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Attorneys for Plaintiff HECTOR CHAVEZ CRUZ, individually and on behalf of all others similarly situated

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

HECTOR CHAVEZ CRUZ, individually and on behalf of all others similarly situated,

Plaintiff,

v.

GLOBAL METAL RECYCLING, INC., a California Corporation,

Defendant.

Case No. 30-2025-01516858-CU-OE-CXC
Related with Case No. 30-2026-01547873-CUOE-CXC

ASSIGNED FOR ALL PURPOSES TO: HON. WILLIAM D. CLASTER
DEPT. CX101

DECLARATION OF JAMES HAWKINS IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES

Reservation number: 75000069

Date: December 4, 2026
Time: 9am
Dept.: CX101

DECLARATION OF JAMES HAWKINS

I, James Hawkins, declare as follows:

1. I am an individual over the age of 18. I am a partner at the law firm of James Hawkins, APLC. I am one of the attorneys of record for Plaintiff HECTOR CHAVEZ CRUZ (hereinafter referred to as "Plaintiff" or "Class Representative"), who commenced this class and PAGA action on behalf of the Class Members and Aggrieved Employees. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement, which Plaintiff filed concurrently herewith, along with the supporting Memorandum of Points and Authorities. I have personal knowledge of the facts set forth below, and if called to testify regarding them, I could and would do so competently.

2. Attached hereto as **Exhibit 1** is a true and correct copy of the executed Settlement Agreement which the Parties ask the Court to approve. Attached thereto the Settlement Agreement as **Exhibit A** is a true and correct copy of the proposed Notice of Class Action Settlement ("Class Notice").

3. On October 6, 2025, Plaintiff filed the Class Action against Defendant and Robert's Waste & Recycling in a case entitled *Hector Chavez Cruz v. Robert's Waste & Recycling, Global Metal Recycling, Inc., et al*., Orange County Superior Court Case No. 30-2025-01516858-CU-OE-CXC. Defendant Robert's Waste & Recycling, which is not related to Defendant, has since been dismissed from that action by way of an amended complaint.

4. On or about October 6, 2025, Plaintiff submitted a PAGA Notice to the LWDA. On February 17, 2026, Plaintiff filed the PAGA Action against Defendant in a case entitled *Hector Chavez Cruz v. Global Metal Recycling, Inc., et al*., Orange County Superior Court Case No. 30-2026-01547873-CU-OE-CXC.

5. The Class Action and PAGA Action allege that Defendant violated various wage and hour laws, including: (1) failure to pay wages including overtime as required by Labor Code §§ 510 and 1194; (2) failure to provide meal periods as required by Labor Code §§ 226.7, 512 and IWC Wage Orders; (3) failure to provide rest periods as required by Labor Code §§ 226.7, 512; (4) failure to pay timely wages required by Labor Code § 203; (5) failure to timely pay wages

during employment required by Labor Code § 204; (6) failure to provide accurate wage statements required by Labor Code §§ 226, 226.3, 558.1; (7) failure to maintain accurate records relating to hours worked daily; (8) violation of Business & Professions Code § 17200, et seq.; and (9) penalties pursuant to the California Private Attorneys General Act.

6. Defendant denies the allegations in the Class and PAGA Complaints, denies any failure to comply with the laws identified the complaints and denies any and all liability for the causes of action alleged.

7. On June 23, 2026, the Parties participated in mediation with Robert Coviello, Esq., Prior to mediation, the Parties engaged in informal discovery, including exchange of relevant documents and information, including copies of applicable wage and hour policies, Class and PAGA-related statistics, and time and pay records for a sample set of Class Members. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in Dunk v. Foot Locker Retail, Inc. (1996) 48 Cal. App. 4th 1794, 1801 and Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal. App. 4th 116, 129-130 ("Dunk/Kullar"). Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal. App. 4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal. App. 4th 116, 129-130 ("*Dunk/Kullar*"). In short, Defendants provided discovery sufficient to enable the Plaintiff and Class Counsel to rigorously evaluate the strengths and risks of the case and perform an analysis of the potential damages arising from the claims made in this case. As a result of settlement efforts, the Parties agreed to settle this matter for the Gross Settlement Amount of $265,000.00 for approximately 98 class members who worked approximately 7,750 workweeks through mediation, and the terms of which are fully memorialized in the Settlement Agreement. At all times, the Parties' negotiations were adversarial and non-collusive.

8. "Class" or "Class Members" means all persons who have been employed by Defendant as Non-Exempt Employees or equivalent positions however titled in the state of California during the Class Period. Defendant represents there are approximately 98 Class Members who worked during the Class Period through approximately June 30, 2026. Defendant represents that the Class Members worked 7,750 workweeks during the period from October 6, 2021, through June 30, 2026 (Settlement Agreement ¶6).

9. "Aggrieved Employees" means all individuals who are or previously were employed by Defendant as non-exempt California employees during the PAGA Period. Defendant represents that it estimates there will be approximately 55 Aggrieved Employees during the PAGA Period who worked approximately 3,001 work weeks during the PAGA Period, October 6, 2024, through June 30, 2026 (Settlement Agreement ¶¶2-25).

10. Plaintiff's Counsel conducted a thorough investigation into the factual and legal issues implicated by Plaintiff's claims and was able to objectively assess the settlement's reasonableness. For example, prior to filing the action, Plaintiff contacted Plaintiff's Counsel to discuss the factual bases for pursuing their actions against Defendants for Labor Code violations. Plaintiff was intimately familiar with Defendants' labor policies and practices, and over the course of multiple interviews, knowledgeably summarized those policies and practices to Plaintiff's Counsel. During those conversations, Plaintiff's Counsel explained how the policies and practices were instituted and provided valuable insight into how they gave rise to the alleged Labor Code violations. Further, formal business records for Plaintiff were requested and received and reviewed. Based on these interviews with Plaintiff, and review of records, Plaintiff's Counsel determined that there were legally sufficient grounds for pursuing the Actions against Defendants and in preparation for drafting the complaints, Plaintiff's Counsel conducted their own independent preliminary investigations into the factual bases for Plaintiff's claims, which entailed, *inter alia*, a careful examination of Plaintiff's personnel files and associated records.

11. In summary, Plaintiff's Counsel performed a thorough investigation into the claims at issue, which included: (1) determining Plaintiff's suitability as a class representative and representaigve PAGA claims, through interviews, background investigations, and analyses of their employment files and related records; (2) evaluating all of Plaintiff's potential representative claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions, and the type of employer; (4) analyzing employees' time and wage records; (5) reviewing Defendants' employment policies and practices; (6) researching settlements in similar cases and the prior settlement in this case; (7) evaluating Plaintiff's claims and estimating Defendants' liability for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation.

12. By engaging in such a thorough investigation and evaluation of Plaintiff's claims, Plaintiff's Counsel can opine that the Settlement, for the consideration and on the terms set forth in the Settlement Agreement, is fair, reasonable, an adequate, and is in the best interests of Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, and various defenses asserted by Defendants.

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

14. Since the filing of the complaint, the Parties have exchanged extensive formal and informal discovery and engaged in numerous discussions regarding the factual and legal issues surrounding this case. Throughout the litigation, Defendants produced thousands of lines of data in both electronic and pdf formats, including policies, handbooks, relevant policies, and payroll and time records for approximately 24% of the class members. Defendants also provided Plaintiff's personnel file, and information regarding the number of employees holding these positions during the relevant time period. Defendants also provided substantial information concerning the total number of potential class members, the payroll data at issue, and the applicable hourly rates, workweeks and pay periods, and other summary data related to the alleged class. The Parties have conducted themselves in informed, good faith arms-length negotiations after conducting informal discovery and exchanging extensive evidence and information about the claims and defenses of this lawsuit, and engaging in pre-mediation discussions, telephone conferences, and correspondence all aimed at settling their dispute.

15. As a result of the mediation, the Parties agreed to settle this matter for a Gross Settlement Amount ("GSA") of $265,000.00. Plaintiff's counsel balanced the terms of the proposed Settlement against the risk of litigation and probable outcome at the class certification stage, and if any Class were certified, at trial. Based on their own respective independent investigations and evaluations, and after taking into account the sharply disputed factual and legal issues involved in this matter, the risks attending further prosecution of the case, and the monetary benefits received under the Settlement despite the questionable nature of the claims, Plaintiff's

counsel is of the opinion that Settlement for the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable and adequate and is in the best interests of Plaintiff and the Class. Counsel for the Parties investigated the applicable law as applied to the facts discovered regarding the claims of Plaintiff, Defendants' defenses thereto and the damages claimed by Plaintiff on behalf of the Settlement Class.

16. I believe that the consideration and terms set forth in the Settlement Agreement are fair, reasonable, and adequate and are in the best interests of the Settlement Classes in light of all known facts and circumstances, including the various defenses asserted by Defendants, and numerous potential appellate issues. In addition, the prospect of a potential adverse summary judgment ruling, as well as the uncertainty of class certification, the difficulties of complex litigation, the lengthy process of establishing specific damages and various possible delays and appeals, were also carefully considered in agreeing to the proposed Settlement.

17. Plaintiff and Defendant have agreed to settle the underlying class claims in exchange for the Gross Settlement Amount of $265,000.00. The Gross Settlement Amount includes: (1) proposed attorneys' fees in the amount of $92,750 and reimbursement of reasonable litigation costs and expenses in the amount of up to $20,000.00 (currently at approximately $14,886.36) to Class Counsel (collectively, "Attorneys' Fees and Costs"); (2) Class Representative's incentive award to Plaintiff in the amount of up to $10,000.00 ("Enhancement Award"); (3) fees and expenses of administration of the Settlement to the Settlement Administrator in an amount not to exceed $6,300.00 ("Settlement Administration Fees and Costs"); (4) $13,250.00 ("PAGA Payment") with thirty-five percent (35%) share of the PAGA Payment to be distributed to the PAGA Group Members in the amount of $4,637.50 and the sixty-five percent (65%) share of PAGA Payment in the amount of $8,612.50 to the California Labor and Workforce Development Agency ("LWDA"); (5) and the remainder constitutes the Net Settlement Amount to be paid to the Settlement Class Members. **The Entire Total Settlement Amount will be paid to all Class Members who do not opt out of the Settlement Class, and without the need to submit claims for payment.** After deductions, the Net Settlement Amount ("NSA") is estimated to be approximately **$122,700**. The Class Members are to be paid based

from the NSA on a pro rata basis based upon the weeks each class member worked in comparison to the total work weeks worked by all Class Members.

18. Fairness of the Settlement is demonstrated by the uncertainty and risks to Plaintiff involved both in not prevailing on one or more of the causes of action or theories alleged in the operative Complaints and in non-certification, and if successful, Defendants dispute the ability of Plaintiff to certify a class in this case. Defendants also argued it maintained lawful written policies that were provided to the class members and enforced those policies. Yet, despite the defenses proffered by Defendants, the proposed Settlement commits Defendants to pay each Class Member a portion of the NSA. The amount to be paid to the Classes is fair, adequate and reasonable given the significant risk to Plaintiff and the Class in continuing with the litigation and not prevailing on their claims at class certification or at trial or not being paid anything even if trial was successful.

19. The Parties investigated relevant law as applied to the facts of the case, potential defenses, and damages claimed by Plaintiff on behalf of himself and the Class. Both formal and informal discovery largely focused on Plaintiff's allegations of Defendants': failure to provide meal periods or pay missed meal period premiums, failure to provide rest breaks or pay missed rest break premiums, failure to pay all minimum wages owed, failure to pay all overtime wages owed, failure to furnish timely and accurate wage statements, failure to pay all wages owed upon separation, violation of Labor Code section 6401.7, failure to reimburse all necessary business-related expenses, violation of California's Unfair Competition Law ("UCL"). Information and data exchanges included significant sampling of Class Members' employment time and pay records, dates of employment, hourly rates, and policies. The parties conducted their own evaluations of the potential recoveries based on the claims alleged in the Action and the defenses at play.

20. Although Plaintiff's Counsel believe the class claims are strong, Plaintiff's Counsel also recognize that if the litigation had continued, they may well have encountered significant legal and factual hurdles that could have prevented the Class from obtaining any recovery. To be sure, a number of cases have found wage and hours actions to be especially amenable to class resolution.

However, some courts have gone the other way, finding that some of the very claims at issue here-especially meal period and rest period violations-were not suitable for class adjudication because they raised too many individualized issues. *See Duran v. US. Bank National Association*, 59 Cal. 4th 1 , 31 (2014) (reversing a verdict from a class trial); *Ali v. US.A. Cab Ltd.*, 1 76 Cal. App. 4th 1333, 1341 (2009) (affirming denial of certification because employees' declarations attesting to having taken meal and rest periods demonstrated that individualized inquiries were required to show harm); *Campbell v. Best Buy Stores, L.P.* , 2013 U.S. Dist. LEXIS 137792, at *30- 41 (C.D. Cal. Sept. 20, 2013) (following *Brinker* and denying certification of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Jimenez v. Allstate Ins. Co.*, 2012 U.S. Dist. LEXIS 65328 (C.D. Cal. Apr. 18, 2012) (denying motion to certify meal and rest period classes based on employer's practice of understaffing and overworking employees); *Gonzalez v. Officemax NA*., 2012 U.S. Dist. LEXIS 163853 (C.D. Cal. Nov. 5, 2012) (same); *Brown v. Fed. Express Corp*., 249 F.R.D.580, 587-88 (C.D. Cal. 2008) (denying certification of driver meal and rest period claims based on the predominance of individual issues); *Kenny v. Supercuts, Inc.*, 252 F.R.D. 64 I, 645 (N.D. Cal. 2008) (denying certification on meal periods claim); *Blackwell v. Skywest Airlines, Inc.* , 245 F.R.D. 453, 467- 68 (S.D. Cal. 2007) (declining to certify class action because individual issues predominated when different employee stations provided different practices with respect to meal periods).

