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6 Attorneys for Plaintiff, LUCAS LEE
7 on behalf of himself and all others and similarly situated

8
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **FOR THE COUNTY OF LOS ANGELES**

11 LUCAS LEE, on behalf of himself and all others
similarly situated,

12 Plaintiffs,

13
14 vs.

15 GN TRANSPORTATION LLC, a Wisconsin
16 corporation,

17 Defendant.

Case No. 23STCV14934

Assigned For All Purposes To:
Judge: Hon. William F. Highberger
Dept.: 10

**DECLARATION OF ANTHONY L.
DRAPER IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL**

DECLARATION OF ANTHONY L. DRAPER

I, Anthony L. Draper, declare as follows:

1. I am an individual over the age of 18. I am admitted, in good standing, to practice as an attorney in the State of California. I am an associate at the law firm of James Hawkins, APLC. I am one of the attorneys of record for Plaintiff Lucas Lee (hereinafter referred to as “Plaintiff” or “Class Representative”), who commenced this Class and PAGA action on behalf of the Class Members and Aggrieved Employees. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement, which Plaintiff filed concurrently herewith, along with the supporting Memorandum of Points and Authorities. I have personal knowledge of the facts set forth below, and if called to testify regarding them, I could and would do so competently.

2. On April 21, 2023, Plaintiff Lucas Lee filed a wage and hour class action on behalf of himself and all employees erroneously classified as salaried exempt who are currently employed, or formerly employed by, Defendant CJ Logistics Transportation LLC fka GN Transportation LLC (hereinafter “Defendant” and/or “GN”) (Plaintiff and Defendant hereinafter collectively referred to as “Parties”). That same day, Plaintiff also provided notice to the LWDA of his intent to bring PAGA claims against Defendant. Plaintiff’s wage and hour class action was removed on June 14, 2023 pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. section 1332, 1453, 1711-15 (“CAFA”). On June 27, 2023, Plaintiff separately brought his PAGA claim in the present action. During discovery in the federal action, the Parties discovered that the putative class members were not employees of CJ Logistics America, LLC, and that the size of the putative class was therefore significantly smaller than the Parties initially believed, and Plaintiff was preparing to remand the federal action back to the California Superior Court, Los Angeles County when settlement discussions began. On August 8, 2024, Plaintiff filed an amended complaint in this action incorporating his wage and hour claims from his federal case and subsequently dismissed his federal class action.

3. The First Amended Complaint is the operative complaint, which alleges California claims for (1) failure to pay lawful wages including overtime; (2) failure to provide lawful meal periods; (3) failure to reimburse necessary business expenses; (4) failure to timely pay wages during

1 employment; (5) failure to timely pay wages at termination; (6) failure to provide accurate itemized
2 wage statements; (7) unfair competition, and (8) a request for civil penalties pursuant to the PAGA.

3 4. Throughout this litigation, Defendant has denied Plaintiff's allegations, denies any
4 failure to comply with the laws identified in the First Amended Complaint, denies any and all
5 liability for the causes of action that are or reasonably could have been alleged based on the facts in
6 the First Amended Complaint, and denies the case is manageable or amenable to class treatment and
7 raised defenses to his claims, both individually and on a representative basis. Defendant maintains
8 that its employment policies and practices meet the requirements of the Labor Code and applicable
9 Wage Orders.

10 5. To date, no class has been certified and the Court has not made any findings that
11 Defendant engaged in any wrongdoing or in violation of any state law, rule or regulation, with
12 respect to the issues presented in the litigation.

13 6. Through formal and informal discovery, Plaintiff and Defendant have exchanged
14 extensive documents and information related to the claims asserted. Defendant has produced
15 hundreds of pages of information, including handbooks and related policy materials, any existing
16 time data, and wage reports of putative Class Members. Defendant also provided Plaintiff with
17 comprehensive pay and attestation data for the putative group, wage statements, job titles and
18 descriptions, and information regarding the number of exempt employees during the relevant time-
19 period. Plaintiff also utilized an expert for a detailed review of the data provided and for damages
20 models for the number of identified employees whom Plaintiff contends were misclassified.

21 7. On April 1, 2024, after conducting formal and informal discovery, exchanging
22 relevant information, and engaging in numerous discussions regarding the claims alleged, the Parties
23 participated in a full-day, hard fought and arms-length mediation before Lisa Klerman, Esq. and
24 were able to reach a settlement soon after, with the assistance of the mediator and a mediator's
25 proposal. Thereafter, the Parties exchanged multiple drafts of the proposed settlement agreement and
26 class notice documents and engaged in numerous communications regarding the settlement terms.
27 The final terms and provisions of the settlement agreement were approved and executed by all the
28 Parties on or about August 15, 2024. The Settlement Agreement is attached hereto as **Exhibit A**.

1 8. Based on their own respective independent investigations and evaluations and after
2 taking into account the sharply disputed factual and legal issues involved in this matter, the risks
3 attending further prosecution in light of certification issues faced due to the *Brinker Rest. Corp. v.*
4 *Super. Ct.*, (2012) 53 Cal. 4th 1004 (“*Brinker*”) decision, the discovery and investigation conducted
5 to date, Plaintiff and his counsel are of the opinion that settlement for the consideration and on the
6 terms set forth in the Settlement Agreement is fair, reasonable and adequate and is in the best
7 interests of the named Plaintiff and Class Members.

8 9. Due to the investigation and research in this matter, Plaintiff’s counsel has knowledge
9 of the strengths and weaknesses of the claims against Defendant and the benefits of the proposed
10 Settlement under the circumstances of this case.

11 10. Plaintiff’s counsel analyzed the potential liability in this matter based on documents
12 and information produced by Defendant in informal discovery and in preparation for mediation,
13 expert analysis of timekeeping records and payroll data, and took into account the nature of the
14 claims and Defendant’s defenses thereto.

15 11. The damages model used in calculating potential liability was largely based on the
16 number of class members, the number of pay periods and workweeks, the average rate of pay and a
17 pay information, wage statements, job descriptions and duties, and documents produced by
18 Defendant in preparation for mediation. Based on the information provided by Defendant, the
19 estimated number of work weeks is 2,182 during the Class Period.

20 12. Plaintiff’s claim for failure to pay all lawful wages owed is premised on allegations
21 that, during the Class Period, Defendant failed to pay one-and-a-half times the regular rate when
22 Plaintiff and Class Members worked more than eight hours in one day, and more than forty hours in
23 one week due to their misclassification as exempt employees. Thus, Plaintiff alleged that he and
24 Class Members were underpaid overtime compensation when required to work more than eight (8)
25 hours in a day or more than forty (40) hours in a workweek and were not paid for all hours worked.
26 Defendant disputes the allegations that it did not pay the correct overtime compensation to its non-
27 exempt employees and disputes that any of its exempt employees were misclassified and thus owed
28 any overtime. In analyzing the administrative exemption test, Lee and the putative class members

1 were properly classified as exempt employees because they engaged in management like duties (i.e.
2 making recommendations on hiring and firing drivers), acted in a supervisory capacity (i.e. assigning
3 drivers and scheduling breaks), and they had substantial discretion on important matters. Further, all
4 of the putative class members met the salary threshold required for the exemptions because their
5 salaries were greater than twice the California state minimum wage. *See Perine v. ABF Freight Sys.,*
6 *Inc.*, 457 F. Supp. 2d 1004, 1015-16 (C.D. Cal. 2006). Based on Plaintiff's expert's analysis,
7 Plaintiff contends and believes that GN's alleged failure to pay all wages and underpayment of
8 overtime, based on regular rate, was estimated to be \$218,200.

9 13. During the Class Period, due to the alleged work load requirements and time
10 constraints resulting from the demands of work shift, Plaintiff contends that he and Class Members
11 were required to work in excess of five (5) hours without being provided an uninterrupted thirty (30)
12 minute meal period by the end of the fifth hour. Defendant disputes the allegations that it
13 misclassified any exempt employees and thus they have no entitlement to meal and rest period
14 premiums. Further, Defendant disputes that any allegedly misclassified employees would have been
15 unable to take an uninterrupted, thirty-minute meal break before the fifth hour of their shift. (*Id.*).
16 Defendant gave Lee and the putative class members significant discretion over how they organized
17 and scheduled their day. They were encouraged to take meal and rest breaks whenever needed or
18 desired, and had full opportunity to do so. If they declined to take such breaks, that was a voluntary
19 decision that created no liability to Defendant. And, in fact, the evidence did show that Lee often
20 went to lunch and took breaks. Under California law, an employer need not require or monitor that
21 hourly employees take meal or rest breaks. Rather, employees need only have the opportunity to take
22 those breaks. If employees voluntarily elect not to take breaks, that creates no employer liability. *See*
23 *Brinker Rest. Corp. v. Super. Ct.*, 53 Cal. 4th 1004, 1034 (2012) (rule for meal periods); *see also*
24 *Augustus v. ABM Sec. Servs., Inc.*, 2 Cal. 5th 257, 265 (2016) (same rule for rest periods). Defendant
25 also disputes the propriety of certification on this claim as well, under the holding in *Brinker* and
26 other state and federal decisions. *See also Lampe v. Queen of the Valley Medical Center*, 19 Cal.
27 App. 5th 832 (2018) (affirming denial of class certification because the "question of whether a
28 missed meal break was due to the employer's failure to allow it or from the employee's voluntary

1 choice not to take it requires an individualized inquiry. . . . The expert’s analysis does not change the
2 nature of the claims.”). Based upon Plaintiff’s review of the documents and information provided in
3 anticipation of mediation and the analysis provided by the expert, Plaintiff contends and believes
4 that the estimated maximum potential of the meal break claim was \$80,734. This was calculated by
5 multiplying the total number of workweeks (2,182) by an estimate average regular rate of pay (\$37)
6 which equals \$80,734. However, taking into consideration the nature of the claim, Defendant’s
7 defenses (as described above) and issues faced due to *Brinker*, for purposes of settlement, the meal
8 break claim was valued by Plaintiff between \$40,367 (50%) and \$8,073.40 (10%).

