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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

ERIC SCHNEEKLUTH, individually, and on
behalf of other members of the general public
similarly situated; MIGUEL GUZMAN,
GABRIEL CASTELLANOS-LOPEZ,
individually, and on behalf of other members
of the general public similarly situated and
on behalf of other aggrieved employees
pursuant to the California Private Attorneys
General Act;

Plaintiffs,

vs.

MOUNTAIN F. ENTERPRISES, INC, a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No. 25CV015840

Honorable Lauri A. Damrell
Department 8B

CLASS ACTION

**DECLARATION OF RYAN SLINGER
IN SUPPORT OF PLAINTIFFS'
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
AND PAGA SETTLEMENT**

Reservation ID: A-15840-001
Hearing Date: August 14, 2026
Hearing Time: 9:00 a.m.
Department: 8B

Complaint Filed: July 1, 2025
FAC Filed: April 8, 2026
SAC Filed: May 21, 2026
Trial Date: None Set

DECLARATION OF RYAN SLINGER

I, Ryan Slinger, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiffs Eric Schneekluth (“Plaintiff Schneekluth”), Miguel Guzman (“Plaintiff Guzman”), and Gabriel Castellanos-Lopez (“Plaintiff Castellanos-Lopez”) (collectively, “Plaintiffs”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On July 1, 2025, Plaintiff Schneekluth filed a Class Action Complaint for Damages in the Superior Court for the County of Sacramento, thereby commencing the above-captioned lawsuit (“Action”).

3. On September 8, 2025, Defendant Mountain F. Enterprises, Inc. (“Defendant”) filed an Answer to Plaintiff Schneekluth’s Class Action Complaint for Damages.

4. On January 13, 2026, Plaintiff Guzman provided written notice by electronic notice to the California Labor and Workforce Development Agency (“LWDA”) and by certified mail to Defendant of the specific provisions of the California Labor Code that were alleged to be violated (“Original Guzman PAGA Notice”). Marked and attached hereto as “**EXHIBIT 1**” is a true and correct copy of the Original Guzman PAGA Notice.

5. On January 13, 2026, Plaintiff Castellanos-Lopez provided written notice by electronic notice to the LWDA and by certified mail to Defendant of the specific provisions of the California Labor Code that were alleged to be violated (“Original Castellanos-Lopez PAGA Notice”). Marked and attached hereto as “**EXHIBIT 2**” is a true and correct copy of the Original Castellanos-Lopez PAGA Notice.

6. On April 8, 2026, Plaintiff Schneekluth filed a First Amended Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code § 2698, *Et Seq.* (“First Amended Complaint”), thereby adding Plaintiff Guzman and Plaintiff Castellanos-Lopez as additional plaintiffs and adding a claim for civil penalties pursuant to the Private

Attorneys General Act, California Labor Code § 2698, et seq. (“PAGA”).

7. On May 11, 2026, Plaintiff Guzman provided additional written notice by electronic notice to the LWDA and by certified mail to Defendant of the additional specific provisions of the California Labor Code that were alleged to be violated (“Additional Guzman PAGA Notice”). Marked and attached hereto as “**EXHIBIT 3**” is a true and correct copy of the Additional Guzman PAGA Notice.

8. On May 11, 2026, Plaintiff Castellanos-Lopez provided additional written notice by electronic notice to the LWDA and by certified mail to Defendant of the additional specific provisions of the California Labor Code that were alleged to be violated (“Additional Castellanos-Lopez PAGA Notice”) (collectively with the Original Guzman PAGA Notice, Original Castellanos-Lopez PAGA Notice, and Additional Guzman PAGA Notice, “PAGA Notices”). Marked and attached hereto as “**EXHIBIT 4**” is a true and correct copy of the Additional Castellanos-Lopez PAGA Notice.

9. On May 21, 2026, Plaintiffs filed a Second Amended Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code § 2698, *Et Seq.* (“Operative Complaint”), thereby incorporating additional provisions of the California Labor Code alleged to have been violated by Defendant into the claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with Plaintiff Guzman, Plaintiff Castellanos-Lopez and aggrieved employees.

THE PROPOSED SETTLEMENT

10. Marked and attached hereto as “**EXHIBIT 5**” is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and between Plaintiffs, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendant, on the other hand (collectively, the “Parties”). The Parties and their counsel have approved the proposed Notice of Class Action Settlement (“Class Notice”), which is attached to the Settlement Agreement as “Exhibit A” and respectfully request that the Court approve it as well.

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11. The Settlement provides for a Maximum Settlement Amount of \$2,085,000.00 to be paid in a single payment on a non-reversionary basis. The Net Settlement Amount is the Maximum Settlement Amount less the following amounts, subject to approval by the Court: Attorneys' Fees of up to \$729,750.00 (if the Maximum Settlement Amount remains \$2,085,000.00) and Costs not to exceed \$20,000.00 to Class Counsel, Enhancement Payments of \$10,000.00 to each Plaintiff (\$30,000.00 total), Settlement Administration Costs to the Settlement Administrator not to exceed \$25,000.00, and the PAGA Amount of \$670,000.00. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Settlement Class Members is currently \$610,250.00. Additionally, 35% of the PAGA Amount (i.e., PAGA Employee Amount), which is \$234,500.00 out of \$670,000.00, will be distributed to the PAGA Employees, for their respective portion of the PAGA Employee Amount. The Maximum Settlement Amount will be fully distributed in accordance with the terms of the Settlement and there is no reversion to Defendant.

12. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to 35% of the Maximum Settlement Amount (i.e., \$729,750.00, if the Maximum Settlement Amount remains \$2,085,000.00) and expenses and costs of not more than \$20,000.00, which will be paid out of the Maximum Settlement Amount, subject to approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained. A description of the qualifications of Class Counsel, the work performed by Class Counsel, and the results achieved by Class Counsel in this matter can be found in paragraphs 20 through 30, *infra*.

13. The Settlement Agreement provides for payment of up to \$10,000.00 to each Plaintiff as Enhancement Payments (\$30,000.00 total), to be paid out of the Maximum Settlement Amount subject to approval by the Court. Plaintiffs spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel needed them and actively tried to obtain information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiffs to receive Enhancement Payments, in addition to their individual settlement

1 payment(s), for their service on behalf of the Class, PAGA Employees, and the State of California.

2 14. The Parties have agreed to retain ILYM Group, Inc., (“Settlement Administrator”)
3 to handle the notice and settlement administration process. The Parties respectfully request that the
4 Court appoint ILYM Group, Inc. to handle these procedures and serve as the Settlement
5 Administrator. Defendant will provide the Settlement Administrator with the Class List, and the
6 Settlement Administrator will calculate each Class Member’s estimated share of the Net
7 Settlement Amount (“Individual Settlement Share”) and each PAGA Employee’s estimated *pro*
8 *rata* share of the PAGA Employee Amount. The Settlement Administrator will be responsible for
9 printing, distributing, and tracking Class Notices and other documents for the Settlement,
10 calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS
11 Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary
12 reports and declarations, transmitting funds representing uncashed checks after the void date to the
13 California Controller’s Unclaimed Property Fund in the name of each Settlement Class Member
14 and/or PAGA Employee to whom the checks were issued, and other duties and responsibilities set
15 forth to process the Settlement, and as requested by the Parties. Settlement Administration Costs
16 are currently estimated not to exceed \$25,000.00 and will be paid out of the Maximum Settlement
17 Amount, subject to approval of the Court.

18 15. Under the Settlement Agreement, Defendant is responsible for any employer-side
19 tax obligations associated with the Maximum Settlement Amount and will deposit that amount into
20 the settlement fund in addition to the Maximum Settlement Amount. Each Settlement Class
21 Member’s Individual Settlement Share will be allocated 20% to wages and 80% penalties, interest
22 and non-wage damages. The Settlement Administrator will withhold the employee’s share of taxes
23 and withholdings with respect to the wages portion of the Individual Settlement Shares.

24 **CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE**

25 16. **Ascertainability:** The proposed Class is defined as all current and former hourly-
26 paid or non-exempt employees of Defendant in California who worked during the Class Period,
27 which is the time period from August 31, 2016 through the date of Preliminary Approval.

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1 17. **Numerosity:** Based on data provided by Defendant, the Class is estimated to be
2 approximately 3,887 individuals, as of December 9, 2025.

3 18. **Commonality:** Based on investigation and information discovered, Class Counsel
4 believes that there is sufficient evidence to support the allegations made in the lawsuit, including
5 the allegations that Defendant, with respect to Plaintiffs, Class Members, and PAGA Employees,
6 *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed
7 to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay
8 wages during employment and upon termination of employment, failed to provide compliant wage
9 statements, failed to maintain requisite payroll records, and failed to reimburse necessary business
10 expenses, and thereby engaged in unfair business practices and conduct giving rise to civil
11 penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code
12 sections 2698, *et seq.*). Plaintiffs also asserted that Class Members were expected to perform
13 similar job duties and were subject to the same or similar operations and employment policies,
14 practices, and procedures. Additionally, Plaintiffs asserted that Defendant's recordkeeping
15 practices with respect to Plaintiffs, Class Members, and PAGA Employees were substantially the
16 same during the time period at issue. As a result of said alleged uniform practices, Plaintiffs claim
17 that the Class Members were not paid all of the compensation that was owed to them by
18 Defendant. Thus, in Class Counsel's view, it is clear that the outcome of this litigation would be
19 determined by Defendant's uniform operations and employment practices, policies, and procedures
20 that Plaintiffs allege applied across its hourly-paid or non-exempt employees in California who
21 worked during the Class Period.

22 19. **Adequacy and Typicality:** Plaintiffs undertook the responsibilities of representing
23 a class action against their former employer. Plaintiffs spent considerable time and effort to
24 produce relevant documents and past employment records and to provide the facts and evidence
25 necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel
26 needed them and actively tried to obtain information that would benefit the Class. Plaintiffs have
27 no interests that are adverse to the Class. Plaintiffs were employed by Defendant during the Class
28 Period and subject to the same alleged violations and the same policies, practices, and procedures.

1 Plaintiff Schneekluth took on the challenge and risk of commencing this action and Plaintiffs took
2 on the challenge and risk of maintaining this action, and they have not yet received any monetary
3 benefit for their service to date. Plaintiffs put their own interests aside and brought a publicly filed
4 lawsuit against an employer not just for their own benefit, but, instead, on behalf of other hourly-
5 paid employees and the State of California.