21. Some courts have denied certification even when an employer's policies are unlawful on their face. For instance, in *Ordonez v. Radio Shack, Inc.*, 20 1 3 U.S. Dist. LEXIS 7868, *35-4 1 (C.D. Cal. Jan. 17, 201 3), the court denied certification even though the plaintiff submitted evidence of a facially unlawful policy regarding rest breaks. The *Ordonez* court concluded that the predominance and superiority elements were not met based on the employer's presentation of anecdotal evidence of lawful compliance notwithstanding the unlawful policy. Id. at *38-40. And it should be underscored that that claims which are amendable to certification can be disposed of by motion for summary judgment. *See Loudv. Eden Med. Ctr*., 2013 U.S. Dist. LEXIS 122873, **36-53 (N.D. Cal. Aug. 28, 2013) (granting summary judgment on wage statement claim because plaintiff could not show injury due to defects and that incorrect wage information is not willful).

22. As the above examples illustrate, the prospect of certifying a wage and hour action is always uncertain, and the risk of being denied class certification militates in favor of settlement. A denial of class certification effectively forecloses continued litigation, as neither the individual nor his or her attorney will have any incentive to proceed with an individual case when such small claims are at stake. *See In re Baycol Cases I & II*, 5 1 Cal. 4th 75 1, 758 (2011) (explaining that a dismissal of class claims is effectively the "death knell" of the case, despite survival of individual claims). In other words, for cases where individual damages are relatively small, denial of class certification results in a near-complete loss for Plaintiff as well as no recovery for the employees, who are shut out of the action. Thus, if the putative Class had not been certified, the value of Plaintiff's case would have been reduced to a fraction of the value of this Settlement; indeed, Defendants would likely have offered no money to settle the class-wide claims if certification had been denied.

23. Finally, early resolutions save time and money that would otherwise go to litigation. Parties' resources, as well as the Court's, will be further taxed by continued litigation. And if this action had settled following additional litigation, the settlement amount would likely have taken into account the additional costs incurred, and there may have been less available for Class Members. Cost savings is one reason why California policy strongly favors early settlement. *See Nemy v. Regents of University of California*, 3 Cal. 4th 273, 277 (1992) (explaining the high value placed on settlements and observing that "[s]ettlement is perhaps most efficient the earlier the settlement comes in the litigation continuum."). This concern also supports settlement.

24. Further, beyond the risk of an adverse ruling on the merits or certification, Class Counsel considered the fact that continued litigation would likely take years and would be extremely expensive given the breadth and complexity of the claims. In this case, post-trial and appellate proceedings are likely to occur, which will surely drag the case far into the future even with a positive trial result. When facing a distant and unsure resolution of the allegations in this action, the swift, sure and substantial Settlement is all the more reasonable. Avoiding such costly litigation in favor of more immediate benefits to the Class was a consideration favoring settlement. Given these realities, it is highly likely that the future expense of this litigation, and its likely

duration if the settlement is not approved, would be significant and weigh heavily in favor of approval of this settlement.

25. The GSA is well within the acceptable range of reasonableness for the claims of the Settlement Class Members. After analysis and review of Defendants' time and pay record production and other payroll data, Class counsel estimates the overall value of the class claims at approximately **$742,405 in damages, unreimbursed expenses and penalties** should Plaintiff prevail at the class certification stage and at trial and survive any appeals and win on all claims and be awarded maximum damages for call class members for all shifts, and that certain assumptions and extrapolations were confirmed with further discovery. This amount could reasonably be reduced by 50% to account for the risks of continued litigation and not prevailing on one or more claims. The penalties alone account for over 75% of the overall value as discussed below which could be reduced even further based upon Defendants' good faith arguments.

26. There were an estimated 7,750 workweeks during the class period and approximately 3,521 pay periods during the PAGA Period. The average number of hours per shift was approximately 7.3 hours, approximately 4.5 days worked per workweek and the average regular rate was approximately $17.81.

27. The value of the failure to pay wages for off the clock work was valued at approximately **$82,635.00** at 1 hour per workweek with 6.8% of these hours.

28. Analysis revealed an approximate 37.4% violation rate resulting in approximately 5,830 potential meal break violations valued at $123,029. Assuming a similar rest break violation would also account for approximately $31,867 in rest break premiums. that were either, late, short, or not provided at all. Defendants also potentially owe class members $205,373 for approximately 53 terminated employees assuming all employees were not paid wages for 30 days.

29. The value of the LC 226 claim and waiting time penalties was valued at **$111,700**. This amount could be much higher, but given the good faith defenses, and the fact that the pay stubs themselves appeared facially complaint, this asserted value is reasonable.

30. Defendants also potentially owe PAGA members **$187,800** in PAGA

penalties assuming violations can be proven for each pay of the PAGA Pay Periods at a reasonable $100/100 per pay period assessment. Of course, this number could be much higher if stacking and higher penalties were assessed. However, given the review of the time and pay records, coupled with defendants' defense, and facially compliant policies.

31. As a result, the GSA of $265,000.00 represents a reasonable recovery and approximately 18% of the overall potential damages and reimbursement value reduced to 63% of the overall value without accounting for penalties. This recovery could easily be much higher if at trial PAGA penalties were reduced or damages for certain pay periods or workweeks could not be proven for certain individuals. The proposed GSA is within the "ballpark of reasonableness" and should be approved. Counsel for Plaintiff believe that this is a fair and reasonable Settlement in light of the complexities of the case, the state of the law and uncertainties of class certification and litigation, the policies and practices Defendants has had in place or implemented during the purported liability period, and the benefit to be recovered for the Class. Given the risks inherent in litigation, this settlement is fair, adequate, and reasonable and is in the best interests of the Settlement Class, and should be preliminarily approved.

32. Based on the estimated Net Settlement Amount of $122,700, this provides an average workweek value of $15.83. As a result, each Settlement Class Member will receive on average approximately $1,252.04 per Class Member. A Class Member working for the entire Class Period, or approximately 247 workweeks during the Class Period, would receive $3,910.57. The lowest payment is estimated to be approximately $15.83 for someone who worked only one workweek. To the extent any amount for Attorneys' Fees, Costs, Claims Administration Costs or Incentives are not awarded, the difference in those amounts will be added to the NSA. This is a guaranteed amount of money paid to Settlement Class Members now, rather than the continued risk of further litigation and receiving no money sometime in the far future and after trial and appeals.

33. "Aggrieved Employees" means all individuals who are or previously were employed by Defendant as non-exempt California employees during the PAGA Period. Defendant represents that it estimates there will be approximately 55 Aggrieved Employees during the PAGA

Period who worked approximately 3,001 work weeks during the PAGA Period, October 6, 2024, through June 30, 2026.

34. The Class Representative has provided extensive supporting documents and assisted Class Counsel in developing information necessary to litigate and settle this case. Plaintiff also conducted record review and consultation with counsel in preparation for mediation, and to assist in evaluating and proving the claims. The settlement provides for a Payment to be paid to the Class Representative in the amount of $10,000.00 subject to Court approval. The purpose is to compensate the Class Representatives an additional incentive payment, taking into consideration the risks, time, effort and expenses incurred in coming forward to provide invaluable information and negotiate and litigate this matter on behalf of all Settlement Class Members who otherwise, would probably not file their own individual claims to recover what may be relatively low damages. Further, the Payment of $10,000.00 as an Enhancement Payment to the Class Representative is a very fair and justified as part of the Settlement based on the risks Plaintiff has taken and benefits conferred upon the Settlement Class.

35. Class certification, as requested by the Parties for the purposes of the settlement only, should be granted because Plaintiff allege that the proposed Settlement Class Members' claims all stem from the same alleged conduct, i.e., that Defendants violated California law because of their: (a) failure to pay wages, including minimum and overtime wages, (b) failure to provide meal periods, (c) failure to provide rest periods, (d) failure to provide accurate itemized wage statements; (e) failure to reimburse necessary business expenses and (f) violation of California's Unfair Competition Law. Under all these specific circumstances, the commonality requirement for class certification is satisfied. The typicality requirement for certification is also met as it is alleged that the Class Representatives and the proposed Settlement Class were subjected to similar violations based upon similar conduct, policies and practices of the Defendants regardless of their duties.

36. The adequacy requirement for certification is also met. The Class Representative and Class Counsel have prosecuted this action vigorously on behalf of the Settlement Class. The Class Representative will receive a reasonable award for the time and effort spent assisting Class

counsel with factual issues surrounding the case. Other than this specific payment to the Class Representative, all of the Settlement Class Members will receive a proportionate share of the NSA, as detailed above provided they do not exclude themselves. Further, all Aggrieved Employees during the PAGA Period will receive their pro rata share of PAGA Penalties. As a result, there is no conflict of interest between the Class Representative and the Settlement Class Members. Further, the NSA will be fairly distributed among Participating Class Members, and no "settlement allocation" questions will be raised.

37. Common questions of law and fact predominate over individual questions and class-wide treatment of this dispute is superior to individual litigation. Plaintiff alleges that the proposed Settlement Classes in this case are sufficiently cohesive, since all Settlement Class Members share a common nucleus of facts and potential legal remedies, and since all of the Settlement Class Members and the Class Representative seek compensation for unpaid wages and other civil and statutory penalties from Defendants for the allegations described in the Complaints. Common questions about compensation or lack thereof for work performed by Settlement Class Members and the Settlement Class Members' potential legal remedies are identical. The alternative method of resolution is individual claims for relatively small amounts of damages, but individual cases would be uneconomical for potential Plaintiff because the cost of litigation dwarfs potential recovery. Therefore, a class action is the preferred method of resolution.

38. The class notice plan here calls for the Settlement Administrator, APEX Class Action Administration, to mail a Notice of Class Action settlement to all known and reasonably ascertainable Settlement Class Members based on Defendants' records. Further, the Settlement Administrator will conduct a skip-trace and use all reasonable efforts to locate Settlement Class Members and will re-mail all returned envelopes with forwarding addresses. The notice is consistent with the class certification notices approved by numerous state and federal courts, and is the best notice practicable under circumstances of this case. The proposed Settlement Class Members are ascertainable because all of the Settlement Class Members have worked for Defendants during the Class Periods and can be identified through Defendants' records.

39. The Notice also fulfills the neutrality requirement. It summarizes the proceedings

to date and the terms and conditions of the Settlement in an informative and coherent manner, and is accurate, objective, and understandable to Settlement Class Members, as is required under prevailing precedent. The Notice clearly states the Settlement does not constitute an admission of liability by Defendants and recognizes the Court has not ruled on the merits. It also states the final settlement approval decision has yet to be made. The Notice also clearly instructs the Settlement Class Members on how to object or exclude themselves from the Settlement. Therefore, Settlement Class Members will have the option to participate or exclude themselves simply by mailing a request to exclude themselves. The Settlement Class consists of non-exempt employees who speak English. Thus, the Notice of Class Action is drafted in a manner that is likely to be readily understood by the Settlement Class. Accordingly, the Notice complies with the standards of fairness, completeness and neutrality required of a Notice of Class Action Settlement. The Notice therefore is neutral, objective and understandable.

40. I have a great deal of experience in wage and hour class action litigation. I have obtained certification of several classes, I have been approved as class counsel in many other wage/hour class actions, and I am currently litigating numerous others. Although not an all inclusive list, over the years I have prosecuted the following class action matters as lead and/or co-lead counsel, all of which implicated similar law and facts to those associated with this action:

a. *Aguilar v. 7-Eleven, Inc*., et. al., Orange County Superior Court- Case No.: 30-2009-00268714-CU-OE-CXC. Certified Wage and Hour Class action seeking premium wages for meal period and rest periods and resultant penalties. Class Notice pending.

b. *Carey, et. al. v. Arthur J. Gallagher*, et. al., USDC, SOUTHERN DISTRICT- Case No.: 09-cv-0168. Wage and Hour Class action seeking past wages of overtime for mis-classification of insurance claims adjusters employed by Gallagher Bassett, a third party administrator (TPA) in the State of California. Certification granted. Plaintiff's counsel co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

c. *Dao v. 3M Company*, et al. USDC, CENTRAL DISTRICT, Case No. CV-08-04554. Wage and Hour Class Action case seeking past wages for "off the clock",

overtime and meal and rest break violations for production workers in the State of California. Plaintiff's Counsel appointed as Lead Counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

d. *Ortiz v. Kmart*, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW. Wage and Hour Class Action case seeking past wages for meal and rest period violations for retail employees in the State of California. Plaintiff's counsel appointed co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

e. *Morgan v. Aramark Campus*, LLC, USDC, CENTRAL DISTRICT, Case No. SACV08-00412. Wage and Hour Class Action case seeking past wages for meal and rest period violations for retail employees in the State of California. Plaintiff's Counsel appointed as Lead Counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

f. *West v Iron Mountain Information Management, Inc, et. al*.; Los Angeles County Superior Court, Case No. BC393709. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for driver employees in the State of California. Settlement for "binding arbitration." Arbitration Award for Plaintiff Class. Arbitration Award confirmed. Plaintiff's counsel, lead trial counsel and class counsel.

g. *Gonzalez v. Superior Industries Inter, Inc., et al*., Los Angeles County Superior Court, Case No. BC 357912. Wage and Hour Class Action seeking past wages for overtime, meal and rest breaks violations for production employees in the State of California. Plaintiff's counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

h. *Acosta v. Fleetwood Travel Trailers of California, Inc*., et al., Riverside County Superior Court, Case No. RIC 440630. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for production employees in the State of California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

i. *Walker v. Sharkeez, et al.*, Orange County Superior Court, Case No. 05CC00293. Wage and Hour Class Action seeking past wages for unlawful deductions, meal and rest break violations for restaurant employees in the State of California. Plaintiff's counsel appointed as lead counsel. Case settled, Final Approval granted and funds fully distributed.

