John G. Yslas (SBN 187324)
john.yslas@wilshirelawfirm.com
Jeffrey C. Bils (SBN 301629)
jeffrey.bils@wilshirelawfirm.com
Courtney M. Miller (SBN 327850)
courtney.miller@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for *Plaintiff*

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

JOSE NORBERTO PEREZ-GARCIA, an individual, on behalf of himself and all others similarly situated,

Plaintiff,

v.

GENERATIONS PAINTING GROUP; and DOES 1 through 50, inclusive,

Defendants.

Case No. 24CV441913

CLASS ACTION

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

Assigned for all purposes to:
Hon. Jill H. Talley, Dept. 23

Complaint filed: January 2, 2024
Trial date: Not yet set

JOINT STIPULATION OF CLASS ACTION SETTLEMENT AND RELEASE

IT IS HEREBY STIPULATED, by and among Plaintiff JOSE NORBERTO PEREZ-GARCIA, on behalf of himself and the Settlement Class Members, on the one hand, and Defendant GENERATIONS PAINTING GROUP, on the other hand, and subject to the approval of the Court, that the above-captioned action is hereby being compromised and settled pursuant to the terms and conditions set forth in this Joint Stipulation of Class Action Settlement and Release (the "Settlement").

1. DEFINITIONS

Capitalized terms used in this Settlement shall have the meanings set forth below:

1.1. "Action" means the putative class and PAGA action entitled *Jose Norberto Perez-Garcia v. Generations Painting Group*, pending in the Superior Court of the State of California, County of Sacramento, and designated as Case No. 24CV00037.

1.2. "Class Member" means all non-exempt, hourly paid employees currently and formerly employed by Defendant in the state of California from July 8, 2019 through April 6, 2025 or the Preliminary Approval Date, whichever is earlier.

1.3. "PAGA Member" means all non-exempt, hourly paid employees currently and formerly employed by Defendant in the state of California from March 5, 2023 through April 6, 2025 or the Preliminary Approval Date, whichever is earlier.

1.4. "Settlement Administrator" means ILYM Group, Inc.

1.5. "Settlement Administration Costs" means the amount to be paid to the third-party Settlement Administrator from the Gross Settlement Amount for the administration of the Settlement. The Settlement Administration Costs amount is not to exceed Six Thousand Four Hundred and Fifty Dollars ($6,540.00). Any portion of the requested Settlement Administration Costs that is not awarded to the Settlement Administrator shall be part of the Net Settlement Amount.

1.6. "Class Counsel" means John G. Yslas, Jeffrey C. Bils, and Courtney M. Miller of Wilshire Law Firm.

1.7. "Class Counsel Fees" means reasonable attorneys' fees for Class Counsel's

litigation and resolution of this Action, in the amount of One Hundred Seventy-Five Thousand Dollars ($175,000.00) (or 1/3rd of the Gross Settlement Amount). The Court shall determine the amount of the Class Counsel Fees, and it shall be paid from the Gross Settlement Amount. Any portion of the requested Class Counsel Fees that is not awarded to Class Counsel shall be part of the Net Settlement Amount.

1.8. "Class Counsel Costs" means actual expenses incurred by Class Counsel for Class Counsel's litigation and resolution of this Action, as supported by declaration, in an amount not to exceed Twenty-Four Thousand Dollars ($24,000.00). The Court shall determine the amount of the Class Counsel Costs, and it shall be paid from the Gross Settlement Amount. Any portion of the requested Class Counsel Costs that is not awarded to Class Counsel shall be part of the Net Settlement Amount.

1.9. "Class Information" means information regarding Settlement Class Members that Defendant will in good faith compile from their records and provide to the Settlement Administrator. Class Information shall be provided as a Microsoft Excel spreadsheet and shall include: each Settlement Class Member's full name; last known address; last known home telephone number; social security number; all start and end dates of employment during the Class Period, and the total number of weeks each Settlement Class Member worked for Defendant during the Class Period. The number of weeks worked shall be calculated using Defendant's payroll data during the Class Period whenever the hours worked for the work week was greater than zero. Because social security numbers are included in the Class Information, the Settlement Administrator shall maintain the Class Information in confidence; access shall be limited to those with a need to use the Class Information as part of the administration of the Settlement, and transmission shall be through use of a secure, password-protected file.

1.10. "Class Period" means the period from July 8, 2019 through April 6, 2025 or the Preliminary Approval Date, whichever is earlier.

1.11. "PAGA Period" means the period from March 5, 2023 through April 6, 2025 or the Preliminary Approval Date, whichever is earlier.

1.12. "PAGA Released Claims" shall mean all claims, demands, rights, liabilities and

causes of action for penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties, based on the letter to the Labor & Workforce Development Agency on April 15, 2024 that arose during the PAGA Period, including but not limited to claims for civil penalties for violations of Labor Code 98.6, 201, 201.3, 202, 203, 204, 206, 210, 216, 221,223, 225.2, 226,226.3, 226.7, 227.3, 232, 232.5, 233, 234, 246, 247.5, 248.2, 432, 432.5, 432.7, 510, 511, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 1199.5, 1527, 2800, 2802, 2810.5, 3366, 6401, and 8397.4, and claims under California Business & Professions Code section 17200, and applicable Wage Orders of the Industrial Welfare Commission, and all related claims for attorneys' fees and costs.

1.13. "Class Representative Service Award" means the amount that the Court authorizes to be paid to Plaintiff, not to exceed Ten Thousand Dollars ($10,000.00), in addition to Plaintiff's Individual Settlement Payment. The Class Representative Service Award to Plaintiff is in exchange for the Released Claims, Plaintiff's General Released Claims, and for Plaintiff's efforts and risks in assisting with the prosecution of the Action. The Class Representative Service Award shall be paid from the Gross Settlement Amount. Any portion of the requested Class Representative Service Award that are not awarded to Plaintiff shall be part of the Net Settlement Amount.

1.14. "Court" means the Superior Court of the State of California for the County of Sacramento.

1.15. "Defendant" means Generations Painting Group, and each of its parent companies, subsidiaries, related companies, affiliates, dbas, current and former management companies, shareholders, members, predecessors, successors, and assigns or any related entity that was the "employer" of Class Members.

1.16. "Defendant's Counsel" means Eric H. De Wames and Christopher A. Olsen of Michael Sullivan & Associates, LLP.

1.17. "Effective Date" means the date that the Gross Settlement Amount is fully funded.

1.18. "Employee Taxes" means the employee's share of any and all applicable federal, state, and local payroll taxes on the portion of Settlement Class Members' Individual Settlement

Payment that constitutes wages. The Employee Taxes shall be paid out of the Net Settlement Amount.

1.19. "Employer Taxes" means the employer's share of any and all applicable federal, state, and local payroll taxes on the portion of Settlement Class Members' Individual Settlement Payment that constitutes wages. The Employer Taxes shall be paid by Defendant separately and not out of the Gross Settlement Amount or Net Settlement Amount.

1.20. "Final Approval Hearing" means the hearing held on the motion for final approval of the Settlement.

1.21. "Final Approval Date" means the date which the Court grants final approval of the Settlement.

1.22. "Final Judgment" means the Court's entry of an order of judgment in this Action following the Court's final approval of the Settlement.

