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SETTLEMENT AGREEMENT OF CLASS ACTION AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS

This Settlement Agreement of Class Action and Private Attorneys General Act Claims ("Settlement" or "Settlement Agreement") is made between Plaintiffs Darius Price, Omari Robinson, Bobby Vargas, Coreen Silverie, Ana Ayala, and Nancy Tapia ("Plaintiffs"), as individuals and on behalf of all other similarly situated and alleged aggrieved employees, on the one hand, and Defendant McGee Air Services, Inc. ("Defendant" or "McGee") on the other hand (collectively, the "Parties" and individually, a "Party").

I. DEFINITIONS

A. "Class Counsel" means Neil M. Larsen, Eli Drummond, and Jennifer Rivera Esq. of Abramson Labor Group, 1700 W. Burbank Blvd., Burbank, California 91506; Raul Perez, Esq., Orlando Villalba, Esq., and Helga Hakimi, Esq. of Capstone Law APC, 1875 Century Park East, Suite 1000, Los Angeles, CA 90067; and Cary Kletter, Esq., Rachel Hallam, Esq., and Daniel Bronstein, Esq. of Kletter.Law, 111 South Claremont Street, Suite A, San Mateo, CA 94403.

B. "Class Member Payments" means the amount payable from the Class Payout Fund to each Settlement Class Member, 75% of which shall be allocated to statutory penalties and other non-wage recovery, including interest, and 25% of which shall be allocated to wages. Class Member Payments are separate and distinct from PAGA Payments (defined below) that will be paid to PAGA Aggrieved Employees.

C. "Class Payout Fund" means all funds remaining from the Gross Settlement Amount after deducting the Court-awarded Named Plaintiffs Enhancement Payments, Fees Award, Costs Award, Settlement Administration Costs, PAGA Payments, and the Named Plaintiffs General Release Payments.

D. "Class Period" means the time period from February 7, 2021 through the date of Preliminary Approval.

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E. "Costs Award" means costs of litigation approved by the Court for Class Counsel's reasonable costs incurred in investigation, litigation, and resolution of the Lawsuits, and administration of the Settlement, including anticipated costs incurred through Final Approval and disbursement of payments under this Settlement Agreement and obtaining entry of the judgment terminating the Lawsuits.

F. "Court" means the Superior Court of the State of California, County of San Mateo, located at 800 North Humboldt Street, San Mateo, CA 94401.

G. "District Court" refers to the United States District Court, Northern District of California, located at 450 Golden Gate Avenue, San Francisco, CA 94102.

H. "Defendant's Counsel" means Paul S. Cowie, Esq., Patricia M. Jeng, Esq., and Melissa Hughes, Esq. of Sheppard, Mullin, Richter & Hampton LLP, Four Embarcadero Center, 17th Floor, San Francisco, CA 94111.

I. "Effective Date" means the date by which the final judgment becomes final. For purposes of this Settlement Agreement, the final judgment "becomes final" only after the Court grants the motion for final approval of the Settlement and upon the latter of: (i) if no timely objections are filed, or are withdrawn prior to entry of the final judgment, then after the date of entry of the final judgment and the period for filing any appeal, rehearing, writ, or other appellate proceeding challenging or opposing the Settlement has elapsed; (ii) if a Class Member files an objection to the Settlement, the Effective Date shall be the sixty-first (61st) calendar day after the date of entry of the final judgment if the Settlement is approved by the Court, or the thirty-first (31st) calendar day after the date of entry of the final judgment if the Settlement is approved by the District Court, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement. In this regard, it is the intention of the parties that the Settlement shall not become effective, and Defendant will not be obligated to fund this Settlement, until the Court's order

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approving the Settlement is completely final, and there is no further recourse by an appellant, objector, intervenor, or otherwise by anyone who seeks to contest the Settlement.

J. "Fees Award" means attorneys' fees approved by the Court for Class Counsel's fees incurred in investigation, litigation, and resolution of the Lawsuits, and administration of the Settlement, including anticipated fees incurred through Final Approval and disbursement of payments under this Settlement Agreement and obtaining entry of the judgment terminating the Lawsuits, and which shall not exceed one-third (1/3) of the Gross Settlement Amount, i.e. up to $766,667.

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

L. "Gross Settlement Amount" means a non-reversionary common fund that shall have a total all-in value of $2,300,000 and includes without limitation any and all payments Defendant may be responsible for under the Settlement, including any Fees Award and Costs Award to Class Counsel, Named Plaintiffs Enhancement Payments, Named Plaintiffs General Release Payments, the Class Member Payments, the PAGA Payment (which includes payments to the LWDA), Settlement Administration Costs, and all employee payroll taxes due and owing as a result of the Settlement. As to the portion of Class Member Payments that constitutes wages, any employer taxes, including the employer FICA, FUTA, and SDI contributions, shall be paid separately from, and in addition to, the Gross Settlement Amount. The total amount that Defendant shall pay for any and all purposes under this Settlement Agreement (not including employer portion of payroll taxes, FICA, FUTA and SDI contributions) is the Gross Settlement Amount.

M. "Lawsuits" mean the actions entitled Omari Robinson v. McGee Air Services, Inc., et al., United States District Court, Northern District of California, Case No. 23-cv-04190-RFL ("Robinson Action"); Darius Price v. McGee Air Services, Inc., et al., United States District Court, Northern District of California,

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3:23-cv-02705-RFL ("Price Action"); and Bobby Vargas, et al. v. McGee Air Services, Inc., et al., United States District Court, Northern District of California, Case No. 3:23-cv-06333-RFL ("Vargas Action").

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

O. "Named Plaintiffs" means Plaintiffs Darius Price, Omari Robinson, Bobby Vargas, Coreen Silverie, Ana Ayala, and Nancy Tapia.

P. "Named Plaintiffs Enhancement Payment" means the amount to be paid to each of the Named Plaintiffs for their time and effort spent pursuing the Lawsuits, and not to exceed $5,000 for each of the Named Plaintiffs.

Q. "Named Plaintiffs General Release Payments" means the $5,000 to be paid to each of the Named Plaintiffs in exchange for a general release of all claims arising out of their application for, employment with, and/or the termination of employment with Defendant, including a waiver of rights under California Civil Code section 1542.

R. "PAGA" means the California Private Attorneys General Act, California Labor Code §§ 2699 *et seq.*

S. "PAGA Aggrieved Employees" means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the PAGA Period.

T. "PAGA Aggrieved Employee List" means the list of all PAGA Aggrieved Employees that Defendant will diligently and in good faith compile from its records to accurately reflect employees' names, last known mailing address, Social Security number, and pay periods worked by the PAGA Aggrieved Employees during the PAGA Period.

U. "PAGA Payment" means the $100,000.00 payment to the State of California LWDA and the PAGA Aggrieved Employees in settlement of all claims for PAGA penalties as defined in this Settlement Agreement.

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V. "PAGA Period" means the time period beginning August 22, 2021 through the date of Preliminary Approval.

W. "Qualified Settlement Account" means the account established by the Settlement Administrator pursuant to Internal Revenue Code section 1.468B-1.

X. "Released Parties" means Defendant, and each of its past, present and future agents, employees, servants, owners, officers, directors, partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with Defendant or any of its parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, consultants, joint ventures, any actual or alleged joint employers, affiliates, and alter-egos, and all of their respective past, present and future employees, directors, officers, agents, owners, attorneys, insurers, stockholders, fiduciaries, parents, subsidiaries, and assigns.

Y. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, the Settlement Administrator's responsibilities outlined in this Settlement Agreement.

Z. "Settlement Administrator" means CPT Group, Inc., whom the Parties mutually agree shall be responsible for the administration of the Settlement, distribution of amounts owed under this Settlement, and matters necessarily related thereto, pursuant to the terms of this Settlement Agreement.

AA. "Settlement Class" means all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the Class Period.

BB. "Settlement Class Members" means individuals in the Settlement Class who do not submit a timely and valid request for exclusion from the Settlement Class.

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CC. "Settlement Class Member List" means the list of all Settlement Class Members that Defendant will diligently and in good faith compile from its records to accurately reflect employees' names, last known mailing address, Social Security number, and workweeks worked during the Class Period.

II. RECITALS

A. Background and Procedural History

1. Plaintiff Darius Price filed a class action on January 24, 2023, in San Mateo County Superior Court entitled *Darius Price v. McGee Air Services, Inc*., Case No. 23-CIV-00342 ("Price Action"), alleging the following causes of action: 1) Minimum Wage Violations (Labor Code §§ 204, 1182.12, 1194, 1194.2, 1197, 1198); 2) Failure to Pay Meal Period Premiums at the Regular Rate of Compensation (Labor Code §§ 226.7, 1198); 3) Rest Period Violations (Labor Code §§ 226.7, 516, 1198); 4) Wage Statement Violations (Labor Code § 226, *et seq.*); 5) Waiting Time Penalties (Labor Code §§ 201-203); 6) Unfair Competition (Bus. & Prof. Code § 17200, *et seq.*). On March 30, 2023, Plaintiff Darius Price filed a First Amended Complaint to add a claim under the Private Attorneys General Act (Labor Code § 2698, *et seq.*). On May 9, 2023, Defendant answered the First amended Complaint. On May 31, 2023, Defendant removed the Price Action to federal court, and it is now pending in the United States District Court, Northern District of California, Case No. 3:23-cv-02705.

2. Plaintiff Omari Robinson filed a class action on February 28, 2023 in San Mateo County Superior Court entitled *Omari Robinson v. McGee Air Services, Inc.*, Case No. 23-CIV-00922 ("Robinson Action"), alleging the following causes of action: 1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); 2) Violation of California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (Unpaid Minimum Wages); 3) Violation of California Labor Code §§ 226.7, 512(a), 516, and 1198 (Failure to Provide Meal Periods); 4) Violation of California Labor Code §§ 226(a), 1174(d), and 1198 (Non-Compliant Wage Statements and Failure to

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Maintain Payroll Records); 5) Violation of California Labor Code §§ 201 and 202 (Wages Not Timely Paid Upon Termination); 6) Violation of California Labor Code § 204 (Failure to Timely Pay Wages During Employment); 7) Violation of California Labor Code § 2802 (Unreimbursed Business Expenses); 8) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unlawful Business Practices); and 9) Violation of California Business & Professions Code §§ 17200, *et seq.* (Unfair Business Practices). On July 18, 2023, Plaintiff Omari Robinson filed a First Amended Complaint, adding a claim for civil penalties for Violations of California Labor Code §§ 2698, *et seq.* (PAGA). On August 16, 2023, Defendant answered the First Amended Complaint. On August 17, 2023, Defendant removed the Robinson Action to federal court, and it is now pending in the United States District Court, Northern District of California, Case No. 3:23-cv-4190.