j. *Padron v. Universal Protection Service, et al,* Orange County Superior Court, Case No. 05CC00013. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for security officers in the State of California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

k. *Martinez v. Securitas Security Services USA*, et al., Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460. Wage and Hour Class Action seeking past wages for meal and rest break violations for security officers employed by Defendants in the State of California. Plaintiff's counsel and co-counsel. Case settled, Final Approval granted and funds fully distributed.

l. *Velasquez-Lopez v. Hotel Cleaning Services, Inc*. et al., Riverside Superior Court, Case No. RIC 420909. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for housekeepers employed by Defendants in the State of California. Plaintiff's counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

m. *Ruiz, et al. v. Unisourse Worldwide, Inc., et al*., USDC, CENTRAL DISTRICT, Case No. CV09-05848. Wage and Hour Class Action seeking past wages for meal and rest period violations for non-exempt employees employed by Defendants in the state of California. Case settled. Awaiting Preliminary Approval hearing. Plaintiff has petitioned the Court for Lead Counsel.

n. *Herrador v. Culligan International Company, et al*., USDC, CENTRAL DISTRICT, Case No. SACV 08-680. Wage and Hour Class Action seeking past wages for field and branch employees of Defendants in the State of California. Plaintiff's

counsel appointed as lead counsel. Case settled and awaiting Final Approval.

o. *Defries v. Domain Restaurants, et al.,* Orange County Superior Court, Case No. 05CC00128. Wage and Hour Class Action seeking past wages for restaurant employees of Defendants in the State of California. Plaintiff's counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

p. *Denton v. BLB Enterprises, Inc., et al*., Orange County Superior Court, Case No. 07CC01292. Wage and Hour Class Action seeking unpaid overtime, meal and rest break violations for security guards employed by Defendants in the State of California. Plaintiff's counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

q. *Rios v. Sandberg Furniture Manufacturing Co*., Inc, et al., Los Angeles Superior Court, Case No. BC411477. Wage and Hour Class Action seeking unpaid meal and rest break violations for production employees employed by Defendants in the State of California. Plaintiff counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

r. *McMurray v. Dave and Busters, Inc*., et al., Orange County Superior Court, Case No. 06CC00099. Wage and Hour Class Action seeking past wages for meal and rest break violations for restaurant employees employed by Defendants in the State of California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

s. *Osuna v. DFG Restaurants, Inc.,* et al., Los Angeles Superior Court, Case No. BC 330145. Wage and Hour Class Action seeking past wages of overtime for mis-classification of managers employed by Defendants, DBA Carl's Jrs. in the State of California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

t. *Burns v. Gymboree Operations, Inc., et al*., San Francisco Superior Court, Case No. CGC-07-461612. Wage and Hour Class Action seeking past wages for meal and rest

break violations for retail employees employed by Defendants in the State of California. Plaintiff's counsel appointed lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

u. *Willems v. Diedrich Coffee, Inc.,* et al., Orange County Superior Court, Case No. 07CC00015. Wage and Hour Class Action seeking past wages of overtime for mis-classification of managers employed by Defendants in the State of California. Plaintiff's counsel appointed lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

v. *Davila, et al. v. Beckman Coulter, Inc*., et al., Orange County Superior Court, Case No. 07CC01347. Wage and Hour Class Action seeking past wages for overtime, meal and rest break violations for production workers employed by Defendants in the State of California. Plaintiff's counsel appointed lead counsel. Cased settled; final approval granted; no objections and funds fully distributed.

w. *Perez v. Naked Juice Company of Glendora, Inc*., Los Angeles Superior Court, Case No. BC387088. Wage and Hour Class Action seeking past wages for overtime, meal and rest period violations for production employees employed by Defendants in the State of California. Plaintiff counsel appointed as lead counsel. Case settled, Final Approval granted, no objections and funds fully distributed.

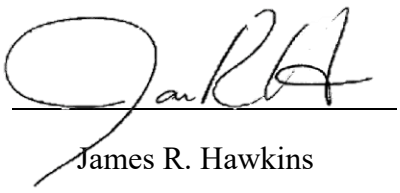
41. Here, the Parties' agreement to pay Attorneys' Fees and Costs of 35% of the GSA is reasonable. My firm and I have been the only counsel to represent Plaintifff and the Settlement Class in this matter, and we have borne the entire risk and cost of this litigation on a pure contingency fee basis. The legal issues raised drew significantly upon my experience and the extensive review and analysis of documents and information by me and others at my firm. In a complex action such as this, the proposed attorneys' fees are, at the very least, on the low side of the market rate for contingency fees.

42. At this juncture, with the addition of more hours due to the administration of the the Settlement by Class Counsel, administration of the Settlement, and preparation for final approval, counsel for plaintiff will provide a detailed analysis of its time in advance of the final

approval hearing. Plaintiff's counsel will file a motion for Attorneys' Fees and Costs Payment to be heard concurrently with the motion for final approval in accordance with the terms of the settlement agreement.

43. Despite the complexity of the case, Class Counsel has, through the investment of substantial effort and the resources of my law firm been able to secure an outstanding settlement on behalf of the Settlement Class. Plaintiff would have faced substantial legal and factual obstacles in demonstrating that class certification was appropriate. Plaintiff would also have been required to establish a significant amount of witness testimony, pattern and practice evidence, statistical evidence, sampling evidence, expert testimony, and other evidence in order to present their case both at the class certification stage and trial. Defendants vigorously contested liability, the amount of claimed damages, and the propriety of class certification, and would have continued to do so through trial. Accordingly, I believe the Settlement to be fair, reasonable, and adequate and in the best interests of the Settlement Class. The fairness and adequacy of the Settlement is confirmed by all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, the various defenses asserted by Defendants, and numerous potential appellate issues.

I declare under penalty of perjury that the foregoing is true and correct. Executed on November 2, 2026 at Irvine, California.



James R. Hawkins

EXHIBIT 1

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the State of California, and Aggrieved Employees

(Additional Counsel on Next Page)

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

HECTOR CHAVEZ CRUZ, individually and on behalf of all others similarly situated, Plaintiff, vs. GLOBAL METAL RECYCLING, INC., a California Corporation, Defendants. AND RELATED ACTION.	Case No. 30-2025-01516858-CU-OE-CXC Related with Case No. 30-2026-01547873-CU-OE-CXC ASSIGNED FOR ALL PURPOSES TO: HON. WILLIAM D. CLASTER DEPT. CX101 **SETTLEMENT AGREEMENT AND STIPULATION TO RESOLVE CLASS ACTION AND PAGA CLAIMS**

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This Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims (the "**Settlement Agreement**," "**Agreement**," or "**Settlement**") is entered into to resolve the following actions: (1) *Hector Chavez Cruz v. Robert's Waste & Recycling, Global Metal Recycling, Inc., et al.*, Orange County Superior Court Case No. 30-2025-01516858-CU-OE-CXC (the "Class Action"); and (2) *Hector Chavez Cruz v. Global Metal Recycling, Inc., et al.*, Orange County Superior Court Case No. 30-2026-01547873-CU-OE-CXC (the "PAGA Action") (collectively, the "Actions"). This agreement is entered into between Plaintiff Hector Chavez Cruz ("Plaintiff") and Defendant Global Metal Recycling, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties").

DEFINITIONS

1. Actions. "**Actions**" mean the Class Action and the PAGA Action.

2. Aggrieved Employees. "**Aggrieved Employees**" means all individuals who are or previously were employed by Defendant as non-exempt California employees during the PAGA Period. Defendant represents that it estimates there will be approximately 55Aggrieved Employees during the PAGA Period who worked approximately 3,001 work weeks during the PAGA Period.

3. Agreement or Settlement or Settlement Agreement. "**Agreement**" or "**Settlement**" or "**Settlement Agreement**" means this Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims, entered into by the Parties to resolve the Actions.

4. Attorneys' Fees and Costs. "**Attorneys' Fees and Costs**" means the amount authorized by the Court for: (i) an award of attorneys' fees to Class Counsel for litigation and resolution of the matter, in the amount that does not exceed thirty-five percent (35%) of the Gross Settlement Amount; and (ii) reimbursement of actual costs incurred by Class Counsel in connection with the Actions, according to proof, not expected to exceed $20,000.00.

5. Class Counsel. "**Class Counsel**" means James R. Hawkins, Gregory Mauro, Michael Calvo, Lauren Falk, and Ava-Issary of JAMES HAWKINS APLC.

6. Class or Class Members. "**Class**" or "**Class Members**" means all persons who have been employed by Defendant as Non-Exempt Employees or equivalent positions however titled in the state of California during the Class Period. Defendant represents there are approximately 98

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Class Members who worked during the Class Period through approximately June 30, 2026. Defendant represents that the Class Members worked 7,750 workweeks during the period from October 6, 2021, through June 30, 2026.

7. Class Notice. "**Class Notice**" means the Notice of Class Action Settlement, attached as **Exhibit A** to this Agreement, or a substantially similar notice approved by the Court.

8. Class Period. "**Class Period**" means the period from October 6, 2021, through June 30, 2026.

9. Court. "**Court**" means the Orange County Superior Court, where the Actions are currently pending.

10. Defendant. "**Defendant**" means Global Metal Recycling, Inc.

11. Effective Date. The "**Effective Date**" of this Agreement will be the later of (i) the 61st day after service of notice of entry of the Final Order and Final Judgment, if no appeal, review, or writ has been filed; or (ii) if an appeal, review, or writ is sought from the Final Order or Final Judgment, the day after the Final Order and Final Judgment are affirmed or the appeal, review, or writ is dismissed or denied, and the Final Order and Final Judgment are no longer subject to further judicial review. The Effective Date is conditioned upon the Court's having entered a Final Order and Judgment as set forth in this Agreement.

12. Employer's Taxes. "**Employer's Taxes**" means Defendant's share of the payroll taxes associated with the wage portion of the Individual Settlement Payments, which Defendant will pay separately from the Gross Settlement Amount.

13. Enhancement Award. "**Enhancement Award**" means the amount the Court authorizes to be paid to Named Plaintiff in addition to his Individual Settlement Payment, in recognition of his effort and work in prosecution of the Actions, up to $10,000.00.

14. Final Hearing Date. "**Final Hearing Date**" means the date set by the Court for the hearing on final approval of the Settlement.

15. Final Order and Judgment. "**Final Order and Judgment**" means the proposed order granting final approval of the Settlement and the separate proposed judgment, which Plaintiff will submit to the Court with the motion for final approval of the Settlement.

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16. General Release Named Plaintiff Only. "**General Release**" means the general release of all claims as set forth in Paragraph 48.

17. Gross Settlement Amount. "**Gross Settlement Amount**" means the total settlement payment Defendant has agreed to make under this Agreement. The Gross Settlement Amount is $265,000.00. The Gross Settlement Amount will be used to pay Individual Settlement Payments, Individual PAGA Payments, Net Class Settlement Amount, PAGA Amount, Participating Class Member Payments, Attorney's Fees and Costs, Enhancement Award, and Settlement Administration Costs.

18. Individual PAGA Payment. "**Individual PAGA Payment**" means a payment to an Aggrieved Employee of the employee's share of the PAGA Payment as set forth in this Agreement.

19. Individual Settlement Payment. "**Individual Settlement Payment**" means the individual settlement payment allocated to each Participating Class Member and/or Aggrieved Employee as set forth in this Agreement, and consists of the Participating Class Member Payment and the Individual PAGA Payment to the extent an employee is eligible.

20. Named Plaintiff. "**Named Plaintiff**" means Hector Chavez Cruz.

21. Notice Period. "**Notice Period**" means the time period commencing on the date the Class Notice is mailed to Class Members and ending 60 days thereafter unless a notice is remailed to a Class Member, in which case, the Notice Period shall end either 60 days after mailing or 45 days after remailing, whichever is later.

22. Net Class Settlement Amount. "**Net Class Settlement Amount**" means the settlement amount to be distributed to Participating Class Members, which is the Gross Settlement Amount less Attorneys' Fees and Costs, the Enhancement Award, the PAGA Amount, and Settlement Administration Costs.

23. PAGA Claims. "**PAGA Claims**" means, for the PAGA Period, claims for penalties under the California Private Attorneys' General Act (California Labor Code § 2698, *et seq*.) that (a) arise from the facts, matters, transactions or occurrences alleged in the Actions or that could have been alleged in the Actions based on such facts; and/or (b) arise from the facts, matters, transactions or occurrences alleged, or that could have been alleged, in the PAGA Notice Letters sent by the

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Named Plaintiff to the Labor and Workforce Development Agency ("**LWDA**") pursuant to Labor Code section 2699.3 on or about [DATE – confirm PAGA notice date] asserting that Defendant violated various provisions of the Labor Code. Without limiting the foregoing, and in addition to the foregoing, the PAGA Claims include claims premised on Defendant's alleged failure to provide meal periods or pay missed meal period premiums, failure to provide rest breaks or pay missed rest break premiums, failure to pay all minimum wages owed, failure to pay all overtime wages owed, failure to remit gratuities, failure to furnish timely and accurate wage statements, failure to pay all wages owed upon separation, failure to reimburse all necessary business-related expenses in violation of California Labor Code sections 201-203, 204, 204(a), 212, 225.5, 218.5, 226, 226(a), 226.7, 227.3, 351, 510, 510(a), 512, 558, 226.3, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 6401.7, 2802; in connection with the allegations in the LWDA Notices and Operative Complaint; and related violations of the applicable California Wage Orders and California Code of Regulations, Title 8, section 11000 *et seq.* The PAGA Claims excludes claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation claims, FEHA-related claims for retaliation, discrimination or harassment, and any claims outside of the PAGA Period.