1.23. "Gross Settlement Amount" means the maximum amount Defendant shall have to pay in connection with this Settlement, by way of a common fund, which shall be inclusive of all Individual Settlement Amounts to Settlement Class Members, Class Counsel Fees, Class Counsel Costs, Settlement Administrator Costs, Class Representative Service Award, and PAGA Allocation. Subject to Court approval and the terms of this Settlement, the Gross Settlement Amount Defendant shall be required to pay is Five Hundred Twenty-Five Thousand Dollars ($525,000.00). No portion of the Gross Settlement Amount will revert to Defendant, and the Settlement does not require Settlement Class Members to submit claims as a prerequisite to receiving their Individual Settlement Payment. This settlement sum is based on Defendant's representation that the number of total Workweeks during the Class Period was Fifteen Thousand Eight Hundred Eighty-Four (15,884). Defendant shall not be required to pay more than the Gross Settlement Amount as long as the actual number of Workweeks during the Class Period is no more than ten percent (10%) greater than Defendant's estimate. If the number of workweeks between July 8, 2019 to April 6, 2025 is more than 10% higher than 15,884 workweeks worked (more than 17,472 workweeks), Defendant have the option to either: (1) agree to increase the Gross Settlement Amount on a proportional basis (*i.e.*, if the workweek count increases by 11%,

then Defendant would agree to increase the Gross Settlement Amount by 1%); or (2) in the alternative, if the total workweeks between July 8, 2019 and April 6, 2025 exceed 17,472 workweeks, then Defendant may choose to adjust the end of the applicable class period, such that the applicable class period will include no more than 17,472 workweeks in lieu of paying an increase to the Gross Settlement Amount. Defendant shall provide the Settlement Administrator with the Class Information to verify the total Workweeks prior to the filing for preliminary approval. If this Escalator Clause is triggered, Defendant shall select an option prior to the filing for preliminary approval. Under no other circumstances shall Defendant be required to pay more than the Gross Settlement Amount except as provided for in this section of the Settlement Agreement.

1.24. "Individual Settlement Payment" means the amount payable to each Settlement Class Member, as calculated pursuant to Paragraph 3.12.1 of the Settlement, from the Net Settlement Amount. Checks for Individual Settlement Payments shall specifically indicate that they are void if not negotiated within one hundred eighty (180) days of their issuance.

1.25. "PAGA Allocation" means Thirty Thousand Dollars ($30,000.00), allocated from the Gross Settlement Amount for the compromise of claims brought under the Labor Code Private Attorney General Act of 2004 ("PAGA"). Per California Labor Code section 2699(i) (2016), Twenty-Two Thousand Five Hundred Dollars ($22,500.00), representing 75% of the PAGA Allocation, shall be paid to California's Labor Workforce Development Agency. The remaining Seven Thousand Five Hundred Dollars ($7,500.00), representing 25% of the PAGA Allocation, shall be part of the Net Settlement Amount and shall be distributed to PAGA Members.

1.26. "LWDA" shall mean the California Labor and Workforce Development Agency.

1.27. "LWDA PAGA Allocation" means Twenty-Two Thousand Five Hundred Dollars ($22,500.00), representing 75% of the PAGA Allocation, and is the amount payable from the Gross Settlement Amount to California's Labor Workforce Development Agency.

1.28. "PAGA Member Allocation" means Seven Thousand Five Hundred Dollars ($7,500.00), representing 25% of the PAGA Allocation, and is the amount payable to PAGA Members. The PAGA Member Allocation shall be distributed in its entirety to PAGA Members

pursuant to paragraph 3.13.

1.29. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel Fees, the Class Counsel Costs, the Class Representative Service Award, the Settlement Administration Costs, the LWDA PAGA Allocation, and the PAGA Class Member Allocation. The Net Settlement Amount shall be distributed in its entirety to Settlement Class Members, as provided for in this Settlement.

1.30. "Notice of Objection" means a written statement of objection to the Settlement, made and signed by a Settlement Class Member and includes the following: (1) the full name of the Settlement Class Member; (2) the dates of employment of the Settlement Class Member; (3) the last four digits of the Settlement Class Member's Social Security number and/or the entire Employee ID number; (4) the basis for the objection; and, (5) whether the Settlement Class Member intends to appear at the Final Approval Hearing.

1.31. "Notice of Settlement" means the Notice of Proposed Class Action and Notice of Labor Code Private Attorney Generals Act of 2004 Settlement (attached hereto as **Exhibit A**).

1.32. "Notice Packet" means the Notice of Proposed Class Action, Class Workweek Dispute Form, the Request To Be Excluded From Settlement form, and Objection to Settlement form to be provided in English and Spanish.

1.33. "Settlement Class Members" means all Class Members who do not submit a valid and timely Request for Exclusion. "Parties" means Plaintiff and Defendant collectively; and "Party" shall mean any Defendant or Plaintiff, individually.

1.34. "Plaintiff" means Jose Norberto Perez-Garcia.

1.35. "Plaintiff's General Released Claims" means, in addition to the Released Claims, Plaintiff, on behalf of himself, his respective, agents, spouses, executors, representatives, heirs, successors, assigns, and estates, in exchange for the terms and conditions of this Settlement, including the Class Representative Service Award requested or as otherwise authorized by the Court, shall also, as of the Effective Date, fully and forever release the Released Parties, to the full extent permitted by law, of and from any and all claims arising from their employment with Defendant, known and unknown, asserted and unasserted, which Plaintiff had or may have had

against the Released Parties, whether sounding in tort, in contract, in law, in equity or otherwise, and including but not limited to all claims for violation of any local, state, or federal statute, rule, or regulation. Plaintiff expressly waive and relinquish all rights and benefits afforded by section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance of such specific waiver of section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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

Notwithstanding the above, Plaintiff's General Released Claims do not include any workers' compensation claims, claims that cannot be waived as a matter of law by signing this agreement, or to enforce this agreement. No release in this Agreement is effective until the Gross Settlement Amount is fully funded.

1.36. "Preliminary Approval Date" means the date the Court enters the Preliminary Approval Order for the Settlement.

1.37. "Preliminary Approval Order" means the proposed order (filed concurrently with this Settlement and Plaintiff's motion for preliminary approval of the Settlement), as may be amended by the Court, for preliminary approval of the Settlement.

1.38. "Released Claims" means any and all claims during the Class Period which were or could have been raised based on the facts, conduct, and/or omissions alleged in the Action, including all wage and hour claims, demands, rights, liabilities, and causes of action for unpaid wages, including minimum wage payments, regular wages, overtime wages; failure to pay wages during employment; failure to pay all wages due upon separation of employment; failure to maintain and provide accurate records; meal and rest break violations; meal and rest break premiums; wage statement violations, failure to reimburse for necessary business expenditures, violation of the Private Attorney General Act (California Labor Code section 2698, et seq.), civil and statutory penalties, interest, liquidated damages, attorney's fees and costs, claims under

California Labor Code sections 98.6, 201, 201.3, 202, 203, 204, 206, 210, 216, 221,223, 225.2, 226,226.3, 226.7, 227.3, 232, 232.5, 233, 234, 246, 247.5, 248.2, 432, 432.5, 432.7, 510, 511, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 1199.5, 1527, 2800, 2802, 2810.5, 3366, 6401, and 8397.4, and applicable Industrial Welfare Commission Wage Order, and claims under California Business & Professions Code sections 17200-17204. It is understood and agreed that Released Claims do not include claims for workers' compensation, unemployment, or disability benefits of any nature, nor any claims, actions, or causes of action which may be possessed by Settlement Class Members under state or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act, California Government Code section 12940, *et seq.*; the Unruh Civil Rights Act, California Civil Code section 51, *et seq*.; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000, *et seq*.; the Americans with Disabilities Act, as amended, 42 U.S.C. § 12101, *et seq.;* the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001, *et seq*.; and all of their implementing regulations and interpretive guidelines. No release in this Agreement shall become effective until the Gross Settlement Amount is fully funded.

1.39. "Released Parties" means Generations Painting Group, and each of its parent companies, subsidiaries, related companies, affiliates, dbas, current and former management companies, shareholders, members, predecessors, successors, and assigns, or any related entity that was the "employer" of Class Members.

