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THI PHAN and ANH TRUONG

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ORANGE

THI PHAN and ANH TRUONG, as
individuals and on behalf of themselves and
on behalf of all others similarly situated,

Plaintiffs

v.

BALT USA, LLC, a Delaware limited liability
company; and DOES 1-100 inclusive,

Defendants.

CASE NO.: 30-2023-01339331-CU-OE-CXC
(Lead Case); Consolidated Case No.: 30-2023-
01339949-CU-OE-CXC (CLASS ACTION)

Assigned for All Purposes to:
Hon. Layne H. Melzer
Dept. CX-103

**SUPPLEMENTAL DECLARATION OF
SEPIDEH ARDESTANI IN SUPPORT
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
REPRESENTATIVE SETTLEMENT**

Date: September 4, 2025
Time: 2:00 p.m.
Dept.: CX-103

1 I, SEPIDEH ARDESTANI, declare as follows:

2 1. I am an attorney duly licensed to practice in California and before this Court, and I
3 a partner with Crosner Legal, P.C., counsel of record for Plaintiffs Thi Phan and Anh Truong in
4 the above-captioned matter. If called to testify as to the facts within, I would and could competently
5 do so.

6 2. As addressed in Plaintiffs' initial brief, Defendant raised various defenses to each
7 of Plaintiffs' claims and Plaintiffs faced risky issues going forward with this litigation.
8 Considering the need to secure class certification, try the case, and deal with post-trial appeals, it
9 also would have taken years to realize any recovery in this action. Plaintiffs and I discounted the
10 value of the class claims consistent with these risks, and carefully weighed the likelihood of the
11 class receiving substantially greater benefit if the litigation continued. We concluded – in light
12 of these very real and substantial risks – settlement on the proposed terms and without prolonged
13 and costly litigation was in the best interests of the class. The overall \$625,000 recovery
14 represents about 39% of the risk-discounted total exposure, estimated at around \$1,586,975,
15 which I submit is reasonable under all of the circumstances.

16 3. I note that when evaluated on a dollars per workweek basis the proposed settlement
17 is eminently fair, reasonable and adequate. Here, the gross amount per workweek is about \$19.17
18 (\$625,000/32,568 work weeks), and the net amount per workweek to be received by the Class
19 Members will be at least \$9.89 (approx. \$322,600/32,568 workweeks). In my experience, these
20 amounts fall well within the average range for wage and hour class actions like this one. An
21 individual employed for the entire class period (about 273 work weeks) accordingly will receive
22 about \$2,700.

23 4. On Plaintiffs' claims for unlawful deductions from wages, as well as the claim for
24 the alleged failure to pay vested vacation/PTO, our discovery and investigation did not suggest
25 there was any issue with Defendant's payment of vacation pay, or its vacation/PTO policies, that
26 could be remedied on a class or representative basis. Accordingly we did not apply any value to
27 this claim for purposes of settlement.

5. For Plaintiffs' allegations regarding sick leave violations and supplemental paid sick leave violations, these claims are identical to the alleged underpaid overtime/regular rate claim, in that Plaintiffs allege Balt likewise failed to incorporate certain non-discretionary, non-hourly compensation into the calculation of the "regular rate" of pay required for payment of hourly sick pay wages. The calculation of the PAGA penalties on this issue was subsumed within the assessment of the related underpaid overtime claim since the calculations involved are identical. As a result, the potential exposure on these claim has already been addressed and accounted for in the initial moving papers. I note however that the potential exposure here is minimal given the issue arises only if an employee both (a) received the required form of compensation and (b) received sick pay, during the same period. Our experts found this issue occurred approximately 221 times during the relevant time frame.

6. The claim for failure to keep accurate records does not provide for a private right of action accordingly would provide only a basis for PAGA civil penalties. This claim is entirely derivative and stems from the alleged unpaid wage/off the clock work claim and allegations that Defendants' records do not accurately reflect employee hours worked. Here, Defendants argued forcefully that its records are accurate and reflect the actual hours worked down by the employees, and such that the Aggrieved Employees were not impacted in any way. Should the primary claims fail then this claim likewise would add no value to the alleged penalties. Moreover, even if Plaintiffs were to prevail here, any penalties would be "stacked" on top of penalties awarded for the primary violations, and accordingly would likely be substantially reduced by the Court as excessively punitive.

7. On the claim for failure to provide suitable seating, it also does not provide for a private right of action and would provide only a basis for PAGA civil penalties. Here, our discovery and investigation also did not suggest there was any issue with the availability of seats when permitted by the nature of employee duties, and accordingly we did not apply any value to this claim for purposes of settlement.

8. As with the class claims, Plaintiffs discounted the potential PAGA penalties for the multi-layered defenses proffered by Defendant on the merits, and further discounted these claims since the Court possesses wide discretion to reduce such penalties even if Plaintiffs ultimately prevailed. We valued the PAGA claims at an overall amount of \$100 per pay period, for total risk-discounted liability of about \$1,535,100. In light the total amount paid to resolve the class claims along with the PAGA claims, the Parties allocated \$50,000 to PAGA penalties, which amount I contend is reasonable and in line with comparable settlements in other class actions in California at about 8% of the total settlement. As shown in the cases cited in the initial moving papers, this is considerably higher on a percentage basis than in many cases.

9. As some cases have noted, in hybrid class/PAGA cases, where there is a substantial payment being made by the employer to resolve the class claims, and reasonable and adequate relief to the class members, a smaller amount of PAGA penalties is justified since the overall settlement provides the sufficient punitive and preventative impact to effect PAGA's underlying purposes. O'Connor v Uber Techs., Inc., (N.D. Cal 2016) 201 F.Supp.3d 1110, 1134 (court addressed applying "sliding scale" to PAGA penalties, noting that "[b]y providing fair compensation to the class members as employees and substantial monetary relief, a settlement not only vindicates the rights of the class members as employees, but may have a deterrent effect upon the defendant employer and other employers, an objective of PAGA.); Viceral v Mistras Group, Inc. (N.D. Cal. Oct. 11, 2016) U.S. Dist. LEXIS 140759, at *9 (same). Moreover, other courts compare the settlement value to the "verdict value" rather than the theoretical maximum, or also look to the amount each employee will receive. The proposed settlement amounts to about 15% of that sum, comfortably within the range of settlements approved by other district courts in California. Hartley v. On My Own, Inc. (E.D. Cal. Aug. 25, 2020)2020 WL 5017608, * 4 (approving settlement at 3.47% of verdict value of the PAGA penalties).

12. Importantly as well, the court should look to the LWDA's reaction to the settlement, and many courts have found it strongly persuasive of approval where the LWDA declined to weigh in on a proposed settlement. *Echavez v. Abercrombie & Fitch Co.*, (C.D. Cal. March 23, 2017)

1 2017 U.S. Dist. LEXIS 141134, at *10 ("The Court infers LWDA's non-response is tantamount
2 to its consent to the proposed settlement terms, namely the proposed PAGA penalty amount");
3 Jennings v. Open Door Mktg., LLC, (N. D Cal. Oct. 3, 2018) 2018 U.S. Dist. LEXIS 171356, at
4 *27 (approving PAGA settlement where "[p]laintiffs [have] submitted the settlement agreement
5 to the LWDA, and the LWDA has not objected to the settlement"); Jordan v NCI Grp., Inc., (C.D.
6 Cal. Jan. 5, 2018) 2018 U.S. Dist. LEXIS 25297, at *7 ("Additionally, the Court finds it persuasive
7 that the LWDA was permitted to file a response to the proposed settlement and no comment or
8 objection has been received"); but see O'Connor, 201 F.Supp.3d at 1135 (district court took into
9 account LWDA's comments questioning proposed settlement amounting to a 99.9% reduction
10 from a potential verdict).

11 13. For these reasons, as well as those addressed in the initial brief, I respectfully
12 submit the proposed settlement is fair, reasonable and adequate, and should be preliminarily
13 approved.

14 **SETTLEMENT AGREEMENT AND CLASS NOTICE**

15 14. Attached hereto as Exhibit 1 is a true and correct, fully-executed copy of the
16 Parties' revised CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS
17 NOTICE ("Settlement Agreement"), and attached as Exhibit 2 is a redline of the Settlement
18 Agreement reflecting all changes made.

19 15. Attached hereto as Exhibit 3 is a true and correct copy of the revised Class Notice,
20 and attached as Exhibit 4 is a redline of the Class Notice reflecting all changes made.