24. PAGA Amount. "**PAGA Amount**" means the amount of $13,250.00, which represents the portion of the Gross Settlement Amount allocated to the settlement of the PAGA Claims. The PAGA Amount is paid from the Gross Settlement Amount, and will be allocated as set forth in this Agreement. The Parties agree that 65% of the PAGA Amount ($8,612.50) will be paid to the LWDA as the "**LWDA Payment**," and the remaining 35% ($4,637.50) will be allocated to the Aggrieved Employees as the "PAGA Payment."

25. PAGA Period. "**PAGA Period**" means the period from October 6, 2024, through June 30, 2026.

26. Parties. "**Parties**" means the Defendant and the Named Plaintiff, individually and on behalf of all Class Members and Aggrieved Employees. Each of the Parties may be referred to in the singular as a "**Party**."

27. Participating Class Member. "**Participating Class Member**" means each Class

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Member who has not timely opted out of the Settlement pursuant to this Agreement; "**Settlement Class**" means a class of all Participating Class Members.

28. Participating Class Member Payment. "**Participating Class Member Payment**" means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 52.f., which is inclusive of the employee's share of taxes and withholdings with respect to the wages portion of the Participating Class Member Payment.

29. Preliminary Approval Order. "**Preliminary Approval Order**" means an order from the Court preliminarily approving this Settlement.

30. Released Parties. "**Released Parties**" means and includes Global Metal Recycling, Inc. and its respective current and former parents, predecessors or successors, holding companies, owners, subsidiaries, divisions, and affiliated or related persons or entities, and each of their respective officers, directors, managers, employees, insurers, partners, shareholders, members, attorneys, agents, executors, and assigns.

31. Released Claims. "**Released Claims**" means, for the duration of the Class Period, any and all claims, actions, or causes of action against Defendant and the other Released Parties (a) that are alleged in the operative complaint; and/or (b) that could have been alleged in the operative complaint based upon or arising out of the facts alleged therein, except those arising under PAGA. Without limiting the foregoing, and in addition to the foregoing, the Released Claims include claims premised on Defendant's alleged failure to provide meal periods or pay missed meal period premiums, failure to provide rest breaks or pay missed rest break premiums, failure to pay all minimum wages owed, failure to pay all overtime wages owed, failure to furnish timely and accurate wage statements, failure to pay all wages owed upon separation, violation of Labor Code section 6401.7, failure to reimburse all necessary business-related expenses, violation of California's Unfair Competition Law ("UCL"), and for civil penalties for Labor Code violations under California's Private Attorneys General Act ("PAGA") in violation of California Labor Code sections 201-203, 204, 204(a), 212, 225.5, 218.5, 226, 226(a), 226.7, 227.3, 351, 510, 510(a), 512, 558, 226.3, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 6401.7, 2802; related violations of the applicable California

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Wage Orders; violations of all related or corresponding federal laws; and violations of California Business and Professions Code section 17200, *et seq* in connection with the alleged Labor Code violations alleged (or that could be alleged based on the facts pled) in the Actions. The Released Claims excludes claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation claims, FEHA-related claims for retaliation, discrimination or harassment, and any claims outside of the Class Period. It is noted that defendant Robert's Waste & Recycling is not related to Defendant and has previously been dismissed from the litigation of the Actions by Plaintiff.

32. Settlement Administration Costs. "**Settlement Administration Costs**" means the costs of settlement administration, including costs of notice to Class Members, distributing settlement payments, and any other fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement.

33. Settlement Administrator. "**Settlement Administrator**" means [Settlement Administrator Name – Apex Class Action Administrators or such other third-party administrator chosen by the Parties and approved by the Court.

34. Settlement Hearing. "**Settlement Hearing**" means the hearing on the Final Hearing Date at which the Court will determine whether to fully and finally approve the fairness and reasonableness of this Agreement.

RECITALS

35. On or about October 6, 2025, Named Plaintiff submitted a PAGA Notice to the LWDA.

36. On October 6, 2025, Named Plaintiff filed the Class Action against Defendant and Robert's Waste & Recycling in a case entitled *Hector Chavez Cruz v. Robert's Waste & Recycling, Global Metal Recycling, Inc., et al.*, Orange County Superior Court Case No. 30-2025-01516858-CU-OE-CXC. Defendant Robert's Waste & Recycling, which is not related to Defendant, has since been dismissed from that action.

37. On February 17, 2026, Named Plaintiff filed the PAGA Action against Defendant in a case entitled *Hector Chavez Cruz v. Global Metal Recycling, Inc., et al.*, Orange County Superior

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Court Case No. 30-2026-01547873-CU-OE-CXC.

38. The Class Action and PAGA Action allege that Defendant violated various wage-and-hour laws, including: (1) failure to pay wages including overtime as required by Labor Code §§ 510 and 1194; (2) failure to provide meal periods as required by Labor Code §§ 226.7, 512 and IWC Wage Orders; (3) failure to provide rest periods as required by Labor Code §§ 226.7, 512; (4) failure to pay timely wages required by Labor Code § 203; (5) failure to timely pay wages during employment required by Labor Code § 204; (6) failure to provide accurate wage statements required by Labor Code §§ 226, 226.3, 558.1; (7) failure to maintain accurate records relating to hours worked daily; (8) violation of Business & Professions Code § 17200, et seq.; and (9) penalties pursuant to the California Private Attorneys General Act.

39. In preparation for the mediation Defendant provided Class Counsel with first and last time punch dates for all employees, time and payroll records and relevant policies for Class Members during the Class Period.

40. On June 23, 2026, the Parties participated in mediation with Robert Coviello (the "**Mediator**"), a respected mediator of complex wage-and-hour actions, and with the assistance of the Mediator's evaluations, the Parties reached the settlement that is memorialized in this Agreement.

41. Defendant denies that Defendant engaged in any misconduct in connection with the wage-and-hour practices associated with the Class Members (inclusive of the Aggrieved Employees). Defendant further denies that Defendant has any liability of any kind associated with the claims alleged in the Actions. Defendant contends that Defendant has complied with both federal and state wage-and-hour laws, and all other laws regulating its relationship with the Class Members and the Aggrieved Employees, including the Named Plaintiff.

42. Class Counsel has investigated the facts relating to the Actions. Settlement discussions were conducted at arm's length during a full-day mediation with a neutral third-party mediator, and the Settlement is the result of an informed and detailed analysis of Defendant's potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on the documents and data produced, as well as Class Counsel's own independent

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investigation and evaluation, Class Counsel believes that the Settlement documented by this Settlement Agreement is fair, reasonable, and adequate, and in the best interest of the Class in light of all known facts and circumstances, including the risk of significant delay and defenses asserted to the merits of the Actions. While Defendant specifically denies any liability in the Actions, Defendant has agreed to enter into this Settlement to avoid the costs associated with defending the Actions.

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

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the recitals listed above and the promises and warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth below, Named Plaintiff, individually and on behalf of the Class Members, Aggrieved Employees, and, to the extent permitted by law, the State of California, and Defendant agrees that the Actions shall be and are finally and fully compromised and settled on the following terms and conditions:

44. Non-Admission Of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendant and the other Released Parties do not admit, and specifically deny, that they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Class or the Aggrieved Employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant or any of the other Released Parties of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding

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to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

45. Conditional Nature Of Settlement. For settlement purposes *only*, the Parties agree that (a) a class may be certified in the Actions pursuant to California Code of Civil Procedure Section 382, and (b) the Actions may proceed as a PAGA representative action.

a. The Parties intend their settlement to be contingent upon the preliminary and final approval of each and every term of this Agreement, without material modification. The Parties and their respective counsel shall use their respective best efforts to obtain Court approval and implement this Agreement in accordance with its terms. If the Court does not approve this Agreement, the Parties agree to meet and confer to address the Court's concerns. If the Parties are unable to agree upon a resolution, the Parties agree to refer their dispute to the Mediator for informal assistance in seeking a resolution. If thereafter the Parties are unable to resolve the dispute, the Parties intend this Agreement to become null and void, and unenforceable, in which event the settlement terms set forth in this Agreement, including any modifications made with the consent of the Parties, and any action taken or to be taken in connection with this Agreement shall be terminated and shall become null and void and have no further force or effect, and the class certified for settlement purposes pursuant to this Agreement will be decertified for all purposes.

b. In the event the Court does not grant preliminary or final approval of the Parties' settlement, or in the event that this Agreement shall terminate or the settlement embodied in this Agreement does not become effective for any reason, the Agreement and all negotiations, court orders and proceedings relating to the Agreement shall be without prejudice to the rights of the Named Plaintiff, Class Members, Aggrieved Employees, and Defendant, each of whom shall be restored to their respective positions existing prior to the execution of this Agreement, and evidence relating to the Agreement and all negotiations shall not be discoverable or admissible in the Actions or any other litigation. Defendant does not waive, and instead expressly reserves, its rights to challenge the propriety of class certification and/or the Actions proceeding on a representative basis for any purpose should the Court not grant preliminary or final approval of the Parties' settlement.

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46. Participating Class Members' Release Of Claims. Upon the funding of the Gross Settlement Amount and the Employer's Taxes necessary to effectuate the Settlement to the Settlement Administrator, the Named Plaintiff and all Participating Class Members shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties from the Released Claims that arose during the Class Period.

a. This release by the Named Plaintiff and each Participating Class Member is intended to settle any and all of the Released Claims that any of them may have against Defendant or any of the Released Parties during the Class Period.

b. Because it is impossible or impracticable to have each Class Member execute this Agreement, the Class Notice will advise all Class Members of the binding nature of the release and such notice will have the same force and effect as if the Agreement were executed by each Class Member.

47. Aggrieved Employees' Release of PAGA Claim. In exchange for the PAGA Amount recited in this Agreement, the Named Plaintiff, as the representatives for the State of California and all Aggrieved Employees (to the extent permitted by law), and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns will, upon payment of the Gross Settlement Amount and the Employer's Taxes necessary to effectuate the settlement to the Settlement Administrator, forever completely release and discharge Defendant and each of the Released Parties from the PAGA Claims that arose during the PAGA Period. The Aggrieved Employees and the State of California will be deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against Defendant and any of the Released Parties for the PAGA Claims that arose during the PAGA Period, to the extent permissible by law.

48. Full Release By The Named Plaintiff. Upon payment of the Gross Settlement Amount and the Employer's Taxes necessary to effectuate the settlement to the Settlement Administrator, the Named Plaintiff fully releases and discharges Defendant and the other Released Parties from the Released Claims and any other claims that the Named Plaintiff now has or claims to have, or has ever had or claimed to have, against Defendant and the Released Parties. Without

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limiting the generality of the foregoing, the Named Plaintiff specifically and expressly releases to the maximum extent permitted by law any claims against Defendant and the Released Parties, arising out of or relating to the Named Plaintiff's employment or the termination of his employment with Defendant and any other Released Party. This general release by the Named Plaintiff includes a waiver of Named Plaintiff's rights under Civil Code Section 1542, which provides: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

49. No Prior Assignments. The Named Plaintiff represents and warrants that he has 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 rights released and discharged by this Agreement.

50. Settlement Payments And Calculation Of Claims. Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth in this Agreement, Defendant agrees to pay the Gross Settlement Amount of $265,000.00. The Gross Settlement Amount includes, but is not limited to, payments to be made to Participating Class Members, Class Counsel's Attorneys' Fees and Costs, Enhancement Award to the Named Plaintiff, the PAGA Amount, and Settlement Administration Fees and Costs. For the avoidance of doubt, subject to the conditions set forth in this Agreement, Defendant shall not be required to pay any amount over $265,000.00 for this Settlement, apart from the employer's share of applicable taxes which will be paid in addition to the Gross Settlement Amount, and as set forth in Paragraph 51. The following table summarizes the allocation of the Gross Settlement Amount:

Gross Settlement Amount of $265,000.00, Allocated As Follows:

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- **$13,250.00** for the PAGA Payment
  - **$8,612.50** for the LWDA Payment
  - **$4,637.50** for payments to Aggrieved Employees on a *pro rata* basis (i.e., Individual PAGA Payment)
- Class Counsel Attorneys' Fees not to exceed **$92,750.00**
- Class Counsel Costs not to exceed **$20,000.00**
- Up to **$10,000.00** for an Enhancement Award for Named Plaintiff
-
- Settlement Administration Costs, not to exceed **[$6,300**_Approximately **$122,700 to be calculated after Settlement Administration Costs are finalized]** paid to Class Members on a *pro rata* basis (i.e., Participating Class Member Payment)

51. Settlement Escalator. Defendant has represented that the Class Members worked 7,750 workweeks during the period from October 6, 2021, through June 30, 2026. If it is determined by the Settlement Administrator that the total number of Workweeks worked by the Class Members for Defendant during the Class Period actually exceeds 7,750 by more than 10% (i.e., if the Workweeks exceed 8,525), then the Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10% (i.e., if the number of Workweeks increased by 11%, then the Gross Settlement Amount will increase by 1%).