9 14. Under Lab. Code § 226(e), an employee suffering “injury as a result of a knowing
10 and intentional failure by an employer” to provide accurate wage statements is entitled to \$50 for the
11 initial violation and \$100 for each subsequent violation up to \$4,000. For example, Plaintiff alleges
12 Defendant issued wage statements to Plaintiff and Class Members that provided payment of
13 overtime wages without indicating the applicable hourly rate or hours worked. Per information
14 provided by Defendant, Plaintiff believes there were approximately 13 Class Members working
15 during the relevant time period for this claim. Thus, if a calculation is performed using the maximum
16 exposure permitted per Class Member under Labor Code section 226, Plaintiff contends and believes
17 that this amounts to a maximum exposure for Defendant of \$52,000 based on 13 Class Members x
18 \$4,000. However, some of the Class Members working during the relevant time period may have
19 worked for only one pay period during the relevant time period and some may have worked for tens
20 of pay periods. Defendant denies that it provided inaccurate wage statements, and instead contends
21 that applicable hourly rates and hours worked were correctly stated on its wage statements.
22 Moreover, so long as the wage statements accurately show the amount Defendant actually paid,
23 employees may not sue on derivative claims that the wage should have reflected additional payments
24 that the employer owed but did not make. *See Maldonado v. Epsilon Plastics, Inc.*, 22 Cal. App. 5th
25 1308, 1337 (2018). Further, Defendant argues that, even assuming *arguendo* that any wage
26 statements were in fact inaccurate, Defendant did not “knowingly and intentionally” fail to provide
27 accurate statements and Defendant reasonably and in good faith believed it did not owe any
28 additional wages to the class members. Also, Plaintiff and the class did not suffer any “injury” from

1 such inaccurate wage statements. For purposes of settlement negotiations, Plaintiff valued said claim
2 between an estimated maximum of \$52,000 (100%) and \$10,400 (20%).

3 15. This claim is derivative of the other claims asserted. Pursuant to Labor Code sections
4 201, 202, 203, 204, and 210, each employee in the relevant statutory period (i.e., three years before
5 the filing of the initial Complaint) is entitled to 30 days' worth of wages as a waiting time penalty
6 for not being paid all wages during employment and upon the separation of employment. Plaintiff
7 alleges that penalties are owed under Labor Code section 203 due to, at a minimum, Defendant's
8 alleged failure to pay wages for all hours worked and failure to pay premium wages. With respect to
9 Lab. Code § 203 claim, there were an estimated total of 9 former Class Members to whom this claim
10 applied. Plaintiff contends and believes that the estimated maximum potential liability was
11 determined to be \$99,900 using the formula (# of terminated/former employees) x (30 x estimated
12 average hourly rate x estimated average number of hours worked per day). (9) x (30 x \$37 x 10). For
13 its part, Defendant strongly disputes that there is any evidence that it failed to pay wages that were
14 due. Defendant further argues that Plaintiff would be unable to show willfulness, as required for
15 penalties to issue, because there is a good-faith dispute whether any additional wages are owed given
16 the putative class members were properly classified. *See Takacs v. A.G. Edwards and Sons, Inc.*, 444
17 F. Supp. 2d 1100, 1126 (S.D. Cal. 2006). Thus, waiting time penalties for the alleged failure to
18 timely wages during employment and at separation cannot be awarded. Further, Defendant employs
19 a robust policy in which it provides final pay on or before the last day of work, and includes penalty
20 payments in the final check if it expects that a terminated employee might be paid after their final
21 day. Moreover, Defendant contends that none of the former employees were misclassified and
22 therefore they were not owed any of the wages allegedly unpaid. For purposes of settlement
23 negotiations, Plaintiff valued said claim between \$79,920 (80%) and \$9,990. (10%)

24 16. The business expense reimbursement claim is based on allegations that Plaintiff and
25 class members were required to utilize their personal cell phones and were not reimbursed by
26 Defendant. Plaintiff calculated a maximum potential liability at \$1,300 assuming an estimated
27 average \$100 in unreimbursed expenses per Class Member. However, this claim would be difficult
28 to certify given the predominance of the individualized inquiry as to whether and to what extent each

1 class member was required to utilize their personal cell phones as well as the defenses raised. As
2 such, for purposes of settlement, this claim was valued at \$0. Defendant disputes that the putative
3 class members were not reimbursed for business expenses. Defendant requested its employees to
4 submit paperwork to receive a phone stipend every pay period and the majority of the class members
5 did submit and receive the stipend. Furthermore, Defendant offered phones, WiFi, and computers at
6 the office; thus, there would have been very little reason for employees to use their personal phones
7 at work.

8 17. The only remedies available under the unfair competition law (“UCL”) Business and
9 Professions Code Section § 17200 *et seq.* are restitution and injunction, as opposed to damages
10 *Clark v. Superior Court* (2010) 50 Cal. 4th 605, 610. The UCL provides that “[t]he court may make
11 such orders or judgments . . . as may be necessary to restore to any person in interest any money or
12 property, real or personal, which may have been acquired by means of such unfair competition.”
13 (Bus. & Prof. Code, § 17203.) Restitution under the UCL includes “earned wages.” *Cortez v.*
14 *Purolator Air Filtration Prods. Co.* (2000) 23 Cal. 4th 163, 177-78. Restitution under the UCL is not
15 available for all violations of the Labor Code. See *Pineda v. Bank of Am., N.A.*, (2010) 50 Cal. 4th
16 1389, 1401-02. In *Pineda*, the California Supreme Court held Labor Code § 203 is “not designed to
17 compensate employees for work performed [but] it is intended to encourage employers to pay final
18 wages on time, and to punish employers who fail to do so.” Here, Plaintiff’s UCL claim is solely
19 premised on the failure to pay lawful wages and premium wages claims discussed above. Class
20 Counsel assigned a zero-dollar value to the UCL claim because it does not provide any additional
21 value in this Action other than to increase the statute of limitations to four years for the underlying
22 claims. Those claims are valued and analyzed above based on the four-year statute of limitations
23 provided by the UCL. However, the UCL claim in and of itself does not provide any additional
24 damages. Therefore, there is no additional or separate monetary value that this statute provides based
25 on the facts of this Action.

26 18. Plaintiff’s claims under PAGA are primarily predicated on or derivative of the other
27 claims asserted. Plaintiff’s estimated maximum PAGA penalty was calculated as \$109,100. This
28 figure attributes a \$100 penalty to each of the estimated 1,091 pay periods in scope during the PAGA

1 period. The figure also assumes that there is a 100% violation rate during the PAGA period, such
2 that every single pay period in question involved at least one Labor Code violation, despite disputes
3 regarding Defendant's liability. In order to recover any PAGA penalties, Plaintiff would be required
4 at trial to prove each of the underlying Labor Code violations. *See Cardenas v. McLane*
5 *Foodservice, Inc.*, 2011 U.S. Dist. LEXIS 13126, *10 (C.D. Cal. 2011) ("Given the statutory
6 language [of PAGA], a Plaintiff cannot recover on behalf of individuals whom the Plaintiff has not
7 proven suffered a violation of the Labor Code by the defendant.") Here, Plaintiff would need to
8 prove that each PAGA Employee suffered all violations for each pay period the employee worked.
9 As discussed herein, the nature of the PAGA based claims (i.e. meal period, wage statement, failure
10 to pay all wages owed, and to timely pay wages) and Defendant's asserted defenses thereto present a
11 risk that some or all of the PAGA penalties sought may not be awarded. Given the nature of these
12 claims, as analyzed above, Class Counsel believes it to be likely that if there would be any award it
13 would be a minimal amount. Therefore, the amount of \$10,000 (which has been reserved for the
14 PAGA claim) is both fair and reasonable.

15 19. Through his counsel, Plaintiff took into consideration the significant risks that class
16 certification could be denied on the central claim, or that a merits decision on the central claim
17 would not favor the Class. Plaintiff has considered the expense and length of continued proceedings
18 necessary to continue the Action against Defendant through trial and any possible appeals. Plaintiff
19 is also aware of the burdens of proof necessary to establish liability for the claims asserted in the
20 Action, Defendant's defenses thereto, and the difficulties in establishing Plaintiff's damages.

21 20. The proposed Settlement requires Defendant to pay each Class Member who does not
22 opt out a portion of the Settlement Amount as specifically set forth in the Settlement Agreement.
23 The amount to be paid to the Class is undoubtedly fair, adequate and reasonable especially in light of
24 the significant risk to Plaintiff and Class Members in continuing with the litigation and not
25 prevailing on class certification or at trial.

26 21. The Settlement Agreement provides for an award to be paid to the Class
27 Representative. The primary purpose is to provide Plaintiff an enhancement payment, taking into
28

1 consideration the risks, time, effort and expenses incurred by their coming forward to provide
2 invaluable information and negotiate and litigate this matter on behalf of all Class Members.

