

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to approval by the Court, this Settlement Agreement is between Angel Marcucci (“Plaintiff”), on behalf of himself and all other non-exempt, hourly employees who worked in California for Red Rock Transportation, Inc. (formerly known as Blackrock Logistics, Inc.) (“Defendant”). Plaintiff and Defendant collectively are referred to in this Agreement as the “Parties.”

1. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- 1.1 “Action” means Plaintiff’s PAGA lawsuit alleging wage and hour violations against Defendant captioned CIVSB2315706 initiated on July 13, 2023, with a First Amended Complaint filed on November 7, 2023, and pending in the Superior Court of the State of California, San Bernardino County.
- 1.2 “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Costs” means the costs incurred by the Settlement Administrator to administer this Settlement, which shall not exceed \$6,750.00. All Administration Costs shall be paid from the Gross Settlement Amount. Any amount not awarded by the Court or needed by the Settlement Administrator will become part of the Net Settlement Amount for distribution to Aggrieved Employees.
- 1.4 “Aggrieved Employees” means all non-exempt, hourly employees who worked in California for Defendant during the PAGA Period. Aggrieved employees include those employees that were drivers, and those employees who were not drivers.
- 1.5 “Aggrieved Employee Data” means Aggrieved Employee identifying information in Defendant’s possession including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for current Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Aggrieved Employees.
- 1.7 “Court” means the Superior Court of California, San Bernardino County.

- 1.8. “Defense Counsel” means Brad Schwan, Alyssa Gjedsted, Brooke Baledge, of Littler Mendelson, P.C.
- 1.9. “Effective Date” means the date this Agreement is approved by the Court as provided herein and the Court’s order granting settlement approval and entry of final judgment becomes final and is no longer appealable. For purposes of this Agreement, “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date by which a notice of appeal, writ, or other appellate proceeding to the applicable Court of Appeal of the order and judgment approving this Agreement may be timely filed and none is filed (*i.e.*, 61 days from notice of entry of judgment); (b) if an appeal, writ, or other appellate proceeding is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the order and judgment approving this Agreement passes, and no further review is requested; or (c) if an appeal, writ, or other appellate proceeding is filed and the order approving this Agreement is affirmed and further review of the order is requested, the day after the review is finally resolved and the order and judgment approving this Agreement is affirmed. No funding of the Settlement shall occur until after the Effective Date has passed.
- 1.10. “Gross Settlement Amount” means \$164,650.00, which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, Payment to Plaintiff for his individual release of claims, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment.
- 1.11. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.12. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payment in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses

Payment. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments. The estimated Net Settlement Amount is \$79,750.00.

- 1.16 “PAGA Counsel” means Scott Wheeler and Justin Wheeler, of The Wheeler Law Firm, APC, the attorneys representing Plaintiff in the Action.
- 1.17 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.18 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.”
- 1.19 “PAGA Period” means the period from January 1, 2023 to May 31, 2024.
- 1.20 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698., et seq.).
- 1.21 “PAGA Notice” means Plaintiff’s August 29, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).
- 1.22 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.
- 1.23 “Plaintiff” means Angel Marcucci, the named plaintiff in the Action.
- 1.24 “Approval Order” means the proposed Court Order Granting Approval of PAGA Settlement.
- 1.25 “Released PAGA Claims” means the claims being released by Plaintiff and PAGA Counsel and as described in Paragraph 5 below.
- 1.26 “Released Parties” means: Defendant and each of its former and present directors, officers, employees, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and/or affiliates, as well as its client WCD Logistics, LLC..
- 1.27 “Settlement” means the disposition of the Action effected by this Agreement and Judgment.
- 1.28 “Red Rock” means named Defendant Red Rock Transportation, Inc., formerly known as Blackrock Logistics, Inc.