52. Apportionment of Gross Settlement Amount. The Parties agree, subject to Court approval and the conditions specified in this Agreement, that the Gross Settlement Amount shall be apportioned as follows:

a. Class Counsel Attorneys' Fees and Costs: At the final approval hearing, Class Counsel will apply to the Court for an award of Attorneys' Fees of no more than thirty-five percent (35%) of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 51 of this Agreement, equals $92,750.00. Class Counsel will also apply to the Court for an award of actual costs incurred by Class Counsel, according to proof, not expected to exceed the amount of $20,000.00. These fees and costs are included in, and shall come from, the Gross Settlement Amount. Class Counsel will be issued an IRS Form 1099 for any fees and costs awarded by the

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Court pursuant to this Paragraph 52.a. Except as provided in this Paragraph 52.a, each party will bear its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or settlement of the Actions. If the Court awards a lower amount of Attorneys' Fees and Costs than the amount requested, any amount not awarded will be part of the distribution to the Participating Class Members as set forth in this Agreement and shall not be a reason to invalidate/terminate this Agreement.

b. Settlement Administrator Costs: At the final approval hearing, Class Counsel will apply to the Court for approval of Settlement Administration Costs, in an amount of approximately $6,300 td to the Court approved Settlement Administrator Apex Class Action Settlement Administrators. These costs are included in, and shall come from, the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is less than the amount approved by the Court, the difference shall be added to the Net Class Settlement Amount. If the Settlement Administration Costs exceed the amount approved by the Court, then such excess will be paid solely from the Gross Settlement Amount and Defendant will not be responsible for paying any additional funds in order to pay these additional costs.

c. Named Plaintiff Enhancement Award: At the final approval hearing, Class Counsel will apply to the Court for awards of up to $10,000.00 to Named Plaintiff as an Enhancement Award for his services and for assuming the risks associated with this litigation, for the time spent in assisting Class Counsel to litigate this Action. Defendant will not oppose such application. The Enhancement Award is included in, and shall come from, the Gross Settlement Amount. Named Plaintiff will be issued an IRS Form 1099 for the Enhancement Award approved by the Court pursuant to this Paragraph. The Enhancement Award payable to Named Plaintiff shall be in addition to any payment they may receive pursuant to Paragraph 52.e, below. If the Court awards less than the amount requested, any amount not awarded will be part of the distribution to the Participating Class Members as set forth in this Agreement and shall not be a reason to invalidate/terminate this Agreement.

d. PAGA Amount: At the final approval hearing, Class Counsel will apply to the Court for approval of the PAGA Amount of $13,250.00 for claims for civil penalties asserted

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under PAGA. Class Counsel will submit notice of this Settlement to the LWDA, as required by Labor Code § 2699(*l*)(2). The Parties agree that 65% of the PAGA Amount ($8,612.50) will be paid to the LWDA as the "**LWDA Payment**," and the remaining 35% ($4,637.50) will be allocated to the Aggrieved Employees as the "PAGA Payment." The portion of the PAGA Payment allocated to each of the Aggrieved Employees will be calculated using the same formula as set forth in Paragraph 52.e, but will be limited to Pay Periods worked during the PAGA Period. Any Class Members who worked during the PAGA Period and who opt out of the Settlement will still be considered Aggrieved Employees for purposes of this Paragraph 52.d and, therefore, will (i) receive their portion of the PAGA Payment (the Individual PAGA Payment); and (ii) release all PAGA Claims against the Released Parties.

e. Individual Settlement Payments. The Individual Settlement Payments shall consist of: (i) each Participating Class Member's *pro rata* portion of the Net Class Settlement Amount (the "**Participating Class Member Payment**"); and (ii) if applicable, each Aggrieved Employee's *pro rata* portion of the PAGA Payment (the Individual PAGA Payment).

i) Participating Class Member Payment: After deducting the approved amounts specified in Paragraphs 52.a-d above, each Participating Class Member will be entitled to a *pro rata* portion of the remaining amount. Participating Class Member Payments will be calculated from the Net Class Settlement Amount based on the respective number of weeks worked by each Participating Class Member in a non-exempt position during the Class Period, rounded up to the nearest whole week. All Class Members will be deemed to have worked during at least one week during the Class Period. Each Participating Class Member's share of the Net Class Settlement Amount will be calculated by dividing the Participating Class Member's weeks worked in a non-exempt position by the total number of weeks worked by all Class Members in a non-exempt position during the Class Period and multiplying this figure by the Net Class Settlement Amount. The Class Notice will include the number of weeks that the Class Member worked during the Class Period and the amount the Class Member is estimated to receive under the terms of the Settlement.

ii) Individual PAGA Payment: For each Aggrieved Employee, the Individual Settlement Payment will also include the Class Member's *pro rata* share of the PAGA

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Payment, as set forth in Paragraph 52.d (the Individual PAGA Payment).

f. Participating Class Member Payments shall be distributed only to Participating Class Members. The portion of the Net Class Settlement Amount allocated to Class Members who opt out of the Settlement will be distributed to Participating Class Members on a *pro rata* basis based on the formula set forth in Paragraph 52.e. Individual PAGA Payments will be distributed to all Aggrieved Employees.

g. The Parties agree that, under no circumstances shall Defendant be obligated to pay any amount under this Agreement to any Class Member other than Participating Class Members, with the exception of the Individual PAGA Payments which are not affected by a Class Member opting-out of the Settlement. In addition, the Parties agree that, except as provided in Paragraph 51, under no circumstances shall Defendant be obligated to pay more than the Gross Settlement Amount in full settlement of the Actions.

53. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Participating Class Members under this Agreement, including the Individual PAGA Payments made to Aggrieved Employees, will not be utilized to calculate any additional benefits under any benefit plans to which any Participating Class Member or Aggrieved Employees may be eligible including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts which any Participating Class Member or Aggrieved Employee may be entitled to under any benefit plans.

54. Taxation Of Settlement Proceeds. All settlement payments paid to Participating Class Members, Aggrieved Employees, and the Named Plaintiff, will be paid in a net amount after applicable state and federal tax withholdings, including payroll taxes, have been deducted.

a. The Participating Class Member Payments shall be reported as follows: 33.33% of the amount distributed to each Participating Class Member will be considered wages, and will be reported as such to each Participating Class Member on a W-2 Form; (ii) 10% of the amount distributed to each Participating Class Member will be considered interest on the unpaid wages, and (iii) approximately 56.67% to statutory penalties, and will be reported as such to each

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Participating Class Member on an IRS Form 1099. The PAGA Payments distributed to each Aggrieved Employee will be considered penalties and will be reported on an IRS Form 1099.

b. Prior to mailing the Individual Settlement Payments, the Settlement Administrator will calculate, withhold from the Individual Settlement Payment, and remit to applicable governmental agencies sufficient amounts as may be owed by Participating Class Members for required withholdings and taxes, including all payroll taxes. The Settlement Administrator will issue appropriate tax forms to each Participating Class Member and Aggrieved Employee consistent with the foregoing breakdown. The Parties understand that the Named Plaintiff, Participating Class Members, and Aggrieved Employees who receive an Individual Settlement Payment, including an Individual PAGA Payment, pursuant to this Agreement shall be solely responsible for any and all tax obligations associated with such receipt.

c. The Parties stipulate that the Settlement Fund (as defined at Paragraph 59) will qualify as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and Section 1.468B-1 *et seq*. of the federal income tax regulations. Furthermore, the Settlement Administrator is designated as the "**Administrator**" of the qualified settlement funds for purposes of Section 1.468B-2(k) of the income tax regulations. Accordingly, all taxes imposed on the gross income of the Settlement Fund and any tax-related expenses arising from any income tax return or other reporting document that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Settlement Fund.

d. All Parties represent and acknowledge that nothing in this Agreement constitutes tax advice regarding the tax treatment of payments under federal, state, or local law. The Named Plaintiff, Participating Class Members, and Aggrieved Employees will assume any such tax obligations or consequences that may arise from this Agreement and Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. In the event that any taxing body determines that additional taxes are due from any Class Member or Aggrieved Employee, including Named Plaintiff, such Class Member or Aggrieved Employee assumes all responsibility for the payment of such taxes.

55. Notice Procedure. Within 14 calendar days after entry of the Preliminary Approval

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Order, Defendant will provide to the Settlement Administrator a list of Class Members that identifies each Class Member by name, Social Security Number, and last-known address; and specifies the number of weeks worked by each Class Member in a non-exempt position during the Class Period and the PAGA Period (the "**Class List**"). Defendant will provide the Class List in an Excel file or other format reasonably acceptable to the Settlement Administrator. The Settlement Administrator will keep the list confidential, except it shall be provided to Class Counsel upon request with Social Security Numbers and address information redacted, and Class Counsel agrees to use such information only for the purposes described in this Agreement.

a. Upon receipt of the Class List, the Settlement Administrator shall perform a search based upon the National Change of Address Database to update and correct any known or identifiable address changes. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. Within 14 calendar days after receipt of the Class List from Defendant, the Settlement Administrator will send the Class Notice to each Class Member via First Class U.S. Mail. Receipt of the Class Notice shall be presumed as to each and every Class Member whose Class Notice is not returned to the Settlement Administrator as undeliverable within 14 calendar days after mailing.

b. The Settlement Administrator will re-mail any notice packet returned by the United States Postal Service with a forwarding address on or before the expiration of the Notice Period. It shall be conclusively presumed that those Class Members whose re-mailed Class Notice is not returned to the Settlement Administrator as undeliverable within 14 calendar days after re-mailing, received the Class Notice. Class Members who receive a re-mailed Class Notice shall have 45 days from the date of the re-mailing to object, opt out, or dispute the workweeks attributed to him or her.

c. The Settlement Administrator will use the appropriate skip tracing and National Change of Address searches to increase the likelihood of delivery of the Class Notice to Class Members, and to re-mail the notice packets returned by the Postal Service without a forwarding address upon locating new or alternate addresses after a reasonable search.

d. Class Counsel will provide to the Court, in connection with seeking final

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approval of the Settlement, a declaration from the Settlement Administrator confirming that the Class Notice was mailed to all Class Members as required by this Agreement, as well as any additional information Class Counsel deems appropriate to provide to the Court.

56. Dispute Procedure. The Class Notice will include a procedure by which a Class Member may dispute the number of workweeks allocated to the Class Member by submitting a written dispute sent via U.S. Mail to the Settlement Administrator postmarked no later than the expiration of the Notice Period ("**Workweek Dispute**"). To be valid, a Workweek Dispute must contain the following: (i) the Class Member's full name and current address; (ii) the Action name and/or case number; (iii) the number of workweeks the Class Member maintains is correct; and (iv) documentary evidence sufficient to prove that Defendant's calculation of the workweeks for the Class Member is incorrect, if any. Upon receipt of notice of a Workweek Dispute, the Settlement Administrator shall promptly serve Defendant's counsel with a copy of the Workweek Dispute and any accompanying papers. Defendant's counsel will inform Class Counsel of any such dispute. No Workweek Dispute shall be effective or considered for any purpose unless it is timely mailed by U.S. mail to and received by the Settlement Administrator as provided above. Defendant shall have the right to respond to the Workweek Dispute by any Class Member. The Settlement Administrator will also attempt to resolve the Workweek Dispute. To the extent the Workweek Dispute cannot be resolved amongst the Parties, the Court will make a final and binding determination of any unresolved dispute.

a. Within 14 calendar days after the close of the Notice Period, the Settlement Administrator will provide Class Counsel and Defendant's counsel with a report listing the amount of all Individual Settlement Payments, including Individual PAGA Payments, to be made to Participating Class Members and Aggrieved Employees. The report to Class Counsel will not include the names or contact information of Participating Class Members and Aggrieved Employees.

57. Opt-Out Procedure. Unless a Class Member opts out of the settlement described in this Agreement, the Class Member will be bound by the terms and conditions of this Agreement, including the release of the Released Claims that arose during the Class Period. A Class Member

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will not be entitled to opt out of the settlement established by this Agreement unless the Class Member submits a valid opt-out request ("**Opt-Out Request**"). A valid Opt-Out Request must: (i) contain the Class Member's full name and current address; (ii) the Action name and/or case number; (iii) a statement clearly expressing the Class Member's desire to be excluded from (or opt out of) the Settlement; and (iv) be returned so that it is postmarked on or before the expiration of the Notice Period. Alternatively, a Class Member may fill out the Opt-Out Request Form attached to the Class Notice and return it so that it is postmarked on or before the expiration of the Notice Period. Any Class Members who worked during the PAGA Period and who opt out of the Settlement will still be considered Aggrieved Employees for purposes of this Agreement.

a. Upon receipt of any Opt-Out Request within the Notice Period, the Settlement Administrator shall review the Opt-Out Request to confirm that it complies with the opt-out requirements of this Agreement.

b. Any Class Member who fails to submit a timely, complete, and valid Opt-Out Request will be barred from opting out of this Agreement or the settlement, unless otherwise ordered by the Court. If the Settlement Administrator receives a timely Opt-Out Request that is incomplete, it will make reasonable attempts to contact the class member to cure the defect. The Settlement Administrator will not consider any Opt-Out Request postmarked after the end of the Notice Period, but will report its receipt of any such requests to Class Counsel and counsel for Defendant. It shall be presumed that if an Opt-Out Request is not postmarked on or before the end of the Notice Period, the Class Member did not make the request in a timely manner. Absent good cause found by the Court, a declaration submitted by any Class Member attesting to the mailing of an Opt-Out Request on or before the expiration of the Notice Period shall be insufficient to overcome the conclusive presumption that the Opt-Out Request was untimely. Under no circumstances shall the Settlement Administrator have the authority to extend the deadline for Class Members to submit a request to opt out of the settlement without the Parties' joint written consent.

c. At the close of the Notice Period, the Settlement Administrator shall report the names of all individuals who opted out of the Agreement to the parties and include this information in a Declaration regarding the distribution of the notice that will be provided in support

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of Plaintiff's Motion for Final Approval.

d. If 5% or more Class Members timely opt out of the settlement, Defendant will have the sole and absolute discretion to withdraw from this Agreement within fourteen (14) calendar days after Defendant receives notice of the number of opt outs. Defendant will provide written notice to Class Counsel if it intends to withdraw from this Agreement. In the event that Defendant elects to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement, and the Agreement shall become null and void and have no further force or effect, and the class certified pursuant to this Agreement will be decertified for all purposes. If Defendant chooses to terminate this Settlement Agreement under this provision, it shall be responsible to pay the Settlement Administrator's fees and costs. If the Settlement Agreement is terminated for any other reason, including the Court's failure to grant final approval of the Parties' settlement, then Class Counsel and Defendant will be jointly responsible for the Settlement Administrator's fees and costs.