21 16. The Parties amended the Settlement Agreement, at Section 1.12, to provide that
22 the Class Period ends on November 2, 2024, and cannot change otherwise if the Escalator Clause
23 in Section 8.2 is triggered.

24 17. The Settlement Agreement now provides, at Sections 7.5.5 and 7.8.2, that the
25 Court retains final authority to determine the validity of and authenticity of any Requests for
26 Exclusion.

1 18. The Settlement Agreement now provides, at Section 1.44, that the Class Members
2 have 60 days after mailing of the Class Notice to submit any responses to the Settlement, plus an
3 additional 45 days for submission with respect to any remained Class Notices. Other relevant
4 sections in the Settlement Agreement and the Class Notice now reflect these deadlines as well.

5 19. The Settlement Agreement now provides, at Section 10.3, that the Court retains
6 jurisdiction of the Parties under Code of Civil Procedure Section 664.6 and California Rule of
7 Court 3.769(h). Paragraph 15 of the [Proposed] Order submitted herewith contains the same
8 provision.

9 20. The title of the Class Notice has been revised to reference the PAGA component
10 of the Settlement.

11 21. The opening paragraph of the Class Notice has been revised for brevity and
12 clarity, and the reference to subsection (2) has been corrected.

13 22. Key terms and provision in the Class Notice now are presented in bold font.

14 23. In Section 3 of the Class Notice, it now advises Class Members that settlement
15 checks must be cashed within 180 days of issuance.

16 24. Attached hereto as Exhibits 5 and 6 respectively are a proposed Request for
17 Exclusion Form and a proposed Objection Form, which forms also are attached as exhibits to the
18 Settlement Agreement.

19 25. Section 7 of the Class Notice has been revised to inform Class Members than any
20 written objections must be submitted within 60 days of mailing of the Class Notice.

21 26. Section 10 of the Class Notice now refers Class Members to the State Controller's
22 Office Unclaimed Property Fund regarding their unclaimed settlement funds.

23 27. My office uploaded this Supplemental Declaration and the revised Settlement
24 Agreement to the LWDA, and gave notice of the continued hearing, via its online portal and as
25 reflected on the accompanying proof of service. Attached hereto as Exhibit 7 is a true and
26 correct copy of the LWDA's acknowledgment of receipt.

28. For the all foregoing reasons, as well as those set forth in the initial moving papers, I respectfully request the Court grant preliminary approval to the proposed settlement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 12th day of August 2025 at Los Angeles, California.

J. Auer

Declarant

EXHIBIT

1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Thi Phan and Anh Truong (“Plaintiffs”) and Defendant USA, LLC (“Balt”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Balt captioned *Thi Phan and Anh Truong v. Balt USA, LLC*, Orange County Superior Court Case Nos. 30-2023-01339331-CU-OE-CC and 30-2023-01339949-CU-OE-CC initiated on July 31, 2023 (Representative Action) and August 2, 2023 (Class Action) respectively, and pending in Superior Court of the State of California, County of Orange County.
- 1.2 “Administrator” means APEX Class Action Administrator, 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(s)” means all current and former non-exempt employees that worked either directly or via a staffing agency for Balt at any location in California at any time during the PAGA Period.
- 1.5 “Class” means all current and former non-exempt employees that worked either directly or via a staffing agency for Balt at any location in California at any time during the Class Period.
- 1.6 “Class Counsel” means Zachary M. Crosner, Jamie K. Serb, and Sepideh Ardestani of Crosner Legal, PC., 9440 Santa Monica Blvd., Suite 301, Beverly Hills, CA 90210.
- 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 Balt’s possession including the Class Member’s name, last-known mailing address, Social Security number, email address (if available), and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9 “Class Member(s)” or “Settlement Class Member(s)” 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 and Vietnamese, 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 August 2, 2019 to November 2, 2024.
- 1.13 “Class Representative” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a 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 Orange County.
- 1.16 “Balt” means named Defendant Balt USA, LLC.
- 1.17 “Defense Counsel” means Kelli Dreger and Joseph Desiderio of Jackson Lewis P.C., 200 Spectrum Center Drive, Suite 500, Irvine, CA 92618.
- 1.18 “Effective Date” means the date by when all of the following have occurred: (i) this Settlement has been executed by all Parties and their respective counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the notice has been given to the Settlement Class, providing them with an opportunity to dispute information contained in the Notices of Settlement Payment, to opt out of the Settlement, or to object to the Settlement; (iv) the Court has held a final approval hearing and entered a final order and judgment certifying the Settlement Class and approving this Settlement; (v) the later of the following events: sixty-five (65) calendar days following entry of the Court’s final order approving the Settlement; or if any appeal, writ or other appellate proceeding opposing this Settlement has been filed within sixty-five (65) calendar days following entry of the Court’s final order approving the Settlement, then when any appeal, writ or other appellate proceeding opposing the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief; and (vi) Defendant deposits the entire Maximum Settlement Amount with the Settlement Administrator. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court’s order approving the Settlement is completely final, there is no further recourse by an appellant or objector who seeks to contest the Settlement, and the Maximum Settlement Amount has been provided to the Settlement Administrator.

- 1.19 “Final Approval” or “Final Approval Order” 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 \$625,000.00 which is the total amount Balt agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administrator’s Expenses.
- 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 Workweeks worked 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 Form enclosed with the Notice Packet.
- 1.30 “Operative Complaint” means the Complaints filed on July 31, 2023 and on August 2, 2023.
- 1.31 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Balt for at least one day during the PAGA Period.

- 1.32 “PAGA Period” means the period from May 27, 2022 to November 2, 2024.
- 1.33 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34 “PAGA Notice” means Plaintiffs’ May 23, 2023 letter to Balt and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35 “PAGA Penalties” means the total amount of PAGA civil penalties (\$50,000.00) to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500.00) and the 75% to LWDA (\$37,500.00) in settlement of PAGA claims.
- 1.36 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion Form.
- 1.37 “Plaintiffs” means Thi Phan and Anh Truong, the named Plaintiffs in the Action.
- 1.38 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39 "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval of the Settlement.
- 1.40 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.42 “Released Parties” means: Balt and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.
- 1.43 “Request for Exclusion Form” means a Class Member’s submission of the form enclosed with the Notice Packet and submitted to the Administrator.
- 1.44 "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 their Request for Exclusion Form, or (b) fax, email, or mail their Objection Form. Class Members and Aggrieved Employees whose Notice Packets have been returned undeliverable to the Administrator shall have an additional 45 calendar days beyond the Response Deadline has expired.
- 1.45 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.46 “Workweek” means any week during which a Class Member worked for Balt for at least one day, during the Class Period.

2. RECITALS.

- 2.1 On July 31, 2023, Plaintiffs commenced the Representative Action by filing a Complaint alleging a cause of action against Balt pursuant to the Private Attorneys General Act of 2004 (Labor Code sections 2698 et. seq.) for underlying Labor Code violations, including, (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements-unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6. On August 2, 2023, Plaintiffs filed a Class Action alleging causes of action against Balt for (1) unpaid minimum wages, (2) unpaid overtime wages, (3) unpaid premium wages for late, short or denied meal and rest periods, (4) failure to furnish accurately itemized wage statements, (5) failure to pay all wages due upon separation of employment, (6) failure to reimburse business expenses, and (7) unfair competition. The Class Action and Representative PAGA Action have been consolidated, with the PAGA Action as the lead case. Balt denies the allegations in the 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), Plaintiffs gave timely written notice to Balt and the LWDA by sending the PAGA Notice.
- 2.3 On September 3, 2024, the Parties participated in an all-day mediation presided over by Tagore Subramaniam which led to this Agreement to settle the Action via a mediator's proposal.
- 2.4 Prior to mediation, Plaintiffs obtained, through informal discovery, Plaintiffs' personnel files, Defendant's employee handbooks which provided its rules and procedures with respect to the claims alleged by Plaintiffs, a 20% sampling of time and corresponding pay records that were analyzed by Plaintiffs' expert to assess damages and penalties. Plaintiffs' 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*").
- 2.5 The Court has not granted class certification.

- 2.6 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.
- 2.7 The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind. No party shall claim to be the prevailing party in the Action.