3 22. This firm has a great deal of experience in wage and hour class action litigation.
4 James R. Hawkins has obtained certification of several classes, has been approved as class counsel
5 in many other wage/hour class actions, and is currently litigating numerous others. Although not an
6 all-inclusive list, over the years James R. Hawkins has prosecuted the following class action matters
7 as lead and/or co-lead counsel, all of which implicated similar law and facts to those associated with
8 this action:

- 9 a. *Aguilar v. 7-Eleven, Inc., et. al.*, Orange County Superior Court- Case No.: 30-
10 2009-00268714-CU-OE-CXC. Certified Wage and Hour Class action seeking
11 premium wages for meal period and rest periods and resultant penalties. Class
12 Notice pending.
- 13 b. *Carey, et. al. v. Arthur J. Gallagher, et. al.*, USDC, SOUTHERN DISTRICT-
14 Case No.: 09-cv-0168. Wage and Hour Class action seeking past wages of
15 overtime for misclassification of insurance claims adjusters employed by
16 Gallagher Bassett, a third party administrator (TPA) in the State of California.
17 Certification granted. Plaintiffs' counsel co-lead counsel. Case settled, Final
18 Approval granted, no objections and funds fully distributed.
- 19 c. *Dao v. 3M Company, et al.* USDC, CENTRAL DISTRICT, Case No. CV-08-
20 04554. Wage and Hour Class Action case seeking past wages for "off the clock",
21 overtime and meal and rest break violations for production workers in the State of
22 California. Plaintiff's Counsel appointed as Lead Counsel. Case settled, Final
23 Approval granted, no objections and funds fully distributed.
- 24 d. *Ortiz v. Kmart*, USDC, CENTRAL DISTRICT, Case No. SACV 06-638 ODW.
25 Wage and Hour Class Action case seeking past wages for meal and rest period
26 violations for retail employees in the State of California. Plaintiff's counsel
27 appointed co-lead counsel. Case settled, Final Approval granted, no objections
28 and funds fully distributed.

- 1 e. *Morgan v. Aramark Campus, LLC*, USDC, CENTRAL DISTRICT, Case No.
2 SACV08-00412. Wage and Hour Class Action case seeking past wages for meal
3 and rest period violations for retail employees in the State of California.
4 Plaintiff's Counsel appointed as Lead Counsel. Case settled, Final Approval
5 granted, no objections and funds fully distributed.
- 6 f. *West v Iron Mountain Information Management, Inc, et. al.*; Los Angeles County
7 Superior Court, Case No. BC393709. Wage and Hour Class Action seeking past
8 wages for overtime, meal and rest break violations for driver employees in the
9 State of California. Settlement for "binding arbitration." Arbitration Award for
10 Plaintiff Class. Arbitration Award confirmed. Plaintiff's counsel, lead trial
11 counsel and class counsel.
- 12 g. *Gonzalez v. Superior Industries Inter, Inc., et al.*, Los Angeles County Superior
13 Court, Case No. BC 357912. Wage and Hour Class Action seeking past wages
14 for overtime, meal and rest breaks violations for production employees in the
15 State of California. Plaintiff's counsel appointed as lead counsel. Case settled,
16 Final Approval granted, no objections and funds fully distributed.
- 17 h. *Acosta v. Fleetwood Travel Trailers of California, Inc., et al.*, Riverside County
18 Superior Court, Case No. RIC 440630. Wage and Hour Class Action seeking past
19 wages for overtime, meal and rest break violations for production employees in
20 the State of California. Plaintiff's counsel appointed as co-lead counsel. Case
21 settled, Final Approval granted, no objections and funds fully distributed.
- 22 i. *Walker v. Sharkeez, et al.*, Orange County Superior Court, Case No.
23 05CC00293. Wage and Hour Class Action seeking past wages for unlawful
24 deductions, meal and rest break violations for restaurant employees in the State of
25 California. Plaintiff's counsel appointed as lead counsel. Case settled, Final
26 Approval granted and funds fully distributed.
- 27 j. *Padron v. Universal Protection Service, et al*, Orange County Superior Court,
28 Case No. 05CC00013. Wage and Hour Class Action seeking past wages for

- 1 overtime, meal and rest break violations for security officers in the State of
2 California. Plaintiff's counsel appointed as co-lead counsel. Case settled, Final
3 Approval granted, no objections and funds fully distributed.
- 4 k. *Martinez v. Securitas Security Services USA, et al.*, Santa Clara Superior Court,
5 Case No. 105-CV047499, et al. J.C.C.P. No. 4460. Wage and Hour Class Action
6 seeking past wages for meal and rest break violations for security officers
7 employed by defendant in the State of California. Plaintiff's counsel and co-
8 counsel. Case settled, Final Approval granted and funds fully distributed.
- 9 l. *Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.*, Riverside Superior Court,
10 Case No. RIC 420909. Wage and Hour Class Action seeking past wages for
11 overtime, meal and rest break violations for housekeepers employed by defendant
12 in the State of California. Plaintiff's counsel appointed as lead counsel. Case
13 settled, Final Approval granted, no objections and funds fully distributed.
- 14 m. *Ruiz, et al. v. Unisourse Worldwide, Inc., et al.*, USDC, CENTRAL DISTRICT,
15 Case No. CV09-05848. Wage and Hour Class Action seeking past wages for
16 meal and rest period violations for non-exempt employees employed by defendant
17 in the state of California. Case settled. Awaiting Preliminary Approval hearing.
18 Plaintiff has petitioned the Court for Lead Counsel.
- 19 n. *Herrador v. Culligan International Company, et al.*, USDC, CENTRAL
20 DISTRICT, Case No. SACV 08-680. Wage and Hour Class Action seeking past
21 wages for field and branch employees of defendant in the State of California.
22 Plaintiff's counsel appointed as lead counsel. Case settled and awaiting Final
23 Approval.
- 24 o. *Defries v. Domain Restaurants, et al.*, Orange County Superior Court, Case No.
25 05CC00128. Wage and Hour Class Action seeking past wages for restaurant
26 employees of defendant in the State of California. Plaintiff's counsel appointed
27 as lead counsel. Case settled, Final Approval granted, no objections and funds
28 fully distributed.

- 1 p. *Denton v. BLB Enterprises, Inc.*, et al., Orange County Superior Court, Case No.
2 07CC01292. Wage and Hour Class Action seeking unpaid overtime, meal and
3 rest break violations for security guards employed by defendant in the State of
4 California. Plaintiff's counsel appointed as lead counsel. Case settled, Final
5 Approval granted, no objections and funds fully distributed.
- 6 q. *Rios v. Sandberg Furniture Manufacturing Co., Inc.*, et al., Los Angeles Superior
7 Court, Case No. BC411477. Wage and Hour Class Action seeking unpaid meal
8 and rest break violations for production employees employed by defendant in the
9 State of California. Plaintiff counsel appointed as lead counsel. Case settled,
10 Final Approval granted, no objections and funds fully distributed.
- 11 r. *McMurray v. Dave and Busters, Inc.*, et al., Orange County Superior Court, Case
12 No. 06CC00099. Wage and Hour Class Action seeking past wages for meal and
13 rest break violations for restaurant employees employed by defendant in the State
14 of California. Plaintiff's counsel appointed as co-lead counsel. Case settled,
15 Final Approval granted, no objections and funds fully distributed.
- 16 s. *Osuna v. DFG Restaurants, Inc.*, et al., Los Angeles Superior Court, Case No. BC
17 330145. Wage and Hour Class Action seeking past wages of overtime for mis-
18 classification of managers employed by Defendant, DBA Carl's Jrs. in the State
19 of California. Plaintiff's counsel appointed as co-lead counsel. Case settled,
20 Final Approval granted, no objections and funds fully distributed.
- 21 t. *Burns v. Gymboree Operations, Inc.*, et al., San Francisco Superior Court, Case
22 No. CGC-07-461612. Wage and Hour Class Action seeking past wages for meal
23 and rest break violations for retail employees employed by defendant in the State
24 of California. Plaintiff's counsel appointed lead counsel. Case settled, Final
25 Approval granted, no objections and funds fully distributed.
- 26 u. *Willems v. Diedrich Coffee, Inc.*, et al., Orange County Superior Court, Case No.
27 07CC00015. Wage and Hour Class Action seeking past wages of overtime for
28 mis-classification of managers employed by Defendant in the State of California.

1 Plaintiff's counsel appointed lead counsel. Case settled, Final Approval granted,
2 no objections and funds fully distributed.

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

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

13 23. Ms. Fernandez, my co-counsel on this matter, has been a member of the Florida Bar
14 since January 1996 and member of the California Bar since August 2002. Ms. Fernandez has
15 specialized in employment-related litigation including complex wage and hour civil litigation since
16 2003. Ms. Fernandez has been, and currently is, co-counsel in over 40 wage and hour class action
17 litigations for our firm and has produced excellent results for this firm's clients in wage and hour
18 class actions.

19 24. I have been a member of the California Bar since July 2022, and was provisionally
20 licensed prior to that time. I have specialized in complex wage and hour litigation since October
21 2021. I have been, and currently am, co-counsel in over 40 wage and hour class action litigations for
22 our firm and have produced excellent results for this firm's clients in wage and hour class actions.

23 25. Class counsel has and will ensure the timely submission of all necessary documents
24 to the LWDA in relation to this settlement.

25 26. Class counsel is unaware of any other pending matter or action that would be
26 adversely affected by this settlement or have its claims extinguished by this settlement.

1 I declare under penalty of perjury that the foregoing is true and correct. Executed
2 on December 13, 2024 at Costa Mesa, California.

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5 Anthony L. Draper

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EXHIBIT A

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is entered into by and between Plaintiff Lucas Lee (“Plaintiff”) and Defendant CJ Logistics Transportation, LLC (fka GN Transportation LLC) (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

1.1 “Action” means Plaintiff’s class and PAGA action lawsuit alleging wage and hour violations against Defendant, captioned *Lucas Lee v. GN Transportation LLC*, initiated on or about June 27, 2023 and pending in Superior Court of the State of California, County of Los Angeles, Case No. 23STCV14934.

1.2 “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 “Aggrieved Employee” means all current and former exempt employees who worked in California for Defendant during the PAGA Period.

1.5 “Class” means all current and former exempt employees who worked in California for Defendant during the Class Period.

1.6 “Class Counsel” means James Hawkins, Isandra Fernandez, and Anthony Draper of James Hawkins APLC.