3. On July 17, 2023, Plaintiffs Bobby Vargas, Coreen Silverie, Ana Ayala, and Nancy Tapia filed a class action and PAGA representative action Complaint in Santa Clara County Superior, entitled *Bobby Vargas, et al. v. McGee Air Services, Inc.*, Case No. 23CV418962 ("Vargas Action"), alleging the following causes of action: 1) Failure to Pay Overtime Wages; 2) Failure to Provide Meal Breaks; 3) Waiting Time Penalties; 4) Violation of Labor Code §§ 204, 210; 5) Failure to Provide Accurate Wage Statements; 6) Failure to Reimburse Business Expenses; 7) Violation of Labor Code § 246; 8) Unfair Business Practices; 9) PAGA Violations; 10) Civil Penalties Under Labor Code § 558; and 11) Statutory Prejudgment Interest. Defendant answered the Complaint on December 4, 2023. On December 7, 2023, Defendant removed the action to federal court, and it is now pending in the United States District Court, Northern District of California, Case No. 3:23-cv-6333.

4. Defendant and Plaintiffs Darius Price and Omari Robinson attended mediation with The Hon. Jeffrey K. Winikow (Ret.) on May 10, 2024. Judge Winikow issued a mediator's proposal for an all-in inclusive settlement of the

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Lawsuits in the amount of $2,300,000. The Parties accepted the mediator's proposal to settle the Lawsuits.

5. Investigation of the Lawsuits. The Parties conducted a significant investigation of the facts and law during the prosecution of the Lawsuits. Such investigation has included, *inter alia*, informally exchanging documents and information for settlement purposes, including in connection with mediation. Counsel for the Parties investigated the applicable law as applied to the facts discovered regarding Plaintiffs' alleged claims and potential defenses thereto, and the damages claimed by Plaintiffs. The Named Plaintiffs allege in the Lawsuits that, i*nter alia*, Defendant failed to pay them and similarly situated employees for all hours worked, including without limitation for minimum wages, based on Defendant allegedly rounding or time-shaving time records, for off-the-clock time, for cleaning and disinfecting tasks; for failure to provide meal periods and/or pay meal period premiums, including without limitation allegedly failing to pay meal period premiums at the regular rate of compensation or to incorporate bonuses into the regular rate, allegedly rounding, "shaving," or adjusting time records for meal periods, allegedly understaffing locations, or allegedly not relieving employees of all duties during their meal breaks; failing to provide rest periods and/or pay rest period premiums, including without limitation, allegedly not maintaining a payroll code or other mechanism for paying rest period premiums; Defendant failed to pay accurate, itemized wage statements or to pay timely wages during employment and upon termination; failed to reimburse for necessary business expenses, including without limitation for expenses related to uniforms, use of personal cell phones, and laundry expenses; and failure to pay at the regular rate of pay when calculating overtime pay, sick leave pay, or meal and rest period premiums. For these allegedly improper actions, Named Plaintiffs demand various amounts for wages, penalties, interest, attorneys' fees, and restitution. Named Plaintiffs have fully investigated the factual and legal bases for the causes of action asserted in the Lawsuits. As a result of their investigation, Named

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Plaintiffs continue to believe that Defendant failed to properly compensate its non-exempt employees in California for all time worked and failed to properly provide meal and rest periods, to reimburse expenses, to pay timely wages during employment and at separation, and to provide accurate itemized wage statements. Defendant denies all allegations. Defendant contends that it fully and timely paid for all hours worked, including any overtime or double time hours worked. Defendant further contends that it provided all meal and rest periods and/or premium pay in accordance with California law and that it properly reimbursed its employees for all business expenses and provided accurate itemized wage statements, and all final wages upon termination. Given the disagreement between the Parties as to the viability of these claims, the Parties believe the Settlement provided for herein is a fair, adequate and reasonable settlement.

6. Benefits of Settlement to Class Members. Named Plaintiffs recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through class certification, trial, and through any possible appeals. Named Plaintiffs have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Named Plaintiffs are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Lawsuits, Defendant's defenses thereto, and the difficulties in establishing damages. Named Plaintiffs have also taken into account the extensive investigation and informal discovery undertaken and settlement negotiations conducted, which negotiations resulted in the material settlement terms set forth herein. Based on the foregoing, Named Plaintiffs have determined that the Settlement set forth in this Agreement is a fair, adequate and reasonable settlement, and is in the best interests of the Settlement Class and the LWDA.

7. Defendant's Reasons for Settlement. Defendant has concluded that any further defense of this litigation would be protracted and expensive for all Parties. Defendant has devoted substantial amounts of time, energy and resources to

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the defense of the claims asserted by Named Plaintiffs and, unless this Settlement is made, will continue to do so for the foreseeable future. For these reasons, Defendant has agreed to settle the matter upon the terms set forth in this Agreement, to put to rest the claims as set forth in the Lawsuits.

8. Defendant's Denials of Wrongdoing. Defendant has denied and continues to deny each of the claims and contentions alleged by Named Plaintiffs in the Lawsuits. Defendant has repeatedly asserted and continues to assert defenses thereto, and has expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Lawsuits. Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement, is, may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing or liability whatsoever.

9. Named Plaintiffs' Claims. Named Plaintiffs claim and continue to claim that the claims alleged in the Lawsuits have merit and give rise to liability on the part of Defendant. Neither this Agreement nor any documents referred to herein, or any action taken to carry out this Agreement is or may be construed as or may be used as an admission by or against Named Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted.

10. The Parties stipulate, subject to the approval of the Court (or District Court if this case is not remanded), that the Lawsuits are being compromised and settled pursuant to the terms and conditions set forth in this Settlement Agreement. Upon Final Approval of the Settlement by the Court at or after the Final Approval hearing, the Parties shall present a Proposed Final Judgment to the Court for its approval, requesting that the Court enter judgment and retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith.

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III. SETTLEMENT TERMS

A. Remand and Amendment of Complaint

For the purposes of this Settlement Agreement only, the Parties agree to stipulate to remand the Robinson Action to the San Mateo County Superior Court solely for the purpose of seeking court approval of the Settlement Agreement. If the District Court grants the Parties' stipulation to remand the Robinson Action to San Mateo County Superior Court, Plaintiff Robinson shall amend his operative complaint to add all Named Plaintiffs as plaintiffs and add all facts, claims, and theories alleged in the Lawsuits (the "Amended Complaint"). The Parties agree that if the stipulation and proposed order to remand the Robinson Action is denied, the remaining provisions of this Agreement shall be construed and enforced as if this provision had never been included, and the Parties will seek approval of the Settlement from the District Court in which the Lawsuits are currently pending.

The Parties agree that remand will be subject to the District Court ordering that the remand shall not prejudice Defendant's right to a federal forum, and that should the San Mateo County Superior Court deny settlement approval, Plaintiff Robinson (and Named Plaintiffs, if they have been added as plaintiffs to the Amended Complaint) will 1) dismiss the Robinson Action without prejudice; 2) dismiss the Price Action and Vargas Action stayed in District Court; and 3) refile the then-current operative complaint in District Court (but this time with all Named Plaintiffs as Named Plaintiffs therein and current claims only), in the Robinson Action in the District Court, provided that the statute of limitations for *each* claim by *each* Named Plaintiff is neither extended beyond, nor shortened, from the statute of limitations period that currently exists at the time of this Settlement Agreement. It is the intention of the Parties that should the Court deny settlement approval, the parties and claims and their respective statute of limitations, remain the same as they were prior to this Agreement, except that the Named Plaintiffs and claims will all be in one complaint.

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The Parties will stipulate to stay the Price Action and Vargas Action in the Northern District, pending the settlement approval proceedings in the Robinson Action, and to later dismiss the Price Action and Vargas Action with prejudice after the Final Approval of the Settlement has been granted.

B. Conditional Certification

For the purposes of this Settlement Agreement only, the Parties agree to the certification of the Settlement Class. If, for any reason, the Settlement Agreement is not approved, the stipulation to certification will be void. Should the Settlement Agreement not become final, for whatever reason, the fact that the Parties were willing to stipulate to class certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Lawsuits, and shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in any other lawsuit.

C. Funding and Allocation of Settlement

1. Gross Settlement Amount. Provided the Court approves the Settlement and the Effective Date occurs, Defendant will be required to pay the Gross Settlement Amount as described below, which is the maximum monetary amount payable by Defendant to settle the Lawsuits and which shall not exceed the all-inclusive sum of $2,300,000.00 (this sum does not include employer portion of payroll taxes, FICA, FUTA and SDI contributions which Defendant will also pay).

2. Settlement Accounting. No more than seven (7) calendar days after the date of Final Approval, or at a reasonable time thereafter if not reasonably practicable, the Settlement Administrator will provide the Parties with an accounting of all anticipated payments from the Qualified Settlement Account, including: (a) Class Member Payments, (b) the PAGA Payments; (c) the Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments; (d) the Fees Award and Costs Award to Class Counsel, (f) employer-side taxes, including

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employer FICA, FUTA, and SDI contributions, which shall be separate from the Gross Settlement Amount, and (e) Settlement Administration Expenses, all as specified in this Settlement Agreement and as approved by the Court.

3. Funding the Settlement. Within ten (10) business days after the Effective Date, and solely for purposes of this Settlement, Defendant shall wire the Gross Settlement Amount and any employer-side taxes as calculated by the Settlement Administrator into the Qualified Settlement Account, for distribution in accordance with the terms of this Settlement Agreement (the "Funding") less the Named Plaintiffs General Release Payments, if Named Plaintiffs General Release Payments have already been paid. However, if any objections are filed or if any timely appeal is initiated, then within thirty-seven (37) calendar days after the Effective Date, and solely for purposes of this Settlement, Defendant shall wire the Gross Settlement Amount and any employer-side taxes as calculated by the Settlement Administrator into the Qualified Settlement Account, for distribution in accordance with the terms of this Settlement Agreement (the "Funding") less the Named Plaintiffs General Release Payments, if Named Plaintiffs General Release Payments have already been paid.