3. MONETARY TERMS.

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, Balt promises to pay \$625,000.00 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. Balt has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Balt.
- 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 Order:
- 3.2.1 **To Plaintiffs:** Class Representative Service Payment to the Class Representatives of not more than \$5,000.00 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Balt will not oppose Plaintiffs' request for a Class Representative Service Payments that does not exceed this amount. As part of the Final Approval motion, Plaintiffs will seek Court approval for any Class Representative Service Payments 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. Plaintiffs assume full responsibility and liability for taxes owed on the Class Representative Service Payment.
- 3.2.2 **To Class Counsel:** A Class Counsel Fees Payment of not more than 33.33% which is currently estimated to be \$208,333.33 and a Class Counsel Litigation Expenses Payment of not more than \$20,000.00. Balt will not oppose requests for these payments provided that do not exceed these

amounts. As part of the Final Approval motion, Plaintiffs and/or Class Counsel will request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment. 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 Plaintiffs' Counsel arising from any claim regarding the division or sharing of the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel 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 Balt harmless, and indemnifies Balt, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 **To the Administrator:** An Administrator Expenses Payment not to exceed \$14,000.00 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 \$14,000.00, the Administrator will retain the remainder 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.** 20% 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 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for 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.

3.2.5 **To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$50,000.00 to be paid from the Gross Settlement Amount, with 75% (\$37,500.00) allocated to the LWDA PAGA Payment and 25% (\$12,500.00) allocated to the Individual PAGA Payments.

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 (\$12,500.000) 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.

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.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 **Class Workweeks and Aggrieved Employee Pay Periods.** Based on a review of its records to date, Balt estimates there are 1,005 Class Members who collectively worked a total of 32,598 Workweeks, and 869 of Aggrieved Employees who worked a total 15,351 of PAGA Pay Periods.

4.2 **Class Data.** Not later than 30 calendar days after the Court grants Preliminary Approval of the Settlement, Balt 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. Balt has a continuing duty to immediately notify Class Counsel if it discovers 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 Balt 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.** Balt shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Balt's share of payroll

taxes by transmitting the funds to the Administrator in one lump sum. Balt shall fund the Gross Settlement Amount no later than 30 days after the Effective Date.

- 4.4 **Payments from the Gross Settlement Amount.** Within 14 days after Balt 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 Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees 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 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 Settlement 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 Participating Class Members and Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 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 Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, as requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.

4.4.3 For any Participating Class Member and/or Aggrieved Employee 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 Balt to confer any additional benefits or make any additional payments to Participating Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

- 5.1 **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, 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, Plaintiffs' PAGA Notice or ascertained during the Action and released under 5.2 and 5.3 below. ("Plaintiffs' Release.") Plaintiffs' 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, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledges that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

- 5.1.1 **Plaintiffs' Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiffs' Release, Plaintiffs 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 the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and PAGA Notice, including, (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6. during the Class Period. Participating Class Members' only release these claims for the duration of the Class Period. Except as set forth in Section 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 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 and the PAGA Notice, including penalties for violation of Labor Code §§ 01-203, 210, 216, 221-223, 225.5, 226, 226.7, 245-248.6, 256, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2802, 2810.5 6400-6404, 6406-6407, 6409.6, 6432 and all applicable Wage Orders, as well as claims for (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful

agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6. during the PAGA Period. Aggrieved Employees only release these claims for the duration of the PAGA Period.

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 Plaintiffs’ Responsibilities. Plaintiffs 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; (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 Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, or the Administrator; (vi) 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)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiffs 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 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 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 or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 **Selection of Administrator.** The Parties have jointly selected to serve as the Administrator and verified that, as a condition of appointment, APEX Class Action Administration 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 and providing reports 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 No 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, 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 14 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 Vietnamese translation 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 Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' to fill out their Objection Form or Request for Exclusion Form, Challenges to Workweeks and/or Pay Periods, will be extended an additional 45 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, Balt 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 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 are later.

7.5 Requests for Exclusion (Opt-Outs).

- 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 Request for Exclusion Form not later than 60 days after the Administrator mails the Class Notice (plus an additional 45 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion Form will be enclosed with the Notice Packet which communicates that a Class Member or his/her representative elects 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 Form must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion Form as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion Form 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 Form, 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 Form 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' Release and Aggrieved Employee Release 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 Form 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 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

7.5.5 The Court retains final authority regarding the validity and authenticity of any Requests for Exclusion Forms.

7.6 **Challenges to Calculation of Workweeks.** Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 45 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 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination 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 fill out their Objection Form and send it 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 fill out and send their Objection Form to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 45 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 and the 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 Forms to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion Form, 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 Forms ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion Forms; (c) copies of all Requests for Exclusion Forms from Settlement submitted (whether valid or invalid). The Court retains final authority regarding the validity and authenticity of Requests for Exclusion Forms

- 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 Form (whether valid or invalid) received, Objection Forms 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 Forms and attach copies of all Requests for Exclusion Forms and Objection Forms 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 after the Response Deadline, 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 the Class Notice, the total number of Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion Forms it received (both valid or invalid), the number of Objection Forms it received, 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 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 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 ESTIMATES AND ESCALATOR CLAUSE.

- 8.1 Based on its records, Balt estimates that, as of the date of this Settlement Agreement, (1) there are 1,005 Class Members and 32,598 Total Workweeks

during the Class period and (2) there were 869 Aggrieved Employees who worked 15,351 Pay Periods during the PAGA Period.

8.2 The Gross Settlement Amount was agreed upon based on Balt's representations of the total number of Workweeks in the Class Period. If the number of Workweeks during the Class Period exceeds 32,598 by more than ten percent (10%), Balt agrees that the Gross Settlement Amount shall be increased on a pro rata basis per Pay Period or Workweek exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%)

9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion Forms identified in the Exclusion List exceeds 5% of the total of all Class Members, Balt may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Balt 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, Balt will remain responsible for paying all Settlement Administration Expenses incurred to that point. Balt must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs 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"). Plaintiffs shall provide drafts of these documents to Defense Counsel as soon as practicable prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person 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 five 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 Participating Class Members or Aggrieved Employees), 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. 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 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 pursuant to C.C.P. section 664.6 and C.R.C. 3.769(h).
- 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 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, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 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 Participating Class Members or Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
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 and 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 Balt that any of the allegations in the Operative Complaint have merit or that Balt has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Balt'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 grant Preliminary Approval, Final Approval or enter Judgment, Balt reserves the right to contest certification of any class for any reasons, and Balt reserves all available defenses to the claims in the Action, and Plaintiffs reserves the right to move for class certification on any grounds available and to contest Balt's defenses. The Settlement, this Agreement, and the 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.** Plaintiffs, Class Counsel, Balt 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' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (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. Plaintiffs, Class Counsel, Balt 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 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 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 exhibits 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 Plaintiffs and Balt, 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, submitting supplemental evidence and supplementing points and authorities as requested by the Court. 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 **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 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 Plaintiffs, Class Counsel, Balt 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 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 Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Balt in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and 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, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Balt unless, prior to the Court's discharge of the Administrator's obligation, Balt makes a written request to Class Counsel for the return, rather than the destructions, 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 Plaintiffs:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Sepideh Ardestani
sepideh@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

To Defendant:

Jackson Lewis P.C.
Kelli Dreger, Esq.

kelli.dreger@jacksonlewis.com
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618

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

Dated: 08 / 08 / 2025



Plaintiff Thi Phan

Dated: 08 / 08 / 2025



Plaintiff Anh Truong

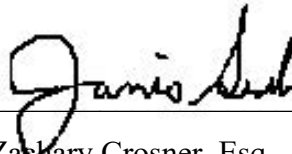
Dated: _____

Jeffrey M. Sachs, Chief Legal and Compliance
Officer

Defendant Balt USA, LLC

Dated: 08/11/2025

CROSNER LEGAL, PC



Zachary Crosner, Esq.

Jamie Serb, Esq.

Sepideh Ardestani, Esq.

Attorneys for Plaintiffs and the Class

kelli.dreger@jacksonlewis.com
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618

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Dated: _____

Plaintiff Thi Phan

Dated: _____

Plaintiff Anh Truong

Dated: 12 août 2025 | 3:14 PM CEST

DocuSigned by:

Pascal GIRIN

B02306A47D744F5...

Pascal Girin, Chief Executive Officer

Defendant Balt USA, LLC

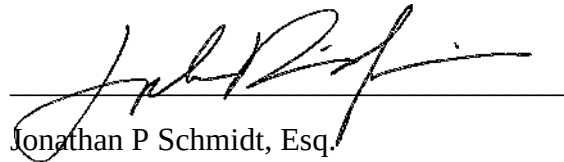
Dated: _____

CROSNER LEGAL, PC

Zachary Crosner, Esq.
Jamie Serb, Esq.
Sepideh Ardestani, Esq.
Attorneys for Plaintiffs and the Class

Dated: August 08, 2025

JACKSON LEWIS P.C.