1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, and Social Security number, as well as the number of Class Period workweeks and PAGA pay periods.

1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12 “Class Period” means the period from April 21, 2019 and the date of Preliminary Settlement Approval.

1.13 “Class Representative” means the named Plaintiff in the Operative Complaint in the Action seeking Court approval to serve as Class Representative.

1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15 “Court” means the Superior Court of California, County of Los Angeles.

1.16 “Defendant” means Defendant CJ Logistics Transportation, LLC (fka GN Transportation LLC).

1.17 “Defense Counsel” means Emma Luevano, Elaine Kim, and Te’Aira Law of Mitchell Silberberg & Knupp LLP.

1.18 “Effective Date” means the date by when both of the following have occurred:
(a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and
(b) the Judgment is final. The Judgment is final as of the latest of the following occurrences:
(a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.22 “Gross Settlement Amount” means \$275,000, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Litigation Expenses, Class Representative Service Payment, and the Administration Expenses Payment.

1.23 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of workweeks worked during the Class Period.

1.24 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of pay periods during the PAGA Period.

1.25 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.26 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).

1.27 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30 “PAGA Period” means the period from April 21, 2022 and the date of Preliminary Settlement Approval.

1.31 “PAGA” means the Private Attorneys General Act (Labor Code § 2698, *et seq.*).

1.32 “Plaintiff’s PAGA Notice” means Lucas Lee’s April 21, 2023 letter to the LWDA, providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.33 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500) and 75% to LWDA (\$7,500) in settlement of PAGA claims.

1.34 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.35 “Plaintiff” means Lucas Lee, the named plaintiff in the Action.

1.36 “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

1.37 “Preliminary Approval Order” means the Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.38 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.39 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.40 “Released Parties” means Defendant and each and all of its present and former partners, parents (including, but not limited to, CJ Logistics America, LLC), subsidiaries, affiliates, and related entities and all of their officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, payroll companies, staffing agencies, successors and assigns, and any other persons acting by, through, under, or in concert with any of them (including any alleged joint employers).

1.41 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Settlement signed by the Class Member.

1.42 “Response Deadline” means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond when the Response Deadline has expired.

1.43 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

2.1 On or about June 27, 2023, Plaintiff Lucas Lee commenced this Action by filing a Complaint against Defendant for PAGA penalties due to the alleged failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims). On or about August 8, 2024, Plaintiff filed his First Amended Complaint and that First Amended Complaint is the operative Complaint in the Action (the “Operative Complaint”). In addition to asserting class claims for the purported violations of the Labor Code statutes previously alleged, the Operative Complaint also alleges violation of California Business and Professions Code section 17200 (unfair competition) and violations of the following California Labor Code sections: 226.2, 226.3, 246, 551, 1174 and 1174.5, 1182.12, 1194.2, 1197.1, and 1198. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2 On or about April 1, 2024, the Parties participated in a mediation which led to this Agreement to settle the Action.

2.3 Prior to negotiating the Settlement, Plaintiff obtained informal discovery which included, among other things, the total number of Class Members and Aggrieved Employees at issue and a sample of records for the Class Members and Aggrieved Employees. Plaintiff's investigation was sufficient to satisfy the criteria for Court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.4 The Court has not granted class certification. The Parties stipulate to class certification for purposes of settlement only. If the Court does not grant Preliminary and Final Approval of this Agreement despite the Parties' good faith efforts to address the Court's concerns without increasing the Gross Settlement Amount, the Parties shall return to status quo ante.

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

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Defendant promises to pay \$275,000 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member or Aggrieved Employee). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which is currently estimated to be \$96,250.00 and a Class Counsel Litigation Expenses Payment of not more than \$20,000. Defendant will not oppose requests for these payments provided they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation

Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administration Expenses Payment not to exceed \$10,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$10,000, the remaining funds will be included in the Net Settlement Amount.

3.2.4 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$10,000 to be paid from the Gross Settlement Amount, with 75% (\$7,500) allocated to the LWDA PAGA Payment and 25% (\$2,500) allocated to the Individual PAGA Payments.

3.2.4.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$2,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payments.

3.2.4.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3.2.4.3 If the Court requires a PAGA allocation higher than the foregoing, such determination shall not increase the amount of the Gross Settlement Amount, and the amounts that constitute the Gross Settlement Amount shall be reallocated as necessary.

3.3 Payments from the Net Settlement Amount. Payment will be made to Participating Class Members from the Net Settlement Amount as follows:

3.3.1 Individual Class Payment. The Administrator will calculate each Individual Class Payment by (a) dividing the Net Settlement Amount by the total number of workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's workweeks.

3.3.2 Tax Allocation of Payments. 100% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties. The Individual Class Payments are not subject to wage withholdings and will be

reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments.

3.3.3 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.3.4 If the Court disapproves of the payment structure in this Agreement, then the Parties will negotiate in good faith to adjust the structure, but in no event will Defendant be required to pay more than the Gross Settlement Amount on the basis of the payment structure.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Members. Based on a review of their records to date, Defendant estimates there are 13 Class Members.

4.2 Class Data. Not later than 20 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class

Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 10 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and each of his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action of whatever kind or nature, contingent or accrued, that occurred in connection with his employment with Defendant, including, but not limited to: (a) all claims that were or reasonably could have been alleged based on the facts contained in the Operative Complaint; and (b) all PAGA claims that were or reasonably could have been alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under Paragraph 5.3, below, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these

claims) (“Plaintiff’s Release”). This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including California Labor Code sections 200, 201, 202, 203, 204, 210, 221, 225, 226, 226.2, 226.3, 226.7, 246, 510, 512, 551, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 2800 and 2802, as well as claims under Business and Professions Code section 17200, *et seq.*, and/or California Labor Code section 2698, *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Action. Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers’ compensation benefits that arose at any time, or based on occurrences outside of his employment with Defendant. Plaintiff acknowledged that he may discover facts or law different from, or in addition to, the facts or law that he now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

5.1.1 Plaintiff’s Waiver of Rights under California Civil Code Section 1542. For purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action, including, *e.g.*, any failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims). This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including California Labor Code sections 200, 201, 202, 203, 204, 210, 221, 225, 226, 226.2, 226.3, 226.7, 246, 510, 512, 551, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 2800 and 2802, as well as claims under Business and Professions Code section 17200, *et seq.*, and/or California Labor Code section 2698, *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Action. Except as set forth in Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees. All Aggrieved Employees (regardless of whether they are Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint during the PAGA Period, Plaintiff's PAGA Notice, and ascertained in the course of the Action, including, *e.g.*, any failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims).

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), and this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the Parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person, by video conference, or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person, by video conference, or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns; provided, however, that Defendant shall be under no obligation to proceed with the Settlement if the required material changes are unacceptable to Defendant or would require Defendant to pay more than the Gross Settlement Amount.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings, if any, and providing reports to state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 Not later than 3 business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, workweeks and pay periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 20 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of workweeks and PAGA pay periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class

Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, challenges workweeks and/or pay periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person, by video conference, or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out) of the Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating

Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class workweeks and PAGA pay periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of workweeks and/or pay periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of workweeks and/or pay periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so no later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address, and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing, and copies of the

Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval, the Judgment, and the Notice of Final Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing: (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to workweeks and/or pay periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of workweeks and/or pay periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections, and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

7.8.6 Final Report by Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only (or similar unique identification) of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for

filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE AND WORKWEEK ESTIMATES. Based on its records, Defendant estimates that, as of April 1, 2024, there were approximately 13 Class Members and 2,182 workweeks during the Class Period.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List is three (3) or more of all Class Members, Defendant may elect, but is not obligated, to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw no later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 14 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person, by video conference, or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval; provided, however, that Defendant shall be under no obligation to proceed with the Settlement if the required material changes are unacceptable to Defendant or would require Defendant to pay more than the Gross Settlement Amount. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this Paragraph.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for

purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

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

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address, if possible, the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur; provided, however, that at no time will Defendant be required to pay more than the Gross Settlement Amount. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this Paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, as well as the representative treatment or manageability of any PAGA claim, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement, and Parties' willingness to settle the Action will have no bearing on, and will not be

admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to Plaintiff's attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) as for Defendant, as needed for legal, accounting, tax, or other business reasons; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. Plaintiff and Class Counsel shall not publicize the settlement on their websites, in advertising/marketing materials, or on social media, other than filing documents with the Court. This Paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this Paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, and submitting supplemental evidence or supplementing points and authorities as requested by the Court. Plaintiff will not opt out of the Settlement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement

the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with settlement negotiations or in connection with the Settlement, may be used only with respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a

weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

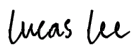
James R. Hawkins, Esq.
Isandra Fernandez, Esq.
Anthony L. Draper, Esq.
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, CA 92618

To Defendant:

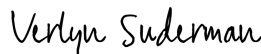
Emma Luevano
Elaine Kim
Te'Aira Law
MITCHELL SILBERBERG & KNUPP LLP
2049 Century Park East, 18th Floor
Los Angeles, CA 90067

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument, as if counsel for the Parties exchanged between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that, upon the execution of this Agreement, the Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree, upon the signing of this Agreement and pursuant to California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

DocuSigned by:

3684F9D6FF294A8...