4. At no time shall Defendant have the obligation to segregate the funds comprising the Gross Settlement Amount from other assets and will retain exclusive authority over, and responsibility for, those funds until the date those amounts are required to be funded pursuant to this Settlement Agreement. Defendant will not be obligated to fund this Settlement, until the Court's order approving the Settlement is completely final, and there is no further recourse by an appellant, objector, intervenor, or otherwise by anyone who seeks to contest the Settlement.

D. Payments from the Gross Settlement Amount.

1. Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments. The Settlement Administrator shall pay any Named Plaintiffs Enhancement Payments, and if not already paid, the Named Plaintiffs

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General Release Payments, within twenty-one (21) calendar days of the Funding by check. Named Plaintiffs agree to provide the Settlement Administrator with an executed IRS Form W-9 within five days after the Effective Date and before the Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments are issued. The Settlement Administrator (and not Defendant) shall issue an IRS Form 1099 to Named Plaintiffs for the Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments. Named Plaintiffs shall be solely and legally responsible for paying any and all applicable taxes on Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments, and shall hold Released Parties harmless from any claim or liability for taxes, penalties or interest arising as a result of the Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments. The Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments shall be in addition to any Class Member Payment or PAGA Payment the Named Plaintiffs receive as Settlement Class Members and PAGA Aggrieved Employees. The Named Plaintiffs Enhancement Payments shall be separate from the Named Plaintiffs General Release Payments. If the Court awards any Named Plaintiffs Enhancement Payments or Named Plaintiffs General Release Payments less than the amounts specified, the unawarded amounts shall remain in the Class Payout Fund and be distributed to Settlement Class Members.

2. Class Counsel's Attorneys' Fees and Costs. Class Counsel may request a Fees Award of no more than one-third (1/3) of the Gross Settlement Amount (i.e., $766,667.00) and will seek a Costs Award for reimbursement of Class Counsel's out-of-pocket costs incurred pursuing the Lawsuits in an amount no greater than $30,000. Class Counsel shall submit a declaration to the Court, in support of the motion for final approval, detailing the costs incurred and/or expected to be incurred in the Lawsuits to substantiate the Costs Award.

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a. The Settlement Administrator shall pay the Fees Award and Costs Award within twenty-one (21) calendar days of the Funding either by check or wire to an account designated by Class Counsel. Class Counsel agrees to provide the Settlement Administrator with an executed IRS Form W-9 within five days after the Effective Date and before payments for Class Counsel's Fees Award and Costs Award are issued. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the payments made pursuant to this section. Class Counsel shall be solely and legally responsible for paying any and all applicable taxes on their Fees Award and Costs Award and shall hold Released Parties harmless from any claim or liability for taxes, penalties or interest arising as a result of any payments received by Class Counsel pursuant to this Settlement. If the Court awards a Fees Award or a Costs Award less than the amount requested by Class Counsel, the unawarded amounts shall remain in the Class Payout Fund and be distributed to Settlement Class Members. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in Fees Award or Costs Award.

b. Neither Class Counsel nor any other current or past counsel for Named Plaintiffs shall be permitted to petition the Court for, or accept, any additional payments for fees, costs, or interest, and the Fees Award and Costs Award shall be for all claims for attorneys' fees and costs whenever incurred, including past, present and future fees and costs incurred in connection with or arising out of the Lawsuits, this Settlement, and/or any of the Released Claims, to date and through and including the Effective Date, as well as final distribution of all payments under this Settlement Agreement and through and after final judgment. The payment of the Fees Award and Costs Award to Class Counsel as set forth herein shall constitute full satisfaction of the obligation to pay any amounts to any person, attorney or law firm for attorneys' fees, expenses or costs arising out of and/or in connection with the Lawsuits incurred by any attorney on behalf of Named Plaintiffs, any of the Class Settlement Members, and/or PAGA Aggrieved Employees, and shall relieve Class

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Settlement Members, PAGA Aggrieved Employees, Released Parties, the Settlement Administrator, the Qualified Settlement Account, and Defendant's Counsel of any other claims or liability to any other attorney or law firm for any attorneys' fees, expenses and/or costs to which any of them may claim to be entitled on behalf of Named Plaintiffs, the Class Settlement Members, and/or PAGA Aggrieved Employees in connection with the claims released in this Settlement.

3. PAGA Payment. The PAGA Payment amount is one hundred thousand dollars ($100,000.00), which the Parties have agreed is to be paid in settlement of all PAGA claims released in this Settlement Agreement, which shall be allocated as follows. Within twenty-one (21) calendar days of the Funding, the Settlement Administrator shall pay from the Qualified Settlement Account:

a. $75,000.00 to the State of California LWDA, representing 75% of the $100,000.00 PAGA Payment.

b. the remaining 25% of the PAGA Payment ($25,000.00) shall be distributed to all PAGA Aggrieved Employees, with each receiving a pro rata share based on the number of pay periods worked during the PAGA Period. To establish the pay period value, the Settlement Administrator will first determine the total number of pay periods worked by the PAGA Aggrieved Employees during the PAGA Period. The pay period value will be equal to 25% of the PAGA Payment divided by the total number of pay periods worked by PAGA Aggrieved Employees during the PAGA Period. The pay period value will be rounded to the nearest cent The amount of the PAGA Payment to be paid to each PAGA Aggrieved Employee will be determined by multiplying the pay periods value by the total number of pay periods each PAGA Aggrieved Employee worked during the PAGA Period. PAGA Aggrieved Employees will receive their PAGA Payment even if they request exclusion from the Settlement Class.

c. The portion of the PAGA Payment paid to the PAGA Aggrieved Employees shall be treated entirely as penalties. In the event that the Court

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awards less than the full amount requested for the PAGA Payment, the un-awarded amount shall remain in the Class Payout Fund and be distributed to Settlement Class Members. If for any reason additional funds are allocated to the PAGA Payment, such monies shall be drawn from the Gross Settlement Amount, which will result in decreasing the Class Payout Fund, but the Gross Settlement Amount will not exceed $2,300,000.00.

4. Settlement Administration Costs. The Settlement Administrator shall pay from the Qualified Settlement Account the Court-approved Settlement Administration Costs, within twenty-one (21) calendar days of the Funding, in an amount not to exceed $25,000.00. In the event that the Court awards less than the full amount requested for Settlement Administration Costs, the unawarded amounts shall remain in the Class Payout Fund and shall be distributed to Settlement Class Members.

5. Calculation of Class Member Payments. All Settlement Class Members will receive a Class Member Payment, paid from the Class Payout Fund without the need to make a claim. The Parties agree that 75% of the Class Member Payments shall be allocated to penalties and 25% of the Class Member Payments shall be allocated to wages.

a. The amount of each Class Member Payment will be calculated on a pro rata basis, based on the number of workweeks each Settlement Class Member worked during the Class Period. To establish the workweek value, the Settlement Administrator will first determine the total number of workweeks worked by the Settlement Class Members during the Class Period. The workweek value will be equal to the Class Payout Fund divided by the total number of workweeks worked by Settlement Class Members during the Class Period. The workweek value will be rounded to the nearest cent The Class Member Payment to each Settlement Class Member will be determined by multiplying the workweek value by the total number of workweeks each Settlement Class Members worked during the Class Period. The

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total of all Class Member Payments to all Settlement Class Members shall equal the Class Payout Fund. Settlement Class Members do not need to submit a claim form in order to be eligible for and to receive a Class Member Payment. Any partial workweek will be rounded up to the nearest workweek period. Class Member Payments will be reduced by any required deductions for each Settlement Class Member. If there are valid and timely requests for exclusion, the Settlement Administrator shall proportionally increase the Class Member Payments for each Settlement Class Member according to the number of workweeks worked, so that the amount actually distributed to the Settlement Class Members equals 100% of the Class Payout Fund.

b. Settlement Administrator shall pay all employer-side taxes on behalf of Defendant.

6. Method and Timing of Payments to Settlement Class Members and PAGA Aggrieved Employees.

a. Class Member Payments and the PAGA Aggrieved Employees' portion of the PAGA Payment will be mailed by the Settlement Administrator by First Class U.S. Mail within twenty-one (21) calendar days following the Funding.

b. Checks paid to PAGA Aggrieved Employees and Settlement Class Members shall remain valid and negotiable for 180 days from the date of their issuance. After one-hundred eighty (180) calendar days from the date of mailing, the checks shall become null and void, and any monies remaining in the distribution account shall be distributed to cy pres beneficiary, The Justice Gap Fund maintained by The State Bar of California. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384. Therefore, Defendant will not be required to pay any interest on any portion of funds in the distribution account, whether or not all checks are cashed.

7. No Effect on Employee Benefits. No payment from this

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Settlement, including, without limitation, the Named Plaintiffs Enhancement Payments, Named Plaintiffs General Release Payments, Class Member Payments, and PAGA Payments paid to Named Plaintiffs, PAGA Aggrieved Employees, and Settlement Class Members shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of the respective Named Plaintiffs, PAGA Aggrieved Employees, or Settlement Class Members. The Parties agree that any Named Plaintiffs Enhancement Payments, Named Plaintiffs General Release Payments, Class Member Payments, and PAGA Payments paid to Named Plaintiffs, Settlement Class Members, and PAGA Aggrieved Employees under the terms of this Settlement Agreement do not represent any modification of Named Plaintiffs', Settlement Class Members', or PAGA Aggrieved Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant or any of the Released Parties. Further, any Named Plaintiffs Enhancement Payments, Named Plaintiffs General Release Payments, Class Member Payments, or PAGA Payments shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant or any of the Released Parties.

E. Taxation

1. Tax Treatment of Class Member Payments. Each Class Member Payment shall be allocated between taxable and non-taxable consideration as follows: 25% will be allocated to alleged unpaid wages for which an IRS Form W-2 will issue, and 75% will be allocated to alleged penalties, reimbursement of expenses and interest for which an IRS Form 1099 will issue, if required by law. The Settlement Administrator will be responsible for calculating the employee-side taxes owed on the wage portion of each Class Member Payment and deducting and paying these amounts to the appropriate state and federal agencies, within the timing required by

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applicable state and federal law. Each Settlement Class Member shall be responsible for ensuring that any employee-side taxes due on his or her settlement are paid.

2. Tax Treatment of PAGA Payments. The PAGA Payment distributed to each PAGA Aggrieved Employee will be treated entirely as civil penalties, and will be reported as such to each PAGA Aggrieved Employee on an IRS Form 1099 misc., if required by law.