1.40. "Released Parties' Release of Claims Against Representative Plaintiff" means Released Parties, as defined herein, do hereby, for themselves, and for their heirs, successors, predecessors, attorneys, agents, representatives and assigns, forever release the Representative Plaintiff from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature whatsoever, from the beginning of time through the date of their signature on this Settlement Agreement, known or unknown, suspected or unsuspected, including but not limited to all claims

arising out of, based upon, or relating to Representative Plaintiff's employment with Defendant and related to this Lawsuit.

1.41. Released Parties expressly waive and relinquish all rights and benefits afforded by section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance of such specific waiver of section 1542. Section 1542 of the Civil Code of the State of California states as follows:

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

1.42. Thus, subject to and in accordance with this Settlement Agreement, even if Released Parties may hereafter discover facts in addition to or different from those they now know or believe to be true, Released Parties shall be deemed to have fully, finally, and forever settled and released any and all claims against the Representative Plaintiff that could have been alleged against them, as well as any other claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, that now exist, upon any theory of law or equity, including without limitation, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts.

1.43. "Response Deadline" means the date forty-five (45) days after the Settlement Administrator mails the Notice Packets to Settlement Class Members, and shall be the last date on which Settlement Class Members may: (a) postmark Requests for Exclusion from the Settlement, or (b) postmark Objections to the Settlement.

1.44. "Settlement" means this Joint Stipulation of Class Action Settlement and Release.

1.45. "Settlement Class Member(s)" or "Settlement Class" means all non-exempt employees, currently and formerly employed by Defendant in the State of California at any time during the Class Period.

1.46. "Workweeks" shall mean the number of weeks each Class Member worked at

Generations Painting Group. as an hourly-paid and/or non-exempt employee in California during the Class Period. The Settlement Administrator will calculate the number of Workweeks by calculating the number of days each Class Member worked at Generations Painting Group was employed during the Class Period, and dividing by seven (7).

2. RECITALS

2.1. Class Certification. The Parties stipulate and agree to the conditional certification of this Action for purposes of this Settlement only. Should, for whatever reason, the Settlement not become final and effective, conditional Class Certification shall immediately be set aside (subject to further proceedings on motion of any Party to certify or decertify thereafter). The Parties' willingness to stipulate to conditional Class Certification as part of the Settlement shall have no bearing on and shall not be admissible or considered in connection with the issue of whether a class should be certified in a non-settlement context in this Action, and shall have no bearing on and shall not be admissible or considered in connection with the issue of whether a class should be certified in any other lawsuit. Defendant expressly reserves their right to oppose class certification should this Settlement be modified or reversed on appeal or otherwise not become final and effective for any reason.

2.2. Procedural History. On March 5, 2024, Plaintiff submitted his PAGA letter to the LWDA alleging Defendant violated, among other provisions of the California Labor Code and applicable wage law, Labor Code sections 98.6, 201, 201.3, 202, 203, 204, 206, 210, 216, 221,223, 225.2, 226,226.3, 226.7, 227.3, 232, 232.5, 233, 234, 246, 247.5, 248.2, 432, 432.5, 432.7, 510, 511, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 1199.5, 1527, 2800, 2802, 2810.5, 3366, 6401, and 8397.4. On January 2, 2024, Plaintiff filed a class action lawsuit in the Superior Court of California for the County of Sacramento as a proposed class action on behalf of all current and former non-exempt California employees of Defendant during the period of July 8, 2019 through the date of final judgment. In his initial complaint Plaintiff alleged that Defendant (1) failed to pay wages, including minimum wage and overtime; (2) failed to provide meal periods; (3) failed to provide rest periods; (4) failed to provide accurate itemized wage statements; (5) waiting time penalties; (6) failure to reimburse

business expenses; (7) violations of Business and Professions Code Section 17200 et seq.; and (8) violations of the Labor Code Private Attorneys General Act of 2004. Plaintiff sought recovery under the California Labor Code, the applicable Industrial Welfare Commission Wage Order, and the California Business & Professions Code.

2.3. Settlement Negotiations. On January 6, 2025, the Parties participated in a full-day private mediation session with mediator Louis Marlin, Esq. Prior to the mediation, Defendant provided Plaintiff's personnel file, Plaintiff's time and pay records, Defendant's employee handbooks utilized during the Class Period, time records and corresponding time records for an approximate twenty percent (20%) sampling of putative class members, as well as other documents, allowing Class Counsel to construct a damage analysis. Based on the information obtained through informal discovery, the Parties reached an agreement in principle to the basic terms of a class-action settlement agreement. The Settlement is the result of an informed and detailed evaluation of the total exposure and potential liability, in relation to the costs and risks associated with continued litigation of the Action. The Parties have engaged in sufficient discovery and investigation to assess the relative merits of the claims, defenses, and contentions of the Parties.

2.4. Benefits of Settlement to Settlement Class Members. Plaintiff and Class Counsel recognize the length of continued proceedings necessary to litigate the Parties' disputes through certification, trial, and any possible appeal. Plaintiff and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, the difficulties and delays inherent in such litigation, including, but not limited to, the risks related to a contested motion for class certification, potential motions for decertification, trial, and appeal. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action and the difficulties in establishing damages for the Class Members. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon Class Members. Based on the foregoing, Plaintiff and Class Counsel have determined that this Settlement is fair, adequate, and reasonable, and is in the best interests of the Class Members.

2.5. Defendant's Denial of Wrongdoing and Liability and Reasons for Settlement. Defendant have denied and continue to deny each and all of the claims and contentions alleged in the Action. Defendant have repeatedly asserted, and continue to assert, defenses thereto, and have expressly denied, and continue to deny, any wrongdoing or legal liability arising out of any of the facts, conduct, and/or omissions alleged in the Action. Defendant have also denied, and continue to deny, *inter alia,* the allegations that the Class Members have suffered damage. Without limiting the foregoing, Defendant contend that the Class Members were properly and timely paid all wages owed, including, but not limited to, all straight and overtime pay; were provided timely and uninterrupted meal and rest periods as required under California law; were properly and timely paid all wages upon separation of employment or otherwise when due; were properly and timely provided accurate itemized wage statements as required under California law; and that Defendant have not engaged in any unlawful, unfair, or fraudulent business practices in violation of California law. However, Defendant have concluded that any further defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is approved, will continue to be devoted to the defense of the claims asserted by Plaintiff and Class Members. Defendant have also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases such as this Action. Based on the foregoing, Defendant have concluded that it is desirable and beneficial that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement. This will allow Defendant to dispose of burdensome and protracted litigation, permit the operation of Defendant's business without further expensive litigation, and put an end to the distraction and diversion of its personnel regarding matters at issue in the Action.

2.6. No Admissions. The Parties understand and agree that this Settlement is the result of a good faith compromise of disputed claims and allegations, and Defendant are entering into this Settlement solely to resolve disputed matters. No part of this Settlement or any conduct or written or oral statements made in connection with this Settlement, whether or not the Settlement is finally approved and/or consummated, is or may be offered as or construed to be an admission

or concession of any kind by any of the Parties. In particular, but without limiting the generality of the foregoing, nothing about this Settlement shall be offered or construed as an admission that Defendant violated any of its obligations under the California Labor Code, applicable Industrial Welfare Commission Wage Orders, Business and Professions Code or Labor Code Private Attorneys General Act of 2004, or of liability in general, or any wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or the Released Parties. In addition, this Settlement shall not be offered or be admissible in evidence against any of the Parties or any of the Released Parties, except in any action or proceeding brought by or against Plaintiff, Class Members, or Defendant to enforce the Settlement's terms, or by Defendant in defense of any claims brought by Plaintiff or Class Members. The provisions of this paragraph shall become effective when this Settlement is signed by all Parties, and shall be binding on the Parties and their counsel regardless of whether the Settlement is preliminarily and/or finally approved or terminated for any reason, or rendered null and void.