Lucas Lee



For Defendant CJ Logistics Transportation, LLC



James R. Hawkins
JAMES HAWKINS APLC


Emma Luevano

(fka GN Transportation LLC)
By: Verlyn Suderman
Its: General Counsel

Mitchell Silberberg & Knupp LLP
Counsel for Defendant

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

[Lucas Lee v. GN Transportation LLC, Case No. 23STCV14934]

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Defendant CJ Logistics Transportation, LLC (fka GN Transportation LLC) (“Defendant”) for alleged wage and hour violations. The Action was filed by Plaintiff Lucas Lee (“Plaintiff”) and seeks payment of (1) alleged unpaid wages and other relief for a class of exempt employees (“Class Members”) who worked for Defendant during the Class Period (April 21, 2019 through the date of Preliminary Settlement Approval); and (2) alleged penalties under the California Private Attorneys General Act (“PAGA”) for all hourly, non-exempt employees who worked for Defendant CJ Logistics Transportation, LLC (fka GN Transportation LLC) during the PAGA Period (April 21, 2022 through the date of Preliminary Settlement Approval) (“Aggrieved Employees”).

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

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

The above estimates are based on Defendant’s records showing that **you worked _____ workweeks** during the Class Period and **___ pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.
The Opt-out Deadline is [date]	You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this
Written Objections Must be Submitted by [date]	

You Can Participate in the [date] Final Approval Hearing	Notice. The Court’s Final Approval Hearing is scheduled to take place on [date]. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods	The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks you worked during the Class Period and how many pay periods you worked during the PAGA Period, respectively. The number of workweeks worked during the Class Period and the number of pay periods worked during the PAGA Period (if any) according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [date]. See Section 4 of this Notice.
Written Challenges Must be Submitted by [date]	

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay all wages due (including minimum wage, straight time, and overtime wages), failing to pay for all hours worked, failing to provide meal or rest periods, failing to timely pay wages and final wages, failing to maintain accurate records of hours worked and meal periods, failing to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims). Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action: James R. Hawkins, Isandra Y. Fernandez, and Anthony L. Draper of James Hawkins APLC (“Class Counsel”).

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an agreement to settle the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

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

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

1. Defendant Will Pay \$275,000 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$96,250 (35% of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 for the named Plaintiff as the Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. The Class Representative Service Payment will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$10,000 to the Administrator for services administering the Settlement.
 - D. Up to \$10,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period pay periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 100% of each Individual Class Payment to interest and penalties. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [date] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void:

Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, [name] (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over workweeks or pay periods worked, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that, unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and ascertained in the course of the Action, including, *e.g.*, any failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, failure to provide expense reimbursements (including claims derivative and/or related to these claims). This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including California Labor Code sections 200, 201, 202, 203, 204, 210, 221, 225, 226, 226.2, 226.3, 226.7, 246, 510, 512, 551, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 2800 and 2802, as well as claims under Business and Professions Code section 17200, *et seq.*, and/or California Labor Code section 2698, *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Action. Except as set forth in Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from

the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Aggrieved Employees (regardless of whether they are Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint during the PAGA Period, Plaintiff's PAGA Notice, and ascertained in the course of the Action, including, *e.g.*, any failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims).

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. All Participating Class Members will receive their pro rata share of the Net Settlement Amount based on the number of Class Period workweeks.
2. Individual PAGA Payments. The Administrator will calculate each Individual PAGA Payment as a pro rata share of the Aggrieved Employees' 25% share of PAGA Penalties (\$2,500) based on the number of pay periods during the PAGA Period.
3. Workweek/Pay Period Received Challenges. The number of workweeks worked during the Class Period and the number of pay periods worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [date] to challenge the number of workweeks and pay periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of workweeks and pay periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve workweek and pay period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final

decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Lucas Lee v. GN Transportation LLC*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by [date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Awards stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff are requesting as Class Representative Service Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website [need details] or the Court's website [need details].

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Awards may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections**

to the Administrator is [date]. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action [Lucas Lee v. GN Transportation LLC] and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department X of the Los Angeles Superior Court, located at 111 North Hill Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website [www.etc.] beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the [specify whose] website at [URL of website]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 23STCV14934. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

James R. Hawkins, Esq.
Isandra Fernandez, Esq.
Anthony L. Draper, Esq.
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, CA 92618
TEL: (949) 387-7200
FAX: (949) 387-6676
Email: james@jameshawkinsaplc.com
Email: isandra@jameshawkinsaplc.com
Email: anthony@jameshawkinsaplc.com
Email: staff@jameshawkinsaplc.com

Settlement Administrator:

[Name]

[Mailing Address]

[Telephone]

[Fax Number]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund [https://www.sco.ca.gov/search_upd.html] for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT B

~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT ~~AND CLASS~~ NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is ~~made entered into~~ by and between ~~plaintiff~~ Plaintiff Lucas Lee ("Plaintiff") and ~~defendant XYZ~~ ("XYZ") Defendant CJ Logistics Transportation, LLC (fka GN Transportation LLC) ("Defendant"). The Agreement refers to Plaintiff and ~~XYZ Defendant~~ collectively as "Parties," or individually as "Party."

1. ~~1.~~ DEFINITIONS.

~~1.1 1.1.~~ "Action" means ~~the~~ Plaintiff's ~~class and PAGA action~~ lawsuit alleging wage and hour violations against ~~XYZ Defendant~~, captioned Lucas Lee v. GN Transportation LLC, initiated on or about June 27, 2023 and pending in Superior Court of the State of California, County of Los Angeles, Case No. 23STCV14934.

~~1.2 1.2.~~ "Administrator" means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

~~1.3 1.3.~~ "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

~~1.4 1.4.~~ "Aggrieved Employee" means ~~for example, a person employed by XYZ in California~~ all current and classified as a former exempt employees who worked in California for ~~XYZ Defendant~~ during the PAGA Period for.

~~1.5 1.5.~~ "Class" means ~~define class e.g., all persons employed by XYZ in California all~~ current and classified as former exempt employees who worked in California for ~~XYZ Defendant~~ during the Class Period for.

~~1.6 1.6.~~ "Class Counsel" means James Hawkins, Isandra Fernandez, and Anthony Draper of James Hawkins APLC.

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~~1.7~~ ~~1.7.~~ “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

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~~1.8~~ ~~1.8.~~ “Class Data” means Class Member identifying information in ~~XYZ’s Defendant’s~~ possession including the Class Member’s name, last-known mailing address, ~~and~~ Social Security number, ~~and as well as the~~ number of Class Period ~~Workweeks~~workweeks, and PAGA ~~Pay Periods~~pay periods.

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~~1.9~~ ~~1.9.~~ “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

~~1.10~~ ~~1.10.~~ “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

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~~1.11~~ ~~1.11.~~ “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English ~~[with a Spanish translation, if applicable]~~ in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

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~~1.12~~ ~~1.12.~~ “Class Period” means the period from _____ to _____, ~~April 21, 2019 and the date of Preliminary Settlement Approval.~~

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~~1.13~~ ~~1.13.~~ “Class Representative” means the named Plaintiff in the ~~operative complaint~~Operative Complaint in the Action seeking Court approval to serve as ~~a~~ Class Representative.

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~~1.14~~ ~~1.14.~~ “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

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~~1.15~~ ~~1.15.~~ “Court” means the Superior Court of California, County of Los Angeles.

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~~1.16.~~ “XYZ” means named Defendant _____.

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1.16 ~~1.17~~ “Defendant” means Defendant CJ Logistics Transportation, LLC (fka GN Transportation LLC).

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1.17 ~~1.18~~ “Defense Counsel” means Emma Luevano, Elaine Kim, and Te’Aira Law of Mitchell Silberberg & Knupp LLP.

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1.18 ~~1.19~~ “Effective Date” means the date by when both of the following have occurred: (a) ~~the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final.~~ The Judgment is final as of the latest of the following occurrences: (a) ~~if no Participating Class Member objects to the Settlement, the day the Court enters Judgment;~~ (b) ~~if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.~~

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1.19 ~~1.20~~ “Final Approval” means the Court’s order granting final approval of the Settlement.

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1.20 ~~1.21~~ “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

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1.21 ~~1.22~~ “Final Judgment” means the Judgment ~~Entered~~entered by the Court upon ~~Granting~~granting Final Approval of the Settlement.

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1.22 ~~1.23~~ “Gross Settlement Amount” means ~~\$~~\$275,000, which is the total amount ~~XYZ Defendant~~ agrees to pay under the Settlement ~~except as provided in Paragraph 9 below.~~ The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel ~~Litigation~~ Expenses, Class Representative Service Payment, and the ~~Administrator’s Administration~~ Expenses ~~Payment.~~

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1.23 ~~1.24~~ “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of ~~Workweeks~~workweeks worked during the Class Period.

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1.24 ~~1.25~~ “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of ~~Workweeks~~worked pay periods during the PAGA Period.

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~~1.25~~ ~~1.25~~ “Judgment” means the judgment entered by the Court based upon the Final Approval.

~~1.26~~ ~~1.26~~ “LWDA” means the California Labor and Workforce Development Agency, the agency entitled under Labor Code section 2699, subd. (i).

~~1.27~~ ~~1.27~~ “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

~~1.28~~ ~~1.28~~ “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

~~1.29~~ ~~1.29~~ “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

~~1.30~~ “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for XYZ for at least one day during the PAGA Period.

~~1.30~~ ~~1.31~~ “PAGA Period” means the period from _____ to _____, April 21, 2022 and the date of Preliminary Settlement Approval.

~~1.31~~ ~~1.32~~ “PAGA” means the Private Attorneys General Act (Labor Code ~~§§~~ 2698, *et seq.*).

~~1.32~~ ~~1.33~~ “Plaintiff’s PAGA Notice” means Plaintiff’s _____ Lucas Lee’s April 21, 2023 letter to XYZ and the LWDA, and Plaintiff’s _____ letter to XYZ and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd. (a).

~~1.33~~ ~~1.34~~ “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (~~(_____)(\$2,500)~~) and ~~the~~ 75% to LWDA (~~(_____)(\$7,500)~~) in settlement of PAGA claims.

~~1.34~~ ~~1.35~~ “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

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~~1.35~~ ~~1.36~~ "Plaintiff" means _____, Lucas Lee, the named plaintiff in the Action.