3. Tax Liability. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and the Parties, Settlement Class Members, and PAGA Aggrieved Employees are not relying on any statement, representation, or calculation by any of the Parties or by the Settlement Administrator in this regard. Named Plaintiffs, Settlement Class Members, and PAGA Aggrieved Employees understand and agree that except for the employer's portion of any payroll taxes, Named Plaintiffs, Settlement Class Members, and PAGA Aggrieved Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein. Each Party to this Settlement Agreement (for purposes of this section, the "acknowledging party" and each party to this agreement other than the acknowledging party, an "other party") acknowledges and agrees that (1) no provision of this Settlement Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon their own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into this Settlement Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed

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on the acknowledging party; and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

F. Injunctive Relief

As part of this Settlement, Defendant shall not be required to enter into any consent decree, nor shall Defendant be required to agree to any provision for injunctive relief, or to modify or eliminate any of its personnel, compensation, or payroll practices or policies, or adopt any new personnel, compensation, or payroll practices or policies.

G. Release of Claims

1. Class Member Release. As of the Effective Date, all Settlement Class Members fully and finally release the Released Parties from any and all claims alleged in the LWDA Notices or Complaints in the Lawsuits, or which could have been alleged by reason of, arising out of, or in connection with, any matter or fact set forth or referred to in the operative complaints in the Lawsuits, or involve the same primary right, factual predicate, transactions or occurrences, including, without limitation, claims for unpaid wages, failure to pay minimum wages, failure to pay straight time compensation, overtime compensation, double-time compensation, and/or interest; off-the-clock work; any alleged rounding/time-shaving practice; missed, late, short or interrupted meal and/or rest periods or any allegation that meal or rest periods were not provided, including any claim for any alleged failure to pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; failure to timely pay all earned wages; reimbursement for business expenses or any other claim that Defendant allowed or required employees to bear any of the costs associated with the operation of Defendant's business, including without limitation the use of personal cell phones and

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expenses related to uniforms; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; any claim for unfair business practices arising out of or related to any or all of the aforementioned claims; any claim for penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, and waiting time penalties; and attorneys' fees and costs; and claims alleging a violation of the Wage Orders of the California Industrial Welfare Commission based on the Released Class Claims; California Business and Professions Code section 17200, *et seq*. based on the Released Class Claims; the California Civil Code sections 3287, 3289, 3336, and 3294 based on the Released Class Claims; California Code of Civil Procedure section 1021.5 based on the Released Class Claims; and/or alleging a violation of California Labor Code §§ 201, 202, 203, 204, 210, 212, 213, 226, 226.3, 226.7, 245.5, 246, 247, 247.5, 248.5, 249, 256, 510, 512, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, 2810.5, and 2802, and the corresponding sections of the California Wage Order, and claims under California Business and Professions Code section 17200, *et seq.* based on the preceding Labor Code sections ("Released Class Claims").

2. Release of PAGA Claims. As of the date of the Effective Date, PAGA Aggrieved Employees and the LWDA fully and finally release the Released Parties from any and all claims for PAGA civil penalties arising out of or in connection with the facts, factual predicate, theories, transactions or occurrences, and primary rights alleged, that reasonably could have been alleged, or based on any matter or fact set forth or referred to in the LWDA Notices or Complaints in the Lawsuits, including without limitation, for unpaid wages failure to pay minimum wages, failure to pay straight time compensation, overtime compensation, double-time compensation, and/or interest; off-the-clock work; any alleged rounding/time-shaving practice; missed, late, short or interrupted meal and/or rest periods or any allegation that meal or rest periods were not provided, including any claim for any

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alleged failure to pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; failure to provide sick leave, including any claim for failure to pay sick leave pay at the appropriate rate of pay; failure to timely pay all earned wages; reimbursement for business expenses or any other claim that Defendant allowed or required employees to bear any of the costs associated with the operation of Defendant's business, including without limitation the use of personal cell phones and expenses related to uniforms; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; any claim for unfair business practices arising out of or related to any or all of the aforementioned claims; any claim for penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, and waiting time penalties; and attorneys' fees and costs. The claims released by the Settlement Agreement also include any and all claims that are based on, or arise out of, the claims and facts alleged in the Lawsuits, and any claims which could have been asserted in the Lawsuits arising from the alleged facts, theories, and/or primary rights alleged to have been invaded to the fullest extent permitted by law. This release includes claims alleging a violation of Wage Orders of the California Industrial Welfare Commission and/or alleging a violation of California Labor Code §§ 201, 202, 203, 204, 210, 212, 213, 226, 226.3, 226.7, 245.5, 246, 247, 247.5, 248.5, 249, 256, 266.3, 510, 512, 516, 558, 558.1, 1174, 1174.1, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 *et seq.*, 2810.5, and 2802 ("Released PAGA Claims").

H. Settlement Administrator Responsibilities

1. The Settlement Administrator shall be responsible for preparing, printing and mailing to the Settlement Class and the PAGA Aggrieved Employees the Notice of Proposed Settlement of Class Action attached as Exhibit 1 hereto (the "Class Notice") as directed by the Court; calculating Class Member Payments and PAGA Payments; calculating and withholding all required state and federal taxes owed by

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the Settlement Class Members, PAGA Aggrieved Employees, and Defendant as described above; keeping track of opt-outs and objections; printing and mailing checks to Settlement Class Members and PAGA Aggrieved Employees; distributing Named Plaintiffs Enhancement Payments, the Named Plaintiffs General Release Payments (if any remain unpaid), the Fees Award, the Costs Award, 75% of the PAGA Payment to the LWDA, and Settlement Administration Costs; providing weekly status reports to counsel for the Parties; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing and as otherwise required by the Court; and for such other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

2. The Settlement Administrator's determination of eligibility for, and the amounts of, any Class Member Payment and share of the PAGA Payment shall be conclusive, final and binding on all Parties, including all Settlement Class Members and PAGA Aggrieved Employees. The Settlement Administrator has no power or ability to increase the amount of the Gross Settlement Amount or to make any determinations that would result an increase in the Gross Settlement Amount.

3. To the extent any tax returns must be filed for the Gross Settlement Amount pursuant to this Settlement Agreement, the Settlement Administrator shall cause to be timely and properly filed all informational and other tax returns, if any, necessary with respect to the Gross Settlement Amount. Such returns shall be consistent with this paragraph. Any expenses and/or costs incurred in connection with the operation and implementation of this paragraph (including, without limitation, reasonable expenses of tax attorneys, accountants or other designees retained by the Settlement Administrator as required for the preparation and filing of tax returns described in this paragraph) shall be treated as, and considered to be, a cost of

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administration of the Settlement and shall be paid from the Settlement Administration Costs.

4. No person shall have any claim against Defendant, the Released Parties, Defendant's Counsel, Named Plaintiffs, Class Counsel or the Settlement Administrator based on distributions and payments made in accordance with this Settlement Agreement.

I. Notice/Approval of Settlement and Settlement Implementation. As part of this Settlement, the Parties agree to the following procedures for obtaining preliminary approval of the Settlement, notifying the Settlement Class and PAGA Aggrieved Employees, obtaining final Court approval of the Settlement, and processing the settlement payments:

1. Preliminary Approval of Settlement

a. Named Plaintiffs shall seek the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) Preliminary Approval of the proposed Settlement Agreement, (c) approval of the Class Notice; and (d) setting a date for a Final Approval hearing.

b. In conjunction with the Preliminary Approval Hearing, Named Plaintiffs will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include proposed forms of all notices and other documents as attached hereto necessary to implement the Settlement. Simultaneous with the filing of the Settlement Agreement and solely for purposes of this Settlement, Named Plaintiffs will request the Court to enter the Preliminary Approval Order ("Preliminary Approval Order" or "Order"), preliminarily approving the proposed Settlement, and setting a hearing date to determine final approval of the Settlement. The Order shall provide for notice of the Settlement and related matters to be sent to Settlement Class as specified herein. Class Counsel will be responsible for drafting all documents necessary to obtain Preliminary Approval, subject to review and

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comment by Defendant's counsel who shall be provided a minimum of fourteen (14) days for review and comment prior to filing.

2. LWDA Notice. Pursuant to the PAGA, concurrently with the filing of the motion for Preliminary Approval, Named Plaintiffs will, pursuant to California Labor Code § 2699(*l*), provide notice of the proposed Settlement to the LWDA. The Parties intend and believe that the notice pursuant to the procedures described in this section complies with the requirements of the PAGA.

3. Notice to Settlement Class.

a. Delivery of the Settlement Class Member and PAGA Aggrieved Employee List. Within thirty (30) calendar days of entry of the Preliminary Approval Order of this Settlement, Defendant will provide the Settlement Class Member List and PAGA Aggrieved Employee List (the "Employee Lists") to the Settlement Administrator, which shall be used solely for the administration of this Settlement and for no other purpose, and shall not be shared with any persons or entity not employed by the Settlement Administrator and working on the administration of this Settlement. Because sensitive personal information is included in the Employee Lists, the Settlement Administrator shall maintain the Employee Lists securely and in confidence. Access to such Employee Lists shall be limited to employees of the Settlement Administrator with a need to use the Employee Lists for administration of the Settlement. The Employee Lists shall not be disclosed to Class Counsel, the Named Plaintiffs, or any other members of the Settlement Class without the written consent of Defendant. Notwithstanding the foregoing, for the limited purpose of resolving individual specific disputes, the Settlement Administrator may provide Class Counsel with a Class Member's contact information, and workweek and pay period information. Such disclosure shall be strictly limited to what is necessary for the resolution of the specific dispute and shall be handled in accordance with applicable privacy laws and regulations, and will be to the extent reasonably necessary to fulfill Class Counsel's fiduciary obligations to Class Members. In the event that the

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Settlement Agreement is not finally approved by the Court, or if it is in any way altered or disapproved on appeal, the Settlement Administrator shall not thereafter use the Employee Lists, and shall destroy any and all copies or versions of the Employee Lists (including any in electronic form).

b. Notice By First-Class Mail. Within fourteen (14) calendar days after receipt of the Settlement Class Member List, the Settlement Administrator shall mail a class notice to Settlement Class via first-class regular U.S. mail ("Class Notice"). Settlement Class Members will have forty-five (45) calendar days from the mailing of the Class Notice to opt-out or submit written objections to the Class Settlement ("Objection/Exclusion Deadline Date"). Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database information to update and correct for any known or identifiable address changes and, if necessary, perform reasonable skip-tracing efforts to locate employees. If a new address is obtained by way of a returned Class Notice, the Settlement Administrator shall promptly forward the original Class Notice to the updated address via first-class regular U.S. mail indicating on the original Class Notice the date of such re-mailing.

c. Notice Satisfies Due Process. Compliance with the notice procedures specified in this Settlement Agreement shall constitute due and sufficient notice to the Settlement Class of this Settlement and shall satisfy the requirements of due process. Nothing else shall be required of, or done by, the Parties, Class Counsel or Defendant's Counsel to provide notice of the proposed Settlement. In the event that the procedures in this Settlement Agreement are followed and the intended recipient of a Class Notice still does not receive the notice of settlement, the intended recipient shall be a Settlement Class Member and will be bound by all the terms of the Settlement and the Final Approval entered by the Court if the Settlement becomes effective.