2.7. Class Members' Claims. Plaintiff claims that the Released Claims have merit and give rise to liability on the part of Defendant. This Settlement is a compromise of disputed claims. Nothing contained in this Settlement, and no documents referred to herein, nor any action taken to carry out this Settlement, may be construed or used as an admission by or against the Plaintiff, Class Members or Class Counsel as to the merits or lack thereof of the claims asserted in the Action.

2.8. Defendant's Defenses. Defendant has denied and continue to deny each and all of the allegations, claims, and contentions of wrongdoing alleged by Plaintiff in the Action. Defendant has expressly denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged in the Action. Defendant contends that it complied in good faith with California and federal wage-and-hour laws and have dealt legally and fairly with Plaintiff and Class Members. Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for class or representative treatment.

3. TERMS OF SETTLEMENT

The Parties agree as follows:

3.1. Binding Settlement. This Settlement shall bind the Parties and all Settlement Class Members, subject to the terms and conditions set forth in the Settlement and the Court's approval.

3.2. Release As To All Settlement Class Members and Plaintiff.

3.2.1. Release As To All Settlement Class Members. As of the Effective Date, all Settlement Class Members, including Plaintiff, will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties from the Released Claims during the Class Period. This release shall be binding on all Settlement Class Members, including each of their respective attorneys, agents, executors, representatives, guardians ad litem, heirs, successors, and assigns, and shall inure to the benefit of the Released Parties, who shall have no further or other liability or obligation to any Class Member with respect to the Released Claims, except as expressly provided herein. All PAGA Members, regardless of whether they submit timely and valid Requests for Exclusion from the Settlement, will release all PAGA Released Claims, as well as claims that could have been premised on the claims, causes of action or legal theories alleged in the Action, during the PAGA Period. Plaintiff on behalf of the State of California and the LWDA will also release all PAGA Released Claims.

3.2.2. Release As To Plaintiff. As of the Effective Date, Plaintiff will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged any and all of Plaintiff's General Released Claims against the Released Parties. With respect to the Plaintiff's General Released Claims only, Plaintiff shall be deemed to have, and by operation of the Final Judgment shall have, in light of his Class Representative Service Awards, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits of section 1542 of the California Civil Code, which provides:

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

Plaintiff may hereafter discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Plaintiff's General Released Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all of the Plaintiff's General Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future. Plaintiff agrees not to sue or otherwise make a claim against any of the Released Parties for Plaintiff's General Released Claims.

3.3. Tax Liability. The Parties understand and agree that the Parties are not providing tax or legal advice. Defendant shall be responsible for any Employer Taxes due as a result of the Settlement. These payments shall be separate and shall not be made from the Gross Settlement Amount or the Net Settlement Amount. Settlement Class Members shall remain responsible for any Employee Taxes due as a result of the Settlement. Settlement Class Members will assume any employee tax obligations or consequences that may arise from this Settlement and should consult with a tax expert if they have questions. However, Individual Settlement Payments will be allocated as follows: twenty percent (20%) as wages (for which an IRS Form W-2 will be issued) and eighty percent (80%) as interest and penalties (for which an IRS Form 1099 will be issued). Any required payroll deductions will be based on this apportionment. The Parties agree that, in the event that any taxing body determines that additional employee taxes are due from any Settlement Class Member, such Settlement Class Member assumes all responsibility for the payment of such taxes.

3.4. Circular 230 Disclaimer. The Parties acknowledge and agree that (1) no provision of this Settlement, and no written communication or disclosure between or among the Parties, Class Counsel or Defendant's Counsel and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed, or be relied upon, as tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging Party (a) has relied exclusively upon his, her, or its own,

independent legal and tax counsel for advice (including tax advice) in connection with this Settlement, (b) has not entered into this Settlement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on the acknowledging Party; and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement.

3.5. Settlement Approval and Implementation Procedures. As part of this Settlement, the Parties agree to the following procedures for obtaining the Court's preliminary approval of the Settlement: conditionally certifying the Settlement Class, notifying Settlement Class Members of the Settlement and distributing the PAGA Payment, obtaining the Court's final approval of the Settlement, and processing the Individual Settlement Payments, as set forth below.

3.5.1. Preliminary Approval and Certification. As soon as practicable after execution of this Settlement, pending the Court's availability, Plaintiff will submit this Settlement to the Court for preliminary approval of the Settlement, in accordance with California Rules of Court, Rule 3.769(c). Such submission will include this Settlement, the proposed Notice Packet, the proposed Preliminary Approval Order, and any memoranda and evidence as may be necessary for the Court to determine that this Settlement is fair, adequate, and reasonable. The Parties agree to request the Court to enter an order conditionally certifying the Settlement Class after the preliminary approval hearing, in accordance with California Rules of Court, Rule 3.769(d).

3.5.2. Class Information. No more than fourteen (14) calendar days after the entry of the Preliminary Approval Order by the Court, Defendant shall provide the Settlement Administrator with the Class Information for purposes of mailing Notice Packets to Class Members. Defendant shall also provide the Settlement Administrator a separate list of PAGA Members and dates of PAGA Members' employment with Defendant.

3.5.3. Notice by First Class U.S. Mail. Upon receipt of the Class Information,

the Settlement Administrator will perform a search on the National Change of Address database to update the Class Members' addresses. No more than ten (10) calendar days after receiving the Class Information from Defendant, as provided herein, the Settlement Administrator shall mail copies of the Notice Packet to all Settlement Class Members by regular First-Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member. It will be conclusively presumed that if an envelope so mailed has not been returned within twenty (20) days of the mailing that the Class Member received the Notice Packet.

3.5.4. Undeliverable Notices. Any Notice Packets returned to the Settlement Administrator as undeliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto or as described in paragraph 3.5.5 of this Settlement.

3.5.5. For each Class Member whose Notice Packet is returned, and a forwarding address is not affixed thereto, there will be one skip trace by the Settlement Administrator. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Class Member at the updated mailing address so identified. One supplemental Notice Packet shall be mailed to each Class Member whose original Notice Packet is returned as undeliverable to the Settlement Administrator, if a forwarding or updated address can be identified. Such re-mailing shall be made within five (5) business days of the Settlement Administrator receiving notice that the respective Notice Packet was undeliverable. Any requests to Defendant's Counsel by the Settlement Administrator for documents or information from Defendant must be responded to within a reasonable amount of time by Defendant's Counsel. It is the intent of the Parties that reasonable means be used to locate the Class Members and apprise them of their rights.

3.5.6. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Settlement Administrator shall have fourteen (14) calendar days thereafter, or until the Response Deadline has expired, whichever is later, to mail the Request for Exclusion or a Notice of Objection. Notice Packets that are resent shall inform the recipient of

this adjusted deadline. The date of the postmark on the return envelope shall be the exclusive means used to determine whether a Class Member has returned his or his Request for Exclusion on or before the adjusted deadline. It will be conclusively presumed that if an envelope so mailed has not been returned within thirty (30) days of the mailing, that the Class Member received the Notice Packet. If a Class Member's Notice Packet is returned to the Settlement Administrator more than once as undeliverable, then an additional Notice Packet shall not be re-mailed.

3.5.7. Compliance with the procedures specified in paragraphs 3.5.3 through 3.5.6 of this Settlement shall constitute due and sufficient notice to Class Members of this Settlement and shall satisfy the requirement of due process. Nothing else shall be required of, or done by, the Parties, Class Counsel, and Defendant's Counsel to provide notice of the proposed Settlement.