~~1.36~~ ~~1.37~~ "Preliminary Approval" means the Court's Order Granting Preliminary Approval order granting preliminary approval of the Settlement.

~~1.37~~ ~~1.38~~ "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

~~1.38~~ ~~1.39~~ "Released Class Claims" means the claims being released as described in Paragraph ~~6.5~~ 2 below.

~~1.39~~ ~~1.40~~ "Released PAGA Claims" means the claims being released as described in Paragraph ~~6.25.3~~ below.

~~1.40~~ ~~1.41~~ "Released Parties" means: ~~XYZ Defendant~~ and each and all of its ~~former and~~ present and former partners, parents (including, but not limited to, CJ Logistics America, LLC), subsidiaries, affiliates, and related entities and all of their officers, directors, ~~officers,~~ shareholders, owners, [members], employees, agents, servants, registered representatives, attorneys, insurers, ~~predecessors~~ payroll companies, staffing agencies, successors, and assigns [subsidiaries] [affiliates], and any other persons acting by, through, under, or in concert with any of them (including any alleged joint employers).

~~1.41~~ ~~1.42~~ "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

~~1.42~~ ~~1.43~~ "Response Deadline" means ~~[e.g., 60]~~ days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) ~~fax, email, or mail~~ Requests for Exclusion from the Settlement, or (b) fax, email, or mail his, her, or her/their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond when the Response Deadline has expired.

~~1.43~~ ~~1.44~~ "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for XYZ for at least one day, during the Class Period.

2. ~~2.~~ RECITALS.

2.1 ~~2.1.~~ On _____, or about June 27, 2023, Plaintiff Lucas Lee commenced this Action by filing a Complaint ~~alleging causes against Defendant for~~ PAGA penalties due to the alleged failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of action against XYZ for _____. ~~[The hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims). On or about August 8, 2024, Plaintiff filed his First Amended Complaint and that First Amended Complaint is the operative complaint.~~ Complaint in the Action (the "Operative Complaint.") ~~[On _____, Plaintiff filed a [e.g., First Amended Complaint] alleging causes of action against XYZ for~~ _____. ~~The [e.g., First Amended] Complaint is "]. In addition to asserting class claims for the operative complaint in purported violations of the Action (Labor Code statutes previously alleged, the "Operative Complaint.")~~ XYZ also alleges violation of California Business and Professions Code section 17200 (unfair competition) and violations of the following California Labor Code sections: 226.2, 226.3, 246, 551, 1174 and 1174.5, 1182.12, 1194.2, 1197.1, and 1198. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to XYZ and the LWDA by sending On or about April 1, 2024, the PAGA Notice.

2.2 ~~2.3.~~ On _____ (type in additional dates), [the Parties participated in an all-day mediation presided over by _____ which led to this Agreement to settle the Action (describe alternative means of negotiation). _____ (describe alternative means of negotiation) _____.

2.3 ~~2.4.~~ Prior to ~~mediation~~ negotiating the Settlement, Plaintiff obtained, through ~~formal~~ informal discovery, _____ (documents, testimony and information obtained) _____ which included, among other things, the total number of Class Members and Aggrieved Employees at issue and a sample of records for the Class Members and Aggrieved Employees. Plaintiff's investigation was sufficient to satisfy the criteria for ~~court~~ Court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.*, (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

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~~2.5.~~ The Court ~~has~~ has not granted class certification.
(insert details as needed)

~~2.4~~ ~~2.6.~~ The Parties stipulate to class certification for purposes of settlement only. If the Court does not grant Preliminary and Final Approval of this Agreement despite the Parties' good faith efforts to address the Court's concerns without increasing the Gross Settlement Amount, the Parties shall return to status quo ante.

~~2.5~~ The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

~~3.~~ ~~3.~~ **MONETARY TERMS.**

~~3.1~~ ~~3.1.~~ Gross Settlement Amount. ~~Except as otherwise provided by Paragraph 9 below, XYZ.~~ Defendant promises to pay \$ \$275,000 and no more as the Gross Settlement Amount ~~and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments.~~ XYZ. Defendant has no obligation to pay the Gross Settlement Amount ~~(or any payroll taxes)~~ prior to the deadline stated in Paragraph ~~6.14.3~~ of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to ~~XYZ.~~ Defendant.

~~3.2~~ ~~3.2.~~ Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

~~3.2.1~~ ~~3.2.1.~~ To Plaintiff: A Class Representative Service Payment to the Class Representative of not more than \$ \$10,000 (in addition to any Individual Class Payment ~~and any Individual PAGA Payment~~ the Class Representative is entitled to receive as a Participating Class Member). ~~XYZ or Aggrieved Employee).~~ Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service ~~Payments~~ Payment no later than ~~16 court~~ days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

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3.2.2 ~~3.2.2~~ To Class Counsel: A Class Counsel Fees Payment of not more than ~~—%,35% of the Gross Settlement Amount,~~ which is currently estimated to be \$~~96,250.00~~ and a Class Counsel Litigation Expenses Payment of not more than \$~~20,000~~. ~~Defendant~~ will not oppose requests for these payments provided ~~that they~~ do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment no later than ~~16 court~~ days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds ~~XYZ~~ Defendant harmless, and indemnifies ~~XYZ~~ Defendant from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 ~~3.2.3~~ To the Administrator: An ~~Administrator~~ Administration Expenses Payment not to exceed \$~~10,000~~ except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$~~10,000~~, the ~~Administrator~~ remaining funds will ~~retain the remainder~~ be included in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. % ~~_____~~ of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The % ~~_____~~ of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). ~~The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.~~

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. ~~Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.~~

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~~3.2.4 3.2.5.~~ To the LWDA and Aggrieved Employees: ~~PAGA Penalties in the~~
amount of \$ ~~_____~~ \$10,000 to be paid from the Gross Settlement Amount, with 75%
~~(\$ _____)(\$7,500)~~ allocated to the LWDA PAGA Payment and 25%
~~(\$ _____)(\$2,500)~~ allocated to the Individual PAGA Payments.

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~~3.2.4.1 3.2.5.1.~~ The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties \$ ~~_____~~ (\$2,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. ~~Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA~~ ~~Payment~~ Payments.

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~~3.2.4.2 3.2.5.2.~~ If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

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3.2.4.3 If the Court requires a PAGA allocation higher than the foregoing, such determination shall not increase the amount of the Gross Settlement Amount, and the amounts that constitute the Gross Settlement Amount shall be reallocated as necessary.

3.3 Payments from the Net Settlement Amount. Payment will be made to Participating Class Members from the Net Settlement Amount as follows:

3.3.1 Individual Class Payment. The Administrator will calculate each Individual Class Payment by (a) dividing the Net Settlement Amount by the total number of workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's workweeks.

3.3.2 Tax Allocation of Payments. 100% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties. The Individual Class Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments.

Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.3.3 4:

3.3.4 If the Court disapproves of the payment structure in this Agreement, then the Parties will negotiate in good faith to adjust the structure, but in no event will Defendant be required to pay more than the Gross Settlement Amount on the basis of the payment structure.

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4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. ~~4.1. Class Workweeks and Aggrieved Employee Pay Periods.~~ Class Members.

Based on a review of ~~its~~their records to date, XYZDefendant estimates there are ~~Class Members who collectively worked a total of~~ Workweeks, and ~~of Aggrieved Employees who worked a total~~ of PAGA Pay Periods13 Class Members.

4.2. ~~4.2. Class Data.~~ Not later than ~~[e.g., 15]~~20 days after the Court grants

Preliminary Approval of the Settlement, XYZDefendant will ~~simultaneously~~ deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. XYZ Defendant has a continuing duty to immediately notify Class Counsel if ~~it discovers~~they discover that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which XYZDefendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. ~~4.3. Funding of Gross Settlement Amount.~~ XYZ Defendant shall fully fund the

Gross Settlement Amount, ~~and also fund the amounts necessary to fully pay XYZ's share of payroll taxes~~, by transmitting the funds to the Administrator no later than ~~[14]~~30 days after the Effective Date.

4.4. ~~4.4. Payments from the Gross Settlement Amount.~~ Within [14] days after

XYZDefendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. ~~4.4.1.~~ The Administrator will issue checks for the Individual Class

Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual ~~Settlement~~Class Payments to all Participating Class Members (including those for

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whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the ~~Settlement~~ Administrator must update the recipients' mailing addresses using the National Change of Address Database.

~~4.4.2~~ 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are ~~returned~~ returned undelivered without USPS forwarding address. Within ~~7~~10 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, if requested by the Class Member prior to the void date.

~~4.4.3~~ 4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California ~~Controller's~~ Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue," subject to the requirements of California Code of Civil Procedure ~~Section~~ section 384, subd. (b). ~~for to a Court approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient")~~. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

~~4.4.4~~ 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate ~~XYZ Defendant~~ to confer any additional benefits or make any additional payments to Class Members ~~(such as 401(k) contributions or bonuses)~~ beyond those specified in this Agreement.