4. Objections or Exclusions.

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a. Procedure for Objecting. The Class Notice shall provide that individuals in the Settlement Class who wish to object to the Settlement must submit a written statement to the Settlement Administrator objecting to the Settlement no later than the Objection/Exclusion Deadline Date. A written objection must contain a statement in substance explaining that the Settlement Class individual objects to the Settlement Agreement and the reasons for objecting; contain the full name, address, telephone number, and last four digits of the Social Security number of the objecting Settlement Class individual; be signed by the Settlement Class individual; and, be postmarked on or before the Objection/Exclusion Deadline Date. No PAGA Aggrieved Employee may opt out or otherwise be excluded from the PAGA Payment, as no such right exists under the law. Alternatively, Class Members may appear at the Final Approval Hearing to object to the Settlement. The Parties will be permitted to respond in writing to written objections at least seven (7) days prior to the Final Approval hearing.

b. Procedure for Requesting Exclusion. The Class Notice shall provide that individuals in the Settlement Class who wish to exclude themselves from the Settlement Class must submit to the Settlement Administrator a personally signed, written statement requesting exclusion from the Settlement Class on or before the Objection/Exclusion Deadline Date. The opt-out request must state in substance, words to the effect:

> "I have read the Class Notice and I wish to opt out of the Settlement Class in *Omari Robinson, et al. v. McGee Air Services, Inc*. I understand that by requesting to be excluded from the Settlement Class, I will not receive a Class Member Payment. I also understand that I will still receive a PAGA Payment for my share of the PAGA Settlement, if I am entitled to such payment, because I cannot exclude myself from the PAGA Settlement."

(1) Such written request for exclusion must contain the name, address, telephone number and last four digits of the Social Security number of the

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person requesting exclusion, must be returned by mail to the Settlement Administrator at the specified address, must be signed by the person requesting exclusion personally, and must be postmarked on or before the Objection/Exclusion Deadline Date. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. If the postmark is illegible then the request for exclusion must arrive within three (3) calendar days after the Objection/Exclusion Deadline Date to be considered timely.

(2) Any individual in the Settlement Class who opts out of the Settlement Class will not be entitled to any recovery under the Class Settlement (which refers to claims encompassed by the Class Payout Fund and excludes the PAGA claims) and will not be bound by the Settlement as it relates to the Class Settlement or have any right to object, appeal or comment in court on the Class Settlement. Any and all individuals in the Settlement Class who fail to submit a valid and timely request for exclusion on or before the Objection/Exclusion Deadline Date shall be Settlement Class Members and shall be bound by all terms of the Settlement and any final judgment entered in the Lawsuits if the Settlement is approved by the Court.

c. No Solicitation of Settlement Objections or Exclusions. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties, or their counsel, seek to directly or indirectly solicit or otherwise encourage the Settlement Class to submit written objections to the Settlement or requests for exclusion from the Class Settlement, or appeal from the Court's final judgment.

5. Certification Reports by the Settlement Administrator.

a. The Settlement Administrator will, on a weekly basis during and for a reasonable period following distribution of the Class Notice, provide updates to Class Counsel and Defendant's Counsel as to the number of individuals in the Settlement Class who submitted (i) valid opt-out requests for exclusion; and (ii)

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written objections. All written objections shall be provided to the Parties' counsel within five (5) calendar days of receipt by the Settlement Administrator. The Settlement Administrator shall also provide the names of any opt-outs to Defendant's counsel within five (5) calendar days of receipt. To the extent practicable, the weekly updates shall also provide updated data on the number of Class Notices that are returned undeliverable and any re-mailing efforts.

b. Within ten (10) calendar days after the Objection/Exclusion Deadline Date, the Settlement Administrator will prepare a declaration to be provided to Class Counsel and Defendant's Counsel for filing in support of Named Plaintiffs' motion for final approval attesting to the following: (i) its mailing efforts regarding the Class Notice; (ii) its receipt of any valid and timely requests for exclusion, and its inability to deliver the Class Notice to the Settlement Class, if any; (iii) the number of Settlement Class Members; (iv) the highest estimated Class Member Payment, along with the estimated average Class Member Payment. The Settlement Administrator will also prepare and submit to Class Counsel and Defendant's Counsel for filing in support of the motion any supplemental declaration as may be needed.

6. Right of Defendant to Reject Settlement.

a. Option to Void Settlement. If, after the Objection/Exclusion Deadline Date, the number of employees in the Settlement Class who have timely submitted requests for exclusion total in number more than one (1) percent of the Settlement Class, Defendant shall have, in its sole discretion, the option to void this Settlement. In order to exercise this option, Defendant must notify Class Counsel in writing within fifteen (15) calendar days after the later of the Objection/Exclusion Deadline Date, or of learning in writing from the Settlement Administrator that the number of individuals in the Settlement Class who have timely submitted requests for exclusion total in number more than one (1) percent of the Settlement Class. If Defendant voids the Settlement, then it will be responsible for all settlement administration costs incurred up to the date of voidance.

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b. Escalator Clause. Defendant estimates that there are approximately 153,452 workweeks worked by the Settlement Class from February 7, 2021 through April 5, 2024 (the "Estimated Workweeks"). If the number of work weeks actually worked by the Settlement Class during the same period of time from February 7, 2021 through April 5, 2024 (the "Actual Workweeks") is greater than 10% of the Estimated Workweeks, then the Gross Settlement Amount will be increased by the same percentage above 10%, such that the Gross Settlement Amount shall be increased by one (1) percent for every one percent increase in workweeks over the ten 10% threshold. There shall be no increase in the Gross Settlement Amount if the total number of Actual Workweeks is 168,792.2 (10% above 153,452), or less.

c. Nullification of Settlement Agreement. In the event: (i) neither the Court nor the District Court enters the Order specified herein; (ii) neither the Court nor the District Court finally approves the Settlement as provided herein; (iii) neither the Court nor the District Court enters a final judgment as provided herein which becomes final as a result of the occurrence of the Effective Date; or (iv) the Settlement does not become final for any other reason after the Parties have sought approval from the Court and/or, if applicable, the District Court, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void *ab initio*. In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that any costs already incurred by the Settlement Administrator shall be borne equally by the Parties. In the event an appeal is filed from the Court's final judgment, or any other appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, pending the Effective Date.

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7. Final Approval Hearing and Entry of Final Judgment.

a. Upon expiration of the Objection/Exclusion Deadline Date, with the Court's permission, a Final Approval hearing shall be conducted to determine final approval of the Settlement along with the amount properly payable for (i) the Fees Award and Costs Award, (ii) Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments, (iii) Settlement Administration Costs, (iv) Class Member Payments; and (v) the PAGA Payments. Upon final approval of the Settlement by the Court at or after the Final Approval hearing, the Parties shall present a Proposed Final Judgment to the Court for its approval. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval, including a proposed order and judgment, all of which shall be provided to Defendant's counsel at least seven (7) calendar days prior to filing for review.

b. The Settlement Administrator shall keep counsel for the Parties apprised of all distributions from the Qualified Settlement Account and upon completion of administration of all distributions related to the Settlement, the Settlement Administrator shall provide written certification, under penalty of perjury, of such completion to the Court and counsel for all Parties.

c. Upon completion of administration of the Settlement, Named Plaintiffs and Class Counsel shall provide written certification, under penalty of perjury, of such completion to the Court and Defendant's Counsel.

8. Administration Costs. All of Defendant's own legal fees, costs and expenses incurred in the Lawsuits shall be borne by Defendant. As set forth above, the Settlement Administration Costs will be paid from the Gross Settlement Amount. The Parties agree to cooperate in the Settlement administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

IV. Other Provisions

Publicity. The Parties and their counsel agree that they will not issue

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any press releases or announcements of any kind related to the Settlement. The Parties and their counsel agree they will not initiate any contact with the press, respond to any press inquiry or have any communications with the press about the facts, amount, or terms of the Settlement. Named Plaintiffs and Class Counsel agree that, prior to preliminary approval of the Settlement, they will keep the terms of the Settlement confidential except for purposes of communicating with Named Plaintiffs and members of the Settlement Class who reach out to them only. Named Plaintiffs and members of the Settlement Class who reach out to Named Plaintiffs or Class Counsel shall be informed that the Settlement is confidential and shall be advised to keep the Settlement confidential. After preliminary approval of the Settlement, Named Plaintiffs and Class Counsel may comment regarding the specific terms of the Settlement 1) as required by law; (2) as required under the terms of the Settlement; (3) as required under Class Counsel's duties and responsibilities as Class Counsel. In all other cases, Named Plaintiffs and Class Counsel agree to limit their statements regarding the terms of the Settlement, whether oral, written or electronic (including the world wide web), to say the Lawsuits have been resolved and that Named Plaintiffs and Class Counsel are satisfied with the terms of the Settlement. Class Counsel shall not, at any time, advertise or mention the terms of the Settlement on personal or firm website(s); shall not discuss the terms of the Settlement with media, general public, or issue press releases; and shall limit any statements regarding the terms of the Settlement to that information that is publicly available. Nothing in this paragraph is intended to interfere with Class Counsel's duties and obligations to faithfully discharge their duties as Class Counsel.

A. Privacy of Documents and Information. Named Plaintiffs and Class Counsel agree that none of the documents and information provided to them by Defendant or as part of this Settlement shall be used for any purpose other than settlement of the Lawsuits.

B. No Admission By the Released Parties.

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1. The Released Parties, including Defendant, deny any and all claims alleged in the Lawsuits and deny any and all wrongdoing whatsoever. This Settlement Agreement is not a concession or admission, and shall not be used against Defendant or any of the Released Parties as an admission or indication with respect to any claim of any fault, concession or omission by Defendant or any of the Released Parties. Whether or not the Settlement is finally approved, neither the Settlement, nor any document, statement, proceeding or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall in any event be: (1) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (2) disclosed, referred to or offered or received in evidence against any of the Released Parties, in any further proceeding in the Lawsuits, or any other civil, criminal or administrative action or proceeding, except for purposes of settling the Lawsuits pursuant to this Settlement Agreement.