A handwritten signature in black ink, appearing to read 'Jonathan P. Schmidt', is written over a horizontal line.

Jonathan P Schmidt, Esq.

Kelli Dreger, Esq.

Joseph F. Desiderio, Esq.

Attorneys for Balt USA, LLC

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

(Thi Phan and Anh Truong v. Balt USA, LLC)

Orange County Case Nos. 30-2023-01339949-CU-OE-CC and 30-2023-01339331-CU-OE-CC

**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 a lawsuit ("Action") against Balt USA, LLC ("Balt") for alleged wage and hour violations. The Action was filed by former Balt employees ("Plaintiffs") and seeks payment of alleged owed wages, meal and rest period premiums, and reimbursements on behalf of all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant Balt USA, LLC at any location in California during the Class Period (August 2, 2019 to November 2, 2024) ("Class Members").

The Action also seeks penalties under the California Private Attorney General Act ("PAGA") for various alleged violations of the Labor Code on behalf of all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant Balt USA, LLC at any location in California during the PAGA Period (May 27, 2022 to November 2, 2024) ("Aggrieved Employees").

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

Based on Balt's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. 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 Balt'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 Balt's records showing that you worked [REDACTED] workweeks during the Class Period and you worked [REDACTED] 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 of the Settlement. 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 Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment

that requires Balt to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Balt.

If you worked for Balt 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 Balt.
2. **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the enclosed Request for Exclusion Form. 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 Balt, 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.

Balt 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 Balt 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 **DATE**. If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator the enclosed Request for Exclusion Form. 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. Balt 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. Objection Forms must be submitted by **DATE**. 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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs. Other than the PAGA portion of this Settlement, you can object to any aspect of this Settlement. 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 **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. Written Challenges Must be Submitted by **DATE**. 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 of Workweeks and number of Pay Periods you worked according to Balt’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.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former Balt employees. The Action accuses Balt of violating California labor laws by failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense reimbursement, failing to provide suitable resting facilities, failing to issue accurately itemized wage statements, unlawful deductions from wages, failing to produce employment records, failing to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, supplemental paid sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failing to timely pay all wages upon separation of employment, unlawful agreements- unlawful criminal history inquiries, failure to provide a safe and healthful work place, and violation of Labor Code section 432.6. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys (“Class Counsel”) in the Action.

Balt 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 Balt violated any laws. In the meantime, Plaintiffs and Balt hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to 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, Plaintiffs and Balt 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, Balt does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Balt 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 whether to finally approve the Settlement.

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

Balt Will Pay \$625,000.00 as the Gross Settlement Amount (Gross Settlement). Balt 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, Balt will fund the Gross Settlement not more than 14 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.

Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs 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:

- Up to \$208,333.33 (33.33% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- Up to \$10,000.00 as a Class Representative Service Payments (\$5,000.000 to each Plaintiff) for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.
- Up to \$14,000.00 to the Administrator for services administering the Settlement.
- Up to \$50,000.00 for PAGA Penalties, allocated 75% (\$37,500.00) to the LWDA PAGA Payment and 25% (\$12,500.00) 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.

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.

Taxes Owed on Payments to Class Members. Plaintiffs and Balt are asking the Court to approve an allocation of 20 % of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to penalties and interest ("Non-Wage Portion."). The Wage Portion is subject to withholdings

and will be reported on IRS W-2 Forms. Balt 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 Plaintiffs and Balt 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.

Need to Promptly Cash Payment Checks. You have 180 days to cash settlement 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 payment represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you notify the Administrator in writing, not later than **DATE**, that you wish to opt-out. The easiest way to notify the Administrator is to fill out and sign the enclosed Request for Exclusion Form and submit it before the Response Deadline. If you fill out and submit the Request for Exclusion Form, you will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Balt.

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 Balt based on the PAGA Period facts alleged in the Action.

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 Balt have agreed that, in either case, the Settlement will be void: Balt will not pay any money and Class Members will not release any claims against Balt.

Administrator. The Court has appointed a neutral company, APEX Class Action Administration (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion Forms. 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.

Participating Class Members' Release. After the Judgment is final and Balt has fully funded the Gross Settlement 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 Balt or related entities for wages based on the Class Period facts and PAGA penalties based on the facts, as alleged in the Action and resolved by this Settlement.

Participating Class Members 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 including, failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense reimbursement, failing to provide suitable resting facilities, failing to issue accurately itemized wage statements, unlawful deductions from wages, failing to produce employment records, failing to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, supplemental paid sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failing to timely pay all wages upon separation of employment, unlawful agreements- unlawful criminal history inquiries, failure to provide a safe and healthful work place, and violation of Labor Code section 432.6. Except as set forth in Section 5.3 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.

Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Balt has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Balt, 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 Balt or its related entities based on the facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Release: All 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 including, penalties for violation of Labor Code §§ 01-203, 210, 216, 221-223, 225.5, 226, 226.7, 245-248.6, 256, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2802, 2810.5 6400-6404, 6406-6407, 6409.6, 6432 and all applicable Wage Orders, as well as claims for (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful

deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$12,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Balt's records, are stated in the first page of this Notice. You have until **DATE** 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 Balt's calculation of Workweeks and/or Pay Periods based on Balt'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 Balt's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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.

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 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 *Phan and Truong v. Balt USA, 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. In other words, if you want to object to the Settlement, you cannot opt-out of the Settlement. Participating Class Members may submit the enclosed Objection Form by **DATE** (60 days after the Class Notice is mailed).

At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs is requesting as a Class Representative Service Payment. 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 may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for filling out the enclosed Objection Form to the Administrator is DATE (60 days after the Class Notice is mailed).** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Please include your name, current address, telephone number, and approximate dates of employment with Balt and sign the Objection Form.

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 **_____** of the Orange County Superior Court, located at **_____**. 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, Plaintiffs, 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) personally. 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 Court'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 Balt and Plaintiffs 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.

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

Class Counsel:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Sepideh Ardestani
sepideh@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

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 State Controller's Office Unclaimed Property Fund 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.

4928-7831-8684, v. 2

EXHIBIT

2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs Thi Phan and Anh Truong (“Plaintiffs”) and Defendant USA, LLC (“Balt”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Balt captioned *Thi Phan and Anh Truong v. Balt USA, LLC*, Orange County Superior Court Case Nos. 30-2023-01339331-CU-OE-CC and 30-2023-01339949-CU-OE-CC initiated on July 31, 2023 (Representative Action) and August 2, 2023 (Class Action) respectively, and pending in Superior Court of the State of California, County of Orange County.
- 1.2 “Administrator” means APEX Class Action Administrator, 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(s)” means all current and former non-exempt employees that worked either directly or via a staffing agency for Balt at any location in California at any time during the PAGA Period.
- 1.5 “Class” means all current and former non-exempt employees that worked either directly or via a staffing agency for Balt at any location in California at any time during the Class Period.
- 1.6 “Class Counsel” means Zachary M. Crosner, Jamie K. Serb, and Sepideh Ardestani of Crosner Legal, PC., 9440 Santa Monica Blvd., Suite 301, Beverly Hills, CA 90210.
- 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 Balt’s possession including the Class Member’s name, last-known mailing address, Social Security number, email address (if available), and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9 “Class Member(s)” or “Settlement Class Member(s)” 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 and Vietnamese, 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 August 2, 2019 to November 2, 2024.
- 1.13 “Class Representative” means the named Plaintiffs in the operative complaint in the Action seeking Court approval to serve as a 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 Orange County.
- 1.16 “Balt” means named Defendant Balt USA, LLC.
- 1.17 “Defense Counsel” means Kelli Dreger and Joseph Desiderio of Jackson Lewis P.C., 200 Spectrum Center Drive, Suite 500, Irvine, CA 92618.
- 1.18 “Effective Date” means the date by when all of the following have occurred: (i) this Settlement has been executed by all Parties and their respective counsel; (ii) the Court has given preliminary approval to the Settlement; (iii) the notice has been given to the Settlement Class, providing them with an opportunity to dispute information contained in the Notices of Settlement Payment, to opt out of the Settlement, or to object to the Settlement; (iv) the Court has held a final approval hearing and entered a final order and judgment certifying the Settlement Class and approving this Settlement; (v) the later of the following events: sixty-five (65) calendar days following entry of the Court’s final order approving the Settlement; or if any appeal, writ or other appellate proceeding opposing this Settlement has been filed within sixty-five (65) calendar days following entry of the Court’s final order approving the Settlement, then when any appeal, writ or other appellate proceeding opposing the Settlement has been resolved finally and conclusively with no right to pursue further remedies or relief; and (vi) Defendant deposits the entire Maximum Settlement Amount with the Settlement Administrator. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court’s order approving the Settlement is completely final, there is no further recourse by an appellant or objector who seeks to contest the Settlement, and the Maximum Settlement Amount has been provided to the Settlement Administrator.