3.6. Disputes. Class Members will have the opportunity during the 45-day response period, should they disagree with Defendant's records regarding their weeks worked during the Class Period, to provide a completed Class Workweek Dispute Form (attached hereto as **Exhibit B)**, documentation and/or an explanation to show contrary weeks worked. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of this Settlement. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Payment shall be binding upon the Class Member and the Parties.

3.7. Exclusions (Opt-Outs). The Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement must submit a Request for Exclusion Form (attached hereto as **Exhibit C)** by the Response Deadline. A Class Member may submit a Request To Be Excluded From Settlement form or a writing that contains: (1) the name, address, and the last four digits of the Social Security number and/or the entire Employee ID number of the Class Member requesting exclusion; (2) a clear statement requesting to be excluded from the Class Settlement; (3) must be signed by the Class Member; and (4) must be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address. If the Request for

Exclusion does not contain the information listed in (1)-(3), it will not be deemed a valid Request for Exclusion from this Settlement. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Member who requests to be excluded from the Settlement in accordance with the provisions of this paragraph will not be entitled to any recovery under the Settlement and will not be bound by the terms of the Settlement. Class Members who receive a Notice Packet but fail to submit a valid and timely Request for Exclusion on or before the Response Deadline, which is forty-five (45) days from the date of the mailing of the Notice Packet, shall be bound by all terms of the Settlement and any Final Judgment entered in this Action if the Settlement is approved by the Court. Any Class Member who does not request exclusion as set forth above is deemed to have released all claims, including Released Claims against Released Parties, as set forth herein and therefore by operation will be deemed a Settlement Class Member. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage members of the Class to submit Requests for Exclusion from the Settlement, or appeal from the Judgment. Class Counsel shall not represent any Class Member with respect to any such Request for Exclusion. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's ethical obligations and Class Counsel's fiduciary duties owed to Class Members. Class Members who submit a valid Request for Exclusion may not also submit a Notice of Objection. PAGA Members cannot opt out or submit a Request for Exclusion

3.8. Objections. The Notice Packet shall state that Class Members who wish to object to the Settlement shall submit a written Notice of Objection by the Response Deadline, which is forty-five (45) days from the date of the mailing of the Notice Packet, to the Settlement Administrator. The Notice of Objection must be signed by the Class Member and state: (1) the full name of the Class Member; (2) the dates of employment of the Class Member; (3) the last four digits of the Class Member's Social Security number and/or the entire Employee ID number; (4) the basis for the objection; and, (5) whether the Class Member intends to appear at the Final Approval Hearing. The Notice of Objection must be postmarked by the Response Deadline and

returned to the Settlement Administrator at the specified address. Within five (5) days of receiving a Notice of Objection from a Settlement Class Member, the Settlement Administrator shall forward the Notice of Objection to Class Counsel and Defendant's Counsel. The Parties shall thereafter lodge the Class Member's Notice of Objection with the Court. Class Members, regardless of whether or not they submit a timely Notice of Objection, will have a right to appear at the Final Approval Hearing, with or without an attorney, and have their objections heard by the Court. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to file or serve written objections to the Settlement or to appeal from the Final Judgment. Class Counsel shall not represent any Class Member with respect to any such objection.

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

3.10. Plaintiff's Participation. By executing this Settlement, Plaintiff hereby stipulates he will not object to or exclude himself from the Settlement in any way.

3.11. No Solicitation of Settlement Objections or Exclusions. The Parties and their counsel agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit Notices of Objection to the Settlement or Requests for Exclusion from the Settlement, or to appeal from the Court's Final Judgment.

3.12. Funding of the Gross Settlement Amount. This is a non-reversionary Settlement in which Defendant is required to pay the entire Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant. Defendant is separately and solely responsible for any employer payroll taxes owed as a result of the Settlement. Defendant shall pay the Gross Settlement Amount of Five Hundred Twenty-Five Thousand Dollars ($525,000.00) in installments as follows: (a) an initial payment of One Hundred Thousand Dollars ($100,000.00) shall be due within 30 calendar days after the Court conducts the Final Approval Hearing and

grants final approval of the Settlement; (b) beginning one month after the initial payment is due, Defendant shall make twenty-one (21) consecutive monthly payments of Twenty Thousand Dollars ($20,000.00) each, with each payment due on the same numerical day of each succeeding month; and (c) Defendant shall make a final payment of Five Thousand Dollars ($5,000.00) on the due date for the twenty-second monthly payment. If a payment due date falls on a weekend or court holiday, the payment shall be due on the next business day. Defendant's payment obligations under this provision shall be fully satisfied upon payment of the aggregate sum of Five Hundred Twenty-Five Thousand Dollars ($525,000.00).

3.12.1. No more than five (5) business days after Defendant makes the initial payment of One Hundred Thousand Dollars ($100,000.00) required under Paragraph 3.12, the Settlement Administrator shall provide the Parties with an initial accounting of all anticipated payments to be made from the Gross Settlement Amount, including the initial payment and all remaining installment payments. The Net Settlement Amount shall be calculated by deducting from the Gross Settlement Amount the anticipated payments for: (1) the Class Representative Service Award, as specified in this Settlement and approved by the Court; (2) Class Counsel Fees, as specified in this Settlement and approved by the Court; (3) Class Counsel Costs, as specified in this Settlement and approved by the Court; (4) Settlement Administration Costs, as specified in this Settlement and approved by the Court; (5) the LWDA PAGA Allocation; and (6) the PAGA Member Allocation, as specified in this Settlement and approved by the Court.

3.12.2. From the settlement funds received from Defendant, the Settlement Administrator may distribute to itself amounts necessary to pay the Settlement Administration Costs approved by the Court. Such distributions shall be credited against the approved Settlement Administration Costs and reflected in the Settlement Administrator's accountings.

3.12.3. Beginning one hundred eighty (180) calendar days after the initial accounting, and every one hundred eighty (180) calendar days thereafter until all settlement funds have been received and distributed, the Settlement Administrator shall provide the Parties with a written accounting identifying: (a) all payments received from Defendant; (b) all amounts distributed, the dates of distribution, and the categories of recipients; (c) all Settlement

Administration Costs paid or incurred; (d) the amount of settlement funds then held by the Settlement Administrator; (e) the outstanding balance of the Gross Settlement Amount; and (f) any anticipated future payments or distributions. The Settlement Administrator shall provide a final accounting within thirty (30) calendar days after completing all distributions required under this Settlement.

3.12.4. The Net Settlement Amount shall be distributed through Individual Settlement Payments in accordance with Paragraphs 3.12, 3.12.1, and 3.13, subject to Defendant's installment-payment schedule set forth in Paragraph 3.12.

3.13. Individual Settlement Payments. Each Settlement Class Member shall be eligible to receive an Individual Settlement Payment, which is a share of the Net Settlement Amount, based on the number of weeks worked by the Settlement Class Member for Defendant during the Class Period, as a proportion of all weeks worked by all Class Members for Defendant during the Class Period. Individual Settlement Payments shall be paid by check pursuant to the formula set forth in Paragraph 3.12.1 and 3.13 below. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to Settlement Class Members' last known mailing address no later than fifteen (15) calendar days after Defendant makes the final payment of the Gross Settlement Amount. Individual Settlement Payments shall specifically indicate that they are void if not negotiated within one hundred eighty (180) days of their issuance. Individual Settlement Payments reflect settlement of a dispute regarding wages, interest, and penalties. Individual Settlement Payments will be allocated as follows: one-third as wages; and two-thirds as interest and penalties. The "wage" portion of each Individual Settlement Payment will be reduced by any Employee Taxes. The Settlement Administrator shall issue the appropriate tax documents associated with the Individual Settlement Payments, including an IRS Form W-2 for the amounts allocated as "wages" and an IRS Form 1099 for the amounts allocated as "interest" or "penalties."