2. The Released Parties, including Defendant, shall have the right to use this Settlement, including the Released Class Claims and Released PAGA Claims set forth above, to defend against any claims asserted by or on behalf of Settlement Class Members, PAGA Aggrieved Employees, Named Plaintiffs, or the LWDA, that are encompassed within the Releases, whether such claims are asserted in the Lawsuits or any other lawsuit.

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

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D. Interim Stay of Proceedings. The Parties agree to hold all proceedings in the Lawsuits, except such proceedings necessary to implement and complete the Settlement, in abeyance pending the Final Approval hearing to be conducted by the Court.

E. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by all Parties or their successors-in-interest.

F. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entire agreement among these Parties with respect to resolution of the Lawsuits. To the extent there are any other oral or written agreements relating to the subject matter of this Settlement Agreement, this Settlement Agreement controls and supersedes all such agreements. No oral or written representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibit other than the representations, warranties and covenants contained and memorialized in this Settlement Agreement and attached Exhibit.

G. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent and who are signing this Settlement Agreement, to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement and by signing below the Parties are granting their respective attorneys such authorization. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement.

H. Binding on Successors and Assigns. This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined. It shall be admissible and subject to disclosure in any

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proceeding to enforce its terms, notwithstanding the mediation confidentiality provisions that otherwise might apply under federal or state law.

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

J. Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

K. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of the Lawsuits and have arrived at this Settlement in arms-length negotiations, taking into account all relevant factors, present and potential. This Settlement was reached after extensive negotiations.

L. Jurisdiction. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

M. Cooperation and Drafting. Each of the Parties has cooperated in the drafting and preparation of this Settlement Agreement. Hence, in any construction made to this Settlement Agreement, the same shall not be construed against any of the Parties.

N. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court (or District Court) shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

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O. Severability. Should any clause or provision of this Settlement Agreement be declared illegal or unenforceable, it shall be modified or reformed as minimally necessary to be enforceable. If the provision cannot be modified or reformed to be enforceable, such provision shall be severed and deemed null and void, leaving the remainder of this Settlement Agreement in full force and effect.

P. Named Plaintiffs' General Release. Named Plaintiffs agree to sign this Settlement Agreement, and by signing this Settlement Agreement they are bound by the terms herein stated, including without limitation the agreement to execute a Named Plaintiffs' general release agreement in consideration for the Named Plaintiffs General Release Payments. Named Plaintiffs agree that they may not opt out of the Settlement Class.

Q. No Liens or Encumbrances

Named Plaintiffs and Class Counsel represent and warrant that there are no liens or encumbrances on any amounts payable under this Settlement Agreement, including on the Gross Settlement Amount and any of its components, including the amounts allocated for Fees Award and Costs Award to Class Counsel, Named Plaintiffs Enhancement Payments, Named Plaintiffs General Release Payments, the Class Member Payments, the PAGA Payments (which includes payments to the LWDA), and Settlement Administration Costs.

PLAINTIFF

Date: 1/30/2025

DocuSigned by:
BA13631A357B4A2...
Omari Robinson

PLAINTIFF

Date: 02/07/25

Darius Price (Feb 7, 2025 18:00 PST)
Darius Price

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PLAINTIFF

Date: 2/10/2025

DocuSigned by:
Bobby Vargas
29C4B818F1CD4B7...
Bobby Vargas

PLAINTIFF

Date: 2/11/2025

Signed by:
193D9C447742429...
Coreen Silverie

PLAINTIFF

Date: 2/17/2025

DocuSigned by:
DD767857142F4E3...
Ana Ayala

PLAINTIFF

Date: 2/11/2025

DocuSigned by:
Nancy Tapia
D7408231BD7B43E...
Nancy Tapia

Date: _____

By: Tami Becker-Gomez
AGC & MD, Labor & Employment Law
McGee Air Services, Inc.

APPROVED AS TO FORM AND CONTENT BY:

Capstone Law APC

Date: 1/30/2025

Raul Perez
Attorneys for Plaintiff Omari Robinson

PLAINTIFF

Date: _____ _____
Bobby Vargas

PLAINTIFF

Date: _____ _____
Coreen Silverie

PLAINTIFF

Date: _____ _____
Ana Ayala

PLAINTIFF

Date: _____ _____
Nancy Tapia

Date: 2/20/2025

Signed by:
Cameron Cloar-Zavaleta
B8D75F009522417...

By: Cameron Cloar-Zavaleta
Vice President, Legal
McGee Air Services, Inc.

APPROVED AS TO FORM AND CONTENT BY:

Capstone Law APC

Date: _____ _____
Raul Perez
Attorneys for Plaintiff Omari Robinson

Docusign Envelope ID: 05FED02F-D687-41A9-9A2E-1D055EB662AB

Abramson Labor Group

Date: 2/7/2025 Neil Larsen

Neil Larsen
Attorneys for Plaintiff Darius Price

Kletter.Law

Date: _____

Cary Kletter
Attorneys for Plaintiffs Bobby Vargas, Coreen Silverie, Ana Ayala, and Nancy Tapia

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

Date: _____

Patricia M. Jeng, Esq.
Attorney for Defendant McGee Air Services, Inc.

Docusign Envelope ID: 2F7B72AC-7116-47D7-A514-828F272A2F05

Abramson Labor Group

Date: _____

Neil Larsen
Attorneys for Plaintiff Darius Price

Kletter.Law

Date: 2/17/25

Cary Kletter
Attorneys for Plaintiffs Bobby Vargas, Coreen Silverie, Ana Ayala, and Nancy Tapia

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

Date: 2/20/25

Patricia M. Jeng, Esq.
Attorney for Defendant McGee Air Services, Inc.

Exhibit 1

NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

AND PRIVATE ATTORNEYS GENERAL ACT CLAIMS

SAN MATEO COUNTY SUPERIOR COURT

To: All persons who worked for McGee Air Services, Inc. as non-exempt, hourly paid employees in the State of California at any time from February 7, 2021 through [INSERT DATE OF PRELIMINARY APPROVAL].

You are receiving this Notice because a proposed settlement has been reached in the following cases: (1) *Omari Robinson v. McGee Air Services, Inc., et al.*, San Mateo County Superior Court, Case No. 23-CIV-00922 (previously removed to the United States District Court for the Northern District of California as Case No. 3:23-cv-04190-RFL and remanded for purposes of settlement approval) (the "*Robinson* Action"); (2) *Darius Price v. McGee Air Services, Inc., et al.*, United States District Court, Northern District of California, Case No. 3:23-cv-02705-RFL (the "*Price* Action"); and (3) *Bobby Vargas, et al. v. McGee Air Services, Inc., et al.*, United States District Court, Northern District of California, Case No. 3:23-cv-06333-RFL (the "*Vargas* Action") (collectively, the "Lawsuits"). You may be entitled to benefits as a member of the Settlement Class if the Court approves the Settlement described in this Notice. Your options with respect to the Settlement are explained in further detail below.

THIS NOTICE AFFECTS YOUR LEGAL RIGHTS.

PLEASE READ IT CAREFULLY.

This is not a solicitation from a lawyer. A Court has authorized this Notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THESE LAWSUITS ARE:	
Do Nothing	**If you want to participate and receive your share of the money from the settlement, you do not need to do anything. If you do nothing, you will be mailed a settlement payment and you will be releasing certain claims.**
Object	**If you want to object to the settlement, you must submit in writing the reason(s) why you think the settlement should not be approved.**
Exclude Yourself	**If you exclude yourself (or "opt out") from the class settlement, you will not receive any share of the money from the class settlement. You cannot exclude yourself from the PAGA portion of the Settlement.**

YOUR RIGHTS AND OPTIONS AND THE DEADLINES TO EXERCISE THEM ARE EXPLAINED IN THIS NOTICE

WHAT IS THIS NOTICE ABOUT?

A proposed settlement (the "Settlement") has been reached jointly between Plaintiffs Darius Price, Omari Robinson, Bobby Vargas, Coreen Silverie, Ana Ayala, and Nancy Tapia ("Plaintiffs") and Defendant McGee Air Services, Inc. ("Defendant" or "McGee") in a proposed class action also brought under the California Private Attorneys General Act ("PAGA") pending in the San Mateo County Superior Court, brought on behalf of "all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time during the Class Period" beginning February 7, 2021 through [INSERT DATE OF PRELIMINARY APPROVAL] (the "Settlement Class").

On [INSERT DATE], the Court preliminarily approved the proposed Settlement and certified the Settlement Class for purposes of Settlement only. You have received this Notice because McGee's records indicate that you are a member of the Settlement Class and/or a PAGA Aggrieved Employee. This Notice is designed to inform you of how you can participate in the Settlement, request to be excluded from the non-PAGA portion of the Settlement (the "Class Settlement"), or object to the Class Settlement. **Unless you submit a request to be excluded from the Class Settlement, the Class Settlement, if finally approved by the Court, will be binding on you.**

WHAT ARE THESE LAWSUITS ABOUT?

On January 24, 2023, Mr. Price, a former McGee employee, filed a putative wage and hour class action against McGee in San Mateo County Superior Court, Case No. 23-CIV-00342, alleging minimum wage violations, failure to pay meal period premiums at the regular rate of compensation, rest period violations, wage statement violations, waiting time penalties, and unfair competition. On March 30, 2023, Mr. Price filed a First Amended Complaint adding a claim under PAGA. On May 31, 2023, McGee removed the *Price* Action to federal court.

On February 28, 2023, Mr. Robinson, another former McGee employee, filed a putative wage and hour class action against McGee in San Mateo County Superior Court, Case No. 23-CIV-00922, alleging unpaid overtime, unpaid minimum wages, failure to provide meal periods, non-compliant wage statements and failure to maintain payroll records, wages not timely paid upon termination, failure to timely pay wages during employment, unreimbursed business expenses, and unlawful and unfair business practices. On July 18, 2023, Mr. Robinson filed a First Amended Complaint adding a claim for civil penalties under PAGA. On August 17, 2023, McGee removed the *Robinson* Action to federal court.