- 1.19 “Final Approval” or “Final Approval Order” 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 \$625,000.00 which is the total amount Balt agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administrator’s Expenses.
- 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 Workweeks worked 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 [Form enclosed with the Notice Packet](#).
- 1.30 “Operative Complaint” means the Complaints filed on July 31, 2023 and on August 2, 2023.
- 1.31 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Balt for at least one day during the PAGA Period.

- 1.32 “PAGA Period” means the period from May 27, 2022 to November 2, 2024.
- 1.33 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.34 “PAGA Notice” means Plaintiffs’ May 23, 2023 letter to Balt and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.35 “PAGA Penalties” means the total amount of PAGA civil penalties (\$50,000.00) to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$12,500.00) and the 75% to LWDA (\$37,500.00) in settlement of PAGA claims.
- 1.36 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion ~~Form from the Settlement.~~
- 1.37 “Plaintiffs” means Thi Phan and Anh Truong, the named Plaintiffs in the Action.
- 1.38 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval of the Settlement.
- 1.40 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.42 “Released Parties” means: Balt and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, affiliates.
- 1.43 “Request for Exclusion ~~Form~~” means a Class Member’s submission of ~~a written request to be excluded from the the form enclosed with the Notice Packet and submitted to the Administrator. Class Settlement signed by the Class Member.~~
- 1.44 “Response Deadline” means ~~60~~45 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 ~~their~~ Requests for Exclusion ~~Form from the Settlement~~, or (b) fax, email, or mail ~~his or her their~~ Objection ~~Form. Class Members and Aggrieved Employees whose to the Settlement. Class Members to whom~~ Notice Packets ~~have~~are resent after having been returned undeliverable to the Administrator shall have an additional ~~45~~14 calendar days beyond the Response Deadline has expired.
- 1.45 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

- 1.46 “Workweek” means any week during which a Class Member worked for Balt for at least one day, during the Class Period.

2. RECITALS.

- 2.1 On July 31, 2023, Plaintiffs commenced the Representative Action by filing a Complaint alleging a cause of action against Balt pursuant to the Private Attorneys General Act of 2004 (Labor Code sections 2698 et. seq.) for underlying Labor Code violations, including, (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements-unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6. On August 2, 2023, Plaintiffs filed a Class Action alleging causes of action against Balt for (1) unpaid minimum wages, (2) unpaid overtime wages, (3) unpaid premium wages for late, short or denied meal and rest periods, (4) failure to furnish accurately itemized wage statements, (5) failure to pay all wages due upon separation of employment, (6) failure to reimburse business expenses, and (7) unfair competition. The Class Action and Representative PAGA Action have been consolidated, with the PAGA Action as the lead case. Balt denies the allegations in the 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 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Balt and the LWDA by sending the PAGA Notice.
- 2.3 On September 3, 2024, the Parties participated in an all-day mediation presided over by Tagore Subramaniam which led to this Agreement to settle the Action via a mediator’s proposal.
- 2.4 Prior to mediation, Plaintiffs obtained, through informal discovery, Plaintiffs’ personnel files, Defendant’s employee handbooks which provided its rules and procedures with respect to the claims alleged by Plaintiffs, a 20% sampling of time and corresponding pay records that were analyzed by Plaintiffs’ expert to assess damages and penalties. Plaintiffs’ 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*”).

- 2.5 The Court has not granted class certification.
- 2.6 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.
- 2.7 The Parties agree that neither this Settlement Agreement nor the furnishing of the consideration for this Settlement Agreement shall be deemed or construed at any time for any purpose as an admission by the Released Parties of wrongdoing or evidence of any liability or unlawful conduct of any kind. No party shall claim to be the prevailing party in the Action.

3. MONETARY TERMS.

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, Balt promises to pay \$625,000.00 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. Balt has no obligation to pay the Gross Settlement Amount (or any payroll taxes) 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 Balt.
- 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 Order:
 - 3.2.1 **To Plaintiffs:** Class Representative Service Payment to the Class Representatives of not more than \$5,000.00 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Balt will not oppose Plaintiffs' request for a Class Representative Service Payments that does not exceed this amount. As part of the Final Approval motion, Plaintiffs will seek Court approval for any Class Representative Service Payments 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. Plaintiffs assume full responsibility and liability for taxes owed on the Class Representative Service Payment.
 - 3.2.2 **To Class Counsel:** A Class Counsel Fees Payment of not more than 33.33% which is currently estimated to be \$208,333.33 and a Class Counsel Litigation Expenses Payment of not more than \$20,000.00. Balt will not

oppose requests for these payments provided that do not exceed these amounts. As part of the Final Approval motion, Plaintiffs and/or Class Counsel will request approval of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. 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 Plaintiffs' Counsel arising from any claim regarding the division or sharing of the Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel 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 Balt harmless, and indemnifies Balt, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.3 **To the Administrator:** An Administrator Expenses Payment not to exceed \$14,000.00 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 \$14,000.00, the Administrator will retain the remainder 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.** 20% 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 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for 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.

- 3.2.5 **To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$50,000.00 to be paid from the Gross Settlement Amount, with 75% (\$37,500.00) allocated to the LWDA PAGA Payment and 25% (\$12,500.00) allocated to the Individual PAGA Payments.

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 (\$12,500.000) 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.

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.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 **Class Workweeks and Aggrieved Employee Pay Periods.** Based on a review of its records to date, Balt estimates there are 1,005 Class Members who collectively worked a total of 32,598 Workweeks, and 869 of Aggrieved Employees who worked a total 15,351 of PAGA Pay Periods.
- 4.2 **Class Data.** Not later than 30 calendar days after the Court grants Preliminary Approval of the Settlement, Balt 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. Balt has a continuing duty to immediately notify Class Counsel if it discovers 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 Balt 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.** Balt shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Balt's share of payroll

taxes by transmitting the funds to the Administrator in one lump sum. Balt shall fund the Gross Settlement Amount no later than 30 days after the Effective Date.

- 4.4 **Payments from the Gross Settlement Amount.** Within 14 days after Balt 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 Individual PAGA Payments and send them to the Participating Class Members and Aggrieved Employees 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 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 Settlement 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 Participating Class Members and Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 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 Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, as requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.

4.4.3 For any Participating Class Member and/or Aggrieved Employee 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 Balt to confer any additional benefits or make any additional payments to Participating Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

- 5.1 **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, 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, Plaintiffs' PAGA Notice or ascertained during the Action and released under 5.2 and 5.3 below. ("Plaintiffs' Release.") Plaintiffs' 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, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledges that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

- 5.1.1 **Plaintiffs' Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiffs' Release, Plaintiffs 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 the Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and PAGA Notice, including, (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6. during the Class Period. Participating Class Members' only release these claims for the duration of the Class Period. Except as set forth in Section 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 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 and the PAGA Notice, including penalties for violation of Labor Code §§ 01-203, 210, 216, 221-223, 225.5, 226, 226.7, 245-248.6, 256, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2802, 2810.5 6400-6404, 6406-6407, 6409.6, 6432 and all applicable Wage Orders, as well as claims for (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful

agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6. during the PAGA Period. Aggrieved Employees only release these claims for the duration of the PAGA Period.