3.13.1. Individual Settlement Payment Formula. After deducting the Class Counsel Fees and Class Counsel Costs, the LWDA PAGA Allocation, the PAGA Member Allocation, Class Representative Service Awards, and Settlement Administration Costs, the remaining funds (the "Net Settlement Amount"), shall be distributed as follows: The Settlement Administrator shall

divide the Net Settlement Amount by the total number of workweeks Class Members worked for Defendant during the Class Period in order to determine the amount each Settlement Class Member is entitled to for each workweek he or she worked for Defendant (the "Weekly Amount") during the Class Period. The Settlement Administrator shall multiply the Weekly Amount by the estimated total number of workweeks that each Settlement Class Member worked for Defendant during the Class Period. The product of each calculation represents the gross Individual Settlement Payment for the respective Settlement Class Member. The Settlement Administrator shall then deduct Employee Taxes attributable to wages to arrive at the net Individual Settlement Payment for each respective Class Member. Within twenty-one (21) calendar days after Preliminary Approval, Defendant shall provide the Settlement Administrator with any information reasonably necessary to perform the calculation of number of workweeks for each Class Member, and any other reasonably required information the Settlement Administrator requests to perform the calculations required under this Settlement. Defendant shall have no responsibility for deciding the validity of any Individual Settlement Payment or any other payments made pursuant to this Settlement, shall have no involvement in or responsibility for the determination or payment of Employee Taxes, and shall have no liability for any errors made with respect to such Employee Taxes.

3.14. **PAGA Allocation & Related Release**. Out of the Maximum Settlement Amount that is ultimately preliminarily approved, Defendant shall pay a total of Thirty Thousand Dollars ($30,000.00) to resolve the PAGA Claims (as defined below) of the Settlement Class (the "PAGA Payment"). Of this amount, 75% (i.e. $22,500) will be paid to the LWDA and 25% (i.e. $7,500.00) will be distributed on a pro rata per pay period basis to the PAGA Members who worked at any time from March 5, 2023 through April 6, 2025. Each PAGA Member's Individual PAGA Payment will be calculated based on the total number of pay periods he or she worked during the PAGA Period. To establish the pay period value, the Settlement Administrator will first determine the total number of pay periods worked by PAGA Members during the PAGA Period. 25% of the PAGA Settlement Fund will then be divided by the total number of pay periods worked by PAGA Members during the Settlement Period to determine the pay period

value. The PAGA Member Allocation represents the portion of civil penalties awarded directly under PAGA, and shall be allocated as 100% penalties. The Settlement Administrator will report the PAGA Payments on IRS 1099 Forms. PAGA Members will not be required to submit a claim form in order to be issued a check for their share of the PAGA Payment. The PAGA Members will not have the opportunity to opt out of, or object to, the PAGA Payment and release of the PAGA Claims. Upon receipt of the PAGA Payment, PAGA Members shall be deemed to have released the PAGA claims as to civil and statutory penalties, and any other interest, liquidated damages, attorney's fees and costs related to PAGA.

3.14.1. Settlement Class Members are not eligible to receive any compensation other than the Individual Settlement Payment (and PAGA Payment for PAGA Members), and they may only receive an Individual Settlement Payment if they do not submit a valid and timely Request for Exclusion to opt out of the Settlement. PAGA Members will receive their portion of the PAGA Payment regardless of whether they submit a valid and timely Request for Exclusion to opt out of the Settlement. Plaintiff, however, is also eligible to receive a Class Representative Service Award.

3.14.2. No benefit, including but not limited to pension benefits, shall increase or accrue as a result of any payment made pursuant to this Settlement.

3.14.3. If an Individual Settlement Payment is returned to the Settlement Administrator as undeliverable and does not have a forwarding address, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace search. If the returned Individual Settlement Payment has a forwarding address, or another address is identified, the Settlement Administrator shall mail the Individual Settlement Payment to the forwarding, or newly-identified, address. If an Individual Settlement Payment is returned to the Settlement Administrator a second time as undeliverable, the Settlement Administrator shall not attempt any further re-mailing of that Individual Settlement Payment, but shall hold such Individual Settlement Payment until it becomes void. Any settlement checks that remain uncashed one hundred eighty (180) calendar days after issuance shall be void ("Voided Checks").

3.14.4. Any settlement checks that are not cashed within one hundred eighty (180) days after mailing shall thereafter be paid to the California State Controller in the name of the Class Member who did not cash his or his check.

3.15. Class Representative Service Award. Defendant agrees not to oppose or object to any application or motion by Plaintiff for Class Representative Service Award, not to exceed Ten Thousand Dollars ($10,000.00) for Plaintiff, as consideration for Plaintiff's time and effort in bringing and prosecuting this matter. The Class Representative Service Award shall be paid to Plaintiff from the Gross Settlement Amount no later than fifteen (15) calendar days after Defendant fully funds the Gross Settlement Amount. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Plaintiff for his Class Representative Service Award. Plaintiff shall be solely and legally responsible for payment of all applicable taxes on their Class Representative Service Awards and shall hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of his Class Representative Service Award. The Class Representative Service Award shall be in addition to Plaintiff's Individual Settlement Payment as a Settlement Class Member. If the Court awards lesser amounts than the Class Representative Service Award requested, then any portion of the requested amount not awarded to Plaintiff shall be added to the Net Settlement Amount. Plaintiff shall not have the right to revoke this agreement to the Settlement on the grounds the Court did not approve any or all of their request for a Class Representative Service Award; it shall remain binding. Any adjustments made by the Court to the requested Class Representative Service Award shall not be deemed a material modification of this Agreement.

3.16. Class Counsel Fees and Costs. Defendant agrees not to oppose or object to any application or motion by Class Counsel for Class Counsel Fees in the amount of one-third of the Gross Settlement Amount or One Hundred Seventy-Five Thousand Dollars ($175,000.00) and Class Counsel Costs not to exceed Twenty-Four Thousand Dollars ($24,000.00) from the Gross Settlement Amount. The Class Counsel Fees and Class Counsel Costs shall be paid no later than fifteen (15) calendar days after the Defendant fully funds the Gross Settlement Amount. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payments made

pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 — MISC to Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any amount requested by Class Counsel for the Class Counsel Fees and Class Counsel Costs and not granted by the Court shall become part of the Net Settlement Amount.

3.17. PAGA Allocation. Subject to Court approval, the Parties shall allocate a total of Ten Thousand Dollars ($30,000.00) from the Gross Settlement Amount for the compromise of claims brought under the Labor Code Private Attorney's General Act of 2004 (the "PAGA Allocation").

3.18. LWDA PAGA Allocation. The LWDA PAGA Allocation shall be Twenty-Two Thousand Five Hundred Dollars ($22,500.00), representing 75% of the PAGA Allocation, and shall be paid to California's Labor Workforce Development Agency ("LWDA") from the Gross Settlement Amount by the Settlement Administrator no later than fifteen (15) calendar days after Defendant fund the Gross Settlement Amount. The remaining Seven Thousand Five Hundred Dollars ($7,500.00), representing 25% of the PAGA Allocation, shall be distributed to PAGA Members.

3.19. Defendant's Option to Terminate Settlement. If, after the Response Deadline and before the Final Approval Hearing, ten percent (10%) or more of the number of Settlement Class Members submit timely and valid Requests for Exclusion from the Settlement, Defendant shall have, in their sole discretion, the option to terminate this Settlement. Defendant shall exercise their option to terminate, if they wish, prior to the Final Approval Hearing, provided the Settlement Administrator has provided Defendant the number and percentage of valid and timely Requests for Exclusion no later than fourteen (14) calendar days prior to the Final Approval Hearing. If Defendant decide to void the Settlement, then the Settlement and conditional class certification shall be considered void, and neither the Settlement, conditional class certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement had been neither entered into nor filed with the Court. Should Defendant void the Settlement under this paragraph,

Defendant shall be responsible for all Settlement Administration Costs incurred by the Settlement Administrator through the date that Defendant notify the Settlement Administrator that they are exercising the option to terminate the Settlement.