On July 17, 2023, Mr. Vargas, Ms. Silverie, Ms. Ayala, and Ms. Tapia filed a putative class action and PAGA representative action against McGee in Santa Clara County Superior Court, Case No. 23CV418962, alleging failure to pay overtime wages, failure to provide meal breaks, waiting time penalties, violations of Labor Code sections 204 and 210, failure to provide accurate wage statements, failure to reimburse business expenses, violation of Labor Code section 246, unfair business practices, PAGA violations, civil penalties under Labor Code section 558, and statutory prejudgment interest. On December 7, 2023, McGee removed the *Vargas* Action to federal court.

Together, Plaintiffs allege that McGee failed to compensate employees for all hours worked, including minimum wages and overtime; failed to provide compliant meal and rest periods or to

pay premiums for missed meal and rest periods, including at the regular rate of compensation; failed to reimburse necessary business expenses, including expenses related to uniforms, use of personal cell phones, and laundry; failed to provide accurate itemized wage statements; failed to pay timely wages during employment and upon termination; and failed to pay at the regular rate of pay when calculating overtime pay, sick leave pay, and meal and rest period premiums. The Lawsuits seek wages, penalties, interest, restitution, and attorneys' fees and costs.

McGee denies all allegations. McGee contends that it fully and timely paid for all hours worked, including any overtime or double time hours worked; that it provided all meal and rest periods and/or premium pay in accordance with California law; and that it properly reimbursed its employees for all business expenses, provided accurate itemized wage statements, and paid all final wages upon termination.

The parties conducted a significant investigation of the facts and law during the prosecution of the Lawsuits, including the informal exchange of documents and information. On May 10, 2024, the parties participated in a mediation before the Honorable Jeffrey K. Winikow (Ret.). Judge Winikow issued a mediator's proposal for an all-in settlement of the Lawsuits in the amount of $2,300,000, which the parties accepted. For purposes of settlement approval only, the parties stipulated to remand the *Robinson* Action to San Mateo County Superior Court, where Mr. Robinson filed an amended complaint adding all Plaintiffs and all of the facts, claims, and theories alleged in the Lawsuits. The Settlement resolves all claims in the Lawsuits.

This Settlement represents a compromise and settlement of highly disputed claims. Nothing in this Notice is intended or will be construed as an admission by McGee that Plaintiffs' claims in the Lawsuits have merit or that McGee has any liability to Plaintiffs, the Settlement Class, or the PAGA Aggrieved Employees on those claims.

The Parties and their counsel have concluded that the Settlement is fair, reasonable and adequate, considering the costs, interruptions, risks and uncertainties to each side of continued litigation, and Plaintiffs and their counsel believe the Settlement is in the best interests of Settlement Class Members and the LWDA.

WHO IS INCLUDED IN THE SETTLEMENT?

You are included in the Settlement Class if you fall within the following definition:

> **All persons who worked for McGee Air Services, Inc. as non-exempt, hourly paid employees in the State of California at any time from February 7, 2021 through [INSERT DATE OF PRELIMINARY APPROVAL] (the "Class Period").**

In addition, you are a "PAGA Aggrieved Employee" if you fall within the following definition:

> **All persons who worked for McGee Air Services, Inc. as non-exempt, hourly paid employees in the State of California at any time from August 22, 2021 through [INSERT DATE OF PRELIMINARY APPROVAL] (the "PAGA Period").**

PAGA Aggrieved Employees will receive their share of the PAGA Payment even if they request to be excluded from the Settlement Class. No PAGA Aggrieved Employee may opt out of or otherwise be excluded from the PAGA portion of the Settlement, as no such right exists under the law.

WHO IS CLASS COUNSEL?

Neil M. Larsen, Eli Drummond, and Jennifer Rivera of Abramson Labor Group; Raul Perez, Orlando Villalba, and Helga Hakimi of Capstone Law APC; and Cary Kletter, Rachel Hallam, and Daniel Bronstein of Kletter Law have been appointed by the Court to represent the Settlement Class (together, "Class Counsel").

SUMMARY OF THE SETTLEMENT

WHAT ARE THE BENEFITS OF THE SETTLEMENT?

1. McGee will pay a non-reversionary Gross Settlement Amount of $2,300,000 to settle the Lawsuits. The Gross Settlement Amount funds every payment McGee is responsible for under the Settlement, including the Class Member Payments, the PAGA Payment (which includes the payment to the LWDA), the Fees Award and Costs Award to Class Counsel, the Named Plaintiffs Enhancement Payments, the Named Plaintiffs General Release Payments, the Settlement Administration Costs, and all employee payroll taxes due as a result of the Settlement, each as described below. The employer's share of payroll taxes, including employer FICA, FUTA, and SDI contributions, will be paid by McGee separately from, and in addition to, the Gross Settlement Amount.

   Following the court-approved deductions from the Gross Settlement Amount, the remaining amount will be the Class Payout Fund, which will be distributed to Settlement Class Members who do not timely request to be excluded from the Settlement. Class Member Payments will be made on a pro rata basis, based on the number of workweeks each Settlement Class Member worked during the Class Period. Any partial workweek will be rounded up to the nearest workweek.

2. A Settlement Class Member is not required to submit a claim form in order to be eligible for and to receive a Class Member Payment.

3. Excluded from becoming Settlement Class Members are those individuals who submit valid and timely requests for exclusion pursuant to the terms and procedures of this Notice. However, individuals cannot exclude themselves from the PAGA portion of the Settlement.

4. **Court-Approved Deductions**. Should the Court approve the Settlement, the following court-approved deductions shall be made from the Gross Settlement Amount:

   a. **Class Counsel's Fees Award and Costs Award**. Class Counsel have represented and continue to represent the Settlement Class on a contingency-fee basis. That means that attorneys' fees are paid only if money is recovered for the Settlement Class. It is common to award attorneys' fees as a percentage of the settlement amount negotiated by the attorneys for the Settlement Class. As part of the final

approval hearing, Class Counsel will request no more than one-third of the Gross Settlement Amount, or $766,667, for their attorneys' fees in connection with their work in these cases, and reimbursement of their reasonable litigation costs and expenses in an amount not to exceed $30,000. This Settlement is not contingent upon the Court awarding Class Counsel any particular amount in fees or costs, and any amount not awarded will remain in the Class Payout Fund for distribution to Settlement Class Members.

b. **Named Plaintiffs Enhancement Payments and General Release Payments**. In addition to their Class Member Payments as Settlement Class Members, Plaintiffs will seek approval from the Court for Enhancement Payments of up to $5,000 each (for a total of up to $30,000) in consideration for their service in initiating and pursuing the Lawsuits, and for undertaking the risk of liability for attorneys' fees and expenses in the event they were unsuccessful. In addition, each Plaintiff will receive a General Release Payment of $5,000 (for a total of $30,000) in exchange for a general release of all claims arising out of his or her application for, employment with, and/or termination of employment with McGee, including a waiver of rights under California Civil Code section 1542. These payments, if approved by the Court, will be paid out of the Gross Settlement Amount and in addition to each Plaintiff's Class Member Payment. Any amount not awarded will remain in the Class Payout Fund for distribution to Settlement Class Members.

c. **PAGA Payment**. The parties will seek approval from the Court to designate $100,000 of the Gross Settlement Amount as penalties recoverable under PAGA. Seventy-five percent of this amount, or $75,000, will be paid to the California Labor and Workforce Development Agency ("LWDA"), as required by law. The remaining twenty-five percent, or $25,000, will be distributed to all PAGA Aggrieved Employees on a pro rata basis, based on the number of pay periods each PAGA Aggrieved Employee worked during the PAGA Period, and paid in addition to any Class Member Payment. The portion of the PAGA Payment paid to PAGA Aggrieved Employees will be treated entirely as penalties.

d. **Settlement Administration Costs**. If approved by the Court, the reasonable costs of administering the Settlement, including the Settlement Administrator's fees and expenses, in an amount not to exceed $25,000, will be paid out of the Gross Settlement Amount. The Court has appointed CPT Group, Inc. as the Settlement Administrator.

5. **Uncashed Checks**. Checks issued to Settlement Class Members and PAGA Aggrieved Employees will remain valid and negotiable for 180 days from the date of issuance. After 180 calendar days from the date of mailing, the checks will become null and void, and any remaining monies will be distributed to the cy pres beneficiary, The Justice Gap Fund maintained by The State Bar of California.

HOW MUCH IS MY SETTLEMENT PAYMENT?

Your total estimated workweeks during the Class Period is _____. Your total estimated pay periods during the PAGA Period is _____. Your anticipated approximate Settlement Payment is _____. The exact amount of the Settlement Payment could vary, depending upon various factors, including (1) whether any Settlement Class Members dispute the number of workweeks or pay periods credited to them; and (2) whether any additions or deletions are made to the number of Settlement Class Members. Twenty-five percent (25%) of your Class Member Payment will be allocated as W-2 wages; the remaining seventy-five percent (75%) will be allocated to statutory penalties and other non-wage recovery, including interest, and reported on an IRS Form 1099, if required by law. Any PAGA Payment you receive will be treated entirely as civil penalties and reported on an IRS Form 1099, if required by law.

You are entitled to dispute the number of workweeks and/or pay periods, and/or your employment status, that is reported in this Notice. To submit a valid dispute, you must send a dated and signed letter stating that you dispute the number of workweeks and/or pay periods, along with any supporting documentation, to the Settlement Administrator so that it is **postmarked no later than _____, 20__ (45 days after this Notice was originally mailed to you).** Any dispute that is postmarked later than _____, 20__ will be late and invalid and will result in the Class Member being bound by the number of workweeks and pay periods reported in this Notice.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT?