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 Plaintiffs’ Responsibilities. Plaintiffs 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; (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 Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, or the Administrator; (vi) 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)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vii) a redlined version of the parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator. In their Declarations, Plaintiffs 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 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 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 or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 **Selection of Administrator.** The Parties have jointly selected to serve as the Administrator and verified that, as a condition of appointment, APEX Class Action Administration 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 and providing reports 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 No 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, 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 14 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 Vietnamese translation 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 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 to fill out their Objection Form or Request for Exclusion Form~~, Challenges to Workweeks and/or Pay Periods, ~~and Requests for Exclusion~~ will be extended an additional ~~45~~4 days beyond the ~~60~~45 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, Balt 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 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 Class Settlement must send the Administrator, by fax, email, or mail, a signed ~~written~~ Request for Exclusion Form not later than ~~60~~45 days after the Administrator mails the Class Notice (plus an additional ~~45~~4 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion Form will be enclosed with the Notice Packet which communicates that a is a letter from a Class Member or his/her 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 Form must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion Form as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion Form 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 Form, 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 Form 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' Release and Aggrieved Employee Release 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 Form 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 6.4 of this Agreement and are eligible for an Individual PAGA Payment.

7.5.4.7.5.5 The Court retains final authority regarding the validity and authenticity of any Requests for Exclusion Forms.

7.6 **Challenges to Calculation of Workweeks.** Each Class Member shall have ~~60~~⁴⁵ days after the Administrator mails the Class Notice (plus an additional ~~45~~⁴⁴ 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 calculation of

Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination 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~~ fill out their Objection Form and send it 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~~ fill out and send their Objection Form to the Administrator must do so not later than ~~60~~ 45 days after the Administrator's mailing of the Class Notice (plus an additional ~~45~~ 4 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 and the 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 Forms to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion Form, 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 Forms

(“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion Forms; (c) copies of all Requests for Exclusion Forms from Settlement submitted (whether valid or invalid). The Court retains final authority regarding the validity and authenticity of Requests for Exclusion Forms

7.8.2

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- 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 Form (whether valid or invalid) received, ~~objections~~ Objection Forms 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 ~~include~~ provide the Administrator’s assessment of the validity of Requests for Exclusion Forms and attach copies of all Requests for Exclusion Forms and Objection Forms ~~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 after the Response Deadline, 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 the Class Notice, the total number of Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion ~~from the Settlement~~ Forms it received (both valid or invalid), the number of ~~written objections~~ Objection Forms it received, 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 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 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 ESTIMATES AND ESCALATOR CLAUSE.

8.1 Based on its records, Balt estimates that, as of the date of this Settlement Agreement, (1) there are 1,005 Class Members and 32,598 Total Workweeks during the Class period and (2) there were 869 Aggrieved Employees who worked 15,351 Pay Periods during the PAGA Period.

8.2 The Gross Settlement Amount was agreed upon based on Balt's representations of the total number of Workweeks in the Class Period. If the number of Workweeks during the Class Period exceeds 32,598 by more than ten percent (10%), ~~Balt shall select from one of two options: 1) Balt agrees that the Gross Settlement Amount shall be increased on a pro rata basis per Pay Period or Workweek exceeding the 10% increase (i.e. if the number increases by 11%, the Gross Settlement Amount shall be increased by 1%). or 2) Balt may elect to end the Settlement Class Period to an earlier date such that the escalator is not triggered.~~

~~8.3 Should this clause be triggered, Balt will have ten (10) business days (starting the day after receiving the preliminary calculations from the Settlement Administrator) to notify Class Counsel and the Settlement Administrator of Balt's option. Should no option be selected by Balt within this time period, the default option will be to increase the Gross Settlement Amount on a proportional basis.~~

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9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion Forms identified in the Exclusion List exceeds 5% of the total of all Class Members, Balt may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Balt 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, Balt will remain responsible for paying all Settlement Administration Expenses incurred to that point. Balt must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs 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. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel as soon as practicable prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in

person 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 five 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 Participating Class Members or Aggrieved Employees), 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. 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 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 pursuant to C.C.P. section 664.6 and C.R.C. 3.769(h).
- 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 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, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 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 Participating Class Members or Aggrieved Employees), this Agreement shall be null and void. The Parties shall nevertheless

expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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 and 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 Balt that any of the allegations in the Operative Complaint have merit or that Balt has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Balt'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 grant Preliminary Approval, Final Approval or enter Judgment, Balt reserves the right to contest certification of any class for any reasons, and Balt reserves all available defenses to the claims in the Action, and Plaintiffs reserves the right to move for class certification on any grounds available and to contest Balt's defenses. The Settlement, this Agreement, and the 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.** Plaintiffs, Class Counsel, Balt 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' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (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. Plaintiffs, Class Counsel, Balt 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 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 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 exhibits 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 Plaintiffs and Balt, 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, submitting supplemental evidence and supplementing points and authorities as requested by the Court. 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 **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 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 Plaintiffs, Class Counsel, Balt 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 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 Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Balt in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and 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, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Balt unless, prior to the Court's discharge of the Administrator's obligation, Balt makes a written request to Class Counsel for the return, rather than the destructions, 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 Plaintiffs:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Sepideh Ardestani
sepideh@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

Field Code Changed

To Defendant:

Jackson Lewis P.C.
Kelli Dreger, Esq.
kelli.dreger@jacksonlewis.com
200 Spectrum Center Drive, Suite 500
Irvine, CA 92618

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

Dated: _____

Plaintiff Thi Phan

Dated: _____

Plaintiff Anh Truong

Dated: _____

Jeffrey M. Sachs, Chief Legal and Compliance
Officer

Defendant Balt USA, LLC

Dated: _____

CROSNER LEGAL, PC

Zachary Crosner, Esq.
Jamie Serb, Esq.
Sepideh Ardestani, Esq.
Attorneys for Plaintiffs and the Class

Dated: _____

JACKSON LEWIS P.C.

Kelli Dreger, Esq.
Attorneys for Balt USA, LLC

Formatted: English (United States)

EXHIBIT

3

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

(Thi Phan and Anh Truong v. Balt USA, LLC)

Orange County Case Nos. 30-2023-01339949-CU-OE-CC and 30-2023-01339331-CU-OE-CC

**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 a lawsuit ("Action") against Balt USA, LLC ("Balt") for alleged wage and hour violations. The Action was filed by former Balt employees ("Plaintiffs") and seeks payment of alleged owed wages, meal and rest period premiums, and reimbursements on behalf of all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant Balt USA, LLC at any location in California during the Class Period (August 2, 2019 to November 2, 2024) ("Class Members").

The Action also seeks penalties under the California Private Attorney General Act ("PAGA") for various alleged violations of the Labor Code on behalf of all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant Balt USA, LLC at any location in California during the PAGA Period (May 27, 2022 to November 2, 2024) ("Aggrieved Employees").

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

Based on Balt's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. 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 Balt'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 Balt's records showing that you worked [REDACTED] workweeks during the Class Period and you worked [REDACTED] 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 of the Settlement. 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 Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment

that requires Balt to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Balt.

If you worked for Balt 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 Balt.
2. **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the enclosed Request for Exclusion Form. 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 Balt, 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.

Balt 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 Balt 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 **DATE**. If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator the enclosed Request for Exclusion Form. 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. Balt 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. Objection Forms must be submitted by **DATE**. 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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs. Other than the PAGA portion of this Settlement, you can object to any aspect of this Settlement. 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 **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. Written Challenges Must be Submitted by **DATE**. 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 of Workweeks and number of Pay Periods you worked according to Balt'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.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former Balt employees. The Action accuses Balt of violating California labor laws by failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense reimbursement, failing to provide suitable resting facilities, failing to issue accurately itemized wage statements, unlawful deductions from wages, failing to produce employment records, failing to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, supplemental paid sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failing to timely pay all wages upon separation of employment, unlawful agreements- unlawful criminal history inquiries, failure to provide a safe and healthful work place, and violation of Labor Code section 432.6. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys ("Class Counsel") in the Action.

Balt 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 Balt violated any laws. In the meantime, Plaintiffs and Balt hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to 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, Plaintiffs and Balt 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, Balt does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Balt 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 whether to finally approve the Settlement.

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

Balt Will Pay \$625,000.00 as the Gross Settlement Amount (Gross Settlement). Balt 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, Balt will fund the Gross Settlement not more than 14 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.

Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs 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:

- Up to \$208,333.33 (33.33% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- Up to \$10,000.00 as a Class Representative Service Payments (\$5,000.000 to each Plaintiff) for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.
- Up to \$14,000.00 to the Administrator for services administering the Settlement.
- Up to \$50,000.00 for PAGA Penalties, allocated 75% (\$37,500.00) to the LWDA PAGA Payment and 25% (\$12,500.00) 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.

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.

Taxes Owed on Payments to Class Members. Plaintiffs and Balt are asking the Court to approve an allocation of 20 % of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to penalties and interest ("Non-Wage Portion."). The Wage Portion is subject to withholdings

and will be reported on IRS W-2 Forms. Balt 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 Plaintiffs and Balt 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.