3.20. Settlement Administration Costs. The Settlement Administrator shall be paid for the costs of administration of the Settlement from the Gross Settlement Amount. Such costs of administration are not to exceed Six-Thousand Four-Hundred Fifty Dollars ($6,450.00), unless the court approves a higher amount. No fewer than twenty (20) days prior to the Final Approval Hearing, the Settlement Administrator shall provide the Parties with a statement detailing the costs of administration. The Settlement Administrator, on Defendant's behalf, shall have the authority and obligation to make payments, credits and disbursements, including payments and credits in the manner set forth in this Settlement, to Settlement Class Members, calculated in accordance with the methodology set out in this Settlement and orders of the Court. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest. The Settlement Administrator shall be responsible for: processing and mailing all payments described in the Settlement to the Plaintiff, Class Counsel, Settlement Class Members and Verified Settlement Class Members, the LWDA, tax authorities; printing and mailing the Notice Packets to the Settlement Class Members as called for in this Settlement and ordered by the Court; receiving and reporting Notice of Objections and Requests for Exclusion submitted by Class Members; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. Any legally mandated tax reports, tax forms, tax filings, or other tax documents required by administration of this Settlement shall be prepared by the Settlement Administrator. Any expenses incurred in connection with such preparation shall be Settlement Administration Costs. The Settlement

Administrator shall be paid the Settlement Administration Costs no later than fifteen (15) calendar days after the Defendant fund the Gross Settlement Amount.

3.21. Final Approval Hearing. At a reasonable time following the Response Deadline, the Court shall hold the Final Approval Hearing, where objections, if any, may be heard, and the Court shall determine amounts properly payable for (i) the Class Counsel Fees, (ii) the Class Counsel Costs, (iii) the Class Representative Service Award, and (iv) the PAGA Allocation; and Settlement Administration Costs.

3.22. Entry of Final Judgment. If the Court approves this Settlement at the Final Approval Hearing, the Parties shall request that the Court enter the Final Judgment after the Gross Settlement Amount has been fully funded, with the Court retaining jurisdiction over the Parties to enforce the terms of the judgment. If the Court grants Final Approval to the Settlement, notice of Final Approval shall be posted on the Settlement Administrator's website. If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

3.23. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement Class Members pursuant to this Settlement will not count as earnings or compensation for purposes of any benefits (e.g., pensions or retirement plans) sponsored by Defendant. It is expressly understood and agreed that the receipt of Individual Settlement Payments and/or PAGA Payments shall not entitle any Settlement Class Member to additional compensation or benefits under any collective bargaining agreement or under any bonus, contest, or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor shall it entitle any Settlement Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the Parties that payments from Net Settlement Amount provided for in this Settlement are the sole payments to be made by Defendant to Settlement Class Members in connection with this Settlement, with the sole exception of Plaintiff's Class Representative Service Award, and that the Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received funds from the Net Settlement Amount. Furthermore, the receipt of Individual Settlement Payments by Settlement

Class Members shall not, and does not, by itself establish any general, special, or joint employment relationship between and among the Settlement Class Member(s) and Defendant.

3.24. Nullification of Settlement. In the event: (i) the Court does not enter the Preliminary Approval Order as specified herein; (ii) the Court does not grant final approval of the Settlement as provided herein; (iii) the Court does not enter a Final Judgment as provided herein; or (iv) the Settlement does not become final for any other reason, this Settlement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement, and the Parties shall proceed in all respects as if this Settlement had not been executed. In the event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review.

3.25. No Admission by the Parties. Defendant deny any and all claims alleged in this Action and denies all wrongdoing whatsoever. This Settlement is not a concession or admission, and shall not be used against Defendant as an admission or indication, with respect to any claim, of any fault, concession, or omission by Defendant. Neither this Settlement, nor any of its terms and conditions, nor any of the negotiations connected with it, is a concession or admission, and none shall be used against Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by Defendant, or that class certification is proper under the standard applied to contested certification motions. The Parties stipulate and agree to the certification of the Settlement for settlement purposes only. The Parties further agree that this Settlement will not be admissible in this or any other proceeding as evidence that either: (i) a class action should be certified or (ii) Defendant are liable to Plaintiff or any Class Member, other than according to the terms of this Settlement.

3.26. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation or payment of settlement claims, or other disputes regarding compliance with this Settlement shall be resolved as follows:

3.26.1. If Plaintiff or Class Counsel, on behalf of Plaintiff or any Settlement Class Members, or Defendant at any time believe that the other Party or Parties have breached or acted contrary to the Settlement, that Party shall notify the other Party or Parties in writing of the alleged violation.

3.26.2. Upon receiving notice of the alleged violation or dispute, the responding Party shall have ten (10) days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.

3.26.3. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) days to resolve their differences.

3.26.4. Prior to the Court's involvement pursuant to paragraph 3.35, if the Parties still cannot resolve a dispute, the Parties shall utilize the services of Louis Marlin, Esq. (Mediator) in a good-faith attempt to mediate and resolve the dispute.

3.26.5. If the Parties are unable to resolve their differences after twenty (20) days, either Party may file an appropriate motion for enforcement with the Court.

3.27. Exhibits and Headings. The terms of this Settlement include the terms set forth in Exhibit A attached to this Settlement and incorporated by this reference as though fully set forth in this paragraph. Any Exhibit to this Settlement is an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Settlement are inserted for convenience of reference only and do not constitute a part of this Settlement.

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

3.29. Amendment or Modification. This Settlement may be amended or modified only by a written instrument signed by all the Parties and counsel for all Parties or their successors-in-interest.

3.30. Entire Settlement. This Settlement and any attached Exhibits constitute the entire agreement among these Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement or its exhibits, other than the representations, warranties, and covenants contained and memorialized in the Settlement and its exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.

3.31. Authorization to Enter into Settlement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to affect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The person signing this Settlement on behalf of Defendant represents and warrants that he or she is authorized to sign this Settlement on behalf of Defendant. Plaintiff represent and warrant they are authorized to sign this Settlement and that they have not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

3.32. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

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

3.34. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors,

present and potential.

3.35. Jurisdiction of the Court. In accordance with California Rule of Court 3.769(h), the Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing this Settlement and all orders and judgments entered in connection therewith.

3.36. Invalidity of Any Provision. Before declaring any provision of this Settlement invalid, the Court shall first attempt to construe the provision to be valid to the fullest extent possible, consistent with applicable precedents.

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

3.38. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the

Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

3.39. Cooperation. The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other action as may be reasonably necessary to fulfill the terms of this Settlement. The Parties to this Settlement shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by Court order, or otherwise, to effectuate this Settlement and its terms.

3.40. Publicity. Plaintiff agrees not to disclose or publicize the Settlement Agreement contemplated herein, the facts of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members, and except as required by statute or Court order, and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel. Class Counsel may also include a general description of the Settlement on their respective websites, but may not include the name(s) of any of the Parties, including the Defendant, or any of the Released Parties, or the case name or case number of the Action.

3.41. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

3.42. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement,

and that this Settlement has been executed with the consent and advice of counsel, and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement.

3.43. All Terms Subject to Final Court Approval. All amounts and procedures described in this Stipulation are subject to final Court approval.