If the Court approves the proposed Settlement, it will enter a judgment as to all Settlement Class Members who do not timely request exclusion from the Settlement. This means that Settlement Class Members, including Plaintiffs Price, Robinson, Vargas, Silverie, Ayala, and Tapia, who do not exclude themselves, will be barred from bringing their own lawsuits for recovery against McGee and the other Released Parties[1] for any and all Released Class Claims which are defined as:

- **Class Member Release.** As of the Effective Date, all Settlement Class Members fully and finally release the Released Parties from any and all claims alleged in the LWDA Notices or Complaints in the Lawsuits, or which could have been alleged by reason of, arising out of, or in connection with, any matter or fact set forth or referred to in the operative complaints in the Lawsuits, or involve the same primary right, factual predicate, transactions or occurrences, including, without limitation, claims for unpaid wages, failure

[1] Defendant, and each of its past, present and future agents, employees, servants, owners, officers, directors, partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships (defined as a company/corporation and/or partnership that is, directly or indirectly, under common control with Defendant or any of its parents and/or affiliates), divisions, assigns, predecessors, successors, insurers, consultants, joint ventures, any actual or alleged joint employers, affiliates, and alter-egos, and all of their respective past, present and future employees, directors, officers, agents, owners, attorneys, insurers, stockholders, fiduciaries, parents, subsidiaries, and assigns.

to pay minimum wages, failure to pay straight time compensation, overtime compensation, double-time compensation, and/or interest; off-the-clock work; any alleged rounding/time-shaving practice; missed, late, short or interrupted meal and/or rest periods or any allegation that meal or rest periods were not provided, including any claim for any alleged failure to pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; failure to timely pay all earned wages; reimbursement for business expenses or any other claim that Defendant allowed or required employees to bear any of the costs associated with the operation of Defendant's business, including without limitation the use of personal cell phones and expenses related to uniforms; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; any claim for unfair business practices arising out of or related to any or all of the aforementioned claims; any claim for penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, and waiting time penalties; and attorneys' fees and costs; and claims alleging a violation of the Wage Orders of the California Industrial Welfare Commission based on the Released Class Claims; California Business and Professions Code section 17200, et seq. based on the Released Class Claims; the California Civil Code sections 3287, 3289, 3336, and 3294 based on the Released Class Claims; California Code of Civil Procedure section 1021.5 based on the Released Class Claims; and/or alleging a violation of California Labor Code §§ 201, 202, 203, 204, 210, 212, 213, 226, 226.3, 226.7, 245.5, 246, 247, 247.5, 248.5, 249, 256, 510, 512, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 et seq., 2810.5, and 2802, and the corresponding sections of the California Wage Order, and claims under California Business and Professions Code section 17200, et seq. based on the preceding Labor Code sections ("Released Class Claims").

Additionally, all PAGA Aggrieved Employees will release the Released PAGA Claims:

- **Release of PAGA Claims.** As of the date of the Effective Date, PAGA Aggrieved Employees and the LWDA fully and finally release the Released Parties from any and all claims for PAGA civil penalties arising out of or in connection with the facts, factual predicate, theories, transactions or occurrences, and primary rights alleged, that reasonably could have been alleged, or based on any matter or fact set forth or referred to in the LWDA Notices or Complaints in the Lawsuits, including without limitation, for unpaid wages failure to pay minimum wages, failure to pay straight time compensation, overtime compensation, double-time compensation, and/or interest; off-the-clock work; any alleged rounding/time-shaving practice; missed, late, short or interrupted meal and/or rest periods or any allegation that meal or rest periods were not provided, including any claim for any alleged failure to pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; failure to provide sick leave, including any claim for failure to pay sick leave pay at the appropriate rate of pay; failure to timely pay all earned wages; reimbursement for business expenses or any other claim that Defendant allowed or required employees to bear any of the costs associated with the operation of Defendant's business, including without limitation the use of personal cell phones and expenses related to uniforms; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; any claim for unfair business practices arising out of or related to any or all of the aforementioned claims; any claim for

penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, and waiting time penalties; and attorneys' fees and costs. The claims released by the Settlement Agreement also include any and all claims that are based on, or arise out of, the claims and facts alleged in the Lawsuits, and any claims which could have been asserted in the Lawsuits arising from the alleged facts, theories, and/or primary rights alleged to have been invaded to the fullest extent permitted by law. This release includes claims alleging a violation of Wage Orders of the California Industrial Welfare Commission and/or alleging a violation of California Labor Code §§ 201, 202, 203, 204, 210, 212, 213, 226, 226.3, 226.7, 245.5, 246, 247, 247.5, 248.5, 249, 256, 226.3, 510, 512, 516, 558, 558.1, 1174, 1174.1, 1174.5, 1175, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 et seq., 2810.5, and 2802 ("Released PAGA Claims").

WHAT HAPPENS IF THE COURT DOES NOT APPROVE THE SETTLEMENT?

If the Court does not approve the proposed Settlement, the Lawsuits will proceed as if no settlement has been attempted and there can be no assurance that the Settlement Class Members will recover more than is provided for in this Settlement or anything at all.

WHEN IS THE FINAL SETTLEMENT APPROVAL HEARING?

A hearing will be held before the Honorable David A. Silberman of the San Mateo County Superior Court on [INSERT DATE AND TIME], in Department 11 (Courtroom G), 800 North Humboldt Street, San Mateo, CA 94401. The purpose of the hearing is for the Court to determine final approval of the Settlement along with the amount properly payable for (i) the Fees Award and Costs Award, (ii) the Named Plaintiffs Enhancement Payments and Named Plaintiffs General Release Payments, (iii) the Settlement Administration Costs, (iv) Class Member Payments; and (v) the PAGA Payments. **The time and date of this hearing may be changed without further notice. Settlement Class Members are advised to check the Settlement website or the Court's website to confirm that the date and/or time of the hearing has not been changed.**

WILL MY DECISION ABOUT WHETHER TO PARTICIPATE IN THE SETTLEMENT AFFECT MY EMPLOYMENT WITH MCGEE?

No. McGee is prohibited by law from retaliating against any employee for participating in this Settlement.

SHOULD I GET MY OWN LAWYER IN THIS CASE?

The Court has approved the law firms of Abramson Labor Group, Capstone Law APC, and Kletter.Law as Class Counsel. Class Counsel represent you and all Settlement Class Members in the Class Action. You also have the right to hire an attorney (at your own cost) to represent you, or to enter an appearance and represent yourself.

WHAT ARE MY OPTIONS REGARDING THE SETTLEMENT?

If you are receiving this Notice, you have the following options:

- **Participate Fully in the Settlement**: To receive a monetary payment from this Settlement, Settlement Class Members are not required to do anything.

- **Request to be Excluded**: Settlement Class Members who wish to exclude themselves from the Settlement Class must submit a personally signed, written statement requesting exclusion from the Settlement Class on or before [INSERT DATE] (the "Objection/Exclusion Deadline Date"). The opt-out request must state in substance:

  "I have read the Class Notice and I wish to opt out of the Settlement Class in *Omari Robinson, et al. v. McGee Air Services, Inc.* I understand that by requesting to be excluded from the Settlement Class, I will not receive a Class Member Payment. I also understand that I will still receive a PAGA Payment for my share of the PAGA Settlement, if I am entitled to such payment, because I cannot exclude myself from the PAGA Settlement."

  Such written request for exclusion must contain the name, address, telephone number and last four digits of the Social Security number of the individual requesting exclusion; must be returned by mail to the Settlement Administrator at the following address: [INSERT ADDRESS]; must be signed personally by the individual requesting exclusion; and must be postmarked on or before the Objection/Exclusion Deadline Date. **The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted.** If the postmark is illegible, the request for exclusion must arrive within three (3) calendar days after the Objection/Exclusion Deadline Date to be considered timely. Any person who opts out of the Settlement Class will not be entitled to any recovery under the Class Settlement and will not be bound by the Class Settlement or have any right to object, appeal or comment thereon. Any and all individuals who fail to submit a valid and timely request for exclusion on or before the Objection/Exclusion Deadline Date shall be Settlement Class Members and shall be bound by all terms of the Settlement and any final judgment entered in the Lawsuits if the Settlement is approved by the Court. Individuals cannot opt out or exclude themselves from the PAGA portion of the Settlement.

- **Object**. You can ask the Court to deny approval of the Settlement by filing an objection. **You cannot ask the Court to order a different settlement; the Court can only approve or reject the Settlement.** If the Court denies approval, no settlement payments will be sent out and the Lawsuits will continue. If that is what you want to happen, you must object.

  All objections, requests to appear or other documents from Settlement Class Members should be sent to the Settlement Administrator, who then packages the documents for counsel and the Court.

  A written objection must contain a statement in substance explaining that you object to the Settlement Agreement and the reasons for objecting; must contain your full name, address, telephone number, and the last four digits of your Social Security number; must be signed

by you; and must be postmarked on or before the Objection/Exclusion Deadline Date of [INSERT DATE]. Even if you do not timely submit a written objection to the Settlement, you or your representative may still appear at the Final Approval Hearing to present to the Court oral objections or concerns you may have with the Settlement. Where a Settlement Class Member opts to appear through his or her own attorney, he or she is responsible for hiring and paying that attorney. No PAGA Aggrieved Employee may opt out of or otherwise be excluded from the PAGA Payment.

The Parties will be permitted to respond in writing to written objections at least seven (7) days prior to the Final Approval hearing. Absent good cause found by the Court, Settlement Class Members who fail to object in the manner specified above shall remain Settlement Class Members and shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement.

COUNSEL FOR THE PARTIES MAY BE CONTACTED AT THE ADDRESSES BELOW:

DEFENSE COUNSEL SHEPPARD, MULLIN, RICHTER & HAMPTON LLP Paul S. Cowie Patricia M. Jeng Four Embarcadero Center, 17th Floor San Francisco, CA 94111 Telephone: (415) 434-9100	**CLASS COUNSEL** ABRAMSON LABOR GROUP Neil M. Larsen Eli Drummond Jennifer Rivera 1700 W. Burbank Blvd. Burbank, CA 91506 Telephone: [INSERT]
CLASS COUNSEL CAPSTONE LAW APC Raul Perez Orlando Villalba Helga Hakimi 1875 Century Park East, Suite 1000 Los Angeles, CA 90067 Telephone: [INSERT]	**CLASS COUNSEL** KLETTER.LAW Cary Kletter Rachel Hallam Daniel Bronstein 111 South Claremont Street, Suite A San Mateo, CA 94403 Telephone: [INSERT]

ARE THERE MORE DETAILS AVAILABLE?

This Notice summarizes the proposed Settlement Agreement. For the precise terms and conditions of the Settlement, please see the Settlement Agreement, which is available at [INSERT SETTLEMENT WEBSITE]. You may obtain a copy of the Settlement Agreement by contacting Class Counsel at the addresses above. The pleadings and other records in this litigation may also be examined online through the San Mateo County Superior Court's Odyssey Public Portal, available at https://sanmateo.courts.ca.gov/online-services/online-case-access, by searching for Case No. 23-CIV-00922. Images of documents filed in the case may be viewed free of charge using the public access terminals available at the courthouse.

For any additional inquiries concerning this case, you may also contact the Settlement Administrator:

Robinson v. McGee Air Services, Inc. Settlement
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606
Telephone: [INSERT TOLL-FREE NUMBER]
Email: [INSERT EMAIL]

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE EXCLUSION PROCESS.