Need to Promptly Cash Payment Checks. You have 180 days to cash settlement 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 payment represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you notify the Administrator in writing, not later than **DATE**, that you wish to opt-out. The easiest way to notify the Administrator is to fill out and sign the enclosed Request for Exclusion Form and submit it before the Response Deadline. If you fill out and submit the Request for Exclusion Form, you will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Balt.

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 Balt based on the PAGA Period facts alleged in the Action.

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 Balt have agreed that, in either case, the Settlement will be void: Balt will not pay any money and Class Members will not release any claims against Balt.

Administrator. The Court has appointed a neutral company, APEX Class Action Administration (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion Forms. 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.

Participating Class Members' Release. After the Judgment is final and Balt has fully funded the Gross Settlement 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 Balt or related entities for wages based on the Class Period facts and PAGA penalties based on the facts, as alleged in the Action and resolved by this Settlement.

Participating Class Members 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 including, failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense reimbursement, failing to provide suitable resting facilities, failing to issue accurately itemized wage statements, unlawful deductions from wages, failing to produce employment records, failing to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, supplemental paid sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failing to timely pay all wages upon separation of employment, unlawful agreements- unlawful criminal history inquiries, failure to provide a safe and healthful work place, and violation of Labor Code section 432.6. Except as set forth in Section 5.3 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.

Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Balt has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Balt, 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 Balt or its related entities based on the facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Release: All 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 including, penalties for violation of Labor Code §§ 01-203, 210, 216, 221-223, 225.5, 226, 226.7, 245-248.6, 256, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2802, 2810.5 6400-6404, 6406-6407, 6409.6, 6432 and all applicable Wage Orders, as well as claims for (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful

deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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.

Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$12,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of Pay Periods worked by each individual Aggrieved Employee.

Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Balt's records, are stated in the first page of this Notice. You have until **DATE** 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 Balt's calculation of Workweeks and/or Pay Periods based on Balt'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 Balt's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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.

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 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 *Phan and Truong v. Balt USA, 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. In other words, if you want to object to the Settlement, you cannot opt-out of the Settlement. Participating Class Members may submit the enclosed Objection Form by **DATE** (60 days after the Class Notice is mailed).

At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs is requesting as a Class Representative Service Payment. 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 may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for filling out the enclosed Objection Form to the Administrator is DATE (60 days after the Class Notice is mailed).** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Please include your name, current address, telephone number, and approximate dates of employment with Balt and sign the Objection Form.

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 **_____** of the Orange County Superior Court, located at **_____**. 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, Plaintiffs, 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) personally. 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 Court'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 Balt and Plaintiffs 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.

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

Class Counsel:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Sepideh Ardestani
sepideh@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301
Beverly Hills, CA 90210

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 State Controller's Office Unclaimed Property Fund 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.

4928-7831-8684, v. 2

EXHIBIT

4

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

(Thi Phan and Anh Truong v. Balt USA, LLC

Orange County Case Nos. 30-2023-01339949-CU-OE-CC and 30-2023-01339331-CU-OE-CC

The Superior Court for the State of California authorized this Notice. Read it carefully!

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**It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being
sued.**

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You may be eligible to receive money from ~~an employee class action~~ a lawsuit ("Action") against Balt USA, LLC ("Balt") for alleged wage and hour violations. The Action was filed by former Balt employees ("Plaintiffs") and seeks ~~(1) payment of unpaid minimum wages, overtime wages, premium wages in lieu of meal and rest periods, and out-of-pocket business expense reimbursement, for a class consisting of~~ payment of alleged owed wages, meal and rest period premiums, and reimbursements on behalf of all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant Balt USA, LLC at any location in California ~~("Class Members") who worked for Balt~~ during the Class Period (August 2, 2019 to November 2, 2024) ~~("Class Members")~~.

~~and (2)~~ The Action also seeks penalties under the California Private Attorney General Act ("PAGA") for ~~suitable resting facilities violations, failure to issue accurately itemized wage statements, unlawful deductions from wages, failure to produce employment records, failure to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failure to timely pay all wages upon separation of employment, unlawful agreements unlawful criminal history inquiries, and various alleged violations of the Labor Code section 432.6 for on behalf of~~ all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant Balt USA, LLC at any location in California ~~who worked for Balt~~ during the PAGA Period (May 27, 2022 to November 2, 2024) ("Aggrieved Employees").

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

Based on Balt's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. 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 Balt's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

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The above estimates are based on Balt's records showing that you worked [REDACTED] workweeks during the Class Period and you worked [REDACTED] 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.

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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 of the Settlement. 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 Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires Balt to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Balt.

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If you worked for Balt 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 Balt.

2. **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the ~~written-enclosed~~ Request for Exclusion ~~Form 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 Balt, 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.

2.

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Balt 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 Balt that are covered by this Settlement (Released Claims).

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You Can Opt-Out of the Class Settlement but not the PAGA Settlement. The Opt-out Deadline is **DATE**. 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~~~~the enclosed~~ Request for Exclusion ~~Form~~. 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.

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You Cannot Opt-out of the PAGA Portion of the Proposed Settlement. Balt must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

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Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement. ~~Written objections~~**Objection Forms** must be submitted by **DATE**. 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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs. Other than the PAGA portion of this Settlement, you can object to any aspect of this Settlement. See Section 7 of this Notice.

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You Can Participate in the Final Approval Hearing. 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.

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You Can Challenge the Calculation of Your Workweeks/Pay Periods. Written Challenges Must be Submitted by **DATE**. 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 of Workweeks and number of Pay Periods you worked according to Balt’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.

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1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former Balt employees. The Action accuses Balt of violating California labor laws by failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense reimbursement, failing to provide suitable resting facilities, failing to issue accurately itemized wage statements, unlawful deductions from wages, failing to produce employment records, failing to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, supplemental paid sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failing to timely pay all wages upon separation of employment, unlawful agreements- unlawful criminal history inquiries, failure to provide a safe and healthful work place, and violation of Labor Code section 432.6. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Plaintiffs are represented by attorneys (“Class Counsel”) in the Action.

Balt 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 Balt violated any laws. In the meantime, Plaintiffs and Balt hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to 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, Plaintiffs and Balt 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, Balt does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Balt 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 whether to finally approve the Settlement.

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

Balt Will Pay \$625,000.00 as the Gross Settlement Amount (Gross Settlement). Balt 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, Balt will fund the Gross Settlement not more than 14 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.

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Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs 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:

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- Up to \$208,333.33 (33.33% of the Gross ~~Settlement~~Settlement) to Class Counsel for attorneys’ fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- Up to \$10,000.00 as a Class Representative Service Payments (\$5,000.000 to each Plaintiff) for filing the Action, working with Class Counsel and representing the Class. A Class Representative Service Payment will be the only monies Plaintiffs will receive other than Plaintiffs’ Individual Class Payment and any Individual PAGA Payment.
- Up to \$14,000.00 to the Administrator for services administering the Settlement.
- Up to \$50,000.00 for PAGA Penalties, allocated 75% (\$37,500.00) to the LWDA PAGA Payment and 25% (\$12,500.00) 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.

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.

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Taxes Owed on Payments to Class Members. Plaintiffs and Balt are asking the Court to approve an allocation of 20 % of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Balt 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.

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Although Plaintiffs and Balt 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.

Need to Promptly Cash Payment Checks. You have 180 days to cash settlement 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 payment represented by your check is sent to the Controller’s Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

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Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you notify the Administrator in writing, not later than **DATE**, that you wish to opt-out. The easiest way to notify the Administrator is to fill out and sign the enclosed Request for Exclusion Form and submit it send a written and signed Request for Exclusion by before the Response Deadline. The If you fill out and submit the Request for Exclusion Form, you should be a letter from a you or your representative setting forth your 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 Balt.

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You Cannot eOpt-Out of the PAGA pPortion 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 Balt based on the PAGA Period facts alleged in the Action.

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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 Balt have agreed that, in either case, the Settlement will be void: Balt will not pay any money and Class Members will not release any claims against Balt.

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Administrator. The Court has appointed a neutral company, APEX Class Action Administration (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion **Forms**. 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.

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Participating Class Members’ Release. After the Judgment is final and Balt has fully funded the Gross Settlement 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 Balt or related entities for wages based on the Class Period facts and PAGA penalties based on the facts, as alleged in the Action and resolved by this Settlement.