58. Objections To Settlement. Any Class Member may object to the Settlement. Any written objection must be mailed to the Settlement Administrator (who shall promptly provide a copy to Class Counsel and counsel for Defendant) by the close of the Notice Period. Class Counsel will ensure that any written objections get filed with the Court concurrently with the final approval documents by having it attached to the Settlement Administrator's Declaration. Class Members who have not objected in writing may still appear and be heard at the Settlement Hearing.

a. Written objections to the Settlement must contain at least the following: (i) the objecting Class Member's full name and current address; (ii) a clear reference to the Action by name and/or case number; and (iii) a statement of the specific reasons why the objector believes the Settlement is unfair or objects to the Settlement. Alternatively, a Class Member may fill out the Notice of Objection to Class and PAGA Action Settlement Form attached to the Class Notice. In addition, though not required, the Parties ask that any objecting Class Member also include a statement of whether the objector intends to appear at the final approval hearing, either in person or through counsel and, if through counsel, a statement identifying that counsel by name, bar number, address, and telephone number. In addition,. Class Members may appear at the final approval

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hearing to state their objection even if they do not submit a written objection during the Notice Period.

b. Class Counsel or Defendant's counsel may, up to five (5) court days before the Final Hearing Date, file responses to any written objections submitted to the Court.

c. Unless they opt out of the Settlement as specified in Paragraph 57, Class Members who object to the proposed settlement or the Agreement will remain Participating Class Members, and shall be deemed to have voluntarily waived their right to pursue an independent remedy against Defendant and the other Released Parties. To the extent any Participating Class Member objects to the proposed settlement or Agreement and such objection is overruled in whole or in part, such individuals will be bound by the Court's Final Approval Order.

d. In the event that any person objects to or opposes this proposed settlement or the Agreement, or attempts to intervene in or otherwise enter the Actions, the Parties and Class Counsel will use their best efforts to defend the Settlement.

e. A Class Member cannot both opt out and object to the Settlement. If a Class Member both objects and opts out of the Settlement, the opt-out will control and the objection will be deemed invalid.

59. Funding And Distribution Of Settlement.

a. Within ten (10) calendar days of the close of the Notice Period, the Settlement Administrator will provide a draft declaration to Class Counsel and Defendant's counsel setting forth the number of Participating Class Members and Aggrieved Employees; the identity of those individuals who opted out of the Settlement; the total amount payable to all Participating Class Members and Aggrieved Employees; and the total PAGA Amount, Attorneys' Fees and Costs, Enhancement Award, Settlement Administration Costs, Net Class Settlement Amount, and the appropriate applicable employer's taxes for any portion of the Individual Settlement Payments designated as wages.

b. On the later of fifteen (15) calendar days of the Settlement Administrator providing all the information necessary for Defendant to remit payment or fifteen (15) calendar days after the Effective Date, Defendant shall remit to the Settlement Administrator: (i) the Gross

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Settlement Amount of $265,000.00 and (ii) the employer's taxes for any portion of the Individual Settlement Payments designated as wages (the collectively, "**Settlement Fund**"). The delivery by Defendant of the Settlement Fund to the Settlement Administrator will constitute the full and complete discharge of the entire obligation of Defendant under this Agreement, unless anything further is requested by the Settlement Administrator to ensure timely and proper disbursement. No Released Party will have any further obligation or liability to the Named Plaintiff, Participating Class Members, Aggrieved Employees, or Class Counsel under this Agreement, in connection with the claims released herein, regardless of whether the Named Plaintiff, Participating Class Members, Aggrieved Employees, or Class Counsel receive the payments from the Settlement Administrator set forth in this Agreement.

c. The distribution of Individual Settlement Payments to Participating Class Members and Aggrieved Employees will occur no later than ten (10) calendar days after receipt of the Settlement Fund from Defendant ("**Settlement Proceeds Distribution Deadline**"). The Settlement Administrator shall be deemed to have timely distributed Individual Settlement Payments, including Individual PAGA Payments, if it places in the mail the Individual Settlement Payments for all Participating Class Members and the Individual PAGA Payments for all Aggrieved Employees by the Settlement Proceeds Distribution Deadline. No person will have any claim against the Settlement Administrator, Defendant, Class Counsel, Defendant's counsel, or any other agent designated by the Named Plaintiff or Class Counsel based upon the distribution of Individual Settlement Payments made substantially in accordance with this Agreement or further orders of the Court.

d. The distribution of the LWDA Payment, Attorneys' Fees and Costs, and the Enhancement Award shall occur no later than ten (10) calendar days after the Settlement Administrator receives the Settlement Fund from Defendant.

e. If a Participating Class Member's or Aggrieved Employee's check is returned to the Settlement Administrator, the Settlement Administrator will make reasonable efforts to re-mail it to the Participating Class Member or Aggrieved Employee at the correct address. It is expressly understood and agreed that the checks for the Individual Settlement Payments, including

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the Individual PAGA Payments, will become void and no longer available if not cashed within 180 calendar days after mailing. The funds from uncashed and voided checks will be transferred to the State of California's Unclaimed Property Fund in the name of the Participating Class Member/Aggrieved Employee.

f. Defendant will not be obligated to make any payments contemplated by this Agreement unless and until the Court enters the Final Order and Judgment, and after the Effective Date of the Agreement.

g. Within sixty (60) calendar days of the Settlement Proceeds Distribution Deadline, the Settlement Administrator will provide written certification of completion of settlement administration to Class Counsel and to Defendant's Counsel.

60. Binding Effect Of Agreement On Class Members. Subject to final Court approval and the occurrence of the Effective Date, and unless otherwise provided in this Agreement, all Participating Class Members will be bound by this Agreement.

61. Binding Effect Of Agreement On Aggrieved Employees and State of California. The Aggrieved Employees and the State of California, to the extent permitted by law, shall be deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against Defendant or any of the Released Parties for any of the PAGA Claims and to be bound by the release of the PAGA Released Claims during the PAGA Period as set forth in this Agreement.

62. Provisional Approval Of Settlement. Named Plaintiff will file a motion in the Actions requesting that the Court enter the Preliminary Approval Order within 21 days after complete execution of this Agreement. Defendant will not oppose Class Counsel's motion for preliminary approval of the settlement so long as the motion and supporting papers are consistent with the terms of this Agreement. Class Counsel will provide Defendant's counsel at least 3 business days to review, and provide comments to, the draft motion for preliminary approval of the settlement before the motion and supporting papers are filed with the Court. Notwithstanding the foregoing, Defendant may, without opposing the preliminary approval motion, advise the Court if Defendant dispute any of the factual statements concerning the claims at issue included by the Named Plaintiff in the motion and supporting papers. Defendant's counsel will meet and confer

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with Class Counsel regarding any disputed factual statements before notifying the Court of any disputes.

63. Non-Interference With Claims Procedure. The Parties and their counsel agree that they will not advise, solicit, or otherwise encourage any Class Members to submit requests for exclusion or objections to the settlement or to appeal from the Final Order or Final Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

64. Final Order and Judgment. The Named Plaintiff will request that the Court enter, after the Settlement Hearing finally approving this Agreement, a Final Order and Judgment. Named Plaintiff will request that the Final Order and Judgment certify the Participating Class; find that this Agreement is fair, just, equitable, reasonable, adequate and in the best interests of the Class and the Aggrieved Employees; list the employees (if any) who opted-out of the settlement; order that the Participating Class Members release the Released Parties from the Released Claims; order that the Aggrieved Employees and the State of California release the Released Parties from the PAGA Claims as set forth in this Agreement (to the extent permitted by law); and require the Parties to carry out the provisions of this Agreement.

65. Automatic Voiding Of Agreement If Settlement Not Finalized. If for any reason the settlement set forth in this Agreement does not become final, the settlement will be null and void and the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be vacated, and the Parties will be returned to the status quo prior to entering this Agreement with respect to the Actions, as if the Parties had never entered into this Agreement, and the class certified pursuant to this Agreement will be decertified for all purposes. In addition, in such event, the Agreement and all negotiations, court orders, and proceedings relating to this Agreement shall be without prejudice to the rights of any and all parties to this Agreement, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Actions or otherwise.

66. No Double Recovery. No Class Member who has already released, assigned, or otherwise forfeited the claims asserted in the Action will be considered a Class Member or be entitled to recover under this Agreement. Such persons will be excluded from the Class List.

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67. No Publicity. The Named Plaintiff and Class Counsel agree that they shall not publicize the filing of the Actions, the Parties' settlement, this Agreement and its terms, or the negotiations leading to this Agreement with anyone other than the Court, Class Members, or those individuals necessary to effectuate the terms of the Agreement. The prohibition set forth in this Paragraph 67 includes, but is not limited to: (i) publication by Named Plaintiff or Class Counsel on any website (including, without limitation, publishing on any Twitter account, Facebook, other social media, or blog, or business website) of the amount or terms of the settlement, with or without identifying information; and (ii) the submission of information to Verdicts & Settlements, Jury Verdicts, or any other publication that summarizes the results of jury verdicts and settlements.

a. Notwithstanding the foregoing, Class Counsel may respond to questions received from, and discuss any aspect of this Agreement with the Class Members or their legal representatives, the Settlement Administrator, the Court, and representatives of the California Labor and Workforce Development Agency.

b. Notwithstanding the forgoing, nothing in this Paragraph shall prohibit the filing of information with the Court or the LWDA relating to the Settlement that is necessary to effectuate this Agreement, or the online posting of documents relating to the Actions by the Settlement Administrator as permitted by this Agreement, including the Judgment entered by the Court.

c. The Named Plaintiff and Class Counsel agree that all data and information informally produced by Defendant in connection with the settlement of these Actions will be maintained in confidence, and will not be shared with any other persons or entities.

68. Invalidation Of Agreement For Failure To Satisfy Conditions. If the Court makes material changes to the material terms or conditions of Paragraphs 1 through 67 of this Agreement that are not agreed to by the Parties, either Party shall have the right to terminate this Agreement, in which case Defendant would not be obligated to make any payments to any Class Member, to Class Counsel, or to the Named Plaintiff. The Parties shall meet and confer in good faith and involve mediator Robert Coviello as necessary before exercising such right.

69. Modification In Writing. This Agreement may be altered, amended, modified or

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waived, in whole or in part, only in a writing signed by all signatories to this Agreement and approved by the Court. This Agreement may not be amended, altered, modified or waived, in whole or in part, orally.

70. Ongoing Cooperation. The Named Plaintiff and Defendant will execute all documents and perform all acts necessary and proper to effectuate the terms of this Agreement. In the event the Parties are unable to reach an agreement on the form or content of any document needed to implement the Settlement, or any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Mediator (Robert Coviello) and, if still unable to resolve their dispute, the Court.

71. Notices. All notices, requests, demands, and other communications required or permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered personally or by first class mail to the Settlement Administrator approved by the Court and the undersigned persons at their respective addresses as set forth below:

CLASS COUNSEL

JAMES HAWKINS APLC
James R. Hawkins
Gregory Mauro
Michael Calvo
Lauren Falk
Ava-Issary
9880 Research Drive Suite 200
Irvine CA 92618
Tel.: (949) 387-7200

COUNSEL FOR DEFENDANT

NEWMEYER & DILLION LLP
Michael J. Studenka, Esq.
895 Dove Street, 5th Floor
Newport Beach, California 92660
Telephone: (949) 854-7000

72. Binding on Successors. This Agreement will be binding upon and will inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives.

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73. Entire Agreement. This Agreement constitutes the full, complete, and entire understanding, agreement, and arrangement between the Named Plaintiff, the Class Members, and the Aggrieved Employees, on the one hand, and Defendant, on the other hand, with respect to the settlement of the Actions. This Agreement supersedes any and all prior oral or written understandings, agreements, and arrangements between the Parties with respect to the settlement of the Actions. Except for those set forth expressly in this Agreement, there are no other agreements, covenants, promises, representations or arrangements between the Parties with respect to the settlement of the Actions, the PAGA Claims, and the Released Claims against Defendant and its Released Parties. The Parties explicitly recognize California Civil Code section 1625 and California Code of Civil Procedure section 1856(a), which provide that a written agreement is to be construed according to its terms, and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement.

74. Execution In Counterparts. This Agreement may be signed in one or more counterparts. All executed copies of this Settlement Agreement, and photocopies of the Agreement (including DocuSign, facsimile and e-mail copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

75. Captions. The captions, section numbers, and paragraph numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

76. Governing Law. This Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the State of California, without regard to conflict of law rules.

77. Reservation Of Jurisdiction. Notwithstanding the dismissal of the Actions and entry of the Final Order and Judgment, the Court shall retain jurisdiction for purposes of interpreting and enforcing the terms of this Agreement pursuant to California Code of Civil Procedure section 664.6 and California Rules of Court, Rule 3.769(h).