3.44. Notices. Unless otherwise specifically provided, all notices, demands or other communications in connection with this Settlement shall be: (1) in writing; (2) deemed given on the third business day after mailing; and (3) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff:

John G. Yslas, Esq.
Jeffrey C. Bils, Esq.
Courtney M. Miller, Esq.
Wilshire Law Firm, PLC
660 S. Figueroa St., Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9899

To Defendant:

Eric H. De Wames
Christopher A. Olsen
MICHAEL SULLIVAN & ASSOCIATES LLP
6203 San Ignacio Ave, 110 104
San Jose, CA 95119
Telephone: (310) 337-4480

3.45. Execution by Settlement Class Members. It is agreed that it is impossible or impractical to have each Settlement Class Member execute this Settlement. The Notice of Settlement will advise all Settlement Class Members of the binding nature of the release and such shall have the same force and effect as if each Settlement Class Member executed this Settlement.

3.46. Execution by Plaintiff and Defendant. Plaintiff and Defendant, by signing this Settlement, are bound by the terms herein.

3.47. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

3.48. Counterparts. This Settlement shall become effective upon its execution by all of

Docusign Envelope ID: 0929FF3D-0B53-8E94-821E-49467A7FD9B4

the undersigned. Plaintiff and Defendant may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if each had signed the same instrument. Copies of the executed Settlement shall be effective for all purposes as though the signatures contained therein were original signatures.

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

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

3.51. Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and l123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Los Angeles County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

Dated: 8/25/2026

PLAINTIFF JOSE NORBERTO PEREZ-GARCIA

Signed by:
Jose N perez
776602B464BC482...
Jose Norberto Perez-Garcia

Dated: _____

DEFENDANT GENERATIONS PAINTING GROUP

By: _____

the undersigned. Plaintiff and Defendant may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if each had signed the same instrument. Copies of the executed Settlement shall be effective for all purposes as though the signatures contained therein were original signatures.

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

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

3.51. Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Los Angeles County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

Dated: _____

PLAINTIFF JOSE NORBERTO PEREZ-GARCIA

_____
Jose Norberto Perez-Garcia

Dated: 11/5/2026

DEFENDANT GENERATIONS PAINTING GROUP

_____
By: Rusty Brown, Vice President
Generations Painting Group

EXHIBIT A

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

Perez-Garcia v. Generations Painting Group
Case No. 24CV000037; 24CV009197 (Sacramento County Superior Court)

The Sacramento County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.

You may be eligible to receive money from an employee class and a representative action lawsuit ("Action") against Generations Painting Group ("Defendant") for alleged wage and hour violations. The Actions were filed by former employee, Jose Norberto Perez-Garcia, and seek payment of back wages and other relief for a class of all persons currently or formerly employed by Defendant as hourly-paid, non-exempt employees in the State of California ("Class Members") who worked for Defendant during the Class Period (July 8, 2019 through April 6, 2025); and (2) penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") for all Class Members who worked for Defendant during the PAGA Period (March 5, 2023 through April 6, 2025) ("Aggrieved Employees")

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

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

The above estimates are based on Defendant's records showing that **you worked _____ Workweeks during the Class Period and you worked _____ Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

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

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendant for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendant's records indicate that you worked for Defendant at some point(s) between July 8, 2019 and April 6, 2025, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Labor Code Private Attorneys General Act of 2004 ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is March 5, 2023 through April 6, 2025.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Action is the Sacramento County Superior Court, and the case is titled, *Perez-Garcia v. Generations Painting Group*, Case Nos. 24CV000037 and 24CV009197. The person who sued, Jose Norberto Perez-Garcia, is the Plaintiff, and the company sued, Generations Painting Group, is the Defendant.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuit alleges wage and hour violations against Defendant for: (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; and (9) Unfair Business Practices. In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiff's claims and denies any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court has not decided in favor of the Plaintiff or Defendant on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendant thinks that Plaintiff's lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff, as well as Plaintiff's lawyers (called "Class Counsel"), believes the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: All employees of Defendant who were classified as non-exempt and worked within the State of California at any time from July 8, 2019 through April 6, 2025.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount ("GSA") of $525,000.00 (Five Hundred Twenty-Five Thousand Dollars and Zero Cents) to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys' fees of up to one-third of the GSA, currently $175,000.00 and up to $24,000.00 in costs; a Class Representative Service Payment of $10,000.00 to Plaintiff (for Plaintiff's work and efforts prosecuting this case); a PAGA Penalties payment of $30,000.00 to resolve the PAGA claims; and Settlement Administration Costs to ILYM Group, Inc., not to exceed $6,450.00. The exact amount of the Class Counsel's Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the "Net Settlement Amount" or the "NSA," is currently estimated to be approximately **$XXXXXXX**. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded ("opt out") of the Settlement.

Defendant shall pay the Gross Settlement Amount of Five Hundred Twenty-Five Thousand Dollars ($525,000.00) in installments as follows: (a) an initial payment of One Hundred Thousand Dollars ($100,000.00) shall be due within 30 calendar days after the Court conducts the Final Approval Hearing and grants final approval of the Settlement; (b) beginning one month after the initial payment is due, Defendant shall make twenty-one (21) consecutive monthly payments of Twenty Thousand Dollars ($20,000.00) each, with each payment due on the same numerical day of each succeeding month; and (c) Defendant shall make a final payment of Five Thousand Dollars ($5,000.00) on the due date for the twenty-second monthly payment. If a payment due date falls on a weekend or court holiday, the payment shall be due on the next business day.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a $30,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or $22,500.00 will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or $7,500.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant's records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (July 8, 2019 to April 6, 2025). Eighty percent (80%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and twenty percent (20%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendant from March 5, 2023 through April 6, 2025 ("PAGA Period"), you are also an "Aggrieved Employee" and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees' Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement under California law.

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on _____, to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees within approximately fifteen (15) days after the final installment payment of the Gross Settlement Amount.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and all of Defendant's subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, owners, and assigns ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

Released Class Claims: The "Released Class Claims" are all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiff in the Operative Class Complaint, or that could have been brought by Plaintiff against Defendant in the Operative Class Complaint based on the facts alleged therein.

Released PAGA Claims: If you an Aggrieved Employee (i.e. if you worked for Defendant during the PAGA Period), you will also release all claims for civil penalties that were alleged or could have been alleged in the Operative PAGA Complaint and the PAGA Notice based on the facts alleged therein during the PAGA Period.

EXCLUDING YOURSELF FROM THE SETTLMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than [60 days after Class Notice is Mailed]. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

ILYM Group, Inc.
Perez-Garcia v. Generations Painting Group
XXXXX
City, State, XXXXX
Email:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (March 5, 2023 through April 6, 2025.). If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude

yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is [60 days after Class Notice is Mailed].

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLMENT?

No, you will not receive an Individual Class Payment if you exclude yourself. You will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (March 5, 2023 through April 6, 2025). However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

John G. Yslas
john.yslas@wilshirelawfirm.com
Jeffrey C. Bils
jeffrey.bils@wilshirelawfirm.com
Courtney M. Miller (SBN 327850)
courtney.miller@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 378-2548
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to 1/3rd of the GSA (currently $175,000.00) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to $24,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve payment to Plaintiff Jose Norberto Perez-Garcia in the amount of $10,000.00 in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award the Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before _____, at the following address:

ILYM Group, Inc.
Perez-Garcia v. Generations Painting Group
XXXXX
City, State, XXXXX
Email:

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at _____ on _____ in Department 23 of the Sacramento County Superior Court located at 720 9th Street, Sacramento, CA 95814 to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written

objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendant about the legal issues in the Action.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, ILYM Group, Inc., by calling toll free 1-800_____, or you can write to the Administrator at the following address:

ILYM Group, Inc.
Perez-Garcia v. Generations Painting Group
XXXXX
City, State, XXXXX
Email:

PLEASE DO NOT TELEPHONE THE COURT OR GENERATIONS PAINTING GROUP'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.