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The Participating Class Members 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 including, failing to pay all minimum wages, overtime wages, premium wages in lieu of meal and rest periods, out-of-pocket business expense reimbursement, failing to provide suitable resting facilities, failing to issue accurately itemized wage statements, unlawful deductions from wages, failing to produce employment records, failing to keep accurate records, violations of Labor Code sections 2100-2112, reporting time pay violations, violations of California Day of Rest law, sick leave violations, supplemental paid sick leave violations, suitable seating violations, failure to pay vested vacation/paid time off, failing to timely pay all wages upon separation of employment, unlawful agreements- unlawful criminal history inquiries, failure to provide a safe and healthful work place, and violation of Labor Code section 432.6. Except as set forth in Section 5.3 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.

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Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Balt has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Balt, 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

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to sue, or participate in any other PAGA claim against Balt or its related entities based on the facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Release: All 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 including, penalties for violation of Labor Code §§ 01-203, 210, 216, 221-223, 225.5, 226, 226.7, 245-248.6, 256, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2699, 2699.3, 2802, 2810.5 6400-6404, 6406-6407, 6409.6, 6432 and all applicable Wage Orders, as well as claims for (1) unpaid minimum wages and overtime wages, (2) meal period violations, (3) rest period violations, (4) failure to provide suitable resting facilities, (5) inaccurate wage statements, (6) unlawful deductions from wages, (7) failure to produce employment records, (8) inaccurate records, (9) violations of Labor Code sections 2100-2112, (10) unreimbursed business expenses, (11) reporting time pay violations, (12) violation of California Day of Rest law, (13) sick leave violations, (14) supplemental paid sick leave violations, (15) suitable seating violations, (16) failure to pay vested vacation/paid time off, (17) failure to timely pay all wages upon separation of employment, (18) unlawful agreements- unlawful criminal history inquiries, (19) failure to provide a safe and healthful work place and (20) violation of Labor Code section 432.6.

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4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

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.

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Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$12,500.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of Pay Periods worked by each individual Aggrieved Employee.

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Workweek/Pay Period Challenges. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Balt's records, are stated in the first page of this Notice. You have until **DATE** 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.

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You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Balt's calculation of Workweeks and/or Pay Periods based on Balt'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

Balt's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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.

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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 Settlement (i.e., every Non-Participating Class Member).

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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 *Phan and Truong v. Balt USA, 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.

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7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. In other words, if you want to object to the Settlement, you cannot opt-out of the Settlement. Participating Class Members may submit the enclosed Objection Form by DATE (60 days after the Class Notice is mailed). Before deciding whether to object, you may wish to see what Plaintiffs and Balt are asking the Court to approve.

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At least 16 court days before the Final Approval Hearing, Class Counsel and/or Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs is requesting as a Class Representative Service Payment. 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 ~~or the Motion for Final Approval~~ may wish to object, for example, that the proposed Settlement is unfair, or that the

amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections filling out the enclosed Objection Form to the Administrator is DATE: (60 days after the Class Notice is mailed).** 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 as Phan and Truong v. Balt USA, LLC, and~~ Please include your name, current address, telephone number, and approximate dates of employment with Balt and sign the ~~Objection Form~~. ~~Section 9 of this Notice has the Administrator's contact information.~~

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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 of the Orange County Superior Court, located at . 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, Plaintiffs, 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) personally. 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 Court'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 Balt and Plaintiffs 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.

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

Class Counsel:

Zachary Crosner
zach@crosnerlegal.com
Jamie Serb
jamie@crosnerlegal.com
Sepideh Ardestani
sepideh@crosnerlegal.com
9440 Santa Monica Blvd., Suite 301

Field Code Changed

Beverly Hills, CA 90210

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 [State Controller's Office](#) Unclaimed Property Fund 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

5

REQUEST FOR EXCLUSION FORM

THI PHAN AND AHN TRUONG V. BALT USA, LLC

Superior Court of California, County of Orange
Case Nos. 30-2023-01339331-CU-OE-CC and 30-2023-01339949-CU-OE-CC

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING	No action is required to get your share of this Settlement.
EXCLUDE YOURSELF	You may exclude yourself from the class settlement, but you may <u>not</u> exclude yourself from the PAGA settlement. To exclude yourself from the class settlement, fill out the information below and mail, email or fax this form to the Settlement Administrator. If you exclude yourself from the class settlement, <u>you will not get any payment</u> . This is the only option that allows you to file your own lawsuit against Defendant.

I declare as follows:

I am or was a non-exempt employee who worked for Defendant Balt USA, LLC in California at any time during the time period of August 2, 2019 to November 2, 2024. I have received and reviewed the Notice of Class and PAGA Action Settlement, and I wish to be ***excluded*** from the Settlement Class and ***not*** to participate in the proposed Settlement. Exclusion from the class settlement does not mean exclusion from PAGA settlement.

Dated: _____

(Signature)

(Typed or Printed Name)

(Address)

(City, State, Zip Code)

(Telephone Number, Including Area Code)

XXX – XX – ____
(Social Security Number – last 4 digits only)

This form must be mailed, emailed or faxed to the Settlement Administrator on or before , 2025:

Settlement Administrator
c/o APEX Class Action Administrator

[EMAIL]
[ADDRESS]
[TELEPHONE]
[FAX]

EXHIBIT

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OBJECTION FORM
THI PHAN AND AHN TRUONG V. BALT USA, LLC

Superior Court of California, County of Orange
Case Nos. 30-2023-01339331-CU-OE-CC and 30-2023-01339949-CU-OE-CC

USE THIS FORM ONLY IF YOU WANT TO OBJECT TO THE SETTLEMENT. TO OBJECT TO THE TERMS OF THE SETTLEMENT, YOU MUST SIGN AND COMPLETE THIS FORM ACCURATELY AND, IN ITS ENTIRETY, AND YOU MUST MAIL, FAX, OR EMAIL IT TO THE ADMINISTRATOR APEX CLASS ACTION ADMINISTRATOR NO LATER THAN [REDACTED].

Settlement Administrator
c/o APEX Class Action Administrator

[EMAIL]
[ADDRESS]
[TELEPHONE]
[FAX]

[] I OBJECT to the *Phan and Truong v. Balt USA, LLC* Settlement for the following reasons:

(Your Signature)

(Date)

(Print Your Name)

(Your Address)

(Print Last Four Digits of Social Security Number)

(City/State/Zip Code)

EXHIBIT

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1 PROOF OF SERVICE

2 *Anh Truong v. Balt USA, LLC et al.*

3 *Orange County Superior Court Case No. 30-2023-01339331-CU-OE-CXC -Lead*
4 *(consolidated with 30-2023-01339949-CU-OE-CXC)*

5 At the time of service, I was over 18 years of age and not a party to this action. I am
6 employed in the County of Los Angeles, State of California. My business address is 9440 Santa
7 Monica Blvd., Ste. 301, Beverly Hills, CA 90210.

8 On August 12, 2025, I served true copies of the following document(s) described as

9 **SUPPLEMENTAL DECLARATION OF SEPIDEH ARDESTANI IN SUPPORT**
10 **MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND**
11 **REPRESENTATIVE SETTLEMENT**

12 on the interested parties in this action as follows:

13 SEE ATTACHED SERVICE LIST

14 ☒ BY ELECTRONIC TRANSMISSION. I transmitted copies of the above-referenced
15 document(s) from the email address maria@crosnerlegal.com to the interested parties in this
16 action by electronic transmission. Said electronic transmission was reported as complete and
17 without error.

18 I declare under penalty of perjury under the laws of the United States of America that the
19 foregoing is true and correct and that I am employed in the office of a member of the bar of this
20 Court at whose direction the service was made.

21 Executed on August 12, 2025, at Los Angeles, California.

22 

23 Maria Monterrey

SERVICE LIST

ANH TRUONG V. BALT USA, LLC ET AL.

Orange County Superior Court Case No. 30-2023-013393311-CU-OE-CXC

Jonathan P. Schmidt

Attorneys for Defendants

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Sarah Raoof

Derek Sutter

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Deborah.Neforos@jacksonlewis.com

Adilene.Garcia@jacksonlewis.com

VIA ONLINE FILING ONLY:

PAGAFilings@dir.ca.gov

California Labor & Workforce

Development Agency

ATTN: PAGA Administrator

455 Golden Gate Avenue, 9th Floor.

San Francisco, CA 94102