2. RECITALS

- 2.1 WHEREAS, on July 13, 2023, Plaintiff commenced this Action by filing a Complaint as an individual alleging causes of action against Defendant for violation of California Labor Code sections 226, 432, and 1198.5, and declaratory relief. On November 7, 2023, Plaintiff filed a First Amended Complaint on behalf of himself and others similarly aggrieved against Defendant for: Violation of the Private Attorneys General Act of 2004, California Labor Code 2698, *et seq.* (“PAGA”); (2) Failure to Pay Meal Period Compensation (CAL. LAB. CODE § 226.7); (3) Failure to Pay Rest Period Compensation (CAL. LAB. CODE § 226.7); (4) Failure to Pay Overtime Compensation (CAL. LAB. CODE § 1198); (5) Failure to Pay Minimum Wage (CAL. LAB. CODE § 1197); (6) Failure to Timely Pay Wages During Employment (CAL. LAB. CODE § 204); (7) Failure to Pay Wages Upon Discharge (CAL. LAB. CODE § 201); (8) Failure to Furnish Accurate Wage and Hour Statements (CAL. LAB. CODE § 226); (9) Failure to Maintain Required Records (CAL. LAB. CODE § 226); (9) Failure to Pay COVID-19 Supplemental Sick Leave (CAL. LAB. CODE § 248.1); (10) Failure to Indemnify and Illegal Deductions from Wages (CAL. LAB. CODE § 2802); (11) Failure to Provide Employment Records (CAL. LAB. CODE § 226 and 1198.5); (12) Failure to Provide Aggrieved Employees with Written Description of Quotas (CAL. LAB. CODE § 2101); and, (13) Statutory Penalties (CAL. LAB. CODE §§ 203 And 558. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint.”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.2 WHEREAS, pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3 WHEREAS, on May 15, 2024, the Parties participated in an all-day mediation presided over by David Phillips, which led to this Agreement to settle the Action pursuant to a Mediator’s Proposal.
- 2.4 WHEREAS, the Parties want to resolve and settle the dispute that has arisen between them, as well as any other claims, asserted or not asserted, that either party may have against the other arising out of facts or events, known or unknown, occurring up to and including the date of execution of this Agreement.
- 2.5 WHEREAS, a settlement has been reached in the individual and PAGA action (the “Settlement”).

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

3. MONETARY TERMS

3.1 Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$164,650.00 and no more as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 6.1 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 33.333% or \$55,000.00 and PAGA Counsel Litigation Expense Payment of not more than \$18,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for PAGA Counsel Fee Payment and PAGA Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator will pay the PAGA Counsel Fees Payment and PAGA Counsel Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments. Any reduction by the Court of Plaintiff's Counsel's claimed attorneys' fees and/or reasonable costs/expenses shall not be sufficient grounds to void the Settlement, appeal the Judgment, or terminate the Settlement under the provision of Paragraph 9.18 below.

3.2.2 To Plaintiff Marcucci: Payment of \$5,000.00 to Plaintiff Marcucci in exchange for a full release of his individual claims.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$6,750.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court

approves payment less than \$6,750.00, the Administrator will allocate the remainder in the Net Settlement Amount.

3.2.4 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$79,750.00 to be paid from the Net Settlement Amount, with 75% (\$59,812.50) allocated to the LWDA PAGA Payment and 25% (\$19,937.50) allocated to the Individual PAGA Payments.

3.2.4.1 The Administrator will calculate each Individual PAGA Payment as follows:

(a) the 25% share of the PAGA penalties being awarded to Aggrieved Employees will be allocated with 1/3 going to drivers, and 2/3 going to non-drivers.

(b) the administrator will next divide the driver share of the PAGA penalties by total number of PAGA Period Pay Periods worked by all drivers, and then multiply the result by each Aggrieved Employee driver's PAGA Period Pay Periods.

(c) the administrator will next divide the non-driver share of the PAGA penalties by total number of PAGA Period Pay Periods worked by all non-drivers, and then multiply the result by each Aggrieved Employee non-driver's PAGA Period Pay Periods.

Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.4.1 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the amount accordingly on a pro rata basis. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1 Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are over 661 Aggrieved Employees who worked 19,100 PAGA Pay Periods through May 25, 2024.

4.2 Aggrieved Employee Data. Within seven (7) calendar days after the Effective Date, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to

Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Aggrieved Employee Data.

4.3 Funding Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 calendar days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the individual payment to Plaintiff for his individual claims, and the PAGA Counsel Expenses Payment. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing when the check will be voided. The Administrator will cancel all checks not chased by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-email checks to the USPS forwarding address provided or to an address ascertained through the Aggrieved Employee Address Search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-emailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void check.

4.4.3. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall

transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

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

4.4.5. Defendant estimates that between January 1, 2023 through May 31, 2024, Aggrieved Employees worked 19,100 pay periods. If the actual number of pay periods between January 1, 2023 through approval of this Settlement is more than 10% greater than this number (i.e., if there are 1910 or more pay periods), Defendant shall have the option to either (1) increase the Net Settlement Amount in proportion to the increase in pay periods over 10% (e.g., if the number of pay periods is 11% greater than 1910, Defendant will have the option to increase the Net Settlement Amount by 1%); or (2) in its unilateral discretion, if Defendant does not wish to pay the proportional increase, it may instead end the PAGA Period on the date that the total number of pay periods reaches 1910.

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

- 5.1 Plaintiff's Release. Plaintiff Angel Marcucci and his respective former and present spouses, representatives, agents, attorneys (including PAGA Counsel), heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during his employment with Defendant, known and unknown, asserted and unasserted, including, but not limited to: (a) any and all claims, demands, debts, duties, obligations, promises, liabilities, damages, accounts, payments, liens, acts, costs, expenses, sums of money, suits, dues, actions or causes of action, both in law and in equity, whether known or unknown, matured or unmatured, suspected or unsuspected, which they ever had, now have, or may have in the future that were, or reasonably could have been alleged, including, but not limited to, any claims concerning Plaintiff's employment and/or the termination of his employment with Defendants, any claims based on the California Labor Code (including for wages, bonuses, severance pay, employment benefits, stock options), violation of any personnel policy, any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, wrongful termination, or damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on any affiliated entity's right to terminate the employment relationship, or any federal, state, local, or other

governmental statute, executive order, regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by law (“Plaintiff’s Release”). Plaintiff’s Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, or based on occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’s discovery of them.