~~5.~~ ~~6.~~ RELEASES OF CLAIMS. Effective on the date when ~~XYZ Defendant~~ fully funds the entire Gross Settlement Amount ~~and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments~~, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

~~5.1~~ ~~6.1~~ Plaintiff's Release. Plaintiff and ~~each of his or her~~ respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, ~~transactions, debts, liabilities,~~

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~~demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorneys' fees, damages, actions or occurrences~~ causes of action of whatever kind or nature, contingent or accrued, that occurred during the Class Period, in connection with his employment with Defendant, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, ~~for~~ ascertained during the Action and released under 6.2 Paragraph 5.3, below, including under any legal theory that was alleged or that could have been alleged for any failure to pay all wages due (including minimum wage, straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims) ("Plaintiff's Release."²). This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including California Labor Code sections 200, 201, 202, 203, 204, 210, 221, 225, 226, 226.2, 226.3, 226.7, 246, 510, 512, 551, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 2800 and 2802, as well as claims under Business and Professions Code section 17200, *et seq.*, and/or California Labor Code section 2698, *et seq.* based on alleged violations of the above Labor Code provisions, as alleged in the Action. Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period of his employment with Defendant. Plaintiff ~~acknowledges~~ acknowledged that Plaintiff~~he~~ may discover facts or law different from, or in addition to, the facts or law that Plaintiff~~he~~ now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 6.1.1 Plaintiff's Waiver of Rights ~~Under~~ under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

5.2 6.2 Release by Participating Class Members ~~Who Are Not Aggrieved Employees:~~ All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from ~~(i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint, and ascertained in the course of the Action;~~ including, *e.g.*, ~~"(a) any and all claims involving any alleged~~ failure to pay all wages due

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(including minimum wage, etc.), straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims). This Release shall include all claims and theories arising under the California Labor Code, the Fair Labor Standards Act, California wage orders, and applicable regulations, including California Labor Code sections 200, 201, 202, 203, 204, 210, 221, 225, 226, 226.2, 226.3, 226.7, 246, 510, 512, 551, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1199, 2800 and 2802, as well as claims under Business and Professions Code section 17200, et seq., and/or California Labor Code section 2698, et seq. based on alleged violations of the above Labor Code provisions, as alleged in the Action. Except as set forth in Section 6 Paragraph 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 6.3 Release by Non-Participating Class Members Who Are Aggrieved Employees. All Non-Participating Class Members who are Aggrieved Employees (regardless of whether they are Participating Class Members) are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint [,] [and] during the PAGA Period, Plaintiff's PAGA Notice [,] and ascertained in the course of the Action [,] including, *e.g.*, "(a) any and all claims involving any alleged failure to pay all wages due (including minimum wage, etc.), straight time, and overtime wages), failure to pay for all hours worked, failure to provide meal or rest periods, failure to timely pay wages and final wages, failure to maintain accurate records of hours worked and meal periods, failure to furnish accurate wage statements, and failure to provide expense reimbursements (including claims derivative and/or related to these claims).

6. 7. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

7.1 XYZ's Declaration in Support of Preliminary Approval. Within _____ days of the full execution of this Agreement, XYZ will prepare and deliver to Class Counsel a signed Declaration from XYZ and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and XYZ shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.1 7.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of

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the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*, and a request for approval of the PAGA Settlement under Labor Code ~~Section~~section 2699, subd. (f)(2); ~~(iii); (ii)~~; (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; ~~(iii)(iii)~~; a draft proposed Class Notice; ~~(iv)(iv)~~; a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~and/or the proposed Cy Pres~~; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, or Defense Counsel; ~~(v)(v)~~; a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members ~~f and/or~~ the Administrator ~~and/or the proposed Cy Pres~~; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), ~~and this~~ Agreement (Labor Code section 2699, subd. (1)(2)); ~~(vi)(vi)~~; a redlined version of the ~~parties’ Parties’~~ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and ~~(vii)(vii)~~ all facts relevant to any actual or potential conflict of interest with Class Members ~~and/or the Administrator and/or the Cy Pres Recipient~~. In their Declarations, Plaintiff and Class Counsel ~~Declaration~~ shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~6.2~~ ~~7.3~~ Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than ~~30~~ days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.

~~6.3~~ ~~7.4~~ Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person, ~~by video conference~~, or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person, ~~by video conference~~, or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns; ~~provided, however, that Defendant shall be under no obligation to proceed with the Settlement if the required material changes are unacceptable to Defendant or would require Defendant to pay more than the Gross Settlement Amount.~~

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7. ~~8.~~ SETTLEMENT ADMINISTRATION.

~~7.1~~ ~~8.1~~ Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

~~7.2~~ ~~8.2~~ Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings, if any, and providing reports to state and federal tax authorities.

~~7.3~~ ~~8.3~~ Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

~~7.4~~ ~~8.4~~ Notice to Class Members.

~~8.4.1~~ No.

~~7.4.1~~ ~~8.4.1~~ Not later than ~~three (3)~~ business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, ~~Workweeks~~workweeks and ~~Pay Periods~~pay periods in the Class Data.

~~7.4.2~~ ~~8.4.2~~ Using best efforts to perform as soon as possible, and in no event later than ~~14~~20 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice ~~[with Spanish translation, if applicable]~~ substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of ~~Workweeks~~workweeks and PAGA ~~Pay Periods~~pay periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

~~7.4.3~~ ~~8.4.3~~ Not later than ~~3~~ business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a

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forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

~~7.4.4~~ ~~8.4.4~~ The deadlines for Class Members' written objections, ~~Challenges~~ ~~to Workweeks~~ ~~challenges~~ ~~workweeks~~ and/or ~~Pay Periods~~ ~~pay periods~~, and Requests for Exclusion will be extended an additional ~~14~~ days beyond the ~~60~~ days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

~~7.4.5~~ ~~8.4.5~~ If the Administrator, ~~XYZ~~ ~~Defendant~~, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person, ~~by video conference~~, or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~14~~ days after receipt of Class Notice, or the deadline dates in the Class Notice, ~~which ever~~ ~~whichever~~ are later.

~~7.5~~ ~~8.5~~ Requests for Exclusion (Opt-Outs)- ~~8.5.1~~

~~7.5.1~~ Class Members who wish to exclude themselves (opt-out) of the ~~Class~~ Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than ~~60~~ days after the Administrator mails the Class Notice (plus an additional ~~14~~ days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/~~their~~ representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

~~7.5.2~~ ~~8.5.2~~ The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

~~7.5.3~~ ~~8.5.3~~ Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs ~~65.2~~ and ~~65.3~~ of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

~~7.5.4~~ ~~8.5.4~~ Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph ~~6.45.3~~ of this Agreement and are eligible for an Individual PAGA Payment.

~~7.6~~ ~~8.6~~ Challenges to Calculation of Workweeks. Each Class Member shall have ~~60~~ days after the Administrator mails the Class Notice (plus an additional ~~14~~ days for Class Members whose Class Notice is re-mailed) to challenge the number of Class ~~Workweeks~~ and PAGA ~~Pay Periods~~ (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the ~~Workweeks~~ contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of ~~Workweeks~~ and/or ~~Pay Periods~~ shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of ~~Workweeks~~ and/or ~~Pay Periods~~ to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

~~7.7~~ ~~8.7~~ Objections to Settlement.

~~7.7.1~~ ~~8.7.1~~ Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

~~7.7.2~~ ~~8.7.2~~ Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final

Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so ~~no~~ later than ~~60~~ days after the Administrator's mailing of the Class Notice (plus an additional ~~14~~ days for Class Members whose Class Notice was re-mailed).

~~7.7.3~~ ~~8.7.3~~ Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

~~7.8~~ ~~8.8~~ Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

~~7.8.1~~ ~~8.8.1~~ Website, Email Address, and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing, and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval, the Judgment, and the Notice of Final Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

~~8.8.2~~ Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their

~~7.8.2~~ validity. Not later than ~~15~~ days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing ~~(a): (a)~~ the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); ~~(b): (b)~~ the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; ~~(c) and (c)~~ copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

~~7.8.3~~ ~~8.8.3~~ Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to ~~Workweeks~~ workweeks and/or ~~Pay Periods~~ pay periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must ~~include~~ provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

~~7.8.4~~ ~~8.8.4~~ **Workweek and/or Pay Period Challenges.** The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of ~~Workweeks~~ ~~workweeks~~ and/or ~~Pay Periods~~ ~~pay periods~~. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

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~~7.8.5~~ ~~8.8.5~~ **Administrator's Declaration.** Not later than ~~{14}~~ days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections, and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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~~7.8.6~~ ~~8.8.6~~ **Final Report by Settlement Administrator.** Within ~~{10}~~ days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only (~~or similar unique identification~~) of all payments made under this Agreement. At least ~~{15}~~ days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

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~~8.~~ ~~9.~~ **CLASS SIZE AND WORKWEEK ESTIMATES [and ESCALATOR CLAUSE].** Based on its records, ~~XYZ Defendant~~ estimates that, as of ~~the date of this Settlement Agreement, {April 1}, 2024~~, there ~~are~~ ~~were approximately 13~~ Class Members and ~~Total Workweeks 2,182 workweeks~~ during the Class ~~period and (2) there were~~ ~~Aggrieved Employees who worked~~ ~~Pay Periods~~ ~~during the PAGA~~ Period. ~~vii~~

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~~9.~~ ~~10.~~ ~~XYZ'S~~ **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List ~~exceeds %~~ ~~of the total is three (3) or more~~ of all Class Members, ~~XYZ Defendant~~ may ~~elect~~, but is not obligated, ~~elect~~ to withdraw from the Settlement. The Parties agree that, if ~~XYZ Defendant~~ withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and ~~that~~ neither Party will have any further obligation to perform under this Agreement; provided, however, ~~XYZ Defendant~~ will remain responsible for paying all Settlement Administration Expenses incurred to that point. ~~XYZ Defendant~~ must notify Class Counsel and the Court of its election to withdraw ~~no~~ ~~no~~ later than ~~{seven}~~ ~~7~~ days after the

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Administrator sends the final Exclusion List to Defense Counsel; ~~late elections will have no effect.~~

10. ~~11.~~ MOTION FOR FINAL APPROVAL. Not later than ~~16~~ court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the ~~PAGA settlement~~ Settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than ~~seven~~ 14 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person, by video conference, or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 ~~11.1~~ Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than ~~that [five] than 5~~ court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 ~~11.2~~ Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval; provided, however, that Defendant shall be under no obligation to proceed with the Settlement if the required material changes are unacceptable to Defendant or would require Defendant to pay more than the Gross Settlement Amount. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or ~~Administrator~~ Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this ~~paragraph~~ Paragraph.