6 **EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC**

7 20. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the
8 prosecution of consumer and employment class actions, involving wage-and-hour claims, race
9 discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is
10 the attorney of record in well over a dozen employment-related putative class actions in both state
11 and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys
12 who focus on litigating complex wage-and-hour class and Private Attorneys General Act
13 (“PAGA”) representative actions. Lawyers *for* Justice, PC has successfully litigated cases
14 involving the executive, administrative, and other overtime exemptions to the State of California
15 and federal overtime compensation requirements. During a relatively short time, in association
16 with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of
17 thousands of individuals in California.

18 21. Edwin Aiwazian is the Chief Executive Officer of Lawyers for Justice, PC. He
19 received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a
20 Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive
21 formal training in dispute resolution and negotiation from the Straus Institute for Dispute
22 Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has
23 previously served as a pro bono mediator for the Los Angeles County Superior Court. In October
24 of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During
25 the summer of 2000, he studied Legal Writing at Harvard University. From approximately
26 September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable
27 Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From
28 approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the

1 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
2 In December of 2004, he obtained a license to practice law from the California State Bar. Since in
3 or around October of 2008, through his work at Lawyers for Justice, PC, he has almost exclusively
4 focused on the prosecution of consumer and employment class actions, involving wage-and-hour
5 claims, race discrimination, unfair business practices, or consumer fraud. While employed by
6 Lawyers for Justice PC, he has argued over one hundred (100) motions, taken or defended over
7 one hundred fifty (150) depositions, prepared dozens of expert witnesses for deposition or trial,
8 and attended over one hundred seventy-five (175) mediations. Together with other attorneys at the
9 firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases
10 involving the executive, administrative, and other overtime exemptions to the State of California
11 and federal overtime compensation requirements. Under his supervision, Lawyers for Justice, PC
12 has successfully obtained class certification by contested motion practice in approximately sixteen
13 (16) cases in the last decade, and litigated over 1,000 class action or representative action cases.

14 22. Arby Aiwarzian is a Senior Partner of Lawyers for Justice, PC. He received his
15 Bachelor of Arts degree from University of California, Los Angeles and graduated magna cum
16 laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From
17 approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
18 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
19 From approximately August 2008 to approximately December 2008, he served as a Judicial Extern
20 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth
21 Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before
22 all courts of the State of California and all United States District Courts in the State of California.
23 He has worked on many wage-and-hour class action and representative action cases, taking the
24 lead in taking and defending depositions, arguing motions, and attending mediations. He has
25 played an integral role in preparing matters for class certification, including and not limited to,
26 successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court
27 Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court
28 Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case

No. RG13680477). Under his supervision, dozens of class action or representative action cases have resulted in settlements that have been granted court approval. He has handled over one hundred and fifty (150) mediations and has worked on over two hundred and fifty (250) class action or representative action cases which have resulted in settlement.

23. Joanna Ghosh is a Senior Partner of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010), in New York (since 2013), and in Washington (since 2026), and She is also admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, U.S. District Court of the Western District of Washington, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration agreements, coordination, and intervention. She has successfully handled briefing and oral arguments on appeal and obtained notable decisions regarding Private Attorneys General Act claims and employer efforts to compel arbitration of such claims, e.g., *Roberto Betancourt v. Prudential Overall Supply* (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal., May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th175. She has significant experience with class actions, including and not limited to working on cases to obtain class certification through contested motion practice and working on cases in the post-certification stage (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial preparation in conjunction with co-counsel in a case involving a certified class consisting of approximately 2,600 individuals). She has extensive experience with class action and/or representative action settlements, and has handled this process in over five hundred (500) cases. Under her, Edwin Aiwasian, and Arby Aiwasian's supervision, Lawyers *for* Justice, PC has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. Joanna Ghosh is a member of

1 the California Employment Lawyers Association and, on several occasions, has been a speaker
2 regarding topics in wage and hour law at the organization's continuing legal education events.

3 24. I am a member of Lawyers for Justice. PC. I received my Bachelor of Arts degree
4 from the University of Michigan in 2020, and I earned my Juris Doctor degree from Loyola Law
5 School in 2023. I was admitted to practice law in California in 2023. I am admitted to practice
6 before all courts of the State of California. I have worked on many wage-and-hour class action and
7 PAGA representative cases, and my work on these cases has included preparing pleadings and
8 motions, making court appearances, drafting and finalizing settlement agreements.

9 **THE SETTLEMENT AND SUMMARY OF WORK PERFORMED**

10 25. The effectiveness of Lawyers *for* Justice, PC ("Class Counsel") in prosecuting this
11 matter has translated into tangible monetary benefits in the following respects: (1) Class Members,
12 PAGA Employees, and the State of California recover over a reasonably short period of time as
13 opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result
14 that compares favorably with other similar class action settlements of this type given the strengths
15 and weaknesses of the case; and (3) significant savings in Class Counsel's fees and/or costs that
16 would have only increased significantly had the case progressed through certification, trial, and/or
17 appeals.

18 26. Class Counsel has litigated the case since July 1, 2025 and was actively preparing
19 the matter for class certification and trial. The Parties have engaged in extensive settlement
20 negotiations and participated in a full-day mediation conducted by Doug Leach, Esq., a well-
21 respected mediator experienced in mediating complex labor and employment matters. In the course
22 of the this lawsuit and in connection with the mediation and settlement negotiations, the Parties
23 exchanged extensive information and engaged in discussions regarding their evaluations of the
24 case and various aspects of the case, including but not limited to, the risks and delays of further
25 litigation, the law relating to off-the-clock theory, regular rate, meal and rest periods, PAGA
26 representative claims, and state wage-and-hour law and enforcement, as well as the evidence
27 produced and analyzed, and the possibility of appeals, among other things. During all settlement
28 discussions, the Parties conducted their negotiations at arm's length in an adversarial position.

1 Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel
2 felt strongly about its ability to prevail on the merits, and Plaintiffs and Class Counsel believed that
3 they would be able to prevail at trial. After conducting investigations, formal and informal
4 discovery, exchange of information, extensive settlement negotiations, and with the aid of the
5 mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given
6 the legal issues relating to Plaintiffs' principal claims, as well as the costs and risks to both sides
7 that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of
8 the Released Class Claims of Plaintiffs and Settlement Class Members, and of the Released PAGA
9 Claims of Plaintiff Guzman, Plaintiff Castellanos-Lopez, PAGA Employees, and the State of
10 California, against the Released Parties.

11 27. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
12 and scope of the claims, and was preparing the action for class certification and trial. Plaintiffs
13 conducted significant investigation and formal and informal discovery regarding the facts of the
14 case, including and not limited to, the exchange, review, and analysis of a volume of documents
15 and data obtained from Defendant, Plaintiffs, and other sources. Class Counsel served multiple sets
16 of formal written discovery requests onto Defendant (specifically, Requests for Production of
17 Documents (Set One), Special Interrogatories (Sets One and Two), and Form Interrogatories—
18 General (Set One)). Additionally, Class Counsel noticed the deposition of Defendant's Persons
19 Most Knowledgeable regarding Organizational Structure, and reviewed Defendant's Objection
20 thereto. The volume of data and documents that Class Counsel reviewed and analyzed included
21 and was not limited to: Plaintiffs' employment records, Class Members' time and pay data,
22 multiple iterations of Defendant's Employee Handbook, company policy acknowledgements,
23 internal memoranda, Defendant's operations and employment practices, forms, procedures, and
24 policies, among other information and documents. Class Counsel had the opportunity to interview
25 Plaintiffs to gather facts and to identify potential witnesses. Counsel for the Parties met and
26 conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, and the
27 production of documents and data prior to the mediation. Class Counsel drafted Plaintiffs'
28 pleadings and mediation brief and prepared for and attended court proceedings, settlement

1 negotiations, and the mediation, among other tasks.

2 28. Counsel for the Parties have also invested time researching and investigating the
3 applicable law, which is constantly evolving as it relates to certification, representative PAGA
4 claims, off-the-clock theory, regular rate, meal and rest periods, state wage-and-hour law and
5 enforcement, Plaintiffs' claims and damages, and Defendant's defenses thereto, as well as facts
6 discovered. Based on Class Counsel's analysis, the result achieved in this lawsuit is fair, adequate,
7 and reasonable.

8 29. Class Counsel is aware of the defenses and position of Defendant, but believes that
9 Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class
10 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
11 and the difficulties and delays inherent in such litigation. Plaintiffs further recognize the burdens
12 of proof necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses,
13 and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class Counsel
14 have also considered the Parties' settlement discussions, as well as the evaluations of the mediator,
15 who is experienced and well-regarded in complex labor and employment matters.

16 30. Defendant, on the other hand, denied and continues to deny any liability and
17 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that
18 this lawsuit is appropriate for class treatment or representative adjudication for any purpose other
19 than this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides
20 have also had the opportunity to interview witnesses and review documents and information
21 relating to Plaintiffs', Class Members', and PAGA Employees' employment with Defendant, and
22 Defendant's operations and employment policies, practices, and procedures. The Parties also
23 reviewed and analyzed a volume of documents and data to determine the potential value and
24 strength of the claims. The available information enabled Class Counsel to assess and value the
25 class and PAGA claims and prepare violation, damages, and penalties analyses models.
26 Accordingly, counsel for the Parties have conducted adequate investigation and discovery to be
27 sufficiently informed of the nature and extent of the Class Members' claims, and to enable both
28 sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The

1 Settlement takes into account the strengths and weaknesses of each side's position and the
2 uncertainty of how the case might have concluded at trial and/or appeals.

3 **ESTIMATE OF THE VALUE OF THE CLAIMS**

4 31. Plaintiffs' action alleges that Defendant has violated the California Labor Code and
5 Industrial Welfare Commission Wage Orders by engaging in a uniform policy and systematic
6 scheme of wage abuse against Plaintiffs and the Class Members, including *inter alia*, failing to
7 properly compensate overtime and minimum wages, failing to provide compliant meal and rest
8 periods and associated premium pay, failing to timely pay wages during employment, failing to
9 timely pay wages upon termination and associated waiting-time penalties, failing to provide
10 compliant wage statements, failing to maintain requisite payroll records, and failing to reimburse
11 necessary business expenses. Plaintiffs further contends that Defendant's aforementioned conduct
12 constitutes unfair business practices (under the California Business and Professions Code ("UCL")
13 and gives rise to civil penalties recoverable under PAGA.

14 32. Based on data provided by Defendant, the total number of Class Members during
15 the period from August 31, 2016 to December 9, 2025 ("relevant time period") was estimated to be
16 approximately 3,887 individuals who worked an estimated total of 389,710 workweeks with an
17 average hourly rate of pay of \$25.98.