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

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

5.2 Release by Aggrieved Employees. Plaintiff, the State of California, and all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that are alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice.

6. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.

The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2), including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with the Aggrieved

Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel, or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2966.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); and, (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of PAGA Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval of the PAGA settlement to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

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

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

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

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

8. CONTINUING JURISDICTION OF THE COURT. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment; (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

8.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If another party appeals the Judgment, the Parties’ obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

9. ADDITIONAL PROVISIONS.

9.1 No Admission of Liability or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant’s defenses in the Action have merit. The Parties agree that representative treatment is for purposes of this Settlement only. If, for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to contest Defendant’s defenses. The Settlement, this Agreement and Parties’ willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

9.2 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits

shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

- 9.3 Attorney Authorization. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 9.4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 9.5 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 9.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31CFR Part 10, as amended) or otherwise.
- 9.7 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 9.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

- 9.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 9.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 9.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 9.12. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code § 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the Administrator discharges its obligation to pay out all Settlement funds, Plaintiff shall destroy all papers and electronic versions of Aggrieved Employee Data received by Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destructions, of Aggrieved Employee Data.
- 9.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 9.14. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 9.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler (SBN 187998)
Justin A. Wheeler (SBN 342226)
250 West First Street, Suite 216
Claremont, California 91711 - 4790
Telephone: (909) 621-4988
Facsimile: (909) 621-4622
Email: sew@scottwheelerlawoffice.com
jaw@scottwheelerlawoffice.com

To Defendant:

LITTLER MENDELSON, P.C.
Bradley E. Schwan, Bar No. 246457
2049 Century Park East, 5th Floor
Los Angeles, CA 90067.3107
Telephone: 310.553.0308
Facsimile: 310.553.5583
Email: bschwan@littler.com

Alyssa Gjedsted, Bar No. 284588
633 West 5th Street, 63rd Floor
Los Angeles, CA 90071
Telephone: 213.443.4300
Email: agjedsted@littler.com

- 9.16. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email for which purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 9.17. Stay of Litigation. The Parties agree that upon execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.
- 9.18. Partial Invalidity. Should any portion, word, clause, phrase, sentence, or paragraph of this Agreement be declared void or unenforceable, such portion shall be considered independent and severable from the remainder, the validity of which shall remain unaffected. However, either Party may terminate this Settlement if after submitting to settle as set forth in this Agreement any Court declines to enter the settlement approval order or

judgment in substantially the form submitted by the Parties, or if the Settlement Agreement as agreed does not become final because of appellate court action. The terminating Party shall give to the other Party (through its/his counsel) written notice of its/his decision to terminate no later than fourteen (14) calendar days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

9.18.1. The Settlement Agreement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms.

9.18.2. In the event the Settlement Agreement is terminated, Defendants shall have no obligation to make any payments to any party, Aggrieved Employee, attorney, or the LWDA.

9.18.3. The order approving the Settlement and judgment shall be vacated.

9.18.4. The Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions prior to the Settlement.

9.19. Voluntary Agreement. This release in all respects has been voluntarily and knowingly executed by Plaintiff with the express intention of effecting the legal consequences provided in the California Civil Code section 1542, that is, the extinguishment of obligations herein designated.

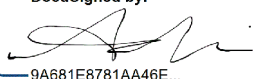
IT IS SO AGREED.

IN WITNESS WHEREOF, the Parties and their respective counsel hereto knowingly and voluntarily executed Settlement Agreement as of the date set forth below.

Dated: 9/3/2024

ANGEL MARCUCCI

Plaintiff

DocuSigned by:

9A681E8781AA46E...

Dated: 9-12-24

RED ROCK TRANSPORTATION



Defendant

Name: Mark Polland

Title: General Counsel

Dated: September 4, 2024

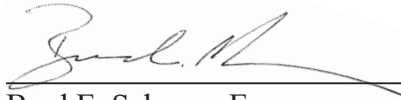
THE WHEELER LAW FIRM, APC

A handwritten signature in blue ink, appearing to read "Scott Wheeler", written over a horizontal line.

Scott Wheeler
Justin Wheeler
Attorneys for Plaintiffs

Dated: September 19, 2024

LITTLER MENDELSON, P.C.

A handwritten signature in black ink, appearing to read "Brad E. Schwan", written over a horizontal line.

Brad E. Schwan, Esq.
Attorneys for Defendants