an employer to provide its employees with itemized wage statements accurately stating gross wages earned, total hours worked, all deductions, net wages earned, the inclusive dates of the pay period, the employee's name and the last four digits of his or her Social Security number (or employee identification number), the name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

At all times pertinent hereto, the Company failed to provide accurate itemized wage statements to Claimants and all Aggrieved Employees due to violations including the failure to state total hours worked during the period and the failure to state all applicable hourly rates of pay and number of hours worked at each date. Additionally, the Company's wage statements failed to accurately state gross wages earned, all deductions, net wages earned, and the name and address of the legal entity that is the employer. Accordingly, Claimants are entitled to damages under Labor Code § 226(e), including reasonable attorneys' fees. Labor Code §§ 226.3 and 2699 also impose a civil penalty and/or assessment for these violations.

PAGA ASSESSMENT FOR FAILURE TO MAINTAIN EMPLOYMENT RECORDS

(Labor Code §§ 1174, 1174.5, 1198, and § 7 of the IWC Wage Orders)

Labor Code § 1174(d), and § 7 of the IWC Wage Orders require employers to maintain accurate employment records, including accurate payroll records showing the total number of regular and overtime hours worked each day by employees, including meal periods, and the gross wages earned by the employee, including all applicable pay rates and the corresponding number of hours worked at each pay rate, among other requirements.

Here, the Company failed to maintain accurate employment records as mandated by California law. Therefore, in addition to recovering the amount of attorneys' fees and cost incurred herein, Claimant is entitled to the assessment of civil penalties in accordance with Labor Code §§ 1174(d), 1174.5, 1199, and 2699.

PAGA ASSESSMENT FOR VIOLATIONS OF LABOR CODE § 1199

(Labor Code § 1199)

An employer violates Labor Code § 1199 if said employer: (a) requires or causes an employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission; (b) pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission; or, (c) violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission. Labor Code § 2699.5 specifically enumerates Labor Code § 1199 as a section to which the civil penalties under the PAGA apply. Therefore, as a result of the Company's violations described herein, the Company is subject to the civil penalties in accordance with Labor Code § 2699.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

ATTORNEYS' FEES, INTEREST, AND PENALTIES

(Labor Code §§ 2699(f)(2), 2699(g)(1), 2699.5)

Labor Code § 2699(g)(1), give employees the right to recover in a civil action the unpaid balance of the full amount of wages, including interest thereon, penalties and other damages, as applicable, reasonable attorneys' fees, and costs of suit. Additionally, Claimants seek the assessment of penalties, including civil penalties, under Labor Code §§ 203, 210, 225.5, 226.3, 1174.5, 1197.1, 2699, and/or § 20 of the IWC Wage Orders, among possibly other provisions inadvertently omitted herein. Furthermore, Claimants is entitled to bring a wage/hour claim on behalf of all current and former similarly situated employees of the Company. Thus, the Company is exposed to these same penalties for violations involving all Aggrieved Employees.

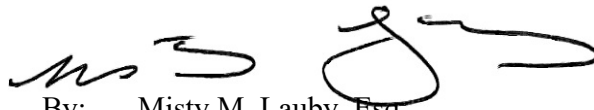
Additionally, Claimant seeks attorney's fees pursuant to C.C.P. § 1021.5. Please construe this correspondence as Claimants' notification of alleged wrongdoing and attempted resolution in accordance with C.C.P. § 1021.5 and *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553.

CONCLUSION

Based on the foregoing, the Company may be liable for penalties related to the foregoing claims and remedies. If Claimant becomes aware of any additional claims for Labor Code violations related to her employment and/or other employees of the Company, she reserves the right to add new claims by amending this claim letter.

Should you have any questions, please feel free to give me a call. In the meantime, I look forward to your response.

Very Truly Yours,



By: Misty M. Lauby, Esq.

E-mail: misty@lmlfirm.com
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EXHIBIT “D”

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Arreola v. Fleet

Monday, March 4, 2024

Requesting Attorneys Name:

E-Mail

ILYM Contact

E-Mail

Contact Number

Brian J. Mankin

brian@lmlfirm.com

Lisa Mullins

Lisa@ilymgroup.com

714.878.8836

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	125
Estimated Mail Returned as Undeliverable	15%
NCOA	Yes
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	2	\$300.00
Programming of Class Database	Hourly	\$175.00	2	\$350.00
				Subtotal
				\$650.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	3	\$360.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	3	\$210.00
NCOA	Flat Rate	\$75.00	1	\$75.00
Toll Free Customer Service Representative	Flat Fee	\$100.00	1	\$100.00
Certified Spanish Translation	Flat Fee	\$1,250.00	1	\$1,250.00
ILYM Group Static Website	Flat Fee	\$750.00	1	\$750.00
Weekly Reports	Flat Rate	\$750.00	1	Waived
				Subtotal
				\$3,025.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
NOTIFICATION/MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$1.50	125	\$187.50
USPS First Class Postage	Per Piece	\$0.88	125	\$110.00
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	19	\$37.50
Storage, Photocopies, Deliveries	Flat Fee	\$171.25	1	\$171.25

Subtotal \$506.25

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	2	\$300.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	2	\$250.00
Check, Stub & Release - Print & Mail (W2/1099)	Per Check	\$1.00	125	\$125.00
USPS First Class Postage	Per Piece	\$0.64	125	\$80.00
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.50	13	\$18.75
Preparation of Taxes	Hourly	\$120.00	4	\$480.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$2,753.75

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	1	\$100.00
Project Manager Final Reporting	Hourly	\$120.00	2	\$240.00
Process Unclaimed Funds to the State	Flat Fee	\$550.00	1	\$550.00
Declaration	Hourly	\$125.00	1	\$125.00

Subtotal \$1,015.00

NOT TO EXCEED: \$7,950.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

EXHIBIT “E”