10.3 ~~11.3~~ Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-~~Judgement~~ Judgment matters as are permitted by law.

10.4 ~~11.4~~ Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment ~~reflected~~ set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment,

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including all rights to post-judgment and appellate proceedings, ~~and~~ the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. ~~The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final,~~ ~~except as to matters that do not affect the amount of the Net Settlement Amount.~~

~~10.5~~ ~~11.5~~ Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.

If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. ~~The Parties shall nevertheless expeditiously work together in good faith to address, if possible, the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur;~~ ~~provided, however, that at no time will Defendant be required to pay more than the Gross Settlement Amount.~~ An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this ~~paragraph~~ Paragraph, as long as the Gross Settlement Amount remains unchanged.

~~11.~~ ~~12.~~ **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit ~~and~~ a proposed amended judgment.

~~12.~~ ~~13.~~ **ADDITIONAL PROVISIONS.**

~~12.1~~ ~~13.1~~ **No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. ~~Nothing in this Agreement is intended or should be construed as an admission by XYZDefendant that any of the allegations in the Operative Complaint have merit or that XYZDefendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that XYZ'sDefendant's defenses in the Action have merit.~~ The Parties agree that class certification and representative treatment is for purposes of this Settlement only. ~~If, for any reason, the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, XYZDefendant reserves the right to contest certification of any class for any reasons, and XYZas well as the representative treatment or manageability of any PAGA claim, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reservesreserve the right to move for class certification on any grounds available and to contest XYZ'sDefendant's defenses.~~ The Settlement, this Agreement, and ~~Parties'~~ Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

~~12.2~~ ~~13.2~~ Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, XYZDefendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: ~~(1) to the Parties~~ (1) to Plaintiff's attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; ~~(2) counsel in a related matter;~~ (2) as for Defendant, as needed for legal, accounting, tax, or other business reasons; (3) to the extent necessary to report income to appropriate taxing authorities; ~~(4)(4)~~ in response to a court order or subpoena; or ~~(5)(5)~~ in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, XYZDefendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. ~~This paragraph Plaintiff and Class Counsel shall not publicize the settlement on their websites, in advertising/marketing materials, or on social media, other than filing documents with the Court. This Paragraph~~ does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

~~12.3~~ ~~13.3~~ No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this ~~paragraph~~ Paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

~~12.4~~ ~~13.4~~ Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached ~~exhibit~~ exhibit shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

~~12.5~~ ~~13.5~~ Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and XYZDefendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

~~12.6~~ ~~13.6~~ Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, and submitting supplemental evidence and/or

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supplementing points and authorities as requested by the Court. Plaintiff will not opt out of the Settlement. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 13.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 13.8 No Tax Advice. Neither Plaintiff, Class Counsel, XYZ Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31-CFR Part 10, as amended) or otherwise.

12.9 13.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.10 13.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 13.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12 13.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 13.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 13.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. California Evidence Code §section 1152, and all copies and summaries of the Class Data provided to Class Counsel by XYZ Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with

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respect to this Settlement, and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from XYZ Defendant unless, prior to the Court's discharge of the Administrator's obligation, XYZ Defendant makes a written request to Class Counsel for the return, rather than the destructionsdestruction, of Class Data.

12.15 13.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 13.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 13.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

James R. Hawkins, Esq.
Isandra Fernandez, Esq.
Anthony L. Draper, Esq.
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, CA 92618

To XYZ Defendant:

13.18 Emma Luevano
Elaine Kim
Te'Aira Law
MITCHELL SILBERBERG & KNUPP LLP
2049 Century Park East, 18th Floor
Los Angeles, CA 90067

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be

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deemed to be one and the same instrument, as if counsel for the Parties will exchange exchanged between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

~~12.19~~ ~~13.19~~ Stay of Litigation-. The Parties agree that, upon the execution of this Agreement, the ~~litigation~~ Action shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree ~~that~~, upon the signing of this Agreement ~~that and~~ pursuant to ~~CCP~~ California Code of Civil Procedure section 583.330, to extend the date to bring a case to trial under ~~CCP~~ California Code of Civil Procedure section 583.310 for the entire period of this settlement process.

For Plaintiff
For XYZ

Counsel For Plaintiff
Counsel For XYZ

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

(case name and number)

*The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

You may be eligible to receive money from an employee class action lawsuit ("Action") against _____ (abbreviate name; "XYZ" is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a[n][former] XYZ employee _____ ("Plaintiff") and seeks payment of (1) back wages [and other relief] for a class of [e.g., hourly] employees ("Class Members") who worked for XYZ during the Class Period (_____ to _____); and (2) penalties under the California Private Attorney General Act ("PAGA") for all [e.g., hourly] employees who worked for XYZ during the PAGA Period (_____ to _____) ("Aggrieved Employees").

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

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

The above estimates are based on XYZ's records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

If you worked for XYZ during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) Do Nothing. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against XYZ.

(2) Opt Out of the Class Settlement. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against XYZ, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the proposed Settlement.

XYZ will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement

If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against XYZ that are covered by this Settlement (Released Claims).

You Can Opt out of the Class Settlement but not the PAGA Settlement

The Opt-out Deadline is

If you don't want to fully participate in the proposed Settlement, you can opt out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.

You cannot opt out of the PAGA portion of the proposed Settlement. XYZ must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must

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give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement

Written Objections Must be Submitted by

All Class Members who do not opt out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

You Can Participate in the _____ Final Approval Hearing

The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods

Written Challenges Must be Submitted by

The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to XYZ’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a[n] [former] XYZ employee. The Action accuses XYZ of violating California labor laws by failing to pay [e.g., overtime wages, minimum wages, wages due upon termination and reimbursable expenses] and failing to provide [e.g., meal periods, rest breaks and accurate itemized wage statements]. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiff is represented by attorneys in the Action:

_____ (“Class Counsel.”)

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XYZ strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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

So far, the Court has made no determination whether XYZ or Plaintiff is correct on the merits. In the meantime, Plaintiff and XYZ hired ☐ an experienced, neutral mediator ☐ a retired judge ☐ _____ (describe alternative means of negotiation) _____ in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and XYZ have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, XYZ does not admit any violations or concede the merit of any claims.

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

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

1. XYZ Will Pay \$ _____ as the Gross Settlement Amount (Gross Settlement). XYZ has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, XYZ will fund the Gross Settlement not more than [14] days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

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

A. Up to \$ _____ (_____ % of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$ _____ for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

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B. Up to \$ _____ as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to \$ _____ to the Administrator for services administering the Settlement.

D. Up to \$ _____ for PAGA Penalties, allocated 75% to the LWDAPAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and XYZ are asking the Court to approve an allocation of % _____ of each Individual Class Payment to taxable wages ("Wage Portion") and % _____ to [e.g., interest, etc.] ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. [Option 1: (XYZ will separately pay employer payroll taxes it owes on the Wage Portion.)] The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies

☐ will be deposited with the California Controller's Unclaimed Property Fund in your name.
☐ will irrevocably lost to you because they will be paid to a non-profit organization or foundation ("Cy Pres").

If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the

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Administrator in writing, not later than _____, that you wish to opt out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against XYZ.

You cannot opt out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against XYZ based on the PAGA Period facts alleged in the Action.

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

8. Administrator. The Court has appointed a neutral company, _____ (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and XYZ has fully funded the Gross Settlement [Option 1: (and separately paid all employer payroll taxes)], Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against XYZ or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [and ascertained in the course of the Action] [including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. Except as set forth in Section 6.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. ^{viii}

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~~10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and XYZ has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against XYZ, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against XYZ or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.~~

~~The Aggrieved Employees' Releases and Non-Participating Class Members are as follows:~~

~~All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,] [and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., (a) any and all claims involving any alleged failure to pay minimum wage; etc.].~~

~~4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?~~

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

~~2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$ _____ by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.~~

~~3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in XYZ's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.~~

~~You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept XYZ's calculation of Workweeks and/or Pay Periods based on XYZ's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and XYZ's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.~~

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5. HOW WILL I GET PAID?

~~1. Participating Class Members.~~ The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

~~2. Non-Participating Class Members.~~ The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as _____, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and XYZ are asking the Court to approve. At least _____ days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____ (url) _____ or the Court's website _____ (url) _____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections**

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to the Administrator is _____. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action _____ and include your name, current address, telephone number, and approximate dates of employment for [XYZ] and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ (time) _____ in Department [7] of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LA Court Connect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything XYZ and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) _____'s website at _____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. _____. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney:

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Email Address:

Name of Firm:

Mailing Address:

Telephone:

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void ☐ you should consult the Unclaimed Property Fund ☐ for instructions on how to retrieve the funds ☐ you will have no way to recover the money.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address:

- i. This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.
- ii. Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration

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for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties' *Kullar* analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount "represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation." (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)

iii. See endnote ii above.

iv. The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.

v. The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.

vi. Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g. a settlement that is solely a Labor Code Section 226(a) claim.)

vii. Insert negotiated terms, if any, addressing the possibility that XYZ's estimates of class size, Workweeks or Pay Periods turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an "escalator" clause memorializing XYZ's promise to increase the Gross Settlement Amount in an agreed-upon proportion to the percentage by which the calculated class size, Workweeks, or Pay Periods exceeds XYZ's estimates.

~~Releases in Notice should track the releases in the Settlement Agreement.~~

Lucas Lee

James R. Hawkins

JAMES HAWKINS APLC

For Defendant CJ Logistics Transportation, LLC

Emma Luevano

(fka GN Transportation LLC)

Mitchell Silberberg & Knupp LLP

viii. By:

Counsel for Defendant

Its:

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