78. Mutual Preparation. The Parties have had the full opportunity to negotiate the terms

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and conditions of this Agreement. Accordingly, this Agreement 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 arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

79. Representation and Warranties. Class Counsel and the Named Plaintiff represent and warrant to Defendant that they are not aware of any attorneys beyond those named as Class Counsel who have claims for fees arising out of the Actions or the Settlement contemplated by this Agreement.

80. Authorization to Act. Each Party to this Agreement covenants and warrants that (a) such Party has full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery, and performance of this Agreement; and (b) the person executing this Agreement for such Party has the full right, power, and authority to enter into this Agreement on behalf of such Party, and the full right, power, and authority to execute any and all necessary instruments in connection with the Settlement, and to fully bind such Party to the terms and obligations of this Agreement.

81. Representation By Counsel. The Parties acknowledge that each of them has been represented by their respective counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of their respective counsel. Further, the Named Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement, and that after entry by the Court of the Final Order and Judgment, the Settlement Administrator may distribute funds to Participating Class Members, Aggrieved Employees, Class Counsel, the LWDA, the Settlement Administrator, and the Named Plaintiff as provided by this Agreement.

82. Representation By The Named Plaintiff. The Named Plaintiff agrees not to request to be excluded from the Class and not to object to any terms of this Agreement. Any such request by the Named Plaintiff for exclusion or objection shall be void and of no force or effect.

83. Additional Attorneys' Fees and Costs. No Participating Class Member, Aggrieved Employee, or Class Counsel, or any other attorney acting for any Participating Class Member or

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Aggrieved Employee may recover or seek to recover any amounts for fees, costs, or disbursements arising from the Actions or the Gross Settlement Amount from the Released Parties except as expressly provided for in this Agreement.

84. No Reliance on Representations. The Parties have made such investigations of the facts and the law pertaining to the matters described in this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any other Party, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

85. No Collateral Attack. This Agreement will not be subject to collateral attack by any Class Member or any recipient of the Class Notice after the Final Order and Dismissal. Such prohibited collateral attacks shall include but not be limited to claims that the Class Member failed for any reason to receive timely notice of the procedure for disputing the calculation of their Individual Settlement Payment, or for opting out of the Settlement.

IT IS SO AGREED:

Dated: 9/3/2026

PLAINTIFF HECTOR CHAVEZ CRUZ

Signature:

By: 563ED557C25840E...

Hector Chavez Cruz
Named Plaintiff

Dated: _____

DEFENDANT GLOBAL METAL RECYCLING, INC.

By: _____

Title: _____

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Aggrieved Employee may recover or seek to recover any amounts for fees, costs, or disbursements arising from the Actions or the Gross Settlement Amount from the Released Parties except as expressly provided for in this Agreement.

84. No Reliance on Representations. The Parties have made such investigations of the facts and the law pertaining to the matters described in this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any other Party, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

85. No Collateral Attack. This Agreement will not be subject to collateral attack by any Class Member or any recipient of the Class Notice after the Final Order and Dismissal. Such prohibited collateral attacks shall include but not be limited to claims that the Class Member failed for any reason to receive timely notice of the procedure for disputing the calculation of their Individual Settlement Payment, or for opting out of the Settlement.

IT IS SO AGREED:

PLAINTIFF HECTOR CHAVEZ CRUZ

Dated: _____

By: _____
Hector Chavez Cruz
Named Plaintiff

Dated: 9/15/2026

DEFENDANT GLOBAL METAL RECYCLING, INC.

By: DocuSigned by: Sonia Johnson
B41E48411CF24CB...

Title: President/CEO

Docusign Envelope ID: 299A15B0-D19D-86D7-8070-A7B6BEC7B963

APPROVED AS TO FORM ONLY AND AGREE TO BE BOUND BY PARAGRAPH 67:

Dated: 09.03.2026

JAMES HAWKINS APLC

By: _____
Gregory Mauro
Attorney for Plaintiff

APPROVED AS TO FORM ONLY:

Dated: _____

NEWMEYER & DILLION LLP

By: _____
Michael J. Studenka
Attorney for Defendant

Docusign Envelope ID: 4C0246B6-D720-8605-812C-B98C736074F8

APPROVED AS TO FORM ONLY AND AGREE TO BE BOUND BY PARAGRAPH 67:

Dated: _____ JAMES HAWKINS APLC

By: _____
Gregory Mauro
Attorney for Plaintiff

APPROVED AS TO FORM ONLY:

Dated: September 15, 2026 NEWMEYER & DILLION LLP

By: _____
Michael J. Sadenka
Attorney for Defendant

EXHIBIT A

NOTICE OF CALIFORNIA CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

HECTOR CHAVEZ CRUZ v. GLOBAL METAL RECYCLING, INC., et al.
Superior Court of the State of California for the County of Orange
Case No. 30-2025-01516858-CU-OE-CXC Related with Case No. 30-2026-01547873-CUOE-CXC

If you were employed by Global Metal Recycling, Inc. as a non-exempt hourly employee who performed work in the State of California at any time during the Class Period of October 6, 2021, through June 30, 2026, you could be a Class Member and receive a payment from a proposed class action settlement. (Hereinafter, "Class Members").

You are not being sued. Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court for the County of Orange (the **"Court"**) has preliminarily approved a class and representative action lawsuit, upon the terms set forth in the Settlement Agreement and Stipulation To Resolve Class Action and PAGA Claims (**"Settlement"** or **"Settlement Agreement"**), that may affect your legal rights. The proposed Settlement resolves as lawsuit pending in the Court entitled *HECTOR CHAVEZ CRUZ v. GLOBAL METAL RECYCLING, INC., et al.,* Case No. 30-2025-01516858-CU-OE-CXC ("**Action**" or "**Lawsuit**"), filed by HECTOR CHAVEZ CRUZ ("**Plaintiff**") against GLOBAL METAL RECYCLING, INC. ("**Defendant**").

You are receiving this Notice because you have been identified by DEFENDANT as a Class Member, defined as follows:

> **All current and former non-exempt hourly employees of Global Metal Recycling, Inc. who performed work in the State of California at any time during the Class Period of October 6, 2021, through June 30, 2026.**

- This Lawsuit is based on various allegations, including but not limited to, Plaintiff's claims that DEFENDANT: (1) Failed to Pay Wages Including Overtime pursuant to Labor Code §§ 510 and 1194; (2) Failed to Provide Meal Periods pursuant to Labor Code §§ 226.7, 512, and IWC Wage Orders; (3) Failed to Provide Rest Periods pursuant to Labor Code §§ 226.7, 512; (4) Failed to Pay Timely Wages pursuant to Labor Code § 203; (5) Failed to Timely Pay Wages During Employment pursuant to Labor Code § 204; (6) Failure to Provide Accurate Wage Statements pursuant to Labor Code § 226; (7) Violated Labor Code § 6401.7; (8) Violated Business & Professions Code § 17200, et seq. and (9) violated the Private Attorneys General Act ("PAGA") (Labor Code §§ 2698 *et seq.*). Depending on your dates of employment, you may qualify for recovery under those claims as part of this Settlement to the extent the Court grants final approval of this Settlement.
- The Settlement provides cash payments to Class Members who worked in California, based on their number of workweeks of employment by DEFENDANT from October 6, 2021, through June 30, 2026**.** (the **"Class Period"**). DEFENDANT's records reflect you worked **[[Individual Workweeks]]** workweeks during the Class Period. Based on this information, if the Court grants final approval of the Settlement, your Individual Settlement Payment is estimated to be **$[[Individual Class Payment]]** (less any applicable state and federal withholdings). The actual amount you may receive will likely be different and will depend on multiple factors, such as whether there are any workweek adjustments for Class Members.
- To the extent the Court grants final approval of the Settlement, the Settlement also provides for additional cash payments to individuals who worked for DEFENDANT as non-exempt employees in California at any

time from October 6, 2024, through June 30, 2026**.** (the **"Aggrieved Employees"** during the **"PAGA Period"**), based on the number of weeks each PAGA Group Member worked during the PAGA Period.

  - [IF APPLICABLE] You have been identified as a PAGA Group Member and DEFENDANT's records reflect you worked **[[PAGA Workweeks]]** workweeks during the PAGA Period. Based on this information, if the Court grants final approval of the Settlement, your PAGA Settlement Payment is estimated to be **$[[PAGA Settlement Payment]].**

- DEFENDANT denies Plaintiff's contentions and maintains it has fully complied with the law. By entering into this settlement, DEFENDANT in no way admits any violation of law or any liability whatsoever to Plaintiff or Class Members, individually or collectively, and expressly denies all such liability.
- Plaintiff and DEFENDANT have reached this settlement in light of all known facts and circumstances—including the risks of significant delay and uncertainty associated with litigation, various defenses asserted by DEFENDANT, and numerous potential appellate issues—with the assistance of an experienced mediator knowledgeable of both the wage and hour laws and class and representative claims at issue.

THIS NOTICE IS NOT TO BE UNDERSTOOD OR VIEWED AS AN EXPRESSION OF ANY OPINION FROM THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS ASSERTED BY PLAINTIFF OR DEFENSES ASSERTED BY DEFENDANT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Settlement Payment related to the Released Class Claims if the Court grants final approval of the Settlement. In such case, you will be bound by the Released Class Claims in the Settlement and release your claims in exchange for compensation.
OPT OUT	You may opt out of the Released Class Claims in the Settlement by submitting a Request for Exclusion form as explained below. If you opt out, you cannot object to the Settlement, you will not receive an Individual Settlement Payment related to the Released Class Claims, and you shall not be bound by the Released Class Claims in the Settlement. However, regardless if you choose to opt out, to the extent the Court grants final approval of the settlement and you worked within the PAGA Period identified above, you will still be sent a Settlement Check associated with those claims, as more fully described below.
OBJECT	You may object to the Settlement by submitting a written objection. If the Court grants final approval of the Settlement despite your objection, you will remain eligible to automatically receive an Individual Settlement Payment and you will be bound by the Released Class Claims. However, you can only file an objection if you do not opt out of the Settlement.

The Court's final approval hearing is scheduled to take place on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** in Dept. **CX101** of the Orange Superior Court, located at 700 Civic Center Dr E, Santa Ana, CA 92701. You do not have to attend but you do have the right to appear. ***For more information, please carefully read this notice.***

1. Why Did I Receive This Notice And What Is This Lawsuit About?

You received this Notice because DEFENDANT's records show that you are a Class Member included in this Lawsuit by virtue of your employment with DEFENDANT. On _____, the Settlement was preliminarily approved by the Court in this Lawsuit. The Court in this Lawsuit ordered that this Class Notice be mailed to you and all other Class Members to notify you of the terms of the proposed Settlement so that you may make appropriate decisions, and to notify you of your rights to share in the proposed Settlement in this Lawsuit. This Class Notice does not express any opinion by the Court regarding the merits of any claims or defenses asserted by any party in the Lawsuit.

The terms of the Settlement are set forth in detail in the Settlement Agreement. You may obtain a copy of the Settlement Agreement from the neutral third-party appointed by the Court to administer the settlement (the **"Settlement Administrator"**). Details about how to get additional information about the Settlement Agreement are provided at the end of this Class Notice.

The Lawsuit is brought by Plaintiff, individually and on behalf of other individuals, alleging, among other things, that that DEFENDANT: (i) failed to pay all overtime wages; (ii) failed to provide required meal and rest periods or premium payments in lieu thereof; (iii) failed to provide accurate wage statements; (iv) failed to timely pay Class Members wages during employment, upon termination, and associated waiting time penalties; (v) violated California's unfair competition law; (vi) violated labor code § 6401.7and (vii) violated PAGA. Plaintiff is represented by James Hawkins, APLC (**"Class Counsel"**).

DEFENDANT denies the allegations and denies that it owes money to Plaintiff, the Aggrieved Employees, or the Class Members for any of the alleged claims. DEFENDANT expressly denies any and all charges of wrongdoing or liability arising out of the acts, omissions, facts, matters, transactions, or occurrences alleged, or that could have been alleged, in the Lawsuit. DEFENDANT contends that it has complied with applicable state, municipal, and federal laws, statutes, ordinances, regulations, common law, and wage orders. DEFENDANT has raised numerous defenses to Plaintiff's claims and those defenses could significantly reduce or even eliminate any liability or damages owed to the Class Members.

The parties participated in a mediation with a respected mediator. After significant investigation and research into the facts and circumstances underlying the issues raised in the Lawsuit and with the aid of the mediator, the parties agreed to settle the Lawsuit, which was approved by the Court, upon the terms set forth in the Settlement Agreement. The Court did not decide in favor of Plaintiff or DEFENDANT and there was no trial.

The Settlement Agreement represents a compromise of highly disputed claims. DEFENDANT, by settling the Lawsuit, does not admit, concede, or imply any fault, wrongdoing, or liability. Plaintiff and DEFENDANT, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is appropriate. Counsel for Plaintiff and the Class Members believe that the proposed Settlement is fair, adequate, and reasonable and in the best interests of the Class Members.

2. What Are the Settlement Terms?

As a part of the Settlement, which includes the California Class Action and PAGA Settlement, DEFENDANT has agreed to pay the amount of $265,000.00 ("**Gross Settlement Amount**").

At the Final Approval Hearing, the Plaintiff, through Class Counsel, will ask the Court to approve the Gross Settlement Sum, including authorizing: (1) all Settlement Payments to Settlement Class Members, (2) the amount of up to $10,000 for Plaintiff's services as the representative of the Settlement Class Members ("**Enhancement**

Award"); (3) the amount of up to 35% in attorneys' fees (i.e., an amount not to exceed $92,750.00) and the amount of up to $20,000 in litigation costs and expenses to Class Counsel ("**Attorneys' Fees and Costs**"); (4) reasonable settlement administration costs, up to $6,300 ("**Settlement Administration Costs**"); and (5) $13,250 to the California Labor and Workforce Development Agency for the PAGA Payment, 35% of which will be distributed to the Aggrieved Employees ("**PAGA Settlement Payment**"). Defendant's share of applicable payroll taxes will be paid by Defendant separately.