18 33. Plaintiffs contended that Defendant required Class Members to perform work
19 before clocking-in and after clocking-out of their scheduled shifts and during meal and rest
20 periods. Plaintiffs contended that Defendant discouraged the recordation of overtime hours and
21 required Class Members to perform work off-the-clock. Plaintiffs contended that Defendant failed
22 to include non-discretionary bonuses and incentives in the calculation of the regular rate when
23 paying overtime wages. Plaintiffs also contended that meal and rest periods were regularly missed,
24 later, shortened, and/or interrupted, that Class Members were required to remain on premises
25 during rest breaks, readily available to assist with work tasks, and that Defendant failed to properly
26 pay premiums for all non-compliant meal and rest periods. Additionally, Plaintiffs alleged that
27 Defendant intentionally and willfully failed to pay Plaintiffs and Class Members all wages due to
28 them while they were employed by Defendant, within the time period permissible under California

1 law, and that Defendant failed to pay all wages due upon termination, within the time period
2 permissible under California law, thereby triggering waiting-time penalties under California Labor
3 Code section 203. Plaintiffs contended that, based on the violations described herein, the wage
4 statements provided by Defendant and the payroll records kept by Defendant were inaccurate.
5 Finally, Plaintiffs contended that Defendant failed to reimburse Plaintiffs and the other Class
6 Members for necessary business expenses, including, but not limited to, the costs associated with
7 the usage of personal cell phones, and costs associated with the purchase of PPE, gloves, climbing
8 boots, rain coats, and chap pants to perform their work duties.

9 34. Class Counsel considered Defendant's arguments, e.g., that the employer's
10 practices, policies, and procedures complied with the law, that Defendant paid Class Members
11 over the California minimum wage for all hours worked, that Defendant correctly paid overtime
12 for all overtime hours worked, that no waiting-time penalties were due because waiting-time
13 penalties only arise from "willful" failure to pay wages due and owing at the time of termination or
14 resignation, that Plaintiffs and Class Members suffered no actual injury from the alleged wage
15 statement violations and that this alleged violation and the alleged recordkeeping violation are
16 entirely derivative of the other causes of action, and that a policy and practice of reimbursing
17 employees for necessary business-related expenses exists. Class Counsel also considered the
18 likelihood of Plaintiffs' success in establishing that any of provisions of the California Labor Code,
19 on which the civil penalties under PAGA and the UCL claim are predicated, were violated and that
20 such violations were injurious and/or warranted imposition of civil penalties. Class Counsel also
21 considered that trial courts have wide discretion when assessing penalties under PAGA, and that it
22 could be determined that individual liability issues predominate (e.g., due to purported variation in
23 shifts, locations, job duties, and other circumstances which could raise individualized questions of
24 fact) and could pose challenges to certification, manageability, and the merits of Plaintiffs' claims.

25 35. Class Counsel considered information, data, and documents obtained from
26 Plaintiffs, Defendant, and other sources, and created violation, damages, and penalties valuations
27 and models prior to reaching the Settlement. Based thereon, Plaintiffs calculated the potential
28 value of the claims. However, the potential value of each claim assumed an exposure based on the

1 above-captioned action having been certified and Plaintiffs having proven all elements of the
2 claims and entitlement to monetary recovery in the above-captioned action (on a class-wide and a
3 representative basis), despite risks associated with obtaining and maintaining certification and
4 demonstrating manageability, risks to establishing liability and any underlying California Labor
5 Code and IWC Wage Order violations and damages, and significant additional costs that would
6 have to be incurred in order to certify the above captioned action and establish liability, damages,
7 and penalties amounts in the cases. Plaintiffs faced the risk of the Court finding that individualized
8 issues predominate, such that the cases are not suitable for class treatment. While Class Counsel
9 disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the
10 circumstances and realities of the cases, applicable case law and regulations, the extensive time
11 and pay records produced by Defendant, the costs and expenses of further litigation and
12 certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel
13 calculated the potential and realistic values of each claim as follows:

- 14 a. Failure to Pay Overtime Wages: The potential value of this claim was estimated to
15 be \$30,373,997.40 (389,710 workweeks x 2 hours of unpaid overtime wages x
16 overtime hourly rate of \$38.97, which is based on the average hourly rate of
17 \$25.98). At this juncture, a discount of 70% was applied to account for the risks
18 associated with obtaining and maintaining class certification (bringing the value of
19 this claim closer to \$9,112,199.22), a discount of 70% was applied to account for
20 the risks associated with succeeding on the merits and establishing liability
21 (bringing the value of this claim closer to \$2,733,659.77), and a discount of 80%
22 was applied to account for the risks associated with proving the extent of damages
23 and obtaining an award thereof (bringing the value of this claim closer to
24 \$546,731.95).
- 25 b. Failure to Pay Minimum Wages: The potential value of this claim was estimated to
26 be \$10,124,665.80 (389,710 workweeks x 1 hour of unpaid minimum wages x
27 average hourly rate of \$25.98). At this juncture, a discount of 70% was applied to
28 account for the risks associated with obtaining and maintaining class certification

(bringing the value of this claim closer to \$3,037,399.74, a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$911,219.92), and a discount of 80% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$182,243.98).

c. Failure to Provide Compliant Meal Periods and Associated Premiums: The potential value of this claim was estimated to be \$20,249,331.60 (389,710 workweeks x 2 meal period premiums x average hourly rate of \$25.98). At this juncture, a discount of 70% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$6,074,799.48), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,822,439.84), and a discount of 80% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$364,487.97).

d. Failure to Provide Compliant Rest Periods and Associated Premiums: The potential value of this claim was estimated to be \$20,249,331.60 (389,710 workweeks x 2 rest period premiums x average hourly rate of \$25.98). At this juncture, a discount of 70% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$6,074,799.48), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,822,439.84), and a discount of 80% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$364,487.97).

e. Failure to Timely Pay Wages During Employment: The value of this claim is considered as a part of the valuation of the PAGA claim contained infra.

f. Failure to Timely Pay Wages After Termination (and Waiting-Time Penalties):

Based on information and data provided by Defendant, it was estimated that approximately 2,813 Class Members had been terminated during the three-year statute of limitations (i.e., from August 31, 2017). Assuming that these individuals were not timely paid all wages due to them upon termination, the potential value of waiting-time penalties was estimated to be \$17,539,617.60 collectively (2,813 individuals x [30 days x hourly rate of \$25.98 x 8 hours]), or approximately \$6,235.20 per individual. At this juncture, a discount of 70% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$5,261,885.28), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,578,565.58), and a discount of 80% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$315,713.12).

g. Failure to Provide Compliant Wage Statements: The potential value of this claim was calculated to be \$13,928,000.00 (3,482 initial violations x \$4,000 maximum statutory penalty). At this juncture, a discount of 70% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$4,178,400.00), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,253,520.00), and a discount of 80% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$250,704.00).

h. Failure to Maintain Payroll Records: Arguably, civil penalties would only be recoverable by the Labor Commissioner, therefore, the value of this claim is considered as a part of the valuation of the PAGA claim contained infra.

- 1 i. Failure to Reimburse Necessary Business Expenses: The potential value of this
2 claim was estimated to be \$6,079,476.00 (389,710 workweeks x \$15.60
3 unreimbursed business expenses). At this juncture, a discount of 75% was applied
4 to account for the risks associated with obtaining and maintaining class certification
5 (bringing the value of this claim closer to \$1,519,869.00), a discount of 75% was
6 applied to account for the risks associated with succeeding on the merits and
7 establishing liability (bringing the value of this claim closer to \$379,967.25), and a
8 discount of 85% was applied to account for the risks associated with proving the
9 extent of damages and obtaining an award thereof (bringing the value of this claim
10 closer to \$56,995.09).
- 11 j. PAGA Penalties: The amount of civil penalties at issue, which the Court could
12 determine whether or not to assess and whether or not to reduce based on the facts
13 and circumstances of the case (to avoid an award that is unjust, arbitrary and
14 oppressive, or confiscatory, pursuant to California Labor Code section 2699(e)(2)),
15 were estimated to be approximately \$6,093,500.00 (3,482 aggrieved employees
16 estimated to have worked during one-year statutory period x \$1,750 civil penalties).
17 Civil Penalties are calculated as \$1,750.00 per aggrieved employee (\$50.00 for
18 California Labor Code Section 558 overtime, meal, and rest violations, plus
19 \$250.00 for California Labor Code Section 226.3 wage statements violations, plus
20 \$100 for California Labor Code Section 1197.1 minimum wages violations, plus
21 \$100 for California Labor Code Section 210 bi-weekly/timely pay during
22 employment violations, plus \$100.00 for California Labor Code Section 2699(f)
23 timely pay of wages at termination violations, plus \$500 for California Labor Code
24 Section 1174.5 payroll records violations, plus \$100 for California Labor Code
25 Section 2699(f) business expenses violations, plus \$100 for subsequent overtime
26 violations, plus \$100 for subsequent meal violations, plus \$100 for subsequent rest
27 violations, plus \$250 for minimum wages violations). At this juncture a discount of
28 45% was applied to account for the risks associated with possible bifurcation of

discovery and/or trial (bringing the value of this claim closer to \$3,351,425.00), a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,675,712.50), and a discount of 60% was applied to account for the risks associated with the Court's discretion to reduce civil penalties and obtaining an award of civil penalties (bringing the value of this claim closer to \$670,285.00).

36. The foregoing discussion confirms that the amount of the Settlement is adequate in light of Plaintiffs' allegations and causes of action, the evidence at issue with respect to those allegations and causes of action, and legal and factual arguments and circumstances which pose challenges to certification, manageability, merits, and monetary recovery. The conclusion to be drawn from the foregoing analysis is that neither class certification, manageability, liability, nor the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is clear-cut, which is why the Parties elected to settle this matter. Class Counsel also recognized that additional discounts could be made to the risk-adjusted value to account for the costs and expenses associated with further litigation and the present value of obtaining a settlement now as opposed to monetary recovery, if any, that may be obtained in the future after further litigation. Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, and risks to recovery and applied appropriate discounts.

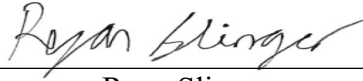
37. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interest of Plaintiffs, the Class, the PAGA Employees, and the State of California. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

38. I have reviewed the Court's Checklist for Approval of Class Action and/or Private Attorneys General Act ("PAGA") Settlements and confirm that the moving papers filed herewith comply with the checklist.

///

1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct.

3 Executed on this 17th day of July 2026, at Glendale, California.

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5 Ryan Slinger
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EXHIBIT 1



January 13, 2026

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: MOUNTAIN F. ENTERPRISES, INC.

Dear Representative:

We have been retained to represent Miguel Guzman against Mountain F. Enterprises, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Mountain F. Enterprises") for violations of California wage-and-hour laws. Mr. Guzman seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Guzman seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Mountain F. Enterprises employed Mr. Guzman as an hourly-paid, non-exempt employee from approximately January 2024 to approximately July 2025, in the State of California.

The "aggrieved employees" that Mr. Guzman may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Mountain F. Enterprises has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001.

Mountain F. Enterprises required Mr. Guzman and other aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate Mr. Guzman and other aggrieved employees for this time. Such work included, but was not limited to, responding to work related communications, loading trucks, performing landscaping, attending meetings, travelling between work sites, answering phone calls, waiting in line to clock in, answering calls from supervisors, cleaning, and performing other regular tasks/duties.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Guzman and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Guzman and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Mountain F. Enterprises required Mr. Guzman and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Mountain F. Enterprises also required Mr. Guzman and other aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Mountain F. Enterprises did not provide Mr. Guzman and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Mountain F. Enterprises were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Guzman and other aggrieved

employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Guzman and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Guzman and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Guzman and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Guzman and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Mountain F. Enterprises failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Guzman and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Mountain F. Enterprises did not provide Mr. Guzman and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular

rate of pay for workdays in which Mr. Guzman and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Guzman and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Guzman and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Mountain F. Enterprises. These costs include, but are not limited to, the use of personal phones for business-related purposes, the use of personal vehicles for business-related purposes, the purchasing and maintenance of clothing in compliance with the uniform/dress code policies, the purchasing and maintenance of specialty footwear in compliance with the policies, and the purchasing of tools, supplies, and/or equipment for business-related purposes.

Therefore, on behalf of all aggrieved employees, Mr. Guzman seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Arman Marukyan, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Mountain F. Enterprises, Inc.
c/o Tim Charshaf
Agent for Service of Process
950 Iron Point Road Suite 270
Folsom, CA 95630

Mountain F. Enterprises, Inc.
c/o Michael Wertheim
Greenberg Traurig, LLP
Attorney
400 Capitol Mall, Suite 2400
Sacramento, CA 95814

EXHIBIT 2



January 13, 2026

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: MOUNTAIN F. ENTERPRISES, INC.

Dear Representative:

We have been retained to represent Gabriel Castellanos-Lopez against Mountain F. Enterprises, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Mountain F. Enterprises") for violations of California wage-and-hour laws. Mr. Castellanos-Lopez seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Castellanos-Lopez seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Mountain F. Enterprises has employed Mr. Castellanos-Lopez as an hourly-paid, non-exempt employee from approximately April 2025 to the present, in the State of California.

The "aggrieved employees" that Mr. Castellanos-Lopez may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Mountain F. Enterprises has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001.

Mountain F. Enterprises required Mr. Castellanos-Lopez and other aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate Mr. Castellanos-Lopez and other aggrieved employees for this time. Such work included, but was not limited to, responding to work related communications, loading and preparing company vehicles, performing tree trimming and removal work, completing and submitting required paperwork, taking photographs of completed work, donning and doffing, cleaning, and performing other regular tasks/duties.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Castellanos-Lopez and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Castellanos-Lopez and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Mountain F. Enterprises required Mr. Castellanos-Lopez and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Mountain F. Enterprises also required Mr. Castellanos-Lopez and other aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Mountain F. Enterprises failed to pay aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Castellanos-Lopez and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Mountain F. Enterprises did not provide Mr. Castellanos-Lopez and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Mountain F. Enterprises were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Castellanos-

Lopez and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Castellanos-Lopez and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Castellanos-Lopez and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Castellanos-Lopez and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Castellanos-Lopez and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Mountain F. Enterprises failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Castellanos-Lopez and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Mountain F. Enterprises did not provide Mr. Castellanos-Lopez and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Castellanos-Lopez and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's

regular rate of pay for workdays in which Mr. Castellanos-Lopez and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Castellanos-Lopez and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Castellanos-Lopez and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Castellanos-Lopez and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Mountain F. Enterprises. These costs include, but are not limited to, the use of personal phones for business-related purposes, the purchasing and maintenance of clothing in compliance with the uniform/dress code policies, the purchasing and maintenance of specialty footwear in compliance with the policies, and the purchasing of tools, supplies, and/or equipment for business-related purposes.

Therefore, on behalf of all aggrieved employees, Mr. Castellanos-Lopez seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Arman Marukyan, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Mountain F. Enterprises, Inc.
c/o Tim Charshaf
Agent for Service of Process
950 Iron Point Road, Suite 270
Folsom, CA 95630

Mountain F. Enterprises, Inc.
c/o Michael Wertheim
Greenberg Traurig, LLP
Attorney
400 Capitol Mall, Suite 2400
Sacramento, CA 95814

EXHIBIT 3



May 11, 2026

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAFilings@dir.ca.gov

Re: MOUNTAIN F. ENTERPRISES, INC.

Dear Representative:

We have been retained to represent Miguel Guzman against Mountain F. Enterprises, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Mountain F. Enterprises") for violations of California wage-and-hour laws. Mr. Guzman seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Guzman seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Mountain F. Enterprises employed Mr. Guzman as an hourly-paid, non-exempt employee from approximately January 2024 to approximately July 2025, in the State of California.

The "aggrieved employees" that Mr. Guzman may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Mountain F. Enterprises has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 210, 221, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001.

Mountain F. Enterprises required Mr. Guzman and other aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate Mr. Guzman and other aggrieved employees for this time. Such work included, but was not limited to, responding to work related communications, loading trucks, performing landscaping, attending meetings, travelling between work sites, answering phone calls, waiting in line to clock in, answering calls from supervisors, cleaning, and performing other regular tasks/duties.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Guzman and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Guzman and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Mountain F. Enterprises required Mr. Guzman and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Mountain F. Enterprises also required Mr. Guzman and other aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Mountain F. Enterprises did not provide Mr. Guzman and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Mountain F. Enterprises were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Guzman and other aggrieved

employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Guzman and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Guzman and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Guzman and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Guzman and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Mountain F. Enterprises failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Guzman and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Mountain F. Enterprises did not provide Mr. Guzman and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular

rate of pay for workdays in which Mr. Guzman and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Guzman and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Guzman and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Guzman and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Mountain F. Enterprises. These costs include, but are not limited to, the use of personal phones for business-related purposes, the use of personal vehicles for business-related purposes, the purchasing and maintenance of clothing in compliance with the uniform/dress code policies, the purchasing and maintenance of specialty footwear in compliance with the policies, and the purchasing of tools, supplies, and/or equipment for business-related purposes.

California Labor Code section 221 provides that it is unlawful for an employer to collect or receive any part of wages already paid by the employer to the employee. During the relevant time period, Mountain F. Enterprises deducted wages for lost or damaged tools, and other company property.

Therefore, on behalf of all aggrieved employees, Mr. Guzman seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Alborz Javaheri, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Mountain F. Enterprises, Inc.
c/o Michael A. Wertheim
Bailey A. Hashim
Greenberg Traurig, LLP
Attorney
400 Capitol Mall, Suite 2400
Sacramento, CA 95814

EXHIBIT 4



May 11, 2026

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: MOUNTAIN F. ENTERPRISES, INC.

Dear Representative:

We have been retained to represent Gabriel Castellanos-Lopez against Mountain F. Enterprises, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Mountain F. Enterprises") for violations of California wage-and-hour laws. Mr. Castellanos-Lopez seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Castellanos-Lopez seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Mountain F. Enterprises has employed Mr. Castellanos-Lopez as an hourly-paid, non-exempt employee from approximately April 2025 to approximately February 2026, in the State of California.

The "aggrieved employees" that Mr. Castellanos-Lopez may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Mountain F. Enterprises has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 210, 221, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001.

Mountain F. Enterprises required Mr. Castellanos-Lopez and other aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate Mr. Castellanos-Lopez and other aggrieved employees for this time. Such work included, but was not limited to, responding to work related communications, loading and preparing company vehicles, performing tree trimming and removal work, completing and submitting required paperwork, taking photographs of completed work, donning and doffing, cleaning, and performing other regular tasks/duties.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Castellanos-Lopez and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Castellanos-Lopez and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Mountain F. Enterprises required Mr. Castellanos-Lopez and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Mountain F. Enterprises also required Mr. Castellanos-Lopez and other aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Mountain F. Enterprises failed to pay aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Castellanos-Lopez and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

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Lopez and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Castellanos-Lopez and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Castellanos-Lopez and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Castellanos-Lopez and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Castellanos-Lopez and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Mountain F. Enterprises failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Castellanos-Lopez and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Mountain F. Enterprises did not provide Mr. Castellanos-Lopez and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Castellanos-Lopez and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's

regular rate of pay for workdays in which Mr. Castellanos-Lopez and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Mountain F. Enterprises failed to pay Mr. Castellanos-Lopez and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Castellanos-Lopez and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Castellanos-Lopez and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Mountain F. Enterprises. These costs include, but are not limited to, the use of personal phones for business-related purposes, the purchasing and maintenance of clothing in compliance with the uniform/dress code policies, the purchasing and maintenance of specialty footwear in compliance with the policies, and the purchasing of tools, supplies, and/or equipment for business-related purposes.

California Labor Code section 221 provides that it is unlawful for an employer to collect or receive any part of wages already paid by the employer to the employee. During the relevant time period, Mountain F. Enterprises deducted wages for lost or damaged tools, and other company property.

Therefore, on behalf of all aggrieved employees, Mr. Castellanos-Lopez seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,



Alborz Javaheri, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Mountain F. Enterprises, Inc.
c/o Michael A. Wertheim
Bailey A. Hashim
Greenberg Traurig, LLP
Attorney
400 Capitol Mall, Suite 2400
Sacramento, CA 95814

EXHIBIT 5

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,” “Agreement” or “Settlement Agreement”) is made and entered into by and between Eric Schneekluth, Miguel Guzman, and Gabriel Castellanos-Lopez (collectively, “Plaintiffs”), individually, on behalf of all others similarly situated, and on behalf of the State of California with respect to PAGA Employees pursuant to the Private Attorneys General Act, and Mountain F. Enterprises, Inc. (“Defendant”) (collectively, Plaintiffs and Defendant are referred to as the “Parties” and individually they are referred to as “Party”).

This Joint Stipulation of Class Action and PAGA Settlement and Release shall be binding on Plaintiffs, Settlement Class Members (as defined herein), the State of California with respect to PAGA Employees (as defined herein) and on Defendant, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On July 1, 2025, Plaintiff Eric Schneekluth (“Plaintiff Schneekluth”) filed a Class Action Complaint for Damages, thereby commencing a putative class action entitled *Eric Schneekluth, et al. v. Mountain F. Enterprises, Inc.* in the Superior Court of California for the County of Sacramento, Case No. 25CV015840 (“Action”) against Defendant for alleged violations of the California Labor Code.

2. On January 13, 2026, Plaintiff Miguel Guzman (“Plaintiff Guzman”) provided notice by electronic upload to the Labor and Workforce Development Agency (“LWDA”) and written notice by certified mail to Defendant of his intent to pursue civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”) for Defendant’s alleged violations of the California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and Industrial Welfare Commission Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001 (“Original Guzman PAGA Notice”). A true and correct copy of the Guzman PAGA Notice is attached hereto as “**EXHIBIT B.**”

3. On January 13, 2026, Plaintiff Gabriel Castellanos-Lopez (“Plaintiff Castellanos-Lopez”) provided notice by electronic upload to the LWDA and written notice by certified mail to Defendant of his intent to pursue civil penalties under PAGA for Defendant’s alleged violations of the California Labor

Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and Industrial Welfare Commission Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, 5-2001, and 16-2001 (“Original Castellanos-Lopez PAGA Notice”). A true and correct copy of the Castellanos-Lopez PAGA Notice is attached hereto as “**EXHIBIT C.**”

4. On April 8, 2026, Plaintiff Schneekluth filed a First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq., thereby adding Miguel Guzman and Gabriel Castellanos-Lopez as additional plaintiffs and adding a claim for civil penalties pursuant to PAGA.

5. On May 11, 2026, Plaintiff Guzman provided additional written notice by electronic notice to the LWDA and by certified mail to Defendant of his intent to pursue additional civil penalties under PAGA for Defendant’s alleged violations of the California Labor Code sections 210 and 221 (“Additional Guzman PAGA Notice”). A true and correct copy of the Additional Guzman PAGA Notice is attached hereto as “**EXHIBIT D.**”

6. On May 11, 2026, Plaintiff Castellanos-Lopez provided additional written notice by electronic notice to the LWDA and by certified mail to Defendant of his intent to pursue additional civil penalties under PAGA for Defendant’s alleged violations of the California Labor Code sections 210 and 221 (“Additional Castellanos-Lopez PAGA Notice”) (collectively with the Original Guzman PAGA Notice, Original Castellanos-Lopez PAGA Notice, and Additional Guzman PAGA Notice, the “PAGA Notices”). A true and correct copy of the Additional Castellanos-Lopez PAGA Notice is attached hereto as “**EXHIBIT E.**”

7. Plaintiffs will file a Second Amended Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code § 2698, Et Seq. (“Operative Complaint”), thereby incorporating California Labor Code sections 210 and 221 alleged to have been violated by Defendant into the claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with Plaintiff Guzman, Plaintiff Castellanos-Lopez and aggrieved employees.

8. Defendant denies all material allegations set forth in the Operative Complaint and has asserted numerous affirmative defenses in the case. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the claims set forth in the Operative Complaint of

1 the Action, the Released Class Claims, and the Released PAGA Claims.

2 9. Class Counsel diligently investigated the claims against Defendant, including any and all
3 applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of
4 information, data, and documents, and review of Defendant’s employment and operations policies,
5 practices, and procedures.

6 10. On January 28, 2026, the Parties participated in mediation with Doug Leach, Esq. (the
7 “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the
8 Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The settlement
9 discussions were conducted at arm’s-length, and the Settlement is the result of an informed and detailed
10 analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with
11 continued litigation. Based on the documents produced, as well as Class Counsel’s own independent
12 investigation and evaluation, Class Counsel believe that the settlement with Defendant for the
13 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate
14 and is in the best interest of the Class Members, the State of California, and PAGA Employees in light
15 of all known facts and circumstances, including the risk of significant delay and uncertainty associated
16 with litigation and various defenses asserted by Defendant.

17 11. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
18 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
19 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
20 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

21 DEFINITIONS

22 12. The following definitions are applicable to this Settlement Agreement. Definitions
23 contained elsewhere in this Settlement Agreement will also be effective:

24 a. “Attorneys’ Fees and Costs” means attorneys’ fees for Class Counsel’s litigation
25 and resolution of the claims in the Operative Complaint of the Action and all actual costs incurred and
26 to be incurred by Class Counsel in the Action, as set forth in Paragraph 17.

27 b. “Class Counsel” means Arby Aiwarzian, Yasmin Hosseini, Ryan Slinger, and
28 Alborz Javaheri of Lawyers *for* Justice, PC.

1 c. "Class List" means a complete list of all Class Members that Defendant will
2 diligently and in good faith compile from their records and provide to the Settlement Administrator. The
3 Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each
4 Class Member's last-known full name, mailing address, telephone number, Social Security Number, the
5 number of Workweeks worked during the Class Period, the number of PAGA Pay Periods worked during
6 the PAGA Period, and such other information as is necessary for the Settlement Administrator to
7 calculate Workweeks and PAGA Pay Periods (as defined herein).

8 d. "Class Member(s)" or "Class" means all current and former hourly-paid
9 or non-exempt employees of Defendant in California who worked during the Class Period. Defendant
10 represents that the number of Class Members is approximately three thousand eight hundred eighty-
11 seven (3,887) individuals, as of December 16, 2025.

12 e. "Class Notice" means the Notice of Class Action Settlement, substantially in the
13 form attached as "**Exhibit A.**"

14 f. "Class Period" means the time period from August 31,
15 2016 through the date of Preliminary Approval.

16 g. "Class Representatives" or "Plaintiffs" mean Plaintiffs Eric Schneekluth, Miguel
17 Guzman, and Gabriel Castellanos-Lopez.

18 h. "Class Settlement" means the settlement and resolution of all Released Class
19 Claims.

20 i. "Court" means the Superior Court of California for the County of Sacramento.

21 j. "Defendant" means Mountain F. Enterprises, Inc.

22 k. "Defendant's Counsel" means Michael A. Wertheim, Bailey A. Hashim, Taylor
23 C. Hall, and Connor McCoy of Greenberg Traurig, LLP.

24 l. "Effective Date" means the later of (a) the last day on which any appeal might be
25 filed with respect to the Final Approval Order and Judgment, assuming no appeal is filed, or (b) the date
26 of successful resolution of any appeal(s) with respect to Final Approval Order and Judgment – including
27 expiration of any time to seek reconsideration or further review.

28 m. "Employer Taxes" means the employers' share of taxes and contributions in

1 connection with the wages portion of Individual Settlement Shares.

2 n. “Enhancement Payments” means the amount to be paid to Plaintiffs in recognition
3 of their efforts and work in prosecuting the Action, which is in addition to whatever payments they may
4 otherwise be entitled to as a Settlement Class Member and/or PAGA Employee.

5 o. “Final Approval” means the determination by the Court that the Settlement is fair,
6 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

7 p. “Final Approval Hearing” means the hearing at which the Court will consider and
8 determine whether the Settlement should be granted Final Approval.

9 q. “Final Approval Order and Judgment” means the order and judgment to be entered
10 by the Court upon granting Final Approval of the Settlement and this Agreement as binding upon the
11 Parties and the Settlement Class Members (i.e., those Class Members who do not properly and timely
12 submit a written Request for Exclusion).

13 r. “Individual PAGA Payment(s)” means the *pro rata* share of the PAGA Employee
14 Amount that a PAGA Employee may be eligible to receive for the PAGA Settlement, to be calculated
15 in accordance with Paragraph 22.

16 s. “Individual Settlement Payment(s)” means the net payment of each Settlement
17 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
18 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
19 Paragraph 21.

20 t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
21 Amount that a Class Member may be eligible to receive for the Class Settlement, to be calculated in
22 accordance with Paragraph 21.

23 u. “LWDA Payment” means the amount of Four Hundred Thirty-Five Thousand
24 Five Hundred Dollars (\$435,500.00), i.e., 65% of the PAGA Amount, that the Parties have agreed to
25 pay to the LWDA for the PAGA Settlement, as set forth in Paragraph 20.

26 v. “Maximum Settlement Amount” means the amount of Two Million Eighty-Five
27 Thousand Dollars (\$2,085,000.00) to be paid by Defendant in full resolution of all Released Class Claims,
28 Released PAGA Claims, and the claims in the Operative Complaint provided for under the Class

1 Settlement and PAGA Settlement, which includes all Attorneys' Fees and Costs to be paid to Class
2 Counsel, Enhancement Payment to be paid to Plaintiffs, PAGA Amount to be paid to the LWDA and
3 PAGA Employees, Net Settlement Amount to be paid to the Settlement Class Members, and Settlement
4 Administration Costs to be paid to the Settlement Administrator. The Maximum Settlement Amount may
5 increase to the extent provided in Paragraph 43. The Maximum Settlement Amount does not include
6 Employer Taxes; Employer Taxes will be paid by Defendant, separately and in addition to the Maximum
7 Settlement Amount.

8 w. "Net Settlement Amount" means the Maximum Settlement Amount less the Court-
9 approved Enhancement Payments, Settlement Administration Costs, PAGA Amount, and Attorneys' Fees
10 and Costs.

11 x. "Objection" means a Class Member's written objection to the Class Settlement,
12 which must: (a) contain the case name and number of the Action; (b) contain the Class Member's full
13 name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain
14 a written statement of all grounds for the objection accompanied by any legal and factual support for such
15 objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based;
16 and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or
17 before the Response Deadline.

18 y. "Operative Complaint" means the Second Amended Class Action Complaint for
19 Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et
20 Seq.

21 z. "PAGA Amount" means the allocation of Six Hundred Seventy Thousand Dollars
22 (\$670,000.00) from the Maximum Settlement Amount as civil penalties pursuant to PAGA, for the
23 settlement and resolution of the Released PAGA Claims. Sixty-five percent (65%) of the PAGA
24 Amount, or \$435,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining thirty-
25 five percent (35%), or \$234,500.00, will be distributed to PAGA Employees (i.e., the PAGA Employee
26 Amount).

27 aa. "PAGA Employees" means all current and former hourly-paid or non-exempt
28 employees of Defendant in California who worked during the PAGA Period.

bb. “PAGA Employee Amount” means the amount of Two Hundred Thirty-Four Thousand Five Hundred Dollars (\$234,500.00), i.e., 35% of the PAGA Amount, to be distributed to PAGA Employees on a *pro rata* basis based on their PAGA Pay Periods during the PAGA Period.

cc. “PAGA Pay Periods” means the number of pay periods each PAGA Employee worked for Defendant as an hourly-paid or non-exempt employee in California during the PAGA Period, which will be provided to the Settlement Administrator by Defendant.

dd. “PAGA Period” means the time period from August 26, 2019 through the date of Preliminary Approval.

ee. “PAGA Settlement” means the settlement and resolution of Released PAGA Claims.

ff. “Parties” means Plaintiffs and Defendant, collectively, and “Party” means any of the Plaintiffs or Defendant.

gg. “Preliminary Approval” means entry of the Court order granting preliminary approval of the Settlement Agreement.

hh. “Released Class Claims” means all claims arising during the Class Period under state, federal, or local law, that were alleged or reasonably could have been alleged based on the factual allegations pleaded in the Action, under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, for: (1) failure to pay overtime wages under Labor Code §§ 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code §§ 226.7, 512, 1198; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code §§ 226.7, 1198; (4) failure to pay minimum wages under Labor Code § 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code §§ 201, 202, 203; (6) failure to timely pay wages during employment under Labor Code §§ 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code § 226; (8) failure to keep requisite payroll records under Labor Code § 1174(d); (9) failure to reimburse business expenses under Labor Code §§ 221, 1198, 2800, 2802; (10) violation of California’s unfair competition law under Business and Professions Code § 17200, et seq.

ii. “Released PAGA Claims” means all claims arising during the PAGA Period for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the

1 factual allegations in the PAGA Notices and Operative Complaint in the Action, against the Released
2 Parties, for violations of the California Labor Code, including, *inter alia*, sections 201, 202, 203, 204,
3 210, 221, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802,
4 and applicable Industrial Welfare Commission Wage Orders.

5 jj. “Released Parties” means Defendant Mountain F. Enterprises and any of its
6 former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to
7 have jointly employed the Class Members or PAGA Employees as well as each of their officers,
8 directors, managers, owners, executives, partners, executive-level employees, shareholders, agents,
9 attorneys, and any other predecessors, successors, assigns or legal representatives.

10 kk. “Request for Exclusion” means a Class Member’s written letter indicating a
11 request to be excluded from the Class Settlement, which must: (a) contain the case name and number of
12 the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last
13 four (4) digits of Social Security Number; (c) contain a clear written statement indicating that the Class
14 Member seeks exclusion from the Class Settlement; and (d) be submitted by mail to the Settlement
15 Administrator at the specified address, postmarked on or before the Response Deadline.

16 ll. “Response Deadline” means the deadline by which Class Members must submit
17 a Request for Exclusion, Objection, and/or Workweeks Dispute, which shall be the date that is forty-
18 five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator,
19 unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be
20 extended to the next day on which the U.S. Postal Service is open; in the event that a Class Notice is re-
21 mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen
22 (15) calendar days from the initial Response Deadline.

23 mm. “Settlement Administrator” means ILYM Group, Inc. or any other third-party
24 class action settlement administrator agreed to by the Parties and approved by the Court for purposes of
25 administering this Settlement. The Parties and their counsel each represent that they do not have any
26 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
27 Administrator that could create a conflict of interest.

28 nn. “Settlement Administration Costs” means the costs payable from the Maximum

1 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this
2 Settlement, as set forth in Paragraph 19.

3 oo. “Settlement Class Members” or “Settlement Class” means all Class Members who
4 do not submit a timely and valid Request for Exclusion from the Class Settlement.

5 pp. “Workweeks” means the number of weeks each Class Member worked at least
6 one (1) day for Defendant as an hourly-paid or non-exempt employee in California during the Class
7 Period, which will be provided to the Settlement Administrator by Defendant and will be based on
8 Defendant’s review of each Class Member’s time records, pay records, and/or other documents related
9 to said Class Member in order to determine number of weeks each Class Member worked at least one
10 (1) day during the Class Period.

11 qq. “Workweeks Dispute” means a Class Member’s and/or PAGA Employee’s
12 written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks
13 and/or PAGA Pay Periods credited to them, which must: (a) contain the case name and number of the
14 Action; (b) contain the Class Member’s and/or PAGA Employee’s full name, signature, address,
15 telephone number, and last four (4) digits of Social Security Number; (c) clearly state that the Class
16 Member and/or PAGA Employee disputes of the number of Workweeks and/or PAGA Pay Periods
17 credited to him or her and what he or she contends is the correct number to be credited to him or her;
18 (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to
19 the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

20 **CLASS CERTIFICATION**

21 13. For the purposes of this settlement only, the Parties stipulate to the certification of the
22 Class.

23 14. The Parties agree that certification for the purpose of settlement is not an admission that
24 certification is proper under California Code of Civil Procedure section 382. Should, for whatever
25 reason, the Court not grant Final Approval, the Parties’ stipulation to class certification as part of the
26 Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible
27 in connection with, the issue of whether or not certification would be appropriate as to any of the claims
28 asserted by Plaintiffs against Defendant in a non-settlement context.

1 **TERMS OF AGREEMENT**

2 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
3 forth herein, the Parties agree, subject to the Court's approval, as follows:

4 15. Amendment of Complaint. To implement the terms of the Settlement, Parties have agreed
5 that Plaintiff Schneekluth will file a First Amended Class Action Complaint for Damages & Enforcement
6 Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Action, that will
7 add Miguel Guzman and Gabriel Castellanos-Lopez as additional plaintiffs and add a claim for civil
8 penalties pursuant to PAGA . Parties will enter into a separate stipulation seeking an order from the Court
9 granting Plaintiff Schneekluth leave to file the contemplated amended complaint and/or Plaintiff
10 Schneekluth will move the Court for leave to file the contemplate amended complaint (and Defendant will
11 not oppose this request).

12 16. Funding and Disbursement of the Maximum Settlement Amount. Within fifteen (15)
13 calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an
14 accounting estimate of the amounts to be paid by Defendant pursuant to the terms of the Settlement and
15 establish a qualified settlement account for administration of the Settlement. Within thirty (30) calendar
16 days after the Effective Date, Defendant will make a one-time deposit of the Maximum Settlement
17 Amount into the settlement account to be established by the Settlement Administrator. Within seven (7)
18 calendar days of the funding of the Maximum Settlement Amount, the Settlement Administrator will issue
19 payments due under the Settlement and approved by the Court, as follows: (a) Individual Settlement
20 Payments to Settlement Class Members; (b) Individual PAGA Payments to PAGA Employees; (c)
21 LWDA Payment to the LWDA; (d) Enhancement Payments to Plaintiffs; (e) Attorneys' Fees and Costs
22 to Class Counsel; and (f) Settlement Administration Costs to itself (the Settlement Administrator). The
23 Settlement Administrator will obtain funds from Defendant that are sufficient for the Employer Taxes
24 that Defendant must fund separately and in addition to the Maximum Settlement Amount. The
25 Settlement Administrator will also undertake filings and remittances in connection with the employee's
26 share of taxes on the wages portion of Individual Settlement Shares and the Employer Taxes, that are
27 necessary for administration of the Settlement.

28 17. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose

attorneys' fees of up to thirty-five percent (35%) of the Maximum Settlement Amount (i.e., up to \$729,750.00 if the Maximum Settlement Amount remains \$2,085,000.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action, supported by declaration, in an amount not to exceed Twenty Thousand Dollars (\$20,000.00), both of which will be paid from the Maximum Settlement Amount subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation and settlement of the Action, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or utilize other attorney fee deferral vehicles for Class Counsel, and any additional expenses for doing so shall be paid separately by Class Counsel and shall not be included within the Settlement Administration Costs. Defendant and Defendant's Counsel shall not be liable for any expenses associated with the purchase or use of any attorney fee deferral vehicles for Class Counsel by the Settlement Administrator. Any portion of the requested Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

18. Enhancement Payments. In recognition of their efforts and work in prosecuting the Action, Defendant agrees not to oppose or impede any application or motion for Enhancement Payments to Plaintiffs in the amount of up to Ten Thousand Dollars (\$10,000.00) for each of the Plaintiffs, for a total of \$30,000.00. The Enhancement Payments, which will be paid from the Maximum Settlement Amount subject to Court approval, will be in addition to any Individual Settlement Payment and/or Individual PAGA Payment (if applicable) that they are eligible to receive pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments, and Plaintiffs shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any and all taxes on the amounts received. Should the Court not approve the

Enhancement Payments to Plaintiffs, or approve it in an amount that is less than that set forth above, Plaintiffs shall not have the right to revoke this Agreement, and it will remain binding, and the difference between the amount approved by the Court (if any) and the amount allocated toward the Enhancement Payments will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

19. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Twenty-Five Thousand Dollars (\$25,000.00). These costs, which will be paid from the Maximum Settlement Amount subject to Court approval, will include, *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Maximum Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator, to undertake the requirement settlement administration duties, will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

20. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of Six Hundred Seventy Thousand Dollars (\$670,000.00) from the Maximum Settlement Amount will be allocated toward civil penalties under PAGA (i.e., the PAGA Amount), of which sixty-five percent (65%), or \$435,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and thirty-five percent (35%) or, \$234,500.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on PAGA Pay Periods during the PAGA Period (i.e., the Individual PAGA Payment).

21. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks during the Class Period, as follows:

1 a. After Preliminary Approval of the Settlement, the Settlement Administrator will
2 divide the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class
3 Period to yield the “Estimated Workweek Value,” and multiply each Class Member’s individual
4 Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated
5 Individual Settlement Share.

6 b. After Final Approval of the Settlement, the Settlement Administrator will divide
7 the final Net Settlement Amount by the Workweeks of all Settlement Class Members during the Class
8 Period to yield the “Final Workweek Value,” and multiply each Settlement Class Member’s individual
9 Workweeks during the Class Period by the Final Workweek Value to yield his or her Individual
10 Settlement Share.

11 22. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated
12 and apportioned from the PAGA Employee Amount based on the PAGA Employees’ number of PAGA
13 Pay Periods during the PAGA Period as follows: The Settlement Administrator will divide the PAGA
14 Employee Amount, i.e., 35% of the PAGA Amount, by the total number of PAGA Pay Periods of all
15 PAGA Employees during the PAGA Period to yield the “PAGA Pay Period Value,” and multiply each
16 PAGA Employee’s individual PAGA Pay Periods during the PAGA Period by the PAGA Pay Period
17 Value to yield his or her Individual PAGA Payment.

18 23. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
19 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
20 are issued to the payee. It is expressly understood and agreed that payments made under this Settlement
21 shall not in any way entitle Plaintiffs, Settlement Class Members, or PAGA Employees to additional
22 compensation or benefits under any new or additional compensation or benefits, or any bonus, contest
23 or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle
24 Plaintiffs, Settlement Class Members, or PAGA Employees to any increased retirement, 401K benefits
25 or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the
26 Individual Settlement Payments and Individual PAGA Payments provided for in this Agreement are the
27 sole payments to be made by Defendant to the Settlement Class Members and PAGA Employees in
28 connection with this Agreement (notwithstanding any contrary language or agreement in any benefit or

1 compensation plan document that might have been in effect during the Class Period).

2 24. Notice of Proposed PAGA Settlement to LWDA. Pursuant to California Labor Code
3 section 2699(l)(2), Class Counsel will submit a copy of this Settlement Agreement to the LWDA at the
4 same time that it is submitted to the Court for Preliminary Approval.

5 25. Delivery of the Class List. Within thirty (30) calendar days of Preliminary Approval,
6 Defendant will provide the Class List to the Settlement Administrator.

7 26. Notice by First-Class U.S. Mail.

8 a. Within fourteen (14) calendar days after receiving the Class List from Defendant,
9 the Settlement Administrator will perform a search based on the United States Postal Service's National
10 Change of Address Database or any other similar services available, such as provided by Experian, for
11 information to update and correct for any known or identifiable address changes, and will mail a Class
12 Notice in English and Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all
13 Class Members via U.S. mail, using the most current, known mailing addresses identified by the
14 Settlement Administrator.

15 b. With respect to Class Notices that are returned as undeliverable on or before the
16 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-
17 trace and re-mail the Class Notice within five (5) calendar days to an alternate address if one is located.

18 c. Dispute Regarding Workweeks and/or PAGA Pay Periods. The Class Notice will
19 include the procedure by which a Class Member and/or PAGA Employee may dispute the number of
20 Workweeks and/or PAGA Pay Periods allocated to him or her by submitting a timely and valid
21 Workweeks Dispute. The date of the postmark on the return mailing envelope will be the exclusive
22 means to determine whether a dispute has been timely submitted. Absent evidence rebutting the
23 accuracy of Defendant's records and data as they pertain to the number of Workweeks and/or PAGA
24 Pay Periods to be credited to a disputing Class Member and/or PAGA Employee, Defendant's records
25 will be presumed correct and determinative of the dispute. The Settlement Administrator will evaluate
26 the information and/or documents submitted by the Class Member and/or PAGA Employee and the
27 Settlement Administrator will resolve and determine the number of Workweeks and/or PAGA Pay
28 Periods that the disputing Class Member and/or PAGA Employee should be credited with under the

Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

27. Settlement Checks.

a. The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual.

b. The Settlement Administrator shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this Agreement. Defendant agrees to reasonably cooperate with the Settlement Administrator to the extent necessary to determine the amount of the payroll tax payment required

c. Each Individual Settlement Payment check and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date of original issuance, and thereafter, shall be canceled. All funds remaining in connection with, and after the cancelation of checks issued to Settlement Class Members and PAGA Employees, shall be paid to the California Controller's Unclaimed Property Fund in the name of the Settlement Class Member or PAGA Employee thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

d. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancelation of any Individual Settlement Payment or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment checks are canceled shall, nevertheless, be bound by this Settlement Agreement and the Final Approval Order and Judgment will have claim preclusive impact with respect to them and all Settlement Class Members with respect to the Class Settlement. The Final Approval Order and Judgment will have claim preclusive impact on the PAGA Employees with respect to the PAGA Settlement irrespective of whether their Individual PAGA Payment checks are canceled.

1 28. Procedures for Requesting Exclusion from the Class Settlement. Any Class Member
2 wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion
3 to the Settlement Administrator, by mail, on or before the Response Deadline. The date of the postmark
4 on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion
5 has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and
6 Defendant's Counsel, the number of timely and valid Requests for Exclusion that were submitted, and
7 also identify the individuals who submitted them, in a declaration that is to be filed with the Court in
8 advance of the Final Approval Hearing. Any Class Member who submits a timely and valid Request for
9 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
10 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not
11 be issued an Individual Settlement Payment. All PAGA Employees will be bound by the PAGA
12 Settlement and will be issued an Individual PAGA Payment, irrespective of whether they submit a
13 Request for Exclusion.

14 29. Procedures for Objecting to the Class Settlement. Class Members who have not opted
15 out of the Class Settlement (i.e., Settlement Class Members) may object to the Class Settlement. To
16 object to the Class Settlement, Settlement Class Members must submit a timely and complete Objection
17 to the Settlement Administrator, by mail, on or before the Response Deadline. The Objection must be
18 signed by the Settlement Class Member and contain all information required by Section 12(x) of this
19 Settlement Agreement. The postmark date will be deemed the exclusive means for determining that the
20 Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise
21 encourage Class Members to object to the Settlement Agreement or appeal from the Final Approval
22 Order and Judgment. Settlement Class Members may also present their objection orally at the Final
23 Approval Hearing, irrespective of whether they submit a written Objection. The Settlement
24 Administrator will certify jointly to Class Counsel and Defendant's Counsel the Objections that were
25 timely submitted, and also attach them as exhibits to a declaration that is to be filed with the Court in
26 advance of the Final Approval Hearing.

27 30. Reports by the Settlement Administrator Regarding Settlement Administration. The
28 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which

certifies: (a) the number of Class Members and/or PAGA Employees who have submitted Workweeks Disputes; (b) the number of Class Members who have submitted timely and valid Requests for Exclusion; (c) the number of Class Members who have submitted timely and complete Objections; (d) the number of undeliverable Class Notices; and (e) the number of re-mailed Class Notices. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, and immediately notify the Parties when it receives a request from an individual or any other entity regarding inclusion in the Class and/or Settlement.

31. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

32. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator.

33. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA Employees, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

34. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement, the Class Notice, or any other communications

1 to Class Members or PAGA Employees regarding the Settlement to constitute advice regarding taxes or
2 taxability, nor shall anything in this Settlement Agreement, the Class Notice, or any other
3 communication regarding the Settlement be relied on as such. Plaintiffs, Settlement Class Members, and
4 PAGA Employees understand and agree that they will be solely responsible for correctly characterizing
5 any compensation received by them under the Settlement on their personal income tax returns and
6 paying any and all taxes due for any and all amounts paid to them under the Settlement.

7 35. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR
8 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS
9 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
10 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT
11 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
12 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
13 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
14 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
15 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
16 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,
17 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING
18 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
19 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION
20 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
21 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
22 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY
23 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO
24 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
25 CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES
26 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
27 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
28 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED

1 BY THIS SETTLEMENT AGREEMENT.

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

6 37. Releases of Claims.

7 a. Release of Released Class Claims. Upon the Effective Date and full funding of
8 the Maximum Settlement Amount, Plaintiffs and all Class Members who do not submit a timely and
9 valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and
10 forever released, settled, compromised, relinquished, and discharged the Released Parties of and from
11 all Released Class Claims.

12 38. Release of Released PAGA Claims. Upon the Effective Date and full funding of the
13 Maximum Settlement Amount, Plaintiff Guzman, Plaintiff Castellanos-Lopez, the State of California
14 with respect to PAGA Employees, and PAGA Employees will be deemed to have fully, finally, and
15 forever released, settled, compromised, relinquished, and discharged the Released Parties of and from
16 all Released PAGA Claims pertaining to Plaintiff Guzman, Plaintiff Castellanos-Lopez, and the PAGA
17 Employees.

18 39. General Release of Claims by Plaintiffs. In addition to the above releases of claims, upon
19 the Effective Date and full funding of the Maximum Settlement Amount, Plaintiffs will be deemed to
20 have fully released and discharged the Released Parties of and from all claims arising from their
21 employment with Defendant, separation of employment from Defendant, and any acts that have or could
22 have been asserted in any legal action or proceeding against Defendant, whether known or unknown,
23 arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the
24 California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil
25 Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California
26 Corporations Code, California Business and Professions Code, California Fair Employment and Housing
27 Act, California Constitution (all as amended), and law of contract and tort, as well as for discrimination,
28 harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation,

emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date of execution of the Settlement Agreement. With respect to those claims released by Plaintiffs in an individual capacity, Plaintiffs acknowledge and waive any and all rights and benefits available under California Civil Code section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by Plaintiffs to exist may hereafter be discovered. It is Plaintiffs' intention to settle fully and release all claims Plaintiffs now have against the Released Parties, whether known or unknown, suspected or unsuspected, upon the Effective Date and full funding of the Maximum Settlement Amount. Notwithstanding the above, this general release by Plaintiffs shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

40. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Upon execution of this Settlement Agreement, Plaintiffs shall promptly obtain a hearing date for Plaintiffs' motion for preliminary approval of the Settlement, and submit this Settlement Agreement to the Court in support of said motion. Defendant agrees not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiffs as representatives of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving, as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing to the Class by U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from

1 or object to the Class Settlement as contained herein and within the Class Notice; and

2 g. Scheduling a Final Approval Hearing at which the Court will determine whether
3 the Settlement should be finally approved as fair, reasonable, and adequate.

4 41. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
5 the Response Deadline, and with the Court's permission, a hearing will be conducted on Plaintiffs'
6 motion for final approval of the Settlement (i.e., the Final Approval Hearing), to determine whether
7 Final Approval of the Settlement should be granted, along with the amounts properly payable for
8 Individual Settlement Payments, Individual PAGA Payments, LWDA Payment, Attorneys' Fees and
9 Costs, Enhancement Payments, and Settlement Administration Costs. By way of said motion, Plaintiffs
10 will apply for the entry of the mutually-agreed-upon proposed order and judgment ("Final Approval
11 Order and Judgment"), which will provide for, in substantial part, the following:

12 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
13 consummation of its terms and provisions;

14 b. Certification of the Settlement Class;

15 c. Appointment of Plaintiffs as representatives of the Settlement Class;

16 d. Appointment of Class Counsel as counsel for the Settlement Class;

17 e. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

18 f. Approval of the application for Enhancement Payments to Plaintiffs;

19 g. Directing Defendant to fund all amounts due under the Settlement Agreement and
20 ordered by the Court; and

21 h. Entering judgment in this Action, while maintaining continuing jurisdiction to
22 implement the Settlement, in conformity with California Rules of Court 3.769 and the Settlement
23 Agreement.

24 42. Effects of Termination of the Settlement. In the event that the Settlement Agreement is
25 not approved by the Court, such a development shall have the following effects:

26 a. The Settlement Agreement and all negotiations, statements, and proceedings
27 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored
28 to their respective positions in the Action prior to the execution of the Settlement Agreement;

1 b. Neither this Settlement Agreement, nor any ancillary documents, actions,
2 statements, or filings in furtherance of the Settlement (including all matters associated with the mediation)
3 shall be offered into evidence in the Action or any other action for any purpose whatsoever; and

4 c. Any documents generated to bring the Settlement into effect, will be null and
5 void, and any order entered by the Court in furtherance of this Settlement Agreement will likewise be
6 treated as void from the beginning.

7 43. Escalator Clause. Defendant represents that there are 417,000 Workweeks during the
8 period from August 31, 2016 to January 28, 2026. If it is determined that the total number of Workweeks
9 exceed 417,000 by more than ten percent (10%) (i.e. exceeds 458,700) during the Class Period, the
10 Maximum Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in
11 the number of Workweeks above 458,700 Workweeks (e.g., if the threshold of 458,700 Workweeks is
12 exceeded by 1%, the Maximum Settlement Amount will increase by 1%).

13 44. Continuing Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
14 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
15 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
16 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
17 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

18 45. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
19 terms set forth in any attached exhibits, which are incorporated by this reference as though fully set
20 forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

21 46. Limitation on Publicity. Plaintiffs and Class Counsel agree not to issue press releases
22 and engage in any publicity regarding the Settlement, except as shall be contractually required to
23 effectuate the terms of the Settlement and respond to inquiries received from Class Members and PAGA
24 Employees. However, for the limited purpose of allowing Class Counsel to prove their experience and
25 adequacy as class counsel in other Action, Class Counsel may reference general information available
26 in the public record about the Settlement in the Action without identifying Defendant or any of the
27 Released Parties for such purposes. Furthermore, Plaintiffs and Class Counsel will undertake any and
28 all disclosures and submissions required to be made to the LWDA in conformity with PAGA.

1 47. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
2 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
3 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code section
4 1625 and California Code of Civil Procedure section 1856(a), and any other provisions of state or federal
5 law, which provide that a written agreement is to be construed according to its terms and may not be
6 varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
7 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement. This
8 Settlement Agreement contains the entire agreement between the Parties relating to the settlement and
9 transaction contemplated hereby, and all prior or contemporaneous agreements, understandings,
10 representations, and statements, whether oral or written and whether by a Party or such Party's legal
11 counsel, are merged herein.

12 48. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
13 Action (including, and not limited to, the deadline to bring the Action to trial under California Code of
14 Civil Procedure section 583.310), except such proceedings necessary to implement and complete the
15 Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court. The Parties
16 agree that Defendant will provide the following information as confirmatory discovery to facilitate
17 approval of the Settlement (to the extent not already provided):

- 18 a. The CBAs for Laborers 185 and IBEW Local 1245;
- 19 b. An explanation for who is covered under the CBA for Local 659, as it appears the
20 CBA applies to out-of-state employees, and its effect on the Action;
- 21 c. Any evidence that employees were actually paid out at a higher rate and were paid
22 at 30% over minimum wage;
- 23 d. Evidence to show that Wage Order 16 applies to one or more of the CBAs;
- 24 e. Case law to show that Wage Order 16 applies to the Action;
- 25 f. Evidence of internal audits that Defendant conducted to ensure time records
26 accurately reflect the time employees worked;
- 27 g. Any statutes Defendant relied on for any alleged defenses, as well as the factual basis
28 for these defenses;

- h. The methodology that was used to provide the sampling that was produced for the purposes of mediation;
- i. Evidence that the bonuses that employees received were discretionary and not based on performance;
- j. Evidence that PPEs were provided to all employees; and
- k. To the extent more time records are needed, Defendant will provide additional time records or, alternatively, submit a declaration confirming the format of the time records and a representation of the content of the time records.

49. Amendment and Waiver. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by written agreement signed by counsel for the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

50. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

51. Signatories. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the Class Settlement as to the Settlement Class Members, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

52. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

53. California Law Governs. All terms of this Settlement Agreement and attached exhibits hereto will be governed by and interpreted according to the laws of the State of California.

54. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

55. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action, Released Class Claims, and Released PAGA Claims, and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to obtain Court approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

56. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to find all provisions of this Settlement Agreement valid and enforceable.

57. Cooperation. By signing this Settlement Agreement, the Parties are hereby bound by the terms herein and agree to fully cooperate to implement the Settlement.

58. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in

1 any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any
2 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
3 admission or concession by Defendant of any such violations or failures to comply with any applicable
4 law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this
5 Settlement Agreement and its terms and provisions shall not be offered as evidence in any action or
6 proceeding to establish any liability or admission on the part of Defendant or to establish the existence
7 of any condition constituting a violation of, or a non-compliance with state, federal, local, or other
8 applicable law.

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

12 60. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
13 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
14 more strictly against one Party than another merely by virtue of the fact that it may have been prepared
15 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
16 between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

17 ///

18 61. Representation by Counsel. The Parties acknowledge that they have been represented by
19 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that
20 this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in
21 full by the Parties with the assistance of their respective counsel.

22 62. All Terms Subject to Final Court Approval. All amounts and procedures described in
23 this Settlement Agreement herein will be subject to final Court approval.

63. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiffs and Class Counsel:

Arby Aiwazian, Esq.
Yasmin Hosseini, Esq.
Ryan Slinger, Esq.
Alborz Javaheri, Esq.
LAWYERS for JUSTICE, PC
450 North Brand Boulevard, Suite 900
Glendale, California 91203

To Defendant:

Michael A. Wertheim, Esq.
Bailey A. Hashim, Esq.
Taylor C. Hall, Esq.
Connor McCoy, Esq.
Greenberg Traurig, LLP
400 Capitol Mall Suite 2400
Sacramento, CA 95814

64. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days, and this shall satisfy California Rules of Court 3.771(b). No individualized notice of the Final Approval Order and Judgment to the Class will be required.

65. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and PAGA Settlement and Release between Plaintiffs and Defendant:

IT IS SO AGREED.

PLAINTIFF ERIC SCHNEEKLUTH

Dated: _____, 2026

Eric Schneekluth, Plaintiff

63. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiffs and Class Counsel:

Arby Aiwazian, Esq.
Yasmin Hosseini, Esq.
Ryan Slinger, Esq.
Alborz Javaheri, Esq.
LAWYERS for JUSTICE, PC
450 North Brand Boulevard, Suite 900
Glendale, California 91203

To Defendant:

Michael A. Wertheim, Esq.
Bailey A. Hashim, Esq.
Taylor C. Hall, Esq.
Connor McCoy, Esq.
Greenberg Traurig, LLP
400 Capitol Mall Suite 2400
Sacramento, CA 95814

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IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and PAGA Settlement and Release between Plaintiffs and Defendant:

IT IS SO AGREED.

PLAINTIFF ERIC SCHNEEKLUTH

Dated: 06/02/2026, 2026

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Eric Schneekluth, Plaintiff

PLAINTIFF MIGUEL GUZMAN

Dated: 06/08/2026, 2026

Electronically Signed: 2026-06-08 19:08:48 UTC - 209 184 152 25
Miguel Guzman, Plaintiff

PLAINTIFF GABRIEL CASTELLANOS-LOPEZ

Dated: _____, 2026

Gabriel Castellanos-Lopez, Plaintiff

DEFENDANT MOUNTAIN F. ENTERPRISES, INC.

Dated: _____, 2026

Full Name: Raul Gomez
Title: Chief Executive Officer
On behalf of Mountain F. Enterprises, Inc.

APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC

Dated: June 8, 2026

A. J. Slinger
Ryan Slinger
Alborz Javaheri
Attorneys for Plaintiffs and Proposed Class Counsel

GREENBERG TRAURIG, LLP

Dated: _____, 2026

Michael A. Wertheim
Bailey A. Hashim
Taylor C. Hall
Connor McCoy
Attorneys for Defendant Mountain F. Enterprises, Inc.

PLAINTIFF MIGUEL GUZMAN

Dated: _____, 2026

Miguel Guzman, Plaintiff

PLAINTIFF GABRIEL CASTELLANOS-LOPEZ

Dated: 06/05/2026, 2026

Electronically Signed: 2026-06-05 17:26:42 UTC - /3,116,207.37
Gabriel
Ninex AssureSign® 817848b6-72c7-421e-9171-b45d013882b2

Gabriel Castellanos-Lopez, Plaintiff

DEFENDANT MOUNTAIN F. ENTERPRISES, INC.

Dated: _____, 2026

Full Name: Raul Gomez
Title: Chief Executive Officer
On behalf of Mountain F. Enterprises, Inc.

APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC

Dated: _____, 2026

Ryan Slinger
Alborz Javaheri
Attorneys for Plaintiffs and Proposed Class Counsel

GREENBERG TRAURIG, LLP

Dated: _____, 2026

Michael A. Wertheim
Bailey A. Hashim
Taylor C. Hall
Connor McCoy
Attorneys for Defendant Mountain F. Enterprises, Inc.

PLAINTIFF MIGUEL GUZMAN

Dated: _____, 2026

Miguel Guzman, Plaintiff

PLAINTIFF GABRIEL CASTELLANOS-LOPEZ

Dated: _____, 2026

Gabriel Castellanos-Lopez, Plaintiff

DEFENDANT MOUNTAIN F. ENTERPRISES, INC.

Dated: 06/09/2026, 2026

Signed by:

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Full Name: Raul Gomez
Title: Chief Executive Officer
On behalf of Mountain F. Enterprises, Inc.

APPROVED AS TO FORM:

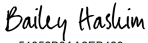
LAWYERS *for* JUSTICE, PC

Dated: _____, 2026

Ryan Slinger
Alborz Javaheri
Attorneys for Plaintiffs and Proposed Class Counsel

GREENBERG TRAURIG, LLP

Dated: June 10, 2026

Signed by:

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Michael A. Wertheim
Bailey A. Hashim
Taylor C. Hall
Connor McCoy
Attorneys for Defendant Mountain F. Enterprises, Inc.