The Gross Settlement Sum minus the Enhancement Award, Attorneys' Fees and Costs, Individual PAGA Payment, and the Settlement Administration Costs, is referred to as the "**Net Settlement Fund.**" Payments to the Settlement Class Members will be allocated based on the number of workweeks each individual worked during the Class Period, on a pro-rata basis. Likewise, all non-exempt employees who worked in California during the PAGA Period ("Aggrieved Employees") will receive a pro rata portion of the Individual PAGA Payment based on the number of workweeks each individual worked during the PAGA Period. Partial weeks will be counted as full weeks.

The Class Settlement Fund shall be allocated under the following formula:

1. Distribution of Class Settlement Fund

The amount of the Class Settlement Fund each Settlement Class Member can receive will be determined based upon the number of workweeks worked during the Class Period. The Settlement Administrator will calculate Individual Settlement Payments by (1) dividing the Class Settlement Fund by the total number of workweeks worked by all Settlement Class Members, and then (2) multiplying the result by the number of workweeks worked by each respective Settlement Class Member.

a. Individual Class Payments

Each Class Member who does not timely and properly opt out of the Settlement ("Settlement Class Members") will be entitled to receive a portion of the Class Settlement Amount based on the formula above ("Individual Settlement Payments"). The Settlement Administrator will calculate Individual Settlement Payments for all Settlement Class Members.

The Participating Class Member Payments shall be reported as follows: 33.33% of the amount distributed to each Participating Class Member will be considered wages, and will be reported as such to each Participating Class Member on a W-2 Form; (ii) 10% of the amount distributed to each Participating Class Member will be considered interest on the unpaid wages, and (iii) approximately 56.67% to statutory penalties. The Settlement Administrator shall issue any necessary IRS Form 1099 and W-2s to Settlement Class Members for their respective Individual Settlement Payments. Settlement Class Members shall be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold harmless DEFENDANT from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

b. Undeliverable or Uncashed Checks

If a Participating Class Member's or Aggrieved Employee's check is returned to the Settlement Administrator, the Settlement Administrator will make reasonable efforts to remail it to the Participating Class Member or Aggrieved Employee at the correct address. It is expressly understood and agreed that the checks for the Individual Settlement Payments, including the Individual PAGA Payments, will become void and no longer available if not cashed within 180 calendar days after mailing. The funds from uncashed and voided checks will be transferred to the State of California's Unclaimed Property Fund in the name of the Participating Class Member/Aggrieved Employee.

2. Attorneys' Fees and Costs Award

You do not need to pay individually any portion of Class Counsel's Attorneys' Fees and Costs. Any payments for those Attorneys' Fees and Costs will be deducted from the Gross Settlement Sum. Class Counsel intends to request that the Court approve an Attorneys' Fees and Costs Award in the amount of up to 35% of the Gross Settlement Sum (or $92,750.00) and costs in the amount of up to $20,000.00.

The Court's approval of an Attorneys' Fees and Costs Award is not a material term of the settlement. If the Court does not approve or approves only a lesser amount than requested by Class Counsel for an Attorneys' Fees and Costs Award, the other terms of the settlement shall apply. The Court's refusal to approve the Attorneys' Fees and Costs Award requested by Class Counsel does not give Plaintiff or Class Counsel any basis to abrogate the Settlement. Any amount of an Attorneys' Fees and Costs Award requested by Class Counsel but unapproved by the Court shall be allocated to the Net Settlement Amount.

3. Enhancement Awards

Class Counsel intends to request that the Court approve an Enhancement Award for Plaintiff in the total amount of up to $10,000. Plaintiff's Enhancement Award is in addition to Plaintiff's Individual Settlement Payment.

The Court's approval of Plaintiff's Enhancement Award is not a material term of the settlement. If the Court does not approve or approves only a lesser amount than requested by Class Counsel for Plaintiff's Enhancement Award, the other terms of the settlement shall apply. The Court's refusal to approve Plaintiff's Enhancement Award requested by Class Counsel does not give Plaintiff or Class Counsel any basis to abrogate the Settlement. Any amount of Plaintiff's Enhancement Award requested by Class Counsel but unapproved by the Court shall be allocated to the Net Settlement Amount.

4. Settlement Administration Costs

Class Counsel intends to request that the Court approve Settlement Administration Costs of up to $6,300.00, payable to the Settlement Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Notices, providing any required tax forms, processing any required tax payments or reporting, and calculating and distributing settlement payments. Any amount of Settlement Administration Costs requested by Class Counsel but unapproved by the Court shall be allocated to the Net Settlement Amount.

5. PAGA Payment

Class Counsel intends to request that the Court allocate $13,250.00 to the PAGA Payment out of the Gross Settlement Sum, and approve an LWDA Payment of $8,612.50 (or 65% of the PAGA Payment) to the State of California Labor and Workforce Development Agency ("LWDA"), and the remaining $4,637.50 (or 35% of the PAGA Payment) for a payment to the Aggrieved Employees ("Individual PAGA Payment"). Any amount of the PAGA Payment requested by Plaintiff but not approved by the Court shall be allocated to the Net Settlement Amount.

6. All Payments Subject to Court Approval

All of the payments listed above will be made if and only if the Court grants final approval of the settlement. The Court may adjust the amounts of certain payments.

4. What Do I Release Under the Settlement?

In exchange for your Individual Settlement Payment, you will be treated as a Settlement Class Member, participating fully in the settlement, unless you submit a signed Request for Exclusion by [[Response Deadline]] (**"Response Deadline"**).

After the judgment is final and DEFENDANT has fully funded the settlement, Participating Class Members will be legally barred from asserting against DEFENDANT, and its respective current and former parents, predecessors or successors, holding companies, owners, subsidiaries, divisions, and affiliated or related persons or entities, and each of their respective officers, directors, managers, employees, insurers, partners, shareholders, members, attorneys, agents, executors, and assigns (collectively, the **"Released Parties"**) from any of the claims released under the Settlement (**"Released Claims"**), as follows:

Claims based on Defendant's failure to provide meal periods or pay missed meal period premiums, failure to provide rest breaks or pay missed rest break premiums, failure to pay all minimum wages owed, failure to pay all overtime wages owed, failure to furnish timely and accurate wage statements, failure to pay all wages owed upon separation, violation of Labor Code section 6401.7, failure to reimburse all necessary business-related expenses, violation of California's Unfair Competition Law ("UCL"), and for civil penalties for Labor Code violations under California's Private Attorneys General Act ("PAGA") in violation of California Labor Code sections 201-203, 204, 204(a), 212, 225.5, 218.5, 226, 226(a), 226.7, 227.3, 351, 510, 510(a), 512, 558, 226.3, 1174, 1174.5, 1175, 1194, 1197, 1197.1, 1198, 6401.7, 2802; related violations of the applicable California Wage Orders; violations of all related or corresponding federal laws; and violations of California Business and Professions Code section 17200, et seq in connection with the alleged Labor Code violations alleged (or that could be alleged based on the facts pled) in the Actions.

6. How Can I Correct The Number of Workweeks Attributed To Me?

You have until the Response Deadline to correct or challenge the number of workweeks attributed to you in this Notice. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail or email to the Settlement Administrator at the following address:

Settlement Administrator:

[ ]

The Settlement Administrator will accept DEFENDANT's calculation of workweeks as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you.

7. How Will I Get Paid?

The Settlement Administrator will send, by U.S. mail, a single check to every Settlement Class Member following the Effective Date of this Settlement. Your check will be sent to the same address as this Notice. If you change your address, notify the Settlement Administrator as soon as possible.

8. What If I Lose My Settlement Check or Fail To Cash It?

If you lose or misplace your Settlement Check, the Settlement Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void or you have otherwise failed to cash it, it will be provided to the State of California's Unclaimed Property Division in your name. For more information, please review how to process a claim for your funds with the State of California, https://www.sco.ca.gov/upd_form_claim.html.

9. How Do I Opt Out of the Class Settlement?

If you do not want to participate in the Class Settlement, you may opt out of the Class Settlement. If you opt out of the Class Settlement, you may not object to the Class Settlement, shall not receive any Individual Settlement Payment, and shall not be bound by the Released Class Claims in the Settlement Agreement. However, notwithstanding your decision to opt out, if the Court grants final approval of the Settlement and you otherwise qualify to participate in the Settlement as it pertains to the PAGA claims, you will still receive a Settlement Check in the mail associated with those claims, and you may not opt out of an approved PAGA settlement.

In order to opt out, you MUST express your desire to be excluded from the Class Settlement by taking the steps below. Failure to do so will be deemed a waiver of your request to opt out of the settlement, and you will be bound by the Released Class Claims:

(1) You must mail a written statement to the Settlement Administrator listed above.

(2) The written statement MUST include: your name, address, telephone number, the last four digits of your Social Security number, and the case name and number.

(3) The written statement must state in substance, "I wish to opt out of the settlement in the lawsuit *HECTOR CHAVEZ CRUZ v. GLOBAL METAL RECYCLING, INC.*, Case No. 30-2025-01516858-CU-OE-CXC."

(4) The written statement must be postmarked by the Response Deadline, 60 days after mailing or 45 days after remailing, whichever is later.

This can be accomplished by mailing to the Settlement Administrator a "Request for Exclusion." You may use the attached "Request for Exclusion" form. Any such Request for Exclusion must be postmarked by the Response Deadline.

Any Request for Exclusion that does not include all required information or that is not submitted timely will be deemed null, void, and ineffective. A Request for Exclusion shall be deemed to be submitted as of the postmarked date. If you submit both a Request for Exclusion and an objection, your objection will be valid and be deemed to invalidate the Request for Exclusion.

Any Class Member who validly requests to be excluded from the Settlement will not be a Settlement Class Member and will not receive an Individual Payment for the release of the Released Class Claims. Notwithstanding, should the Court grant final approval of the Settlement and you are a PAGA Group Member, you will still receive a settlement payment associated with the resolution of the PAGA claims in this Lawsuit and you will be bound by the Released PAGA Claims.

10. How Do I Object to the Settlement?

If you want to participate in the Settlement, you do not have to do anything and do not have to appear at the final approval hearing before the Court. You will receive your Individual Settlement Payment automatically if the Court grants final approval of the Settlement.

However, if you want to object to the Settlement, you must take the steps below. Failure to do so will be deemed a waiver of any objections, and you may not be permitted to appear at the final approval hearing before the Court:

(1) You must mail a written statement to the Settlement Administrator listed above.

(2) The written statement MUST include: your name, address, telephone number, last four digits of your Social Security number, and the basis for your objection along with copies of any papers, briefs, or other documents upon which the objection is based.

(3) If you object, you may but are not required to appear at the final approval hearing either in person or through counsel, paid for at your own expense.

(4) The written statement must be postmarked by 60 calendar days after the initial mailing of Class Notice.

If you fail to make an objection in the manner specified above, you shall be deemed to have waived any objections and shall be foreclosed from making any objection, whether by appeal or otherwise, to this settlement.

If you submit an objection, you will be bound by the Settlement if it is finally approved. If you do not want to be bound by the Settlement if finally approved, you must opt out of the settlement.

11. Can I Attend the Final Approval Hearing?

You may, but are not required to, attend the Final Approval Hearing on [[Final Approval Hearing Date]] at [[Final Approval Hearing Time]] in Dept. CX101 of the Orange Superior Court, located at 700 Civic Center Dr E, Santa Ana, CA 92701**. At the hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Sum will be paid to the LWDA, Class Counsel, the Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel, and defense counsel before making a decision.**

It is possible the Court will reschedule the Final Approval Hearing. Please review the Court's online docket or contact the Settlement Administrator or Class Counsel to verify the date and time of the Final Approval Hearing if you intend to appear.

12. How Can I Get More Information?

The Settlement Agreement sets forth everything DEFENDANT and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Settlement Agreement or any other Settlement documents is to go to the Court's website, access the Register of Actions, and search for the case using the case number at the top

of this notice. You can also contact the Settlement Administrator (_____, contact information above), or Class Counsel at the address below:

Class Counsel:
JAMES HAWKINS APLC
James Hawkins, Esq.
Gregory Mauro, Esq.
9880 Research Dr., Irvine, CA 92618
Office: (949) 387-7200
Fax: (949) 387-6676
www.jameshawkinsaplc.com

PLEASE DO NOT CALL THE COURT, CLERK OF THE COURT, JUDGE, THE COMPANY, OR DEFENDANT'S ATTORNEYS WITH INQUIRIES FOR INFORMATION REGARDING THE SETTLEMENT

Request for Exclusion Form

HECTOR CHAVEZ CRUZ v. GLOBAL METAL RECYCLING, INC.
Superior Court of the State of California for the County of Orange
Case No. 30-2025-01516858-CU-OE-CXC

By signing and returning this form, I confirm that I do not want to be included in the Settlement or receive a settlement check in the class action lawsuit referenced above.

I understand that by opting out, I am giving up my right to receive any payments related to the class action claims in this Settlement. To "opt out," this form must be postmarked no later than [[Response Deadline]] and mailed via U.S. Mail to the following address:

[ ]

I confirm I have reviewed the Notice of Class Action Settlement. I have decided to be excluded from the class and **not** participate in the proposed class action settlement or receive an individual settlement check I am otherwise entitled to receive.

Dated: _____

_____
(Signature)

_____
(Last Four Digits of SSN)

_____
(Type or print name and former name(s))

_____
(Telephone Number)

_